

City Council – Action Request Form

Date: October 7, 2019

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager;
Thomas Kureczka, Chief Information Officer

Council Action Requested:

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)

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



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 inter-local 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 shared 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 Fiscal Year 19-20, the City's budgeted share of the joint City-County 800 MHz public safety radio system totals \$209,130.

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 communication facility and related antenna equipment on a City-County owned tower located off Fairlawn Drive. This lease is authorized under North Carolina 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.

Committee Action:

Committee	_____	Action	_____
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For	_____	Against	_____
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Remarks:

In September 2017, the City and County jointly approved a request from New Cingular PCS, LLC to rent additional space on the Fairlawn Drive radio tower for \$3,600 the first year, with a 3% annual increase. The term of this added lease coincides with the original lease agreement.

New Cingular Wireless PCS, LLC has again requested to rent additional space on the Fairlawn Drive radio tower for \$1,800 per year, with an annual 3% increase. The term of this added lease would coincide with the original lease agreement. Pursuant to North Carolina 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 new lease of additional space. The City Council's Finance Committee considered the resolution at its meeting on September 9, with approval by the full City Council set for October 7th after the required 30 days' public notice. The Forsyth County Board of Commissioners approved the new lease in September.