



## **BOARD OF SUPERVISORS AGENDA ITEM REPORT** **CONTRACTS / AWARDS / GRANTS**

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: September 17, 2019

*\* = Mandatory, information must be provided*

or Procurement Director Award ☐

**\*Contractor/Vendor Name/Grantor (DBA):**

Alltel Corporation, dba Verizon Wireless, a Delaware Corporation (fka Alltel Communications Southwest Holdings, Inc., dba Verizon Wireless) ("Licensee").

**\*Project Title/Description:**

Tower License Agreement / Sixth Amendment

**\*Purpose:**

The purpose of this Amendment is to reduce the License Fee paid by Licensee to bring it more in line with current market rates, and to reduce the annual increase of such Fee from 5% to 3% to match County's current annual increase for similar Licenses. After an analysis of the License Fee being paid by Licensee under the subject License, it was determined by the parties that, as a consequence of the number of years Licensee has been paying this License Fee, along with the previous annual increase of 5% over that course of years, the annual License Fee had grown to a sum which is markedly out of line with current market rates for similar Licenses. County staff determined it more beneficial to lower the License Fee in order to retain the Licensee at the subject Site, rather than to lose the income stream as a result of Licensee moving to a less expensive site.

Lic-0263

**\*Procurement Method:**

Exempt per Pima County Code Section 11.04.020

**\*Program Goals/Predicted Outcomes:**

To stipulate the terms pursuant to which this Pima County site will maintain its market competitiveness by reducing the License Fee in this instance to better reflect market License Fees in this area for this type of communications system.

**\*Public Benefit:**

Licensee will continue to provide high quality cellular service to its customers in Pima County from the Nanini Governmental Center Site.

**\*Metrics Available to Measure Performance:**

Licensee will continue to pay the License Fee, as reduced by this Amendment, in a timely manner.

**\*Retroactive:**

Retroactive to February 9, 2019. Licensee has timely paid the rent for the current year but was delayed in obtaining approval and execution of this Amendment.

**Contract / Award 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) required:**Funding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No**If Yes, is the Contract to a vendor or subrecipient?** \_\_\_\_\_Were insurance or indemnity clauses modified? ☐ Yes ☐ No*If Yes, attach Risk's approval.*Vendor is using a Social Security Number? ☐ Yes ☐ No*If Yes, attach the required form per Administrative Procedure 22-73.***Amendment / Revised Award Information**

Document Type: CTN Department Code: IT Contract Number (i.e., 15-123): 13\*296

Amendment No.: Six (6) AMS Version No.: Eight (8)

Effective Date: 2/09/2019 New Termination Date: 2/08/2023

Prior Contract No. (Synergen/CMS): \_\_\_\_\_

☐ Expense or ☒ Revenue ☐ Increase ☒ Decrease Amount This Amendment: \$ 160,476.18Is there revenue included? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_**\*Funding Source(s) required:**Funding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**Grant/Amendment Information** (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Grant Number (i.e., 15-123): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Amendment Number: \_\_\_\_\_

☐ Match Amount: \$ \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_**\*All Funding Source(s) required:****\*Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**\*Match funding from other sources?** ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_**\*Funding Source:** \_\_\_\_\_**\*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** \_\_\_\_\_

Contact: Aaron Mergenthal

Department: Real Property Services

Telephone: 520-724-6854

Department Director Signature/Date: \_\_\_\_\_

Deputy County Administrator Signature/Date: \_\_\_\_\_

County Administrator Signature/Date: \_\_\_\_\_

(Required for Board Agenda/Addendum Items)

**PIMA COUNTY DEPARTMENT OF:  
INFORMATION TECHNOLOGY**

**PROJECT:** TOWER LICENSE AGREEMENT

**LICENSEE:** Alltel Corporation d/b/a Verizon Wireless  
**LICENSEE SITE NO.:** 213106

**CONTRACT NO.:** CTN-IT-13-296

**CONTRACT AMENDMENT NO.:** Six (#06)

**SIXTH AMENDMENT TO TOWER LICENSE AGREEMENT**  
Nanini Governmental Center, 7300 N. Shannon Road, Tucson, Arizona 85741

THIS SIXTH AMENDMENT ("Sixth Amendment") is entered into by and between Pima County ("County"), a political subdivision of the State of Arizona, and Alltel Corporation d/b/a Verizon Wireless, ("Licensee"), a Delaware Corporation, and shall be effective as of February 9, 2019.

