

AGENDA ITEM

FOR DISCUSSION

MEMORANDUM

TO: Chairperson and Members of the Executive Committee

FROM: Tami Coleman, Revenue Manager
Magan Waltari, Procurement and Contracts Manager

DATE: July 6, 2021

SUBJECT: Consideration of Approval for a Provision Change to Ground and Air Lease at Cordata Transit Station with New Cingular Wireless PCS, LLC to Install, Operate, and Maintain a Cellular Monopole.

RECOMMENDATION

That the Board of Directors review and approve proposed language to the ground and air lease with New Cingular Wireless PCS, LLC ("AT&T") for the installation, operation, and maintenance of a cellular broadband monopole tower.

BACKGROUND

At the June 17 meeting, the Board of Directors approved a preliminary lease pending final negotiation with AT&T. Staff agreed to return for Board approval in the event negotiations brought forth changes that would substantially and materially change the terms.

The board had two main concerns: 1) The amount of the annual escalator, and 2) the total height of the proposed tower.

Staff was able to negotiate a 3% annual escalator increase. WTA annual rent revenue will increase by 3% every year the lease is in effect, which is estimated at a total thirty-five (35) years.

Staff proposed the following language to address the limitation to the tower:

"Notwithstanding anything to the contrary, no Structure or any portion of the Communication Facility shall be higher than seventy (70) feet high, as measured from the base of such Structure or portion of the Communication Facility, unless approved by WTA's Board of Directors in their discretion"

The highlighted language will give WTA the ability to approve or deny any height increase for any reason.

AT&T has proposed the following change in red:

"Notwithstanding anything to the contrary, no Structure or any portion of the Communication Facility shall be higher than seventy-five (70~~75~~) feet high, as measured from the base of such Structure or portion of the Communication Facility, ~~unless approved by WTA's Board of Directors in their discretion~~ without WTA consent, which shall not be unreasonably delayed, conditioned, or denied."

AT&T's proposed change will require WTA to have a business or operational requirement in order to deny any height increase.

FISCAL IMPACT

For the first, five-year term of the lease, estimated lease revenue will be \$89,193.

The changes include updated definitions, clarifying staff roles, and detailing the limited changes the General Manager can authorize to the budget without Board approval.

Ms. Shipman stated that staff would like to get this approved before the budget process begins in September.

Board members had questions about the circumstances under which budget changes would be brought to the Board vs. approved by the General Manager. Some wording changes for clarity were suggested.

General Manager Les Reardanz said staff are trying to allow for capital project change orders to be approved by the General Manager at a certain level, but if the change cannot be accommodated by decreases in other budget categories, then a budget amendment would be brought to the Board.

There was general consensus that the Board would like more time to review the policy revisions before voting on them.

Ms. Shipman said she will do a little more work on the policy and bring it to the Board Budget Workshop in August for further discussion and consideration.

G.3 Consideration of Approval of Disadvantaged Business Enterprise Goals for 2022-2024

Recommendation: The Executive Committee met on July 8, 2021 and recommended that the Board of Directors approve the WTA Federal Disadvantaged Business Enterprise (DBE) 2022-2024 DBE Goal.

Magan Waltari, Procurement & Contracts Manager, gave an overview of this item.

MOTION BY LAUTENBACH, SECONDED BY KORTHUIS THAT THE BOARD OF DIRECTORS APPROVE THE WTA FEDERAL DISADVANTAGED BUSINESS ENTERPRISE (DBE) 2022-2024 DBE GOAL.

The motion passed unanimously.

G.4 Consideration of Approval of Revised Ground and Air Lease at Cordata Transit Station with New Cingular Wireless PCS, LLC to Install, Operate, and Maintain a Cellular Monopole

Recommendation: That the Board of Directors review and approve proposed language to the ground and air lease with New Cingular Wireless PCS, LLC ("AT&T") for the installation, operation, and maintenance of a cellular broadband monopole tower.

Magan Waltari gave an overview of this item describing two material changes since the Board's previous review including a 3% annual escalator for the annual rent revenue WTA will receive and a height limit of 75 feet unless WTA consents to a greater height. The proposed language states, "WTA's consent shall not be unreasonably delayed, conditioned, or denied."

MOTION BY KORTHUIS, SECONDED BY HAWKINSON THAT THE BOARD OF DIRECTORS APPROVE PROPOSED REVISED LANGUAGE TO THE GROUND AND AIR LEASE WITH NEW CINGULAR WIRELESS PCS, LLC ("AT&T") FOR THE INSTALLATION, OPERATION, AND MAINTENANCE OF A CELLULAR BROADBAND MONOPOLE TOWER.

The motion passed unanimously.

H. REPORTS TO BOARD

H.1 Report on Resumption of Full Service and Fare Collection (verbal)

Les Reardanz, General Manager, introduced Eric Frazier, Operations Director, who reviewed the recent service changes made as WTA returned to full service on June 13th. Mr. Frazier reported that the new Lynden Hop on-demand service also began June 13th. He stated that we have not seen a significant increase in ridership since full service resumed, however, we would normally see a significant drop in the summer, and we have not. Fixed Route ridership is up 30% or so from where we were last year at this time. Paratransit ridership is on a slow, steady increase and is roughly 70% of pre-pandemic service levels, but up 70% from where we were last year at this time.

Operational changes made mid-May through July 1st include:

- Return to front door boarding on the buses
- Removed all passenger load restrictions
- Cancelled additional trailer buses which were supporting reduced capacity
- Removed Fixed Route driver barriers
- Resumed passenger WiFi on the buses
- Introduced passenger WiFi on the Lynden Hop and in paratransit buses
- Resumed fare collection July 1st

Mr. Frazier stated that WTA continues to require masks on buses for all passengers. This is a CDC and TSA mandate for public transportation which is in place until September 13th unless rescinded. However, we are evaluating removing the mask requirement outdoors on WTA property.

He said, all in all, the transitions went smoothly.