



City of Coral Gables
CITY COMMISSION MEETING
August 26, 2008

ITEM TITLE:

Resolution authorizing the City Manager to execute a ten (10) year lease agreement, plus three additional five (5) year options with Verizon Wireless Personal Communications LP d/b/a Verizon Wireless for a portion of the tower at the 118' level, ground space for condensing units, cabling space, and approximately 257.25 feet of building space at the Fire Station located at 11911 Old Cutler Road for \$40,000.00 per year with a 3% annual increase.

RECOMMENDATION OF THE CITY MANAGER:

The City Manager recommends approval of this item.

BRIEF HISTORY:

This lease agreement is between the Lessor (the City) and the Lessee (Verizon Wireless) to lease the following at the Fire Station located at 11911 Old Cutler Road:

1. That portion of the tower at the 118' level
2. That portion of the ground space of the property to place condensing units
3. That portion of the building consisting of approximately 257.25 feet within which the Lessee will install, operate and maintain its equipment
4. Other locations throughout the property, the tower, the building and the ground space necessary for the installation, operation and maintenance of wires, cables, conduits and pipes running between and among the tower space, building space and ground space, including for the connection of antenna equipment on the tower space to the building space, and for connection to all the necessary electrical and telephone utility sources located within the building or on the property.

Term:

The initial term of this agreement is ten (10) years.

Option to Extend Lease Terms:

Lessee shall have the option to extend this agreement for three (3) additional five (5) year terms.

Rent:

Lessee agrees to pay the annual rent for the first year of the agreement of \$40,000.00. Commencing on the first annual anniversary of the Commencement Date and on each annual anniversary thereafter, the annual rent will be the annual rent in effect for the immediately preceding year increased by three percent (3%).

Capital Contribution:

Lessee agrees to pay a capital contribution of \$21,689.00. This represents a Cost of Living adjustment for ten years paid in advance.

Late Fees:

Lessee agrees to pay Lessor a late payment charge equal to five percent (5%) of the payment which is late for any payment not paid within fifteen (15) calendar days after receipt of written notice from Lessor or such late payment.

Governmental Approvals:

The Lessee at its sole cost and expense shall be responsible for obtaining all of the necessary governmental approvals required for the intended use.

Maintenance:

Lessee, at its sole cost and expense will be responsible for repairing and maintaining the facility and any other improvements installed by Lessee on the property in a proper operating and reasonably save condition.

Shared Generator:

Lessor and Lessee agree and acknowledge that Lessor plans to purchase, install, operate and maintain a generator on the property for the purpose of providing emergency back-up power to (i) certain portions of Lessor's building and/or installations located on the property, (ii) Lessee's facility, and (iii) the communications equipment of other then-present wireless carriers on the property. It is contemplated that each party tying into the shared generator will contribute a pro rata share to cover the cost thereof. In the event that Lessor moves forward with its plans to obtain the shared generator and Lessee elects to tie into the Shared Generator, the parties agree to negotiate in good faith an amendment to this agreement.

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Account No.	Source of Funds
1.		N/A	
Total:	-0-	APPROVED BY:	

APPROVED BY:

DEPARTMENT DIRECTOR	City Attorney (If Applicable)	City Manager

ATTACHMENT(S):

1. Lease
2. Memorandum of lease
3. Draft Resolution
4. Letter dated July 21 from Joe Webel, Verizon Wireless