



AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: August 20, 2019

Agenda Item 6CC
Approvals:
City Manager [Signature]
Dept. Head [Signature]
Attorney _____
Finance [Signature]

Department: Finance & Administrative Services
Prepared By: Michael Johnston, Management Analyst

Subject: *MUNICIPAL FACILITY LICENSE AGREEMENT – NEW CINGULAR WIRELESS PCS*

Fiscal Impact: Yes, this municipal facility license agreement will initially generate \$1,350 in General Fund revenue for FY 2019-20, with 3% annual increases in future years. Future locations could be added as a supplement to this agreement which would generate additional general fund revenue.

Summary: This request is for City Council approval to execute a new Municipal Facility License Agreement between New Cingular Wireless PCS, LLC., and the City of San Clemente, for the installation small wireless telecommunications facilities within the Public Right of Way (ROW).

Discussion: On May 21, 2019, the City Council voted to initiate Ordinance 19-189 modifying the procedures, requirements, and design standards for small wireless telecommunications facilities (Small Cells). Since that time, the City has received a number of permit applications for the installation of small cells.

Staff is seeking authorization to enter into a Municipal Facility License Agreement with New Cingular Wireless PCS, LLC (AT&T), to implement small cell technologies within the public ROW. Staff worked with the City Attorney and AT&T to negotiate the terms and conditions of the agreement. The proposed annual lease is for a ten (10) year term, with two (2) five-year extensions for a total term of twenty (20) years. The licensee will be charged \$270 per site for use of City-owned facilities in the public ROW. AT&T has already received permit approval for five locations, but plans to add more as needed. The total amount of revenue generated by the executed annual lease will depend on the total number of approved locations and is unknown at this time.

Recommended

- Action:** STAFF RECOMMENDS THAT the City Council:
1. Approve and authorize the Mayor, or designee, to execute a Municipal Facility License agreement by and between the City of San Clemente and New Cingular Wireless PCS, LLC; and
 2. Authorize the City Manager to execute future extensions to this agreement, as specified in the lease, provided that the lease rate is not reduced.

Attachments: None.

Notifications: Notifications have been sent to all interested parties