

Memorandum

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

- TO: MAYOR AND TOWN COUNCIL
- FROM: VANESSA AGEE, COMMUNICATIONS DIRECTOR
- RE: AT&T WALL MOUNTED COMMUNICATIONS FACILITY LEASE AGREEMENT
- DATE: JANUARY 12, 2020

Summary and Background: After receiving significant feedback from residents about issues with AT&T cell service in Frisco during the summer of 2020, Town staff contacted AT&T's regional external affairs staff regarding these issues, resulting in AT&T returning to the Town with a plan to install antennas in two Frisco locations, two at the Public Works building on School Road and two at the Summit Fire & EMS station on South 8th Avenue. Currently, AT&T has permitting in place to install two wall mounted antennas at the fire station, and two similar wall mounted antennas at Public Works, rather than the two six-foot panels first proposed by AT&T in October, are in the permitting process and review should be complete by mid-January.

These two cellular installations at Public Works and the fire station are intended to cover a rectangular area along Highway 9 and were designed to be deployed quickly. Most traditional tower installations take at least 18 months to bring to fruition. These two installations could potentially carry 1,600 "mobile actions" (a text, call, streaming music, etc...) at a time in order to take pressure from the macro tower on Dillon Dam Road, and subsequently, improve service in Frisco. These antennas could remain as long as required, but could also be easily removed if needed. These antennas will initially be serviced by a Comcast cable internet connection, but could be switched to a fiber connection if AT&T decides to make this significant investment in the future.

<u>Analysis:</u> On December 8 upon first reading, Council passed a lease agreement with AT&T, which was arrived at based on direction from Town Council during the October 13, 2020 Town Council meeting. The agreement includes \$0 rent for the first six months of the first year of the term of this agreement and \$900 a month for each month thereafter.

AT&T (the lessee) would be responsible for the antennas' electrical power consumption, connectivity/internet service, and maintenance.

The agreement would terminate on December 31, 2025 at which time the agreement would automatically be extended for two (2) additional five (5) year terms unless either party terminates. The annual rent for each five (5) year extension term would be increased by 10% over the annual rent due during the immediately preceding five (5) year term.

<u>Financial Impact</u>: There would be no financial cost to the Town for AT&T to install these standard telecom antennas. After the first six (6) months of the agreement, the Town would receive \$900 a month in rent for the first five years with a 10% increase every five years for two additional terms.

<u>Alignment with Strategic Plan</u>: Providing a site for telecom antennas to improve cellular service aligns with the Town Council's 2019-2020 Quality Core Services and Thriving Economy strategic priorities.

<u>Staff Recommendation</u>: Staff recommends that Town Council approve upon second reading this lease agreement for the installation of two telecom antennas at the Frisco Public Works building.

Reviews and Approvals: This report has been reviewed and approved by:

Bonnie Moinet, Finance Director Nancy Kerry, Town Manager