AMENDMENT #1 TO COMMUNICATIONS SITE LEASE AGREEMENT

THIS AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT ("Lease") dated effective on November 1, 2015, and amended on December 13th, 2017 is entered into by and between unWired Broadband, Inc., a California corporation ("Lessee") whose address is 215 W. Fallbrook, Suite 203, Fresno, CA 93711 and City of Reedley, a California municipal corporation ("Lessor") whose address is 845 G Street, Reedley, CA 93654.

RECITALS

WHEREAS, Lessor owns the real property located in Reedley, Fresno County, California, legally described in Exhibit "A" attached hereto and made a part hereof and having Assessor's Parcel Number 370-240-60T and commonly known as the Sports Park Water Tower located at 2453 E. Dinuba Ave Reedley, CA 93654 ("Lessor's Property"). Located upon Lessor's Property is a Water tower owned and operated by Lessor ("Water Tower"). A control room is also located on the second floor within the Water Tower on the Lessor's Property. Subject to the terms and conditions set forth in this Lease, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the communications building adjacent to the Water Tower and that portion of the Water Tower as depicted on Exhibit "B" attached hereto and made a part hereof ("Premises"); and

WHEREAS, the Lessee wishes to install additional antennas and related equipment as substantially depicted on Exhibit "B" attached hereto and made a part hereof (collectively "Lessee's Facilities"); and

WHEREAS, the Lessor has approved Sports Park Water Tower – CUP 2017-11 (CUP 2015-4 Amendment No. 1) and now wishes to amend the Lease to allow for placement of the additional antennas and related equipment; and

NOW, THEREFORE, The parties hereto agree to amend the existing lease agreement as follows:

4. Rent and Security Deposit.

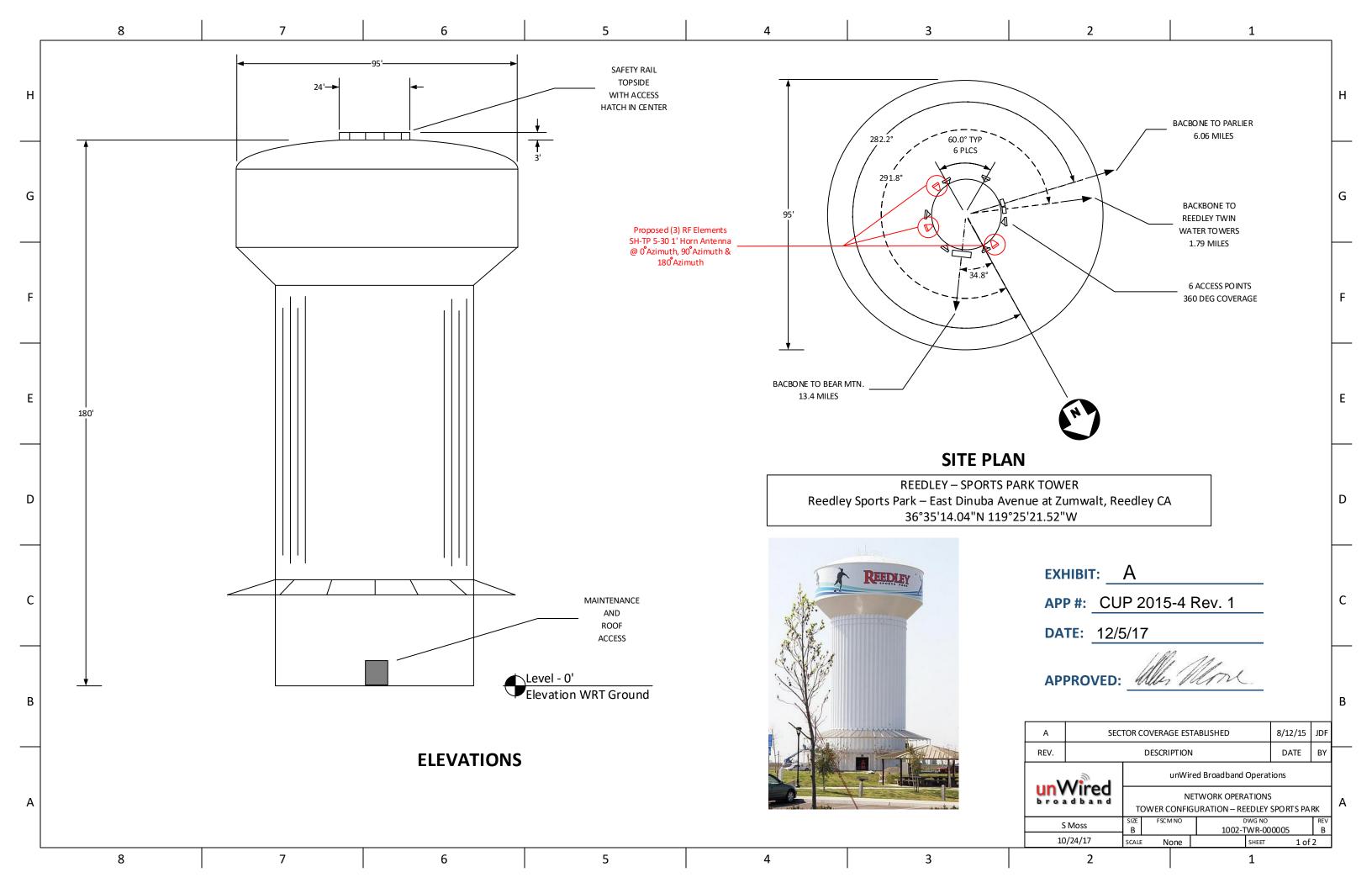
(e) Lessee will provide Lessor three additional 10Mb circuits to the City Fire Department (1060 D Street), Community Center (100 N. East Avenue) and the Public Works Corp Yard (1108 I. Street) at no cost.

