

City of Mesquite, Texas

Legislation Text

File #: 21-5761, **Version:** 1

A resolution approving the terms and conditions of the Seventh Amendment to the Communications Facilities License with Cellco Partnership, d/b/a Verizon Wireless (“License Agreement”), to amend the Site Plan to reflect updated equipment located on the City’s Service Center Communications Tower, as specified in the License Agreement, and authorizing the City Manager to execute and administer the License Agreement on behalf of the City.

Verizon Wireless holds a Communications Facilities License with the City for leased space at the City’s communication tower located at the Service Center. The original license was granted on October 6, 1997, with an initial annual rent payment of \$11,040.00. As cellular technology has evolved, there have been six amendments to the license to reflect changes to the Site Plan for upgrades to Verizon’s antennas and equipment. Currently, Verizon is completing the final renewal period of the original license and annual rent for fiscal year 2021-22 is \$39,984.94.

At the December 3, 2018, City Council meeting, the City Council approved a sixth amendment to the license agreement to include a new term of five years, effective October 1, 2022, with the option for four additional automatic renewal terms of five years each, for a potential expiration of September 30, 2047, if all renewal periods are exercised. In consideration of the long-term extension, Verizon’s rent was increased by \$4,200.00 and includes a three percent annual escalator for each year’s rent payment going forward.

The proposed Seventh Amendment would amend the Site Plan to reflect Verizon’s replacement of existing radio units, coaxial cable, mounting brackets and antennas on the communication tower. The license agreement, as amended, grants Verizon the ability to update, maintain, repair, or replace its equipment as long as the Site Plan is updated to reflect any changes. A structural analysis was performed by an independent engineering firm at Verizon’s cost and reflected no impact to the capacity of the communications tower as a result of the proposed equipment replacements.

Financial Implications

Verizon’s current annual rent is \$39,984.94 with increases at a rate of three percent each year through the term of the license agreement.

Recommended/Desired Action

Staff recommends approval of the resolution.

Attachment(s)

Resolution
Original Communications Facilities License
Sixth Amendment

Drafter

Ted Chinn

Head of Department
Ted Chinn