



Legislation Text

File #: 13-1559, **Version:** 2

Resolution to Approve First Amendments to License Agreements with Sprint Spectrum Realty Company, L.P., to Erect and Use Telecommunications Equipment on the Manchester Water Tower, Plymouth Road Water Tower, Water Treatment Plant and Ann-Ashley Parking Structure

On September 11, 2000, the City entered into a License Agreement with Sprint Spectrum, L.P., a Delaware limited partnership ("Sprint"), to install antennae and related facilities on the Manchester Water Tower site. On April 17, 2002, the City entered into a License Agreement with Sprint to install antennae and related facilities on the Plymouth Road Water Tower site. On July 7, 2005, the City entered into a License Agreement with Sprint to install antennae and related facilities on the Water Treatment Plant site. On September 21, 2007, the City entered into a replacement License Agreement with Sprint to install antennae and related facilities on the parking structure located at Ann and Ashley Streets. Because of an Amended and Restated Assignment and Assumption Agreement dated July 1, 1996, all of these license agreements were automatically assigned from Sprint Spectrum, L.P., to Sprint Spectrum Realty Company, L.P., a Delaware limited partnership. (For simplicity, Sprint Spectrum Realty Company, L.P., is also referred to as "Sprint" in this memorandum and resolution.)

The starting annual license fees for the foregoing License Agreements varied depending on the date the original Agreement was entered into. The license fee for the Manchester Water Tower site escalates 20% every five years; the other three escalate 4% every year. The current annual fee amounts for the four sites range from \$25,920.00 to \$39,283.41. All four agreements allow the City to adjust the fees and make other, appropriate changes in the terms when the equipment is modified.

Sprint is performing upgrades at all four sites as part of its "4G" deployment and amendments to the License Agreements are necessary to allow the replacement equipment on the sites. In December of 2013, Sprint was authorized administratively to change out the radios and certain related equipment in order to provide necessary service for emergency staff at the University of Michigan hospital. Staff has reviewed and approved the plans for the additional equipment at all four sites.

The annual license fee amounts proposed in these four amendments are retroactive to December 12, 2013, which was the date when Sprint was authorized to begin the radio change out.

Each of these amendments proposes to adjust the annual fee to \$45,000.00 per year, with the annual 4% escalation continuing or inserted, with the first escalation on July 1, 2014. This fee adjustment will cover all of the work Sprint needs to do for this deployment, which Sprint expects will be completed within 18 months. Other changes are made in each of the License Agreements, including bringing all of the safety and security provisions current, conforming and improving the provisions for engineering review, and adding a provision for Sprint to provide annual emergency contact information. These are the same changes as have been made through recent amendments to other cellular antenna license agreements.

Approval of the requested amendments to the four License Agreements with Sprint Spectrum Realty

Company, L.P., a Delaware limited partnership, is recommended.

Prepared by: Abigail Elias, Chief Assistant City Attorney

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, Sprint Spectrum Realty Company, L.P., a Delaware limited partnership ("Sprint"), has asked to replace and upgrade antennae and related facilities on the Manchester Water Tower, Plymouth Road Water Tower, Water Treatment Plant and Ann-Ashley Parking Structure sites;

Whereas, The License Agreements previously entered into between the City and Sprint allow for amendments when antennae and other equipment are modified; and

Whereas, Sprint has agreed to the terms of these first amendments that would increase the annual license fee to \$45,000.00 per year, to be escalated 4% every year starting July 1, 2014; and

Whereas, Sprint also has agreed to additional terms in these first amendments that bring all of the safety and security provisions current, improve the provisions for engineering review, add a provision for Sprint to provide annual emergency contact information, and otherwise generally bring them into conformity with license agreements for other cellular antennae;

RESOLVED That the City Council approve the requested first amendments to the four License Agreements with Sprint Spectrum Realty Company, L.P., a Delaware limited partnership, for the Manchester Water Tower, Plymouth Road Water Tower, Water Treatment Plant and Ann-Ashley Parking Structure sites;

RESOLVED, That the Mayor and City Clerk be authorized to sign each First Amendment to License Agreement, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take any other necessary administrative actions to implement this resolution.