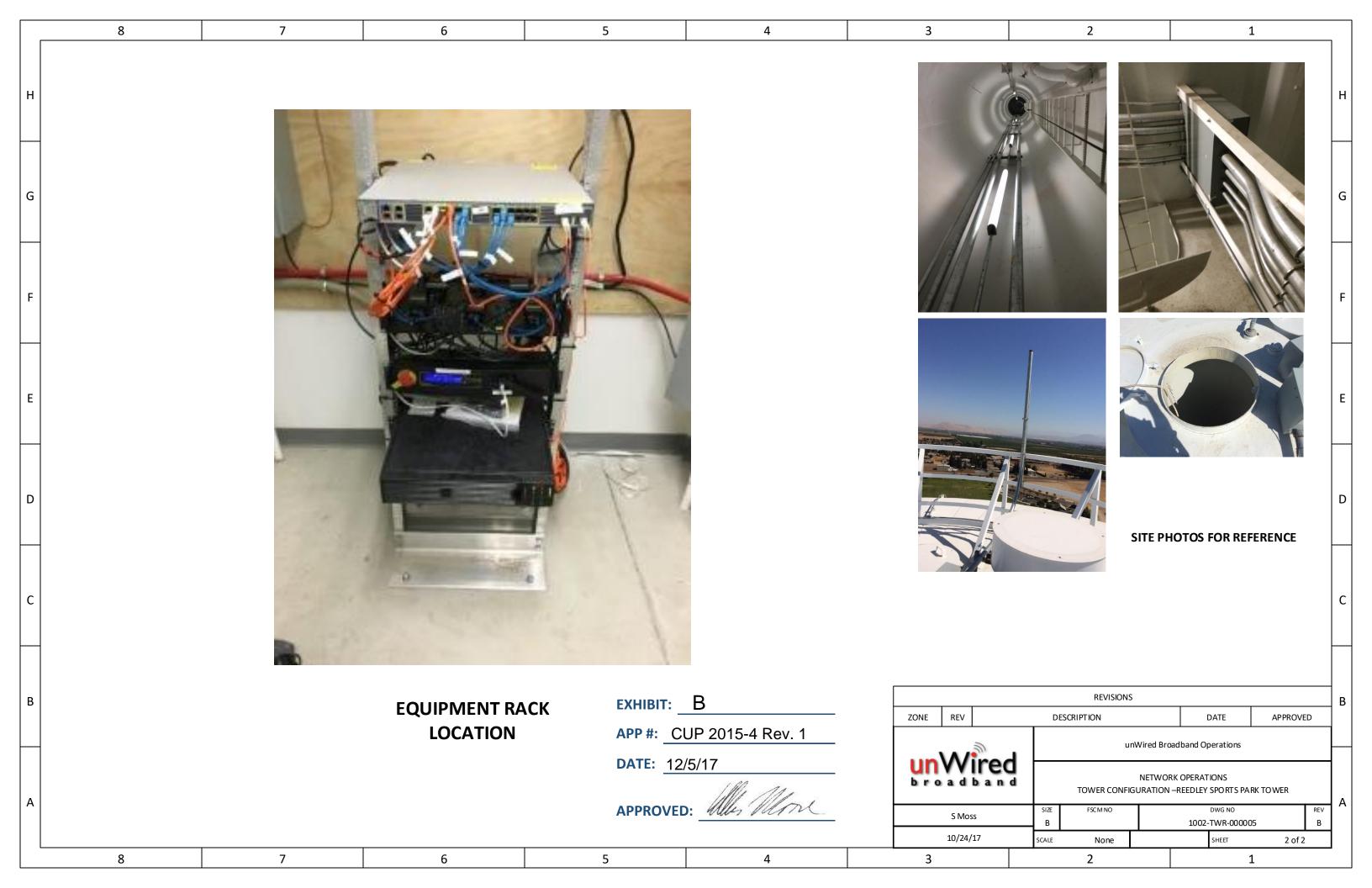
Lessee's Facilities may be amended from time to time without further compensation or additional services provided to the Lessor at no cost, provided additional equipment does not adversely impact Lessor's operating costs of Premises. This provision shall not apply to existing rent increase language provided for in the Lease. All requested modifications to Lessor's Premises will at all times be subject to Lessor's approval through the Conditional Use Permit process. All other terms and conditions of the original Lease not addressed by this amendment shall continue to be in effect.

