

**COUNCIL ACTION FORM**

**SUBJECT:** LEASE AMENDMENT WITH T-MOBILE

**BACKGROUND:**

In December 1996, the City entered into an agreement with Western PCS (subsequently, Western Wireless, subsequently Iowa Wireless Services, subsequently T-Mobile doing business as iWireless, now T-Mobile Central, LLC) where space on top of the Bloomington Road Elevated Tank (BRET) was leased for the purpose of placing and operating cellular phone antennas. The lease also granted space adjacent the water tower on the ground for the placement of equipment.

The lease periodically renews in five-year increments, provided both parties are agreeable, with the monthly rental rates adjusting using a formula based on changes to the CPI. The rent was last adjusted in January 2022, and is now \$2,011.36 per month.



Periodically, cellular companies desire to replace or upgrade their equipment. When those requests include an expanded footprint, either on the ground or on top of the tank, the rental rate is renegotiated with the cellular company. If the work does not expand the footprint or does not alter any of the other terms of the underlying master lease, then the improvements are approved without modifying the monthly rent. Because the lease includes descriptions of the equipment installed, an amendment to the lease is still executed when there are changes to update the attachments to reflect the current equipment present on the site.

Like many infrastructure entities, T-Mobile desires to install emergency standby power for its antennas on BRET. The drawings provided by T-Mobile show the standby generator located entirely within the existing fenced space already leased by T-Mobile. There would be no increase in the space consumed by adding the equipment, and it would not appreciably increase or complicate the City's operation and maintenance of the tank. The specifications for the fuel tank include a requirement for spill containment at the fill port, and that the tank be an above-ground, double-walled tank with an interstitial leak detection gauge. City staff has added a requirement that places an upper limit on the size of the tank.

The proposed improvements have already been reviewed and approved by the Planning and Housing Department, and T-Mobile is prepared to apply for the appropriate building permits.

**ALTERNATIVES:**

1. Approve the amendment to the lease agreement with T-Mobile to authorize the installation of an emergency standby generator to be installed adjacent to T-Mobile's existing infrastructure located at the Bloomington Road Elevated Tank.
2. Do not approve the lease amendment at this time.

**CITY MANAGER'S RECOMMENDED ACTION:**

Cellular phone infrastructure is important for citizens and the City, especially during emergency events. Increasing the resiliency of cell service is something the City supports. The improvements will have no material impacts on the use of the property for finished water storage, and staff have given their approval to the proposed improvements.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.