



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: October 16, 2023		Subject: Resolution No. 3023 Authorizing City Manager to enter into the Third Amendment to Communications Site Lease Agreement with New Cingular Wireless PCS, LLC	
		Staff Member: Delora Kerber, Public Works Director	
		Department: Public Works	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		Comments: N/A	
Staff Recommendation: Staff recommends Council adopt the Consent Agenda.			
Recommended Language for Motion: I move to adopt the Consent Agenda.			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

City of Wilsonville Resolution approving the Third Amendment to Communications Site Lease Agreement with New Cingular Wireless PCS, LLC.

EXECUTIVE SUMMARY:

There is a cell tower complex located on the northern edge of the wastewater treatment plant property at the end of Fir Street. See Exhibit 1 for location.

The City has lease agreements with two mobile telecommunications companies for this site – T-Mobile (aka Western PCS I Crop) and New Cingular Wireless PCS, LLC (aka Salmon PCS, LLC or AT&T).

In May 2002, the City of Wilsonville entered into a lease agreement with Salmon PCS, LLC for placement of wireless communications facilities and apparatus with an initial five (5) years term with three (3) additional terms of five years each.

On October 15, 2002 the City and Salmon PCS, LLC executed the First Amendment to the lease agreement modifying the term of the agreement to include an “Option Term” of twelve (12) consecutive months commencing on October 1, 2002 with the condition if Salmon PCS, LLC exercises “the Option” the original lease will remain in effect and the commencement date of the lease becomes September 30, 2003.

By October 1, 2013 the company name changed to New Cingular Wireless PCS, LLC (aka AT&T) and a Second Amendment to the lease was executed expanding the lease area from 10 feet by 17.5 feet (175 SF) to 20 feet by 18 feet (355 SF). The term and conditions of the original lease agreement remained the same and the current lease expires October 1, 2023.

Early this year New Cingular Wireless PCS, LLC requested the City grant a Third Amendment to lease agreement at this site. Recognizing the discussion might surpass the lease expiration date, New Cingular Wireless submitted a 60 day lease extension request to which the City agreed. See Exhibit 2.

Before entering negotiations, staff research other municipalities’ wireless agreement to have a basis of current terms and conditions associated with wireless facilities leases. The proposed contract is comparable to other agencies’ agreements.

At the conclusions of deliberations the City and New Cingular Wireless PCS, LCC agreed on a Third Amendment to the lease with the following stipulations:

- Initial ten (10) year term with up to two (2) additional five (5) year periods
- Base rent as of October 1, 2023 will be \$2400 per month
- Each year thereafter, the rent would be subject to a 3% rate increase

EXPECTED RESULTS:

With an extension of the lease agreement the wireless company can continue to provide cellular service to our community.

TIMELINE:

Lease agreement has an initial ten (10) year term with up to two (2) additional five (5) year periods.

CURRENT YEAR BUDGET IMPACTS:

No impacts to budget.

COMMUNITY INVOLVEMENT PROCESS:

Not applicable. This is a continuation of a lease agreement for facilities already in place.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

With the extension of the lease agreement the wireless company can continue to provide cellular service to our community.

ALTERNATIVES:

Reject the lease agreement and remove equipment from this site.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Aerial showing location of cell tower complex
2. Lease extension request
3. Resolution No. 3023
 - A. Third Amendment to Communications Site Lease Agreement with New Cingular Wireless PCS, LLC