



## Agenda Submittal

**Agenda #:** 10 **Status:** Approved  
**Type:** Contract **Department:** General Services  
**File #:** 13-0204 **Contact:** Mike Lango, 784-7902  
**Agenda date:** 3/26/2013 **Final action:** 3/26/2013  
**Title:** Approve the Third Amendment to the Non-Exclusive Communications Site Lease Agreement with T-Mobile West, LLC for its wireless communications facility at the Nut Tree Airport in Vacaville in the amount of \$2,200 per month for a five year term from April 1, 2013 to March 31, 2018; and Authorize the Director of General Services to execute any subsequent amendments  
**Governing body:** Board of Supervisors  
**District:** District 4  
**Attachments:** 1. A - Contract Amendment, 2. Minute Order.pdf

Date	Ver.	Action By	Action	Result
3/26/2013	1	Board of Supervisors	Approved	

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services recommends that the Board of Supervisors:

1. Approve the Third Amendment to the Non-Exclusive Communications Site Lease Agreement with T-Mobile West, LLC for its wireless communications facility at the Nut Tree Airport in Vacaville in the amount of \$2,200 per month for a five year term from April 1, 2013 to March 31, 2018; and
2. Authorize the Director of General Services to execute any subsequent amendments.

### **SUMMARY/DISCUSSION:**

Since 1996, T-Mobile West, LLC ("T-Mobile") has leased a small area of land (approximately 30' x 30') at the Nut Tree Airport, 301 County Airport Road, Vacaville, for its communications facility - an 80-foot monopole and a small equipment shelter. The current Non-Exclusive Communications Site Lease Agreement expires on March 31, 2013. The communications facility provides cellular telephone, radio and telecommunications services to the public. Approval of the proposed Third Amendment (Attachment A) will:

1. Extend the term of the Lease Agreement for five years, commencing April 1, 2013, and expiring March 31, 2018, with two additional 5-year options for a potential total extended term of fifteen years.
2. Increase the monthly rent from \$1,309 to \$2,200 with 4% annual escalations, which is at the higher end of the market range for similar sites.
3. Require T-Mobile to pay a termination fee equal to six months of rent for early termination.

### **FINANCIAL IMPACT:**

Negotiations resulted in a monthly rent of \$2,200 with 4% annual escalations. Approval of the Third Amendment will generate \$2,673 in additional revenue for the Airport Enterprise budget (BU 9002) for the remainder of FY2012/13. Total revenue of \$26,664 will be generated for FY2013/14.

Potential revenue over the lease extension is \$528,623: \$142,991 over the initial 5-year term and an additional \$385,632 over the two option terms, if exercised by T-Mobile.

All maintenance and utility costs associated with the facility will remain the responsibility of T-Mobile. There is no impact to the General Fund.

#### **ALTERNATIVES:**

The Board may:

1. Approve the Third Amendment with any modifications as desired by the Board. This alternative will require approval of the modifications by T-Mobile.
2. Choose not to approve the Third Amendment and let the lease expire on March 31, 2013. This alternative is not recommended as the operation of the wireless communications facility by T-Mobile does not interfere with operations at the Nut Tree Airport, and approval of the Third Amendment provides an increased revenue stream to the Airport Enterprise for the next five to fifteen years.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed the Third Amendment for legal sufficiency. The Airport Manager has reviewed the Third Amendment and supports the departmental recommendation.

#### **CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**