



Agenda Item No. 3

To: Building and Operating Committee/Committee of the Whole  
Meeting of August 24, 2006

From: Norma Jellison, Property Development & Management Specialist  
Kary Witt, Deputy General Manger, Bridge Division  
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE EXECUTION OF A LICENSE AGREEMENT WITH  
AMERICAN TOWER, L.P., FOR THE MT. TAMALPAIS  
COMMUNICATIONS SITE**

### **Recommendation**

The Building and Operating Committee recommends that the Board of Directors authorize execution of a License Agreement with American Tower, L.P., to continue to operating the District's radio communications equipment at the Mt. Tamalpais site. The License Agreement shall be dated effective July 1, 2006, for five years, with three five-year renewal terms that automatically renew unless terminated by either party. Funds for the first year license fee of \$36,000 have been included in the Bridge Division's FY 06/07 budget with future years to be budgeted accordingly.

This matter will be presented to the Board of Directors at its August 25, 2006, meeting for appropriate action.

### **Summary**

To optimize coverage of the District's radio communications system, the District uses a number of tower sites around the Bay Area. The District has operated at the Mt. Tamalpais site since July 1979. This License Agreement is thus essentially a renewal of a long-standing occupancy at this site. The Mt. Tamalpais site, which is owned by the Marin Municipal Water District, is managed under a long-term lease by private parties. In 1979, the site was managed by Watson Communications Systems, Inc., and Television Communications, Inc. On March 13, 1995, the Board authorized execution of a License Agreement with Diablo Communications, Inc., the site manager at that time. The 1995 License Agreement was effective July 1995 for five years, with one five-year renewal term. Since its expiration in 2005, the District has remained at the site on a month-to-month basis. American Tower, L.P., is the current management firm working for Marin Municipal Water District, managing the communications sites on both peaks of Mt. Tamalpais for MMWD.

This Mt. Tamalpais site contains a large array of towers (approximately 30), hundreds of antennas, and buildings that house associated radio communications equipment belonging to both public agencies and private-sector firms. The District's radio equipment includes UHF and microwave antennas, and associated communications equipment and battery power sources.

In order to assure maximum coverage for the District's radio communications system, the antennas and associated communication equipment at Mt. Tamalpais are essential. This site originally provided bus radio communications coverage only. Subsequently, equipment installed incorporated data, telephone and other District communications systems. There is no alternative site available to give the District the required level of communications systems coverage. Staff recommends authorizing execution of the License Agreement for five years, with three five-year renewal terms, effective July 1, 2006, with American Tower, L.P., for the Mt. Tamalpais tower site.

### **Fiscal Impact**

The proposed License Agreement, effective July 1, 2006, is for five years, with three five-year renewal terms that renew automatically unless terminated by either party. The initial License fee is \$3,000 per month. This fee is comparable to the License fees paid by other public agencies and includes electricity. The License fee increases annually by 4% throughout the initial term of the License and all extensions. This 4% increase is consistent with the annual increase in the 1995 License Agreement. It is comparable or less than the annual increase paid by other public and private firms co-located at the Mt. Tamalpais site. The License fee for Year 1 is \$36,000; for the initial five years it is \$194,987.61. The License fee for the 20-year term of the License, which renews automatically unless terminated, is \$1,072,010.83. Staff requests authorization for the entire 20-year term of this License Agreement, although the District would retain its rights to terminate before each renewal term. The first year License fee of \$36,000 was included in the Bridge Division's FY 06/07 budget.