



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: June 6, 2017

or Procurement Director Award

Contractor/Vendor Name (DBA): Cumulus Radio Corporation, a Nevada corporation ("Cumulus").

Project Title/Description:

Fifth Amendment to License and Settlement Agreement. LCP-0138

Purpose:

County and Maloney Broadcasting Inc, an Arizona corporation ("Maloney"), entered into a License and Settlement Agreement (the "Agreement") dated October 15, 1996 for a term of thirty (30) years, expiring on October 14, 2026. The Agreement permitted Maloney to construct, maintain and operate a radio tower and equipment building on the County owned property at 4579 W. Walker Road. Cumulus is successor in interest to Maloney's interest as Licensee under the Agreement. Paragraph 9 of the Agreement provided that every ten (10) years the annual License fee shall be adjusted based upon current appraised rental value. County has determined that the fair rental value should be increased from the current \$18,000.00 annually, to \$21,285.73, which reflects an appraised value of \$24,000.00 per year with credit given for County communications equipment located on Cumulus's tower and in its equipment building at no cost to County. The annual License fee as redetermined by this 5th Amendment will increase annually based upon the CPI-U.

Procurement Method:

29.4.XI.H "Other Non-Procurement Method"

Program Goals/Predicted Outcomes:

To adjust the annual License fee to reflect current fair market value, retroactive to October 15, 2016.

Public Benefit:

The continuation of the License will allow Cumulus to continue to provide radio coverage to residents of Pima County and the increase in the annual License Fee will reflect current fair rental value.

Metrics Available to Measure Performance:

Cumulus to provide certificate of insurance as stipulated in the License; pay annual fees as provided in this Fifth Amendment; obtain permits as required; comply with safety and construction standards; exercise care and restore County facilities as warranted; and provide written notice of change to use of facility.

Retroactive:

This renewal will be retroactive to October 15, 2016. Notwithstanding the foregoing, Cumulus is current on its annual payments.

To: COB- 5-22-17 (2)
pgs. - 4

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ - _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: Not Applicable.

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CTN Department Code: IT Contract Number (i.e.,15-123): CMS139057

Amendment No.: Five (5) AMS Version No.: 5

Effective Date: October 15, 2016 New Termination Date: October 15, 2026

Expense Revenue Increase Decrease Amount This Amendment: \$ 228,078.93

Funding Source(s): Not Applicable.

Cost to Pima County General Fund: -0-

Contact: Michael D. Stofko

Department: Real Property Services

Telephone: 520-724-6667

Department Director Signature/Date: [Signature] 5/11/17

Deputy County Administrator Signature/Date: [Signature] 5/18/17

County Administrator Signature/Date: [Signature] 5/18/2017
(Required for Board Agenda/Addendum Items)

**PIMA COUNTY DEPARTMENT OF:
INFORMATION TECHNOLOGY**

PROJECT: LICENSE AND SETTLEMENT
AGREEMENT

LICENSEE: Cumulus Radio Corporation,
a Nevada Corporation

CONTRACT NO.: CTN-IT-CMS139057 (fka CT-IT-
139057)

CONTRACT AMENDMENT NO.: Five (#05)

CONTRACT

NO. CTN-IT-CMS139057

AMENDMENT NO. 05

This number must appear on all
invoices, correspondence and
documents pertaining to this
contract.

ORIG. CONTRACT TERM: 10/15/1996 - 10/15/2016
TERMINATION PRIOR AMENDMENT: 10/15/2026
TERMINATION THIS AMENDMENT: 10/15/2026

ORIG. CONTRACT AMOUNT: \$120,000.00
PRIOR AMENDMENTS: \$104,000.00
AMOUNT THIS AMENDMENT (est.): \$228,078.93
REVISED CONTRACT AMOUNT (est.): \$452,078.93

**FIFTH AMENDMENT TO LICENSE AND SETTLEMENT AGREEMENT
RWRD Administrative Complex, 4579 West Walker Road**

THIS FIFTH AMENDMENT TO LICENSE AND SETTLEMENT AGREEMENT (this "Fifth Amendment") is entered into by and between Pima County ("County"), a political subdivision of the State of Arizona, and Cumulus Radio Corporation, a Nevada corporation ("Licensee"), f/k/a Citadel Broadcasting Company and, subject to Section 1 hereof, shall be effective upon execution by the County Board of Supervisors.

