

SUBJECT

BOARD RESOLUTION NO. 17-1823

Pertaining to an Amendment No. 2 to Site Lease Agreement with T-Mobile Central LLC to provide for the installation of additional wireless equipment at the Cottage Avenue Standpipe site located at 2095 Clear Avenue in Saint Paul.

BACKGROUND INFORMATION

This proposed amendment provides the following:

1. Addition of three Remote Radio Heads (RRHs)
2. \$3,490.50 increase in annual rent to \$45,376.44
3. Removal of caps on third-party engineering costs

As shown below, the increased rent amount was arrived at by starting with the premise that the rent is 50% for ground space and 50% for space on the tank. The largest components on the tank are the 18 existing antennas and RRHs. Dividing the tank portion of the rent (\$20,942.97) by 12 results in a rate of \$1,163.50 per antenna/RRH. RRUs are almost as large as the antennas, so we determined that rent for them should be the same amount. $\$1,163.50 \times 3 = \$3,490.50$.

\$41,885.95	2017 Rent
\$20,942.97	ground space rent (50%)
<u>\$20,942.97</u>	tank space rent (50%)
\$ 1,163.50	rent per antenna/RRH (18 total)
<u>3</u>	RRHs proposed
<u>\$ 3,490.50</u>	3 Additional Antenna/RRH
\$45,376.44	Amended 2017 Rent

The Board's third-party engineering costs have never exceeded the cap amounts, but removal of the caps is necessary to be consistent with current lease requirements.

All other terms and conditions of the lease remain unchanged. The 5% annual escalator provided for in the Lease will continue and will be applied to the amended rent on January 1, 2018.

See attached Location Map and proposed Amendment.

RECOMMENDATION

Approval is recommended.