



Council Agenda Item

Meeting Date: June 18, 2024

Agenda Item: Sprint Spectrum Amendment to Lease Agreement

Staff Contact (name, email, phone): Brad Marquardt, bmarguardt@whitewater-wi.gov, 262-473-0139

BACKGROUND

(Enter the who, what when, where, why)

In June 1999, the City entered into a Lease Agreement with Sprint Spectrum to allow them to install, maintain and operate communication facilities on the Cravath Street Water Tower. That lease agreement ends in June of this year. T Mobile, who acquired the rights to the Lease Agreement, would like to extend the Lease Agreement through the attached First Amendment. The Amendment would extend the Lease for another 4 Terms of five years.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The Common Council approved the original Lease Agreement in 1999.

The Public Works Committee recommended approval of the First Amendment at their June 11, 2024 meeting.

FINANCIAL IMPACT

(If none, state N/A)

For the last five-year Term, T Mobile was paying \$18,662.40 annually. The original Lease had an escalator clause of 20% per Term. Using those parameters, the new Term payment would be \$22,394.88. Staff indicated to T Mobile that Verizon's Lease Agreement on the Southwest Water Tower is for \$35,000 annually for five years with a 12.5% escalator per Term. T Mobile has indicated they are willing to pay \$30,000 annually for the initial new term and keep the 20% escalator per Term they currently have in the original Agreement. Based on these terms, after 20 years, Verizon would be paying \$49,833.98/year and T Mobile would be paying \$51,840/year.

STAFF RECOMMENDATION

Staff is good with the financial terms for T Mobile. Staff recommends a motion to approve the First Amendment to Lease Agreement.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. First Amendment to Lease Agreement
2. Original Lease Agreement