# Tab 2

# Verizon Cell Tower at Hidden Lake Park Point Paper-Workshop March 9, 2009

**Problem:** There is a need to provide improved wireless coverage in certain parts of the City for cell phone services.

Background: Over the last 18 months and most recently on January 29, 2009 the City met with Mike Nuckols (CAA Wireless Site Acquisitions Company) and Verizon regarding the possibility of placing a new monopole cell tower on City property at Hidden Lake Park. At the meeting on 1/29/09, Commission reviewed 3 options within Hidden Lake Park for the new monopole. Based on the last discussion with Commission and review of proposed sites, staff is recommending the site identified as "Option #1" in your packet. At this point, Verizon is only looking for authorization from the Commission to proceed with their due diligence work on the proposed site (i.e., Option #1). This due diligence should take 3-5 months to complete and all costs are incurred by At the conclusion of the due diligence phase, Verizon will follow the application process and City staff will begin negotiations with respect to the lease agreement and other operational concerns. Mike Nuckols has indicated the proposed site meets all City ordinances and City staff is reviewing the ordinances to confirm. Staff has also contacted Florida League of Cities per Commission's request to obtain information about a Telecommunications Committee. The committee has not been active since 1998, but staff has requested a model ordinance that was generated as part of this committee. Other items mentioned during the last meeting such as flag maintenance requirements and site condition have been noted and will be negotiated if Verizon determines the proposed site is a viable option for the new tower (i.e., after due diligence phase). Since Commission has seen the proposed monopole and base station, staff did not include these pictures in your agenda packet. Please contact the City Clerk if you would like duplicate copies.

## Alternatives:

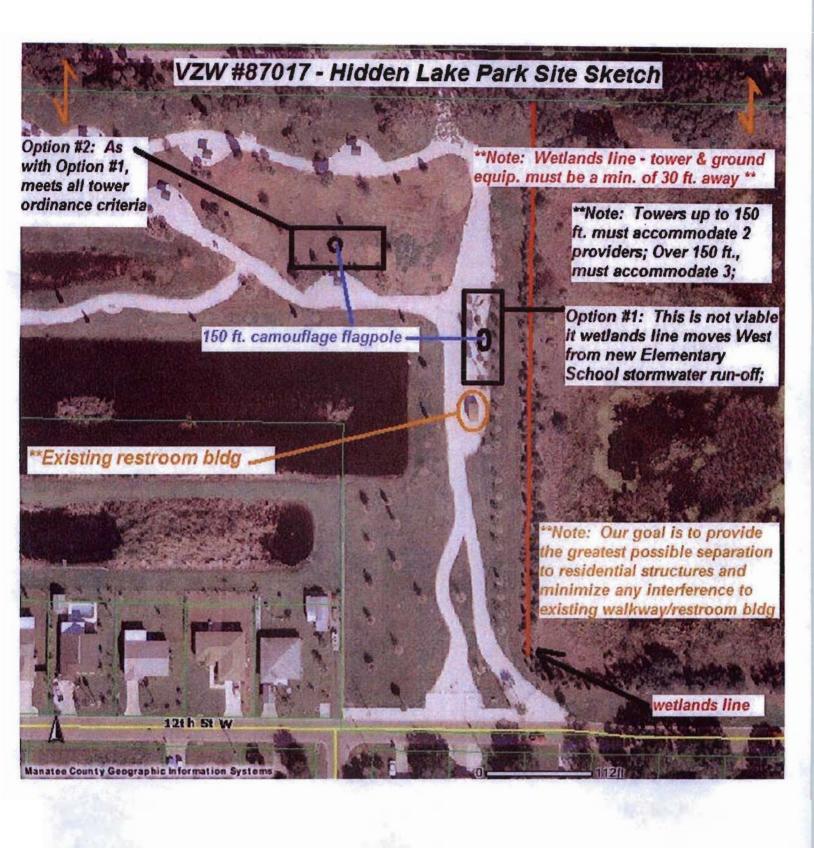
- 1. Move forward to the 7:00pm meeting and authorize Verizon to proceed with their due diligence work at the proposed "Option #1" cell tower site at Hidden Lake Park.
- 2. Instruct staff to look for alternative sites for a new cell tower in Palmetto.
- 3. Instruct staff to discontinue efforts to locate a new cell tower in Palmetto.

## Recommendation:

Alternative #1.

# **Budget Impact:**

The final budget impact is not known at this time. However, the City most likely would receive recurring annual revenue associated with leasing the land to Verizon. The lease revenue is subject to negotiations, but staff estimates the range of annual revenue could be between \$12K and 20K per year.





## **Diane Ponder**

From: Jim Freeman

Sent: Tuesday, March 03, 2009 10:39 AM

To: Diane Ponder

Subject: FW: Cell Tower Rent Information

#### Diane,

Will you include this email in the agenda?

Thanks,

Jim Freeman, CMC,CIA City Clerk- City of Palmetto 516 8th Ave West Palmetto, FL 34221 (Phone) 941.723.4570 (Fax) 941.723.4576

From: Jim Freeman

Sent: Tuesday, March 03, 2009 10:37 AM

To: Commission

**Cc:** Shirley G. Bryant; Department Heads **Subject:** Cell Tower Rent Information

### Commissioners,

I wanted to provide some information to you that I received from Mike Nuckols with CAA wireless. This information is a result of discussions we had at the Commission meeting on 1/26/09. Verizon is scheduled to come back before you at the next workshop and regular meeting for action. Essentially, they are seeking authorization to proceed with due diligence on the hidden lake site. More information will be available in the upcoming agenda. \*\*\*\* PLEASE DO NOT REPLY ALL TO THIS EMAIL\*\*\*\*

Hi Jim -

Here are some municipal tower site rental amounts compiled by VZW accounting per the request of Councilman Brian Williams. These are for raw land sites (new towers) and the average is \$1509/mo. (\$18,112/yr.).

Lee County - Lakes Park	\$1539.45 (18,473.45)
Lee County - Sports Complex	\$1539.45 (18,473.45)
City of Melbourne	\$1425.59 (17,107.14)
City of Palm Bay - Fire Station	\$1440.00 (17,280.00)
City of Palm Bay- Utility Dept	\$1553.33 (18,399.96)
City of Temple Terrace	\$1560.00 (18,720.00)

## Please consider these factors:

- 1) VZW's most recent lease in this area was in 2008 for a 140 foot tall monopole at the Texaco Express Lube [5202 Cortez Rd. W., Bradenton, 34210]. Photos are attached and VZW paid \$1,100/mo. (\$13,200/yr.) for that site including 15% annual escalation per term.
- 2) The first 2 sites on this list are in Ft. Myers (pop. 70,000). Palmetto has roughly 14,000 residents. making it 1/4 the size.
- 3) Due to the recession, most other wireless carriers are not building many Florida sites in 2009. You can confirm this yourself by contacting them. For example, I spoke w/somebody who works for T-Mobile last week. They are planning 20 total statewide projects in Florida this year.

VZW wants to do this site but they budgetary constraints as well. They are not going to pay double or triple the rent they pay elsewhere. They will walk away if it's a bad deal. I've seen them walk away from many, especially recently.

Jim Freeman, CMC,CIA City Clerk- City of Palmetto 516 8th Ave West Palmetto, FL 34221 (Phone) 941.723.4570 (Fax) 941.723.4576