



Legislation Text

File #: 18-880, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Pass an ordinance authorizing the City Manager to execute the third amendment to four revocable license agreements between the city of Naperville and New Cingular Wireless PCS, LLC ("AT&T Mobility")

DEPARTMENT: Legal Department

SUBMITTED BY: Jennifer Lutzke, Senior Assistant City Attorney

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On November 18, 2011, the City and AT&T Mobility entered into a revocable license agreement permitting AT&T to install cellular equipment on four poles within the City at 1122 Bauer Road, 899 Springhill Circle, 1400 W. Jefferson Avenue, and 1450 Chippewa Drive. The cellular equipment was installed to provide additional coverage in areas that experience capacity shortages and improve streaming capabilities.

In May 2012, a first amendment to the revocable license agreement provided for an extension of the term for an additional three months. The extension expired on August 31, 2012.

On December 18, 2012, City Council approved a master license agreement that covered the four existing sites and future sites. The master license agreement was supposed to extend the term of the four license agreements for twenty years. However, AT&T subsequently determined that the master license agreement did not clearly and unambiguously extend the term for the four existing sites. AT&T determined that a second amendment to the revocable license agreement was necessary. Following approval by City Council, on June 4, 2015, the City executed a second amendment to the revocable license agreement.

The second amendment to the revocable license agreement expired on May 31, 2017. AT&T now seeks a third amendment to the revocable license agreement.

DISCUSSION:

The third amendment to revocable license agreement provides for an extension of the revocable license agreement until August 31, 2019. From May 31, 2017 to May 31, 2018, AT&T will pay license and landscaping fees in the amount of \$4,250 for each site. Additionally, the license fee is \$3,000 annually for each site. The amendment also addresses transfer of equipment, pole abandonment and transfer of ownership.

Copies of the third amendment to revocable license agreement and ordinance are amended hereto.

FISCAL IMPACT:

\$8,000 in licensing fees per site.