**RECITALS**

County and Licensee (or their predecessors in interest) entered into that certain Tower License for Wireless Communications Facilities effective February 9, 2013 (the "License"). The License has been amended four times to replace/add new equipment on the tower and premises. The Fifth Amendment to the License extended the term of the License for an additional five (5) year term through February 8, 2023. With this Sixth Amendment, the parties wish to change the License Fee under Section 12 to reflect current market rates.

**AGREEMENT**

WHEREFORE, the Parties agree as follows:

1. The effective date of this Sixth Amendment shall be February 9, 2019, with termination date of the License to remain as February 8, 2023.
2. **LICENSE FEE.** The first and last sentences of the first paragraph of Section 12 of the License are hereby deleted in their entirety and replaced with the

following: *"Effective February 9, 2019, the License Fee shall be \$28,800.00, to be paid annually ("License Fee") with a 3% annual increase thereafter."*

3. The License Fee Schedule, as revised in the First Amendment to the License and set forth therein as Exhibit A-8, is hereby deleted in its entirety and replaced with **Exhibit A-8.1** attached hereto.
4. This Sixth Amendment provides for a reduction in rent, effective February 9, 2019. Licensee and County agree and acknowledge that Licensee shall be entitled to a credit in the event of any overpayment of rent resulting from said reduction in rent. Such credit shall be applied against Licensee's rent due under the License.
5. All other provisions of the License shall remain in effect and continue to be binding upon the parties.

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SIGNATURES AND EXHIBITS TO FOLLOW

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

COUNTY:

PIMA COUNTY

LICENSEE:

Alltel Corporation d/b/a Verizon Wireless

\_\_\_\_\_  
Richard Elias, Chairman  
Board of Supervisors

By: \_\_\_\_\_

Name: Margaret Salemi

Title: Director – Network Engineering &  
Ops

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Julie Castaneda, Clerk of the Board

APPROVED AS TO CONTENT



Dan Hunt, Chief Information Officer

Date: 07/01/19

APPROVED AS TO FORM:



Christopher Straub, Deputy County Attorney

Date: 7/01/19

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

COUNTY:


PIMA COUNTY

\_\_\_\_\_  
Richard Elias, Chairman  
Board of Supervisors

Date: \_\_\_\_\_

LICENSEE:

Alltel Corporation d/b/a Verizon Wireless

By:   
Name: Margaret Salemi  
Title: Director – Network Engineering &  
Ops

Date: 8/9/19

ATTEST:

\_\_\_\_\_  
Julie Castaneda, Clerk of the Board

APPROVED AS TO CONTENT

APPROVED AS TO FORM:

\_\_\_\_\_  
Dan Hunt, Chief Information Officer

\_\_\_\_\_  
Christopher Straub, Deputy County Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT A-8.1

### Revised License Fee for 5 Year Term of License

Verizon CTN-IT-13-0296 Amendment No. 6

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Total</u>
Year 1 (2/09/18-2/08/19)	\$39,987.73	0	\$39,987.73
Year 2 (2/09/19-2/08/20)	\$28,800.00	0	\$28,800.00
Year 3 (2/09/20-2/08/21)	\$28,800.00	3%	\$29,664.00
Year 4 (2/09/21-2/08/22)	\$29,664.00	3%	\$30,553.92
Year 5 (2/09/22-2/08/23)	\$30,553.92	3%	<u>\$31,470.53</u>
5 year revised total			\$160,476.18