RECITALS

County and Maloney Broadcasting, Inc., an Arizona corporation, entered into a License and Settlement Agreement dated October 15, 1996, and recorded on November 14, 1996, in Docket 10421, at Page 1379, in the Office of the County Recorder (the "License"). The License was assigned Contract No. 12-14-M-139057-1096.

Slone Broadcasting, Inc. subsequently succeeded to the interests of Maloney Broadcasting, Inc., as Licensee under the License.

Citadel Broadcasting Company subsequently succeeded to the interests of Slone Broadcasting, Inc., as Licensee.

Pursuant to that certain Agreement and Plan of Merger made and adopted as of December 31, 2013, by and among Citadel Broadcasting Company, Aviation I, LLC

("Aviation"), and Oklahoma Radio Partners, LLC ("ORP"), Aviation and ORP were merged with and into Citadel Broadcasting Company, whose name was then changed to Cumulus Radio Corporation ("Cumulus"). Cumulus has succeeded to the interests of Citadel Broadcasting Company as Licensee.

The License has been amended by the parties on four previous occasions. The First Amendment was dated November 18, 1997, and recorded in Docket 10685, at Page 1690, in the Office of the County Recorder. The Second Amendment was dated March 10, 1998, and recorded in Docket 10760, at Page 532, in the Office of the County Recorder. The Third Amendment was dated May 11, 1999, and recorded in Docket 11049, at Page 31, in the Office of the County Recorder. The Fourth Amendment was dated August 7, 2007, and recorded in Docket 13121, at Page 123, in the Office of the County Recorder. The License and each of the foregoing four (4) Amendments are collectively referred to herein as the "License."

Paragraph 9 of the License provides, among other things, that the License fee shall be re-determined by appraisal every ten (10) years to determine the current fair market rent applicable to the Property.

With this Fifth Amendment, the parties wish to modify the License fee (as previously modified by both the Third and Fourth Amendments to the License) as contemplated by Paragraph 9 of the License.

The parties further desire for the effective date ("Effective Date") of the changes made by this Fifth Amendment to be retroactive to October 15, 2016.

AGREEMENT

WHEREFORE, the parties hereby amend the License as follows:

1. The Effective Date of this Fifth Amendment shall be October 15, 2016.
2. Pursuant to Section 9 of the License, the annual License fee payable by Licensee to County is hereby increased from \$18,000 to \$21,285.73, together with annual increases based upon the Consumer Price Index for All Urban Consumers ("CPI-U") as provided by the U.S. Department of Labor, all retroactive to the Effective Date of this Fifth Amendment.
3. Section 24 of the License is hereby amended to provide a new notice address for Licensee:

To Licensee: Cumulus Radio Corporation
575 West Roger Road
Tucson, AZ 85705
Attn: Market Manager

With a copy (which shall not constitute notice) to: Cumulus Radio Corporation
3280 Peachtree Road, NW
Suite 2300
Atlanta, GA 30305
Attn: Lease Administration

4. The construction and performance of the License, as amended by this Fifth Amendment, shall be governed by the laws of the State of Arizona without regard to conflicts of law principles.
5. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the License.
6. Except as otherwise amended by this Fifth Amendment, the License shall remain in full force and effect without any change.
7. This Fifth Amendment and the License represent the entire understanding and agreement of the parties and (other than the License and the documents referenced therein) supersede any and all prior and contemporaneous agreements and understandings. This Fifth Amendment and the License may be amended further only by a document executed by both parties.
8. This Fifth Amendment may be executed in counterparts, each of which together will constitute one and the same instrument.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties have affixed their signatures to this Fifth Amendment on the dates written below.

LICENSOR:

PIMA COUNTY

Sharon Bronson, Chair
Board of Supervisors

Date: _____

LICENSEE:

Cumulus Radio Corporation,
A Nevada Corporation

By: Richard S. Denning
Richard S. Denning
Senior Vice President & General Counsel

Date: 5/5/17

ATTEST:

Julie Castaneda, Clerk of the Board

Date: _____

APPROVED AS TO CONTENT

Jesse Rodriguez
Jesse Rodriguez, Chief Information Officer

Date: 4/24/17

APPROVED AS TO FORM:

Tobin Rosen
Tobin Rosen, Deputy County Attorney

Date: 4/24/17