9	City of Fayetteville Staff I City Council Agenda and Contracts, Leases or A	a Items	Sprint/N	A. 3 extel Property Service Amendment No. Page 1 of 14
	17-Sep-13			
	City Council Meeting Agenda Items Only			
Shannon Jones	Utilities Capital Projects		Utilities	3
Submitted By	Division		Department	
	Action Required			
Approval of Amendment Number 1 to cell antenna space on the Markham v month, an increase of \$350 per month	vater tank located on Sang A	venue. The new I	ease amount will be	\$1,850 per
\$1,850.00 per month revenue			Rent	
Cost of this request	Category / Project Bu	dget	Program Category / Project Name	
5400.0940.6450.00			Revenu	Ie
Account Number	Funds Used to Dat	te -	Program / Project Category Name	
N/A			Water & Sewer	
Project Number	Remaining Balance		Fund Name	
Budgeted Item	Budget Adjustment Attac <u>28 Aug (</u>) Date 8-28-13	Previous Ordinand Original Contract I Original Contract I	Date:	<u>134-02</u> 9/3/2002
Paul a Baul Finance and Internal Services Director Am Mon Chief of Staff Mayor	Date $\frac{8 - 28 - 2013}{Date}$ $\frac{8 - 28 - 2013}{Date}$ $\frac{8 - 29 - 13}{Date}$ $\frac{7/39/13}{Date}$	Received in City Clerk's Office Received in Mayor's Office	ENTERED CLOR ENTERED S/28/13	113
Comments:				



To: Fayetteville City Council

Thru: Mayor Lioneld Jordan Don Marr, Chief of Staff David Jurgens, Utilities Director Fayetteville Water and Sewer Committee

From: Shannon Jones, Utilities Engineer Agene

Date: August 28, 2013

Subject: Approval of Amendment Number 1 to Communication Site Lease Agreement with Sprint/Nextel Property Services for cell antenna space on the Markham water tank located on Sang Avenue.

RECOMMENDATION

Fayetteville City Staff recommends approval of Amendment Number 1 to Communication Site Lease Agreement with Sprint/Nextel Property Services for cell antenna space on the Markham water tank located on Sang Avenue. The new lease amount will be \$1,850 per month, an increase of \$350 per month from the current rate of \$1,500 per month.

BACKGROUND

The original 10-year agreement between the City of Fayetteville and Sprint/Nextel, for installation of antennas, building and associated hardware, was approved September 3, 2002 at a monthly rental rate of \$1,500.

DISCUSSION

This Amendment involves permitting an initial 5-year term at a monthly rental rate of \$1,850. The agreement will be automatically renewed for two additional 5-year terms. Rent will increase at the beginning of the first renewal term by ten percent (10%) and an additional ten percent (10%) at the beginning of the second renewal term. After the second renewal term, rent will increase by two percent (2%) per year until either party terminates or renegotiates the contract for additional terms.

Sprint/Nextel will continue to maintain its antennae, transmission lines, and equipment in good operating condition. Any damage caused by Sprint/Nextel in the installation or maintenance of equipment will be Sprint/Nextel's responsibility to repair.

Sprint/Nextel has made all rent payments in a timely manner and has maintained its equipment. The tower is structurally designed to be able to handle the loads created by this antenna. Therefore, it is in the City's best interests to continue the agreement with Sprint/Nextel.

BUDGET IMPACT

An annual rental income to the Water and Sewer fund of \$22,200.

RESOLUTION NO.

A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE COMMUNICATION SITE LEASE AGREEMENT WITH SPRINT/NEXTEL PROPERTY SERVICES FOR CELL ANTENNA SPACE ON THE MARKHAM WATER TANK ON SANG AVENUE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

<u>Section 1</u>: That the City Council of the City of Fayetteville, Arkansas hereby approves Amendment No. 1 to the Communication Site Lease Agreement with Sprint/Nextel Property Services for cell antenna space on the Markham Water Tank on Sang Avenue. A copy of the Amendment is attached to this Resolution as Exhibit "A", and incorporated herein.

PASSED and **APPROVED** this 17th day of September, 2013.