SIGNATURES APPEAR ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Lease Amendment #1 effective as of the date first above written.

Dated:	LESSEE:
	unWired Broadband, Inc. a California corporation By: PETER L. SORENSEN, President
Dated: 12 12 17	LESSOR:
	City of Reedley
	By: NICOLE R. ZIEBA, City Manager





AMENDMENT #1 TO COMMUNICATIONS SITE LEASE AGREEMENT

THIS AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT ("Lease") dated effective on November 1, 2015, and amended on December 1, 2017 is entered into by and between unWired Broadband, Inc., a California corporation ("Lessee") whose address is 215 W. Fallbrook, Suite 203, Fresno, CA 93711 and City of Reedley, a California municipal corporation ("Lessor") whose address is 845 G Street, Reedley, CA 93654.

RECITALS

WHEREAS, Lessor owns the real property located in Reedley, Fresno County, California, legally described in Exhibit "A" attached hereto and made a part hereof and having Assessor's Parcel Number 368-162-16T and commonly known as the Twin Water Towers located at 1752 10th Street Reedley, CA 93654 ("Lessor's Property"). Located upon Lessor's Property are two (2) Water Towers owned and operated by Lessor ("Water Towers"). Subject to the terms and conditions set forth in this Lease, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the communications building adjacent to the Water Towers and that portion of the Water Towers as depicted on Exhibit "B" attached hereto and made a part hereof ("Premises"); and

WHEREAS, the Lessee wishes to install additional antennas and related equipment as substantially depicted on Exhibit "B" attached hereto and made a part hereof (collectively "Lessee's Facilities"); and

WHEREAS, the Lessor has approved Reedley Twin Water Towers – CUP 2017-10 (CUP 2015-3 Amendment No. 1) and now wishes to amend the Lease to allow for placement of the additional antennas and related equipment; and

NOW, THEREFORE, The parties hereto agree to amend the existing lease agreement as follows:

4. Rent and Security Deposit.

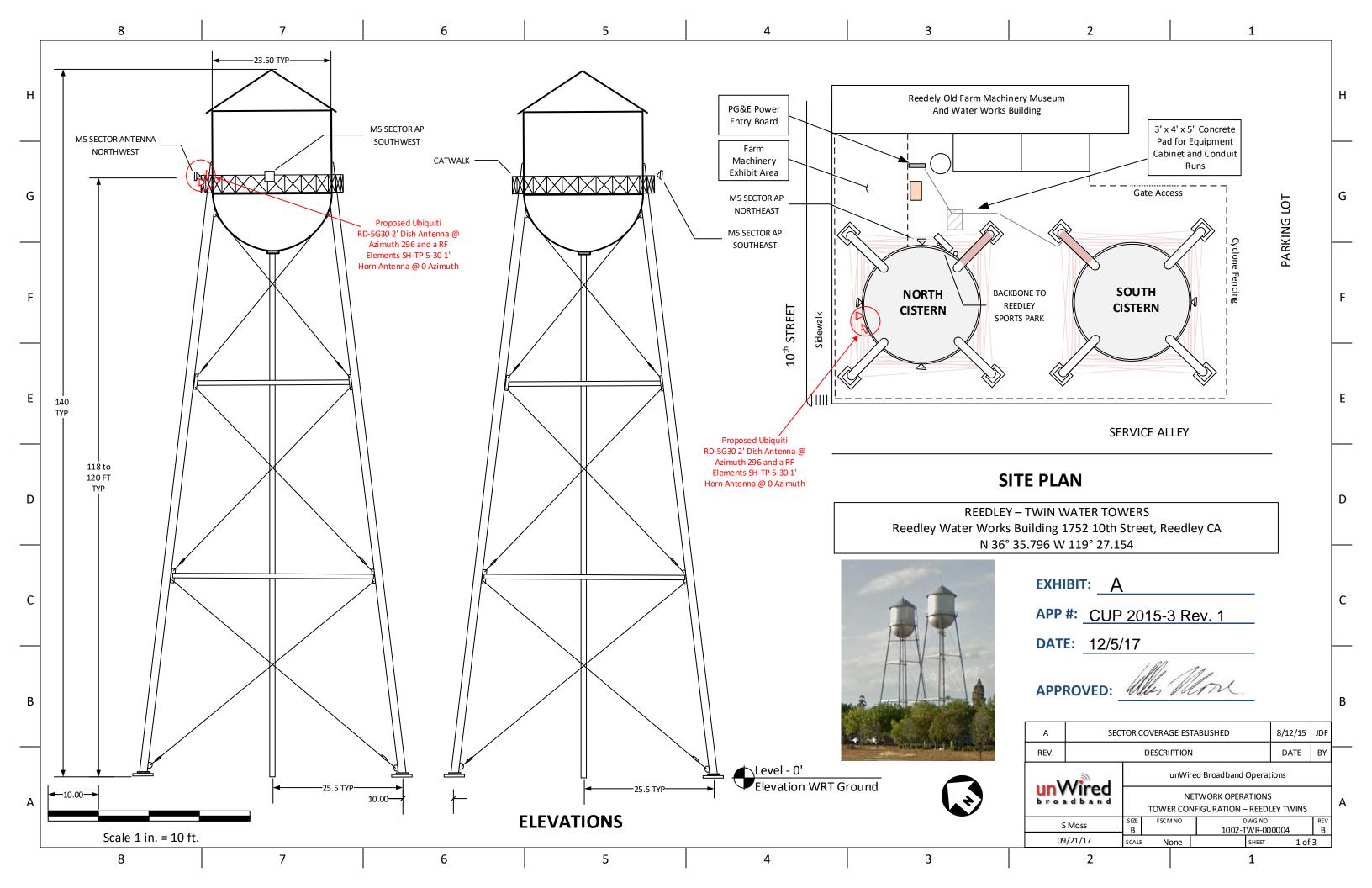
- (d) In addition to ("Rent") paragraph 4 (a), Lessee will provide a complimentary **10Mb 50Mb** Internet connection to the Lessor to be used as a backup service to their existing primary Comcast circuit.
- (e) Lessee will also discount 2 additional circuits (Airport and Waste Water Plant) currently being supplied to Lessor at 100% discount upon lease commencement date. Service Level Agreements will remain the same for the Airport. The Wastewater Plant shall be upgraded to a 10Mb service from the existing 6Mb service at no cost.

