



AMENDING T-MOBILE LEASES

RS-19-067

July 16, 2019

Background

2

- In 2005, the city entered into leases with T-Mobile for cell sites at three fire stations:
 - ▣ Station 3 – Twin Creek Drive
 - ▣ Station 5 – Jasper Drive
 - ▣ Station 7 – Watercrest Road
- Initial Terms
 - ▣ 5 years with 3 five-year renewals
 - ▣ \$700 per month with 15% rent increase upon each renewal
 - ▣ Additional compensation for colocation established by provider

T-Mobile Amendment Proposal

3

- Station 3: extend number of extensions through 2055; one time 10% rent increase.
- Station 5: extend number of extensions through 2055; option for 200 additional square feet.
- Station 7: extend number of extensions through 2055; one time 10% rent increase; option for 700 additional square feet.
- \$15,000 signing bonus (\$5,000 per location)

Rent Summary

| Location | Current Monthly Rent | Monthly rent with one time 10% increase (Stations 3 and 7) | Monthly rent in 2020 with renewal increase |
|-----------|----------------------|--|--|
| Station 3 | \$926 | \$1,019 | \$1,171 |
| Station 5 | \$1,962 | \$1,962 | \$2,256 |
| Station 7 | \$1,501 | \$1,651 | \$1,899 |

Alternatives

5

- The city has the following options:
 - ▣ Approve one or more amendments
 - ▣ Negotiate the proposal terms
 - ▣ Disapprove all three amendments
 - ▣ Approve all three amendments

Recommendation

- Staff recommends that the City Council approve amendments to the three T-Mobile cell site leases and authorize the City Manager or designee to execute the necessary lease documents.