

# Council Agenda Item

Meeting Date:	August 19, 2025
Agenda Item:	Netwurx Agreement

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## **BACKGROUND**

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

Netwurx signed a Water Tower Space/Lease Agreement with the City in June 2024. During discussion about the lease payment, Netwurx had asked for a reduced lease payment due to the thought they would have to install the electric and pave the access road since Verizon had not signed their Agreement yet. Verizon eventually signed their Agreement and began work in May 2025 with their installation. Netwurx has not started construction as of yet.

The Public Works Committee discussed the Netwurx Agreement at their July 8, 2025 meeting. According to the Agreement, "if Company has failed to install its equipment upon the site described in this Lease within 12 months of execution, even though all rent payments have been made, City may choose to terminate this Lease with 60 days' notice". Netwurx has yet to submit plans for review and approval for installation of their facilities. Due to this and that since Netwurx does not need to pay for the electric or the paved access road, since Verizon will be responsible for this, the Public Works Committee thought that maybe the Agreement with Netwurx should be terminated and a new lease amount be established.

#### PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The Public Works Committee and the Common Council approve the Netwurx Agreement in June 2024. At the July 8, 2025 Public Works Committee meeting, the Committee asked for this item to be brought before the full Common Council for discussion.

## FINANCIAL IMPACT

(If none, state N/A)

Per the Agreement, the rent started at \$7,000/year with a 4% escalator per year. The Agreement is for five years. Below is a comparison with the rent payment of Edge Broadband.

	<u>Edge Broadband</u>	<u>Netwurx</u>
2024	\$8,346.77	\$7,000.00
2025	\$8,600.00	\$7,280.00
2026	\$8,600.00	\$7,571.20
2027	\$8,600.00	\$7,874.05
2028	Expired	\$8,189.01

### STAFF RECOMMENDATION

On one hand, Netwurx is paying a reduced amount compared to Edge Broadband for similar services of providing internet services through radio antennas. On the other hand, the City is receiving rent payment from Netwurx even though they are not utilizing the Tower as of yet. Staff does not have a recommendation at this time.

(If none, state N/A)

- 1. Netwurx Water Tower Space-Lease Agreement
- 2. Netwurx letter to the Public Works Committee