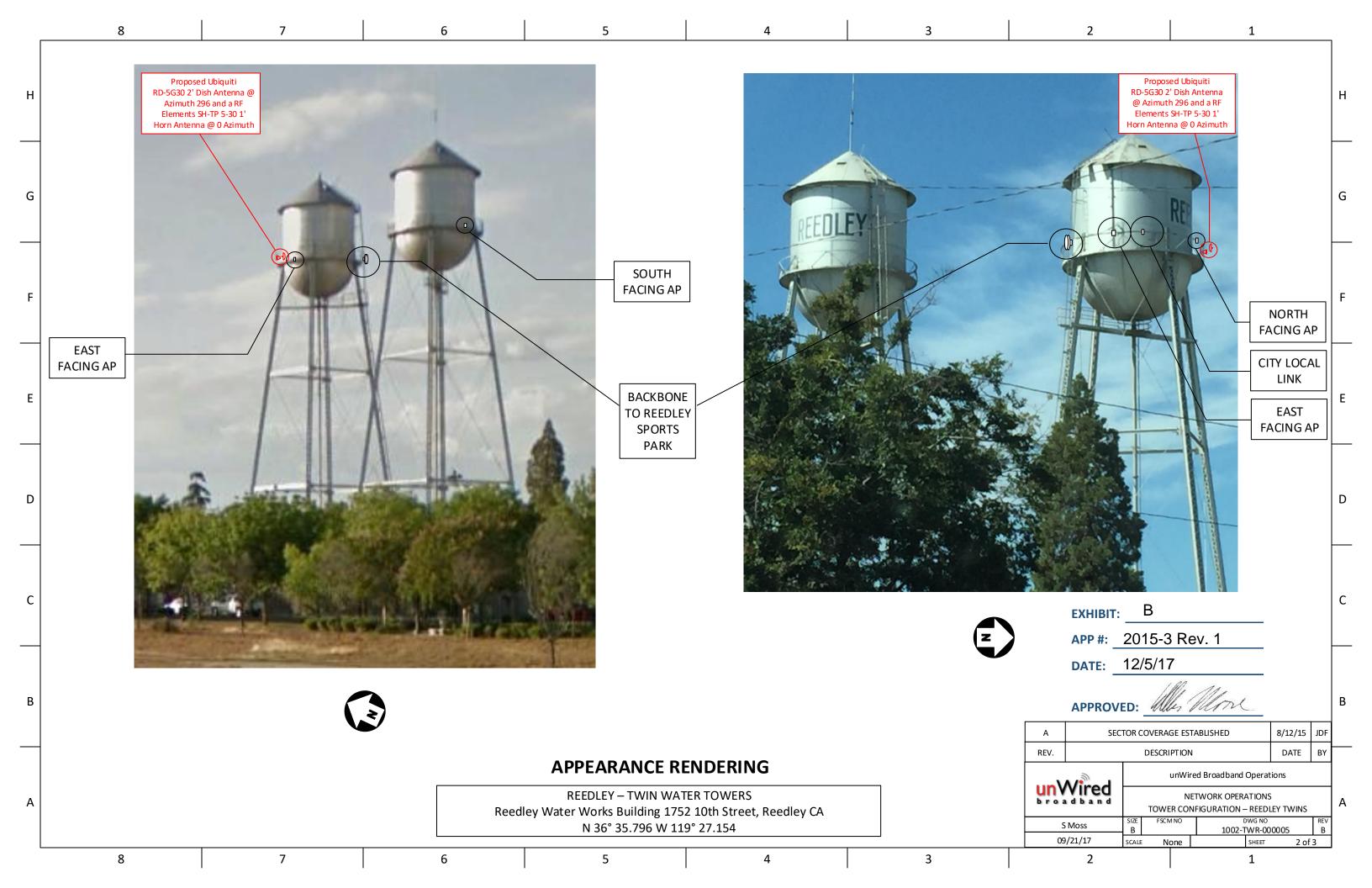
UBI Opportunities A-S01019542 and A-S01003136.

