

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: October 24, 2023

To: Village President and Board of Trustees

From: Napoleon Haney, Village Manager

Topic: T-Mobile Cellular Equipment Lease Amendment – Pierce Avenue Water Tower

PURPOSE

T-Mobile leases space on the Village's water tower at Pierce Avenue and has installed cellular antennas and equipment to support their mobile network. The existing lease includes language that allows the cellular provider to perform periodic maintenance on the equipment. A recent agreement amendment from T-Mobile not only includes a request to perform maintenance, but also includes a request to add three (3) additional antennas to the tower.

HISTORY

The Village entered into a lease agreement with T-Mobile in 2005 that allowed the company to install six (6) cellular antennas and associated equipment on our water tower on Pierce Avenue. The lease has been amended three times. Amending these types of agreements are typical as cellular companies must periodically remove and install critical equipment as technology improves. An amendment request triggers a review of the types of equipment intended for installation atop the water tank while also providing permission for the cellular company to complete the installation.

In 2021, T-Mobile requested permission to add three (3) additional antennas, for a total of nine, (9) to the Pierce Avenue site including associated equipment consisting of a concealing shield, radio equipment, and cabling. The original 2005 lease provided for an annual payment of \$31,000 with a 3% escalator every year. The annual lease payment has increased to \$56,330.60 paid to the Village on December 1, 2022. In November of 2021, Village staff negotiated a one-time payment of \$25,872.95 for the increased antennas. The board approved the Fourth Amendment to the Site Lease Agreement for T-Mobile during the November 23, 2021 meeting. Immediately after the board approved the amendment, T-Mobile experienced various upper-management turnover. Staff was informed that T-Mobile would be withdrawing their request to add the three (3) additional antennas.

PROCESS

Two years later, in April of 2023, staff was contacted by T-Mobile and a representative explained that after an internal review, the three (3) additional antennas would in fact be needed for more efficient cell service coverage. Staff explained that the lump sum payment, previously agreed to and approved by the Village Board on November 23, 2021 would need to

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be slightly adjusted. Staff recalculated the lump sum payment and adjusted the amount previously approved from \$25,872.95, to the current amount of \$26,387.00.

OUTCOME

Approval of this fourth (4th) amendment will allow T-Mobile to install three additional antennas, which will benefit residents who utilize T-Mobile's service. It will also provide additional revenue to the Village.

FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION(S)

Authorize the Village Manager to enter into a Fourth Amendment to the Site Lease Agreement between the Village of Homewood and T-Mobile Central LLC of Delaware with an adjusted lump sum payment to the Village in the amount of \$26,387, allowing T-Mobile to install three (3) additional cell antennas at the Pierce Avenue water tower site pending all municipal reviews.

ATTACHMENT(S)

Lease amendment