



# City Council Report

**Date:** September 21, 2020  
**To:** City Council  
**Through:** Kari Kent, Assistant City Manager  
**From:** Beth Huning, City Engineer  
Rob Kidder, Assistant City Engineer  
**Subject:** A New Ground Lease with New Cingular Wireless PCS, LLC, for communication facilities located at 10952 East Pecos Road Council District No. 6

## Purpose and Recommendation

The purpose of this report is to consider staff's recommendation to enter into a Ground Lease Agreement with New Cingular Wireless PCS, LLC, a subsidiary of AT&T Wireless PCS, for communication facilities at 10952 East Pecos Road.

## Background

In 2006, the City entered into a Communications Site Lease Agreement with Alltel, now Verizon, for the existing 100-foot-tall communication tower and equipment shelter at this location. Verizon maintains ownership of the communication tower.

## Discussion

Currently, New Cingular Wireless PCS, LLC is requesting a new Ground Lease for 223 square feet of City-owned property to place communication tower equipment to serve the area. New Cingular Wireless PCS, LLC has obtained approval from Verizon to co-locate at this site. The City's Communications Department has reviewed the request for the new Ground Lease and has no concerns. The term of the new Ground Lease is for five years with three (3) 5-year renewal options for a total of 20 years.

## Alternatives

The City Council could choose not to enter into a new Ground Lease Agreement with New Cingular Wireless PCS, LLC. Choosing this alternative could result in the disruption of cellular services provided by New Cingular for the nearby area.

**Fiscal Impact**

The City will receive lease revenue of \$21,600 for the first year with the lease fee escalating 3% annually.

**Coordinated With**

This Ground Lease Agreement has been coordinated with the City Attorney's Office and the Communications Department and they both concur with this request.