



MEMORANDUM

DATE: August 14, 2017

TO: Public Utilities Board

FROM: Mario Canizares, Assistant City Manager

SUBJECT: ACM Update Regarding Senate Bill 1004 (Small Cellular Antennas)

Background:

In the 85th Legislative Session, the Texas Legislature passed and Governor Abbott signed into law, Senate Bill 1004 (small cellular antennas or nodes). The new law goes into effect statewide on September 1, 2017. It is also a mandate for cities on the requirements and methodology to allow wireless telecommunication companies to install small cellular nodes on new and existing utility poles within the City's right-of-way. The new law erodes the City's ability to manage its right-of-way by establishing the maximum fees cities can charge, the timing in which permits must be reviewed and approved, and prohibits the ability to deny requests or place moratoriums on additional device installations.

According to the cellular industry the nodes are necessary as consumers continue to migrate towards solely using cellular communications in their homes and businesses. To that end, the need for additional coverage is necessary due to public demand. This is also a strategy for the telecom industry as it begins to rollout the new 5G technology.

Based on the impending timing of the new law, cities across the state are working to establish the requisite ordinances, design manuals, application forms, and internal review processes to be in compliance by September 1.

The following are highlights of the new law:

- Mandates that network nodes and their support poles to be installed in the City's right-of-way
 - Includes the use of existing utility poles, traffic signal poles, and the installation of new poles
 - Restricts the installation of nodes on existing decorative poles
 - Allows for some restrictions in historic and design districts (i.e. install decorative poles, reasonable design and concealment restrictions)
 - Sets height at a 55-foot maximum
- Establishes permit requirements
 - Generally required for a node, support pole, and transfer facility

- Up to 30 network nodes are allowed per permit
 - Prohibits cities from issuing permits for routine maintenance, replacing or upgrading the existing node
- Establishes time line (shot clock) on City's permit approval process and Telecom's installation
 - Network node permit request: 30 days for the City to determine completeness; 60 days to approve or deny, and if not acted upon in this timeframe the permit is granted
 - Node support pole permit: 30 days for the City to determine completeness; 150 days to approve or deny, and if not acted upon in this timeframe the permit is granted
 - Transfer facility: 10 days for the City to determine completeness; 21 days to approve or deny, and if not acted upon in this timeframe the permit is granted
 - If a permit is denied for being incomplete the applicant may resubmit a completed application within 30 days; the City has 90 days to act on resubmitted applications
- Establishes the fee structure:
 - Network Nodes:
 - Application fee: \$500 for up to five network nodes, \$250 for each addition network node on a permit
 - Annual node site rental rate: \$250 per node site, annual CPI adjustment is allowed
 - Node Support Poles:
 - Application fee: \$1,000 each pole
 - Annual pole rental rate: \$250 per pole site
- Defines the restriction of node and pole installations by zoning districts
 - Municipal parks that meet certain criteria
 - Residential areas that meet certain criteria
 - Historical districts that meet certain criteria
 - Design districts that meet certain criteria
- Allows for cities to establish a design manual
 - The adopted design manual would establish the City's design guidelines regarding the aesthetics of the nodes, the support poles, the nodes enclosure, and the camouflaging of the electrical supply

This new law is an unfunded mandate established by the Texas Legislature and is set to go into effect September 1, 2017. At this time there are minimal options available to consider.



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CITY MANAGER'S OFFICE

The information related to SB 1004 is being forwarded and reviewed in work session for input with the following City Boards and Commissions:

- Planning & Zoning Commission: August 9, 2017
- Public Utility Board: August 14, 2017
- Historical Landmark Committee: August 14, 2017
- City Council: The ordinance to be presented and considered on August 22, 2017

Presentation regarding the Implementation of Senate Bill 1004 (Small Cellular Antennas)

Public Utilities Board
&
Historic Landmark Commission

August 14, 2017



Topics for Discussion:

- Purpose/Background of SB 1004 (small cell)
- Highlights of SB 1004
 - Key provisions of the law
- Implementation Plan



Purpose/Background – Senate Bill 1004

- Authored by Senator Hancock in the 85th Legislative Session
 - Signed by Governor Abbott in early June
 - Establishes Chapter 284 of the Local Gov't Code
 - Goes into effect on September 1, 2017
- Allows the cellular industry to install small antennas/nodes within the City's rights-of-way



Purpose/Background – Senate Bill 1004

- Its purpose was to:
 - Increase cellular network coverage across the state
 - Update state law regarding new technologies
 - Meet customer demand
 - Easier rollout of new 5G technology and beyond
- Requires compliance by all cities
 - One size fits all approach
 - Baseline approval processes, timelines, and fees
 - Including certain design elements



Purpose/Background – Senate Bill 1004

What does a small cell node look like?



