

Agenda Report

November 18, 2019

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: AUTHORIZATION TO ENTER INTO A TELECOMMUNICATIONS ACCESS AGREEMENT WITH NEW CINGULAR WIRELESS PCS, LLC DBA AT&T, INC.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the following proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301(c) (Existing Facilities); and
2. Authorize the City Manager to enter into a telecommunications access agreement with New Cingular Wireless PCS, LLC dba AT&T, Inc. for ten years with an optional ten year extension for use of and access to a portion of City owned property, resulting in up to \$117,314 in revenue to the City over the initial ten-year term of the agreement.

BACKGROUND:

AT&T Inc., operates a communication facility at the Los Angeles County owned parking garage at 245 Ramona Street and has requested a license to use and access a portion of the City owned building that sits next door to the garage at 207 Garfield Avenue (Police Building) for the placement of communications infrastructure between the City owned building and the parking garage along with access and use of space provisions.

Communications conduit already exists between the two structures to support a number of City owned and privately owned communications services that are operated at the parking garage. AT&T has a point of presence for telecommunications infrastructure in the City owned building, such as telephone and specialty data services. Rather than AT&T constructing a new entry point into the parking garage from the street, they have requested the ability to use existing conduit between the two structures to install communications lines that will reach the parking garage. In addition AT&T requests

access and use of space within the City owned building that is subject to review and approval by the City.

In consideration for the use and access to the City owned property, AT&T Inc. will pay an annual license fee of \$10,000 with a 3.5% annual escalator that will generate up to \$117,314 in revenue over the initial ten-year term of the agreement with an option to extend the agreement another ten years at the sole discretion of the City. If the extension is executed the total revenue that could be collected from the agreement would be \$282,797.

The City has multiple contracts with AT&T Inc. for mobile, wireless and telecommunications services that supports City business.

COUNCIL POLICY CONSIDERATION:

The agreement supports the City Council Strategic Goal to "Maintain fiscal responsibility and stability", by generating revenue into the Telecommunications Fund that will offset ongoing expenses for telecommunication services delivered to City departments.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15301(c) Existing Facilities which exempts actions relating to existing facilities or structures where there is negligible or no expansion of the use. The proposed action relates primarily to use of existing conduit systems.

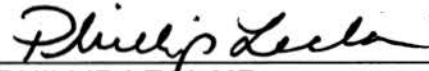
FISCAL IMPACT:

This action will generate revenue to the Telecommunications Fund (408) from access fees of up to \$117,314 over the initial ten-year term of the agreement. If renewed for the optional ten-year term, an additional \$165,483 in revenue could be realized.

AT&T Inc. will design, install, and maintain their equipment at their own expense.

There are no indirect or support costs anticipated and no impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



PHILLIP LECLAIR
Chief Information Officer
Department of Information Technology

Approved by:



STEVE MERMELL
City Manager