APPROVED:

ATTEST:

By:

LIONELD JORDAN, Mayor

By: _

SONDRA E. SMITH, City Clerk/Treasurer

Site ID #: LR03SW193

FIRST AMENDMENT TO WATER TANK ATTACHMENT COMMUNICATION SITE LEASE AGREEMENT

THIS FIRST AMENDMENT TO WATER TANK ATTACHMENT COMMUNICATION SITE LEASE AGREEMENT ("Amendment"), effective as of the date last signed below ("Effective Date"), amends a certain Water Tank Attachment Communications Site Lease Agreement between the City of Fayetteville, a municipal corporation ("Owner") and Alamosa Properties, L.P. ("Tenant"), dated September 3, 2002 (the "Agreement").

BACKGROUND

Pursuant to a Water Tank Attachment Communication Site Lease Agreement dated September 3, 2002 ("Agreement"), Owner leased to Tenant a certain portion of real property located at 133 N. Sang Rd, City of Fayetteville, County of Washington, State of Arkansas, as more particularly described in Exhibit A to the Agreement (the "Premises").

Owner and Tenant desire to amend the Agreement as set forth herein. Words and phrases having a defined meaning in the Agreement have the same respective meanings when used herein otherwise expressly stated.

AGREEMENT

For good and valuable consideration the receipt and sufficiency of which are acknowledged, Owner and Tenant agree as follows:

1. <u>Modification to the Premises</u>. Exhibit C (the "Equipment") to the Agreement is hereby amended to include the modifications identified on Exhibit C-1, a copy of which is attached and made a part hereof. Exhibit C-1 supplements Exhibit C (the "Equipment") to the Agreement, and shall not be deemed to supersede or otherwise modify Exhibit C or any part thereof except to the extent specifically set forth in Exhibit C-1. Upon full execution of this Amendment, Tenant is permitted to do all work necessary to prepare, maintain and alter the Premises to install or otherwise modify the Premises, all as more fully described and contemplated in Exhibit C-1.

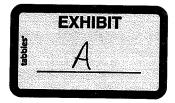
2. <u>Term.</u> Paragraphs 3 and 4 of the Agreement are amended by deleting the entire provision and substituting the following provision in its place.

The term of this Agreement ("New initial Term") is sixty (60) months effective the date last signed below. This Agreement will be automatically renewed for up to two (2) additional Terms (each a "Renewal Term") of sixty (60) months each. Each Renewal Term will be deemed automatically exercised without any action. Both parties shall have the right to ask for a renegotiation of the terms and conditions of the Agreement provided a written notice of the desire to renegotiate terms and conditions is given the other party a least ninety (90) days prior to the Agreement termination date for the current term. Notice shall contain an explanation of the terms or conditions to be renegotiated.

3. <u>Rent</u>. Paragraph 5 of the Agreement and Paragraph 1 of the Special Conditions of the Agreement are amended by adding the following:

Notwithstanding anything set forth in Paragraph 5 of the Agreement and Paragraph 1 of the Special Conditions of the Agreement to the contrary, effective the date last signed below ("Effective date"), rental amount shall be paid in equal monthly installments of Eighteen Hundred Fifty and No/100 Dollars (\$1,850.00), and shall continue during the term (until increased as set forth herein), partial months to be prorated, in advance ("Rental Amount"). Thereafter, the Rental Amount for each Renewal Term will be increased on the commencement of each Renewal Term by Ten percent (10%) of the rental rate in effect for the prior term. After the second renewal term the annual rent will increase at two (2%) per year on a year to year basis until either party terminates or renegotiates the agreement for additional terms at which point it will go back to an increase of Ten percent (10%) per term.

4. <u>Access.</u> Paragraph 10 of the Agreement is amended by adding the following:



Tenant is entitled to access the Premises and the Equipment 24 hours per day, 7 Days per week subject to the following conditions. For routine maintenance and repair, including but not limited to the inspections, modifications or replacements, Tenant will provide Owner with reasonable notice at least 24 hours in advance of visit. In case of emergency or unscheduled repairs, Tenant will provide Owner with reasonable notice under the circumstances (at least 1 hour in advance of visit, if possible). Owner will provide Tenant with reasonable written procedures for accessing the Premises and the Equipment, including contact names and phone numbers for routine and emergency/unscheduled access notice. In addition, Owner will provide Tenant with timely notice of any access changes including changed pass codes, locks, keys and/or procedures.

