

City Council – Action Request Form

Date: August 14, 2017

To: The City Manager

From: Ben Rowe, Assistant City Manager

Council Action Requested:

Consideration of a Resolution Approving a Long-Term Lease Agreement with New Cingular Wireless PCS, LLC for Space on the Jointly Owned City-County Radio Tower Located off of Fairlawn Drive. (Northwest Ward)

Summary of Information:

In November 2000, the citizens of Winston-Salem approved an \$11.5 million bond referendum to fund the City’s share of the cost of a new joint City-County 800 MHz public safety radio system. In June 2002, the City and County approved an interlocal cooperation agreement that provided for the joint installation, operation, and maintenance of the system. The agreement has been amended three times over the years to clarify language in the original agreement, including the expenses that would be shared by the City and County. The County’s Interagency Communications Department oversees the operation and maintenance of the system. Under the City/County Cooperative Governmental Services Funding Agreement, the net expenses for operating and maintaining jointly owned property of the system are divided equally between the City and County after taking into account federal and state grants and any income generated by the system such as the lease of space on the radio towers. For FY 17-18, the City’s budgeted share of the joint City-County 800 MHz public safety radio system totals \$411,250.

In January 2014, the City and County jointly entered into a long-term site lease agreement with New Cingular Wireless PCS, LLC for a term of up to 25 years for the construction, operation, maintenance, and location of a communications facility and related antenna equipment on a City-County owned tower located off of Fairlawn Drive. This lease is authorized under General Statute 160A-272(a) and (c)(2). The annual rent for the use of the space began at \$25,000 with a 3% annual increase.

New Cingular Wireless PCS, LLC has requested to rent additional space on the Fairlawn Drive radio tower for \$3,600 per year. If this additional lease is approved, the new annual rent payment would total \$31,737.73 for the upcoming year. The term of this added lease would

Committee	Finance 8/14/17	Action	Approval
For	Unanimous	Against	

Remarks:

coincide with the original lease agreement. Under General Statute 160A-272(a1), lease agreements longer than one year require 30 days' public notice prior to the approval of a resolution authorizing a lease agreement by the council. The attached resolution provides the City's approval of the original lease agreement and the new lease of additional space. The City Council's Finance Committee will consider the resolution at its meeting on August 14th with approval by the full City Council set for September 5th after the required 30 days' public notice. The Forsyth County Board of Commissioners has approved the new lease.