



## Staff Report

**TO:** City Council  
**FROM:** Todd Parton, City Manager  
**DATE:** September 21, 2021  
**SUBJECT:** Notice of Termination to T-Mobile Regarding a Communication Site Lease Agreement dated May 13, 1996

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### **Background and Analysis:**

In 1996, Pacific Bell Mobile Services entered into a Communications Site Lease Agreement with the City of Beaumont to place mobile communications equipment on the roof of City Hall, 550 East Sixth Street. The original term of the lease was five (5) years with three automatic renewals of five (5) years at the sole discretion of Pacific Bell Mobile Services or their assigns/successors. Since its original effective date this lease has been transferred to T-Mobile which did not require consideration or approval by the City. A copy of the lease is included as Attachment A to this report.

This lease has been automatically extended since June 30, 1996. The most recent automatic extension occurred July 1, 2018, and expires on June 30, 2023. After the first fifteen (15) years, the City of Beaumont may terminate the lease by providing written notice at least one hundred and eighty (180) days prior to the expiration date. Should the City of Beaumont opt to terminate this lease it must provide written notice by January 1, 2023.

Due to the age of the lease, there are many provisions that need to be reevaluated and many updates that need to be included. These issues range from the authorities granted by right to the lessee to the value of the monthly rental payment paid to the City. The original contract established a monthly rental rate of \$1,250 which has been increased annually by three percent (3%). The current monthly rental rate is now calculated to be approximately \$2,395.

### **Fiscal Impact:**

City staff estimates that it cost approximately \$390 to prepare this report.

**Recommended Action:**

City staff recommends that the City Council direct the City Manager to provide written notice to T-Mobile of the City of Beaumont's intention to terminate the Communication Site Lease Agreement dated May 13, 1996.

**Attachments:**

- A. Communications Site Lease Agreement dated May 13, 1996