Normal hours 7:30 to 4:30: (479) 575-8386

Emergency after hours: (479) 587-3560

5. <u>Termination</u>: Paragraph 11 of the Agreement is amended by adding the following:

Upon the expiration of the First Renewal Term, 120 months after the date last signed below, the City of Fayetteville shall have the right to terminate this agreement for any reason, provided the Tenant shall have been notified in writing one hundred and eighty (180) days of the intent to terminate.

6. <u>Frequency.</u> Paragraph 4 of the Special Conditions of the Agreement are amended by adding the following:

Provided that any frequencies used by Tenant will not cause interference with the properly licensed and permitted pre-existing frequencies in use or in operation at the Premises and notwithstanding anything to the contrary contained herein, Tenant may operate the Premises at any frequencies for which it has all requisite permits, leases or licenses.

7. Equipment.

The Tenant shall not install additional antenna equipment (increase the quantity of antennas) on the Water Tank beyond what has been approved with this Agreement without the written approval from the City of Fayetteville. Installation of additional antenna equipment at the Tenant's sole cost, if approved by the City of Fayetteville, will require a renegotiation of terms.

8. <u>Notices</u>. Paragraph 15 of the Agreement and Paragraph 2 of the Special Conditions of the Agreement are amended by deleting the entire provision and substituting the following provision in its place.

"All notices, request, demands or other communications with respect to this Agreement, whether or not herein expressly provided for, must be in writing and will be deemed to have been delivered upon receipt or refusal to accept delivery after being either mailed by United States first-class certified mail, postage prepaid, return receipt requested or deposited with an overnight courier service for next-day delivery to the parties at the following addresses (the addresses may be changed by either party by giving written notice.)"

To Owner:	City of Fayetteville 113 West Mountain Rd Fayetteville, AR 72701
To Tenant:	Sprint/Nextel Property Services Sprint Site ID: LR03SW193 Mailstop KSOPHT0101-Z2650 6391 Sprint Parkway Overland Park, Kansas 66251-2650
With a mandatory copy to:	Sprint/Nextel Law Department Sprint Site ID: LR03SW193 Mailstop KSOPHT0101-Z2020 6391 Sprint Parkway Overland Park, Kansas 66251-2020 Attn.: Real Estate Attorney

9. General Terms and Conditions.

- a. All capitalized terms used in this Amendment, unless otherwise defined herein, will have the same meaning as the terms contained in the Agreement.
- b. In case of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained in this Amendment, the terms and conditions herein will control. Except as set forth below, all provisions of the Agreement are ratified and remain unchanged and in full force and effect.
- c. This Amendment may be executed in duplicate counterparts, each of which will be deemed an original.
- d. Each of the parties represents and warrants that it has the right, power, legal capacity and authority to enter into and perform its respective obligations under this Amendment.

SIGNATURES ON FOLLOWING PAGE

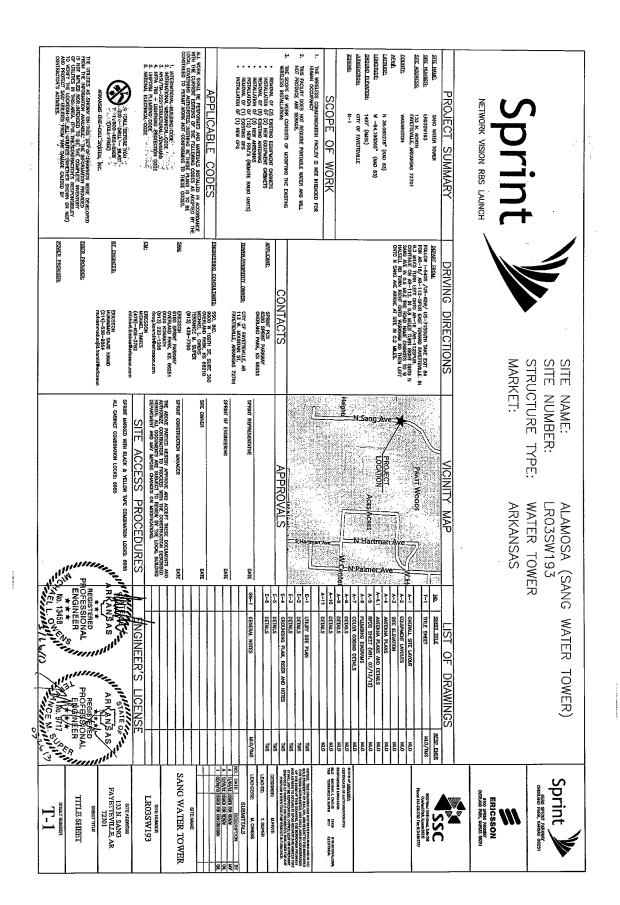
The parties have executed this Amendment as of the Effective Date.

