



Legislation Text

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Agenda Information Sheet

DEPARTMENT: Denton Municipal Electric

CM/ ACM: Howard Martin

Date: October 18, 2016

SUBJECT

Consider approval of the New Cingular Wireless PCS, LLC (Cingular Wireless) third lease amendment for property that is located at the McKenna Park Tower in the City of Denton, Denton County, Texas for an additional thirty (30) years term.

BACKGROUND

In 2002, Cingular Wireless entered into a 15 year lease agreement with the City of Denton to install a building and equipment on the tower for their wireless communications. The current lease is set to expire on November 30, 2017 and was amended in 2009 (Amendment # 1) and 2014 (Amendment # 2) to update equipment on the tower.

OPTIONS

1. Approve the New Cingular Wireless PCS lease amendment, generating over \$1,222,695.80 in revenue over a thirty (30) year period for the City.
2. Do not approve the New Cingular Wireless PCS lease amendment and serve New Cingular Wireless PCS with the termination letter losing that revenue for the next thirty (30) years.

RECOMMENDATION

DME recommends approval of the New Cingular Wireless PCS lease amendment.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

PUB and City Council approved the original New Cingular Wireless PCS, LLC (Cingular Wireless) lease in 2002 and approved the first amendment in 2009 and the second amendment in 2014. The proposed amendment was reviewed by the City Legal Department and an outside legal consultant that specializes in tower leases.

PUB approved this lease amendment on June 13, 2016.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council

agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Public Infrastructure**

Related Goal: **2.3 Promote superior utility services and facilities**

EXHIBITS

1. New Cingular Wireless PCS third lease amendment
2. Original Agreement with 2 amendments
3. Ordinance

Respectfully submitted:
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