



Agenda Report 2014-08-11-07

Date: August 1, 2014

To: John Kovash, Mayor
Members, West Linn City Council

From: Megan Thornton, Assistant City Attorney

Through: Kirsten Wyatt, Assistant City Manager *KW*

Subject: Rosemont Reservoir Cell Tower Leases – AT&T and Verizon

Purpose

The leases provide AT&T and Verizon with the ability to construct, maintain, and utilize communication facilities on the City's Rosemont Reservoir site.

Question(s) for Council:

Does the Council wish to grant nonexclusive leases to AT&T and Verizon to utilize a portion of the Rosemont Reservoir site for communication facilities?

Public Hearing Required:

None Required.

Background & Discussion:

The City currently leases space at Rosemont Reservoir to two telecommunications carriers. None of the leases are for the entire site. AT&T will be constructing a small building on the site to house additional communication facilities, and AT&T and Verizon will utilize the water tower for antennas.

The leases are for an initial term of five years with four possible renewal terms of five years each, for a total possible lease term of 20 years. The City will receive \$2,800 per month from both AT&T and Verizon beginning in approximately mid-August or September 2014 when the leases are fully executed by both entities. Throughout the term of the lease, the rent will increase annually by 4%. If it becomes necessary for the City to terminate either of the leases, the City can do so for cause by giving 30 days notice. In addition, the City can terminate these leases by giving six months notice for a number of reasons, including, a determination by the City that lease termination is in the best interest of the City's utility operations or for any other reason that the City determines justifies termination of the leases. When the leases expire or terminate, AT&T and Verizon must remove their facilities and restore the property to the condition it was in before removal, unless the City agrees to allow some of the facilities to remain.

The City is preparing to make some safety improvements on the site, and the City will coordinate its construction efforts with AT&T. These leases will not hinder the City's ability to make the improvements or operate the water tower.

Related State Policies

ORS 271.360: leases of a city must be authorized by ordinance or order of the governing body.

Budget Impact:

Annual lease payments begin at \$33,600 for each lease.

Council Options:

1. Move to approve the leases and orders and authorize the Mayor to sign.
2. Decline to approve the leases.

Staff Recommendation:

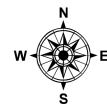
Staff recommends approving the AT&T and Verizon leases and orders for the use of the Rosemont Reservoir Site.

Potential Motion:

Council: *Move to approve the AT&T and Verizon leases and orders for use of the Rosemont Reservoir Site and authorize the Mayor to sign.*

Attachments:

1. Map of Rosemont Reservoir Site



Scale 1:600 - 1 in = 50 ft
Scale is based on 8-1/2 x 11 paper size



Map created by: DDIGBY
Date Created: 24-Jul-14 10:24 AM

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