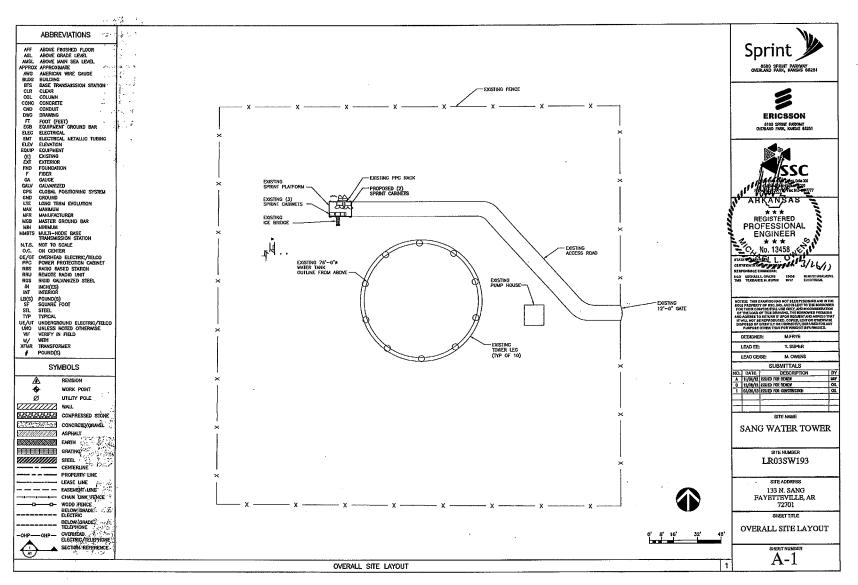
Owner:Tenant:The City of FayettevilleAlamosa Propert		ies, L.P.	
By:		By:	more Be
Printed Name:	Lioneld Jordan	Printed Name:	Matthew Bell
Title:	Mayor	Title:	Manager Real Estate
Date:		Date:	8/612013
	(Date must be completed)		(Date must be completed)
Attest:		Attest:	QCII
By:		By:	_ mief
Printed Name:		Printed Name:	Lesa Self

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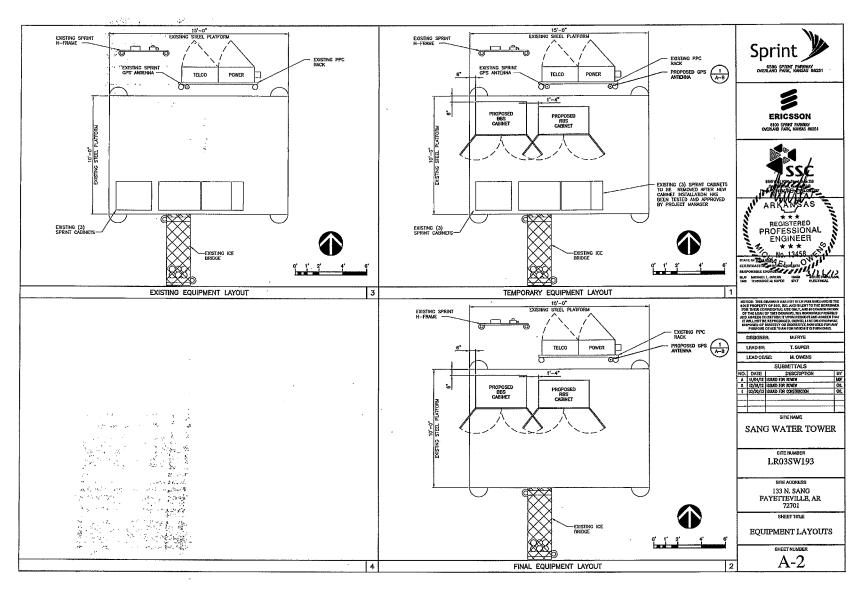
Exhibit C-1

[see attached]





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A. 3 Sprint/Nextel Property Services Amendment No. 1 Page 12 of 14

