



**AGENDA ITEM REQUEST FORM
CITY OF JOHNSON CITY, TEXAS
CITY COUNCIL**

ITEM NO. 3

MEETING DATE: May 17, 2021

AGENDA PLACEMENT:

- Ceremonial
- Consent
- Individual
- Closed Session

CAPTION:

Approval of a Resolution of the City Council of the City of Johnson City, Texas approving and authorizing the execution of the Fourth Amendment to the Lease Agreement between the City and Rise Broadband; and providing for an effective date. (Staff)

EXECUTIVE SUMMARY:

The City entered into a lease agreement with Rise Broadband for the placement of antennae onto the City's elevated water storage tank on May 21, 2013. The agreement was subsequently amended on February 13th and April 1st, 2014 and August 13, 2015. The current agreement term ended on April 30, 2020; however, Rise Broadband elected to extend the agreement for another 5-year term, in accordance with the agreement, at that time.

To improve connectivity and bandwidth throughout the City of Johnson City, Rise Broadband desires to modify its existing equipment on the elevated water storage tank. The proposed lease agreement amends antennae type and number, lease rate, and other terms and conditions, as follows:

- Increase in lease rate from \$800.00 per month to \$1,111.06 (including electricity) per month;
- Extends the lease term from May 4, 2021 to May 4, 2026, with an additional five-year term extension;
- Authorizes the placement of up to 8 antennae, with a \$100.00 per month addition for each additional antenna placed on the elevated water storage tank;
- Includes a 4.5% per year lease rate escalator; and
- Provides a one-time \$970.00 payment for electricity usage since May 1, 2013.

The City Attorney has reviewed and approved the proposed lease agreement.

FINANCIAL: See above.

ATTACHMENTS:

- Proposed 4th amendment to original lease agreement dated May 21, 2013;
- Original lease agreement dated May 21, 2013; and
- 1st – 3rd original lease amendments.

SUGGESTED ACTION:

Motion to approve a Resolution of the City Council of the City of Johnson City, Texas approving and authorizing the execution of the Fourth Amendment to the Lease Agreement between the City and Rise Broadband; and providing for an effective date.

PREPARED BY: City Staff

DATE SUBMITTED: 5/16/2021