Examples of Small Cell Equipment

Radios



HxWxD: 18.1" x 10.5" x 5.5"
Weight: 22 lbs



HxWxD: 7.87" x 7.87" x 3.94"
Weight: 11 lbs

Antenna



H x Diam: 24.7" x 10"
Weight: 19 lbs

Note: These are typical examples of small cells. The actual equipment that will be installed by AT&T may vary from these.

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Purpose/Background – Senate Bill 1004

Examples of what a small cell node looks like:



Purpose/Background – Senate Bill 1004

Examples of what a small cell node looks like:



Purpose/Background – Senate Bill 1004

Who are players in this field?



Highlights of SB 1004

Key Provisions of SB 1004; Chapter 284 LGC

- Mandates that small cell nodes and poles to be installed in the City's rights-of-way
 - Includes use of existing utility and traffic poles
 - Yes, even DME's poles
- Establishes City permit requirements
- Establishes time line (shot clock) for City approval
- Establishes maximum fee structure the City can charge



Highlights of SB 1004

Key Provisions of SB 1004; Chapter 284 LGC

Permit shot clock requirements:

	Company files application	City deadline to review for completeness	If complete, City's deadline to approve or deny application
Node	Day 1	Maximum of 30 days Day 31	Maximum of 60 days Day 61
Transport facility	Day 1	Maximum of 10 days Day 11	Maximum of 21 days Day 22
New Pole	Day 1	Maximum of 30 days Day 31	Maximum of 150 days Day 151

Fee structure:

- \$500 for up to 5 network nodes; \$250 for each additional node
- Annual node site rental: \$250 per node
- \$1,000 for a new pole; \$250 annual pole rental
- Monthly rental: \$28 for each network transfer facility



Highlights of SB 1004

Key Provisions of SB 1004; Chapter 284 LGC

- Defines zoning restrictions of node and pole installations
 - Municipal parks
 - Residential areas
 - Historical and Design districts
- Allows for certain design elements
 - Maximum size of node; pole height
 - Allows for enclosures and camouflaging of nodes and support infrastructure

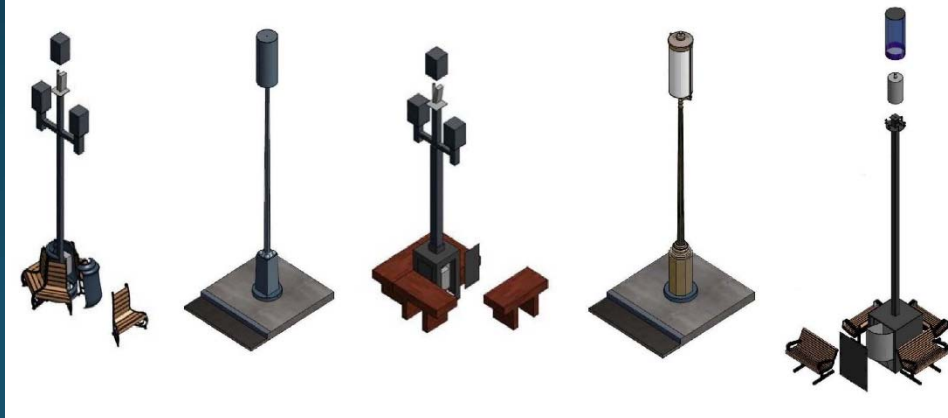


Highlights of SB 1004

Key Provisions of SB 1004; Chapter 284 LGC

Design elements:

Various Concealment Solutions



City's Implementation Plan

- Meetings with cell providers to understand their plans
- Drafting new ordinance
- Drafting design standards
- Drafting application forms
- Staff attending information sessions at NCTCOG
- Receiving/sharing information with other cities



City's Implementation Plan

- Sent Informal Staff Report to City Council on July 28, 2017
- Presented to:
 - Planning & Zoning Commission: August 9
 - Public Utility Board: August 14
 - Historic Landmark Commission: August 14
- Seeking approval of ordinance by City Council: August 22
- Post information on City website: August 23
- Begin receiving applications: September 1



In Conclusion

- SB 1004 goes into effect September 1, 2017
 - Is very favorable to the cellular industry
- All cities in Texas are affected
 - It's one size fits all
- Requires that cities approve small cell deployments in the city's right-of-way
- It directs the processes/methodology/pricing for cities
- Provides very limited options for regulating