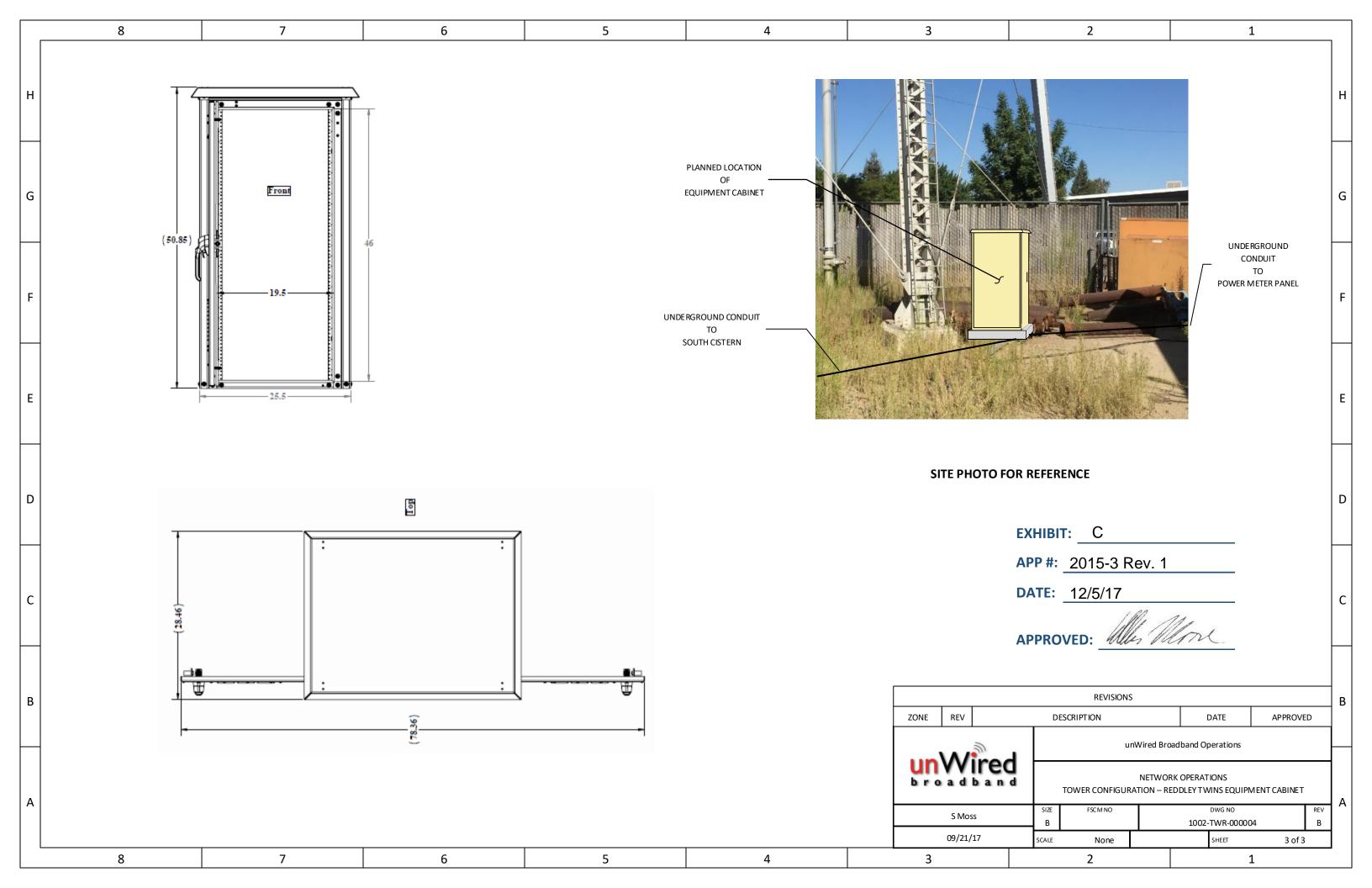
Lessee's Facilities may be amended from time to time without further compensation or additional services provided to the Lessor at no cost, provided additional equipment does not adversely impact Lessor's operating costs of Premises. This provision shall not apply to existing rent increase language provided for in the Lease. All requested modifications to Lessor's Premises will at all times be subject to Lessor's approval through the Conditional Use Permit process. All other terms and conditions of the original Lease not addressed by this amendment shall continue to be in effect.

IN WITNESS WHEREOF, the parties have executed this Lease Amendment #1 effective as of the date first above written.

