

TAB 2

**Verizon Cell Tower at Hidden Lake Park
Point Paper-Workshop
June 1, 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, the City has met with Mike Nuckols (CAA Wireless Site Acquisitions Company) and Verizon on several occasions regarding the possibility of placing a new monopole cell tower on City property at Hidden Lake Park. On March 9, 2009 Commission approved moving forward with the due diligence phase for the hidden lake site. Initial feedback from Verizon is favorable, and it appears the site will be acceptable. During the last few weeks, the City attorney and City Clerk met with Verizon's attorney to provide initial feedback regarding the proposed lease (see attachment A). The suggested changes to the lease have been made and we are seeking any additional input you might have with respect to the terms of the lease. At the time of agenda distribution there are two areas that are still being discussed. The first item is the monthly rent and the second is revenue sharing for collocation. Staff will have some recommendations and talking points to discuss at the meeting on Monday. At time of agenda distribution, staff has still not received the revised lease from Verizon. However, this item was left on the agenda in case you want to discuss some of the other items mentioned above.

Alternatives:

1. Authorize staff to incorporate any other lease modifications and bring it back to a future meeting for adoption.
2. 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 approximately \$20,000 to \$25,000 per year plus revenue sharing if applicable.