Dated:	LESSEE:
	unWired Broadband, Inc. a California corporation By: Marken
	PETER L. SORENSEN, President
12/2/2	
Dated:	LESSOR:
	By: NICOLE R. ZIEBA, City Manager









REEDLEY CITY COUNCIL

\boxtimes	Consent
	Regular Item
	Workshop
	Closed Session
	Public Hearing

ITEM NO: 3

DATE:

December 12, 2017

TITLE:

APPROVE & AUTHORIZE CITY MANAGER TO EXECUTE AMENDED

COMMUNICATIONS SITE LEASE AGREEMENTS IN SUBSTANTIAL FORM WITH UNWIRED BROADBAND, INC. FOR THE SPORTS PARK WATER TOWER AND

DOWNTOWN WATER TOWER SITES

SUBMITTED:

Paul A. Melikian, Assistant City Manager

APPROVED:

Nicole R. Zieba, City Manager

RECOMMENDATION

That the City Council approve and authorize the City Manager to execute amendments in substantial form as attached, to Communications Site Lease Agreements with unWired Broadband, Inc. for use of the City water towers located at the Sports Park (2453 E. Dinuba Ave) and Downtown (1752 10th Street), to allow for the installation of additional antennas and provide for additional no-cost wireless Internet connections for City locations.

EXECUTIVE SUMMARY

In October 2017, unWired Broadband, Inc. ("unWired") submitted a request to install additional antennas and related equipment to the Sports Park and Downtown water tower sites to service additional customers. The City has had site leases in place with unWired for both locations since 2015 and has had no issues with the existing equipment or operations. unWired currently pays the City \$1,100.00 per month for the water tower site at the Sports Park, and \$600.00 per month at the Downtown tower site. Between both sites, these rents generate \$20,400 annually to the Water enterprise fund. unWired also provides the following services to the City at no cost:

- Wireless Internet at the Wastewater Treatment Plant & Municipal Airport that the City had previously paid unWired \$3,600 per year for. This currently provides annual expenditure relief to both the Wastewater and Municipal Airport enterprise funds.
- A 50Mbps connection at no cost (unWired customarily charges \$2,499 per month for), to City Hall and Police Department that is used as a back-up to the primary (wired) connection through Comcast.
- In addition, unWired took over paying the City PG&E meter at the Downtown towers site, which saves the Water fund an additional \$1,100 per year.

The initial terms of the leases are five (5) years, with options to renew in 2020 and 2025 for two more five (5) year terms. There are no CPI increases during the terms, however the monthly lease payments will automatically increase 10% at each renewal.

The only changes requested to the existing leases are to update the exhibit of installed equipment to show the additions, as well as to memorialize the additional or upgraded wireless Internet connections that unWired has agreed to provide to the City at no cost:

- New 10Mb connections for the Fire Station, Community Center & Public Works Corp Yard
- Upgraded 10Mb connection for the Wastewater Treatment Plant
- Downgraded back-up connection for City Hall (50Mb to 10Mb) reflective of its use as a back-up connection

BACKGROUND

On October 1, 2015, the Reedley Planning Commission accepted Environmental Assessments 2015-21 and 2015-22, categorically exempting the projects; and reviewed and approved CUP Applications 2015-3 and 2015-4 for the individual sites. In November 2017, Unwired Broadband, Inc. submitted applications to amend the existing Conditional Use Permits, which due to the minimal nature of the proposed amendments, have been administratively reviewed and approved by the Community Development Department, in accordance with Reedley Municipal Code 10-17-2 and 10-17-3. Such approvals are listed as:

- Reedley Twin Water Towers: CUP 2017-10 (CUP 2015-3 Amendment No. 1)
- Sports Park Water Tower: CUP 2017-11 (CUP 2015-4 Amendment No. 1)

As with the existing installations, the proposed installation of the additional equipment are not to disturb or interfere with the communications equipment and frequencies that currently exist on the City's property, and will not have a substantial aesthetic impact beyond the current installations.

FISCAL IMPACT

The additional wireless Internet connections to be provided to the Fire Department, Community Center and Public Works Corp Yard will collectively save the City \$450 per month, or \$5,400 annually, by allowing the City to cancel existing services provided by Comcast. The lease amendment will also take care of existing connection speed issues at the Corp Yard and Wastewater Treatment Plant. Both lease amendments further stipulate that unWired may add equipment in the future without having to pay the City further compensation or provide additional no-cost services, provided the additional equipment does not adversely impact site operating costs for the City. Any future requested modifications will still be subject to the City's sole approval discretion through the Conditional Use Permit process.

ATTACHMENTS

Amended Communications Site Lease Agreements:

- 1) Sports Park Water Tower (2453 E. Dinuba Ave)
- 2) Downtown Water Towers (1752 10th Street)