



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

**File Number: K-0506-151 AMD#2**

**File ID:** K-0506-151 AMD#2      **Type:** Contract      **Status:** Consent Item

**Version:** 1      **Reference:** Item 22      **In Control:** City Council

**Department:** Utilities Department      **Cost:**      **File Created:** 02/15/2018

**File Name:** Amendment #2 Contract K-0506-151, Cingular Wireless      **Final Action:**

**Title:** AMENDMENT NO. TWO TO CONTRACT K-0506-151: BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND NEW CINGULAR WIRELESS PCS, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, INCREASING THE MONTHLY RENTAL FEE BY \$685 PER MONTH FOR A REVISED RENTAL AMOUNT OF \$3,082.27 PER MONTH FOR ADDITIONAL TELECOMMUNICATION EQUIPMENT TO BE INSTALLED ON THE BROOKHAVEN WATER TOWER.

**Notes:** ACTION NEEDED: Acting as the Norman Utilities Authority, motion to approve or reject Amendment No. Two to Contract K-0506-151 with New Cingular Wireless PCS, L.L.C., a Delaware Limited Liability Company, increasing the monthly rental fee by \$685 for a revised rental amount of \$3,082.27 per month; and, if approved, authorize the execution thereof.

ACTION TAKEN: \_\_\_\_\_

**Agenda Date:** 02/27/2018

**Agenda Number:** 22

**Attachments:** Amd 2 K-0506-151

**Project Manager:** Mark Daniels, Utilities Engineer

**Entered by:** chris.mattingly@normanok.gov

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

### Text of Legislative File K-0506-151 AMD#2

Body

**BACKGROUND:** The Norman Utilities Authority (NUA) approved Contract K-0506-151 with AT&T on June 13, 2006 to lease space for telecommunication equipment on the Brookhaven Water Tower located at 4151 West Robinson. The initial term of the contract was five years with the option to renew four additional terms of five years each. The lease rate was \$1,000 per month with a 3% increase annually on the anniversary date of the contract. The initial five-year term expired in May 2011 and automatically renewed.

The contract allows the NUA to terminate the agreement upon one hundred eighty days (180) days notice after the initial five-year term. It also requires telecommunication equipment to be installed in accordance with the contract and requires approval of the Director of Utilities prior to construction of any improvements.

On December 9, 2014, the NUA approved Amendment No. 1 to the contract increasing the monthly rate to \$2,131.60 and increasing the annual increase to 4%. As a part of this amendment, the lease was transferred to Cingular Wireless (Cingular). At this time, the monthly rate is \$2,397.27.

**Discussion:** Cingular has requested that new and expanded telecommunication equipment be installed on the tower. Staff has negotiated the terms of Amendment No. 2 to Contract K-0506-151 with Cingular. The amendment includes: (1) Exhibit 2-A which identifies the location and lists of the equipment to be installed on the tower; and (2) increases the lease rate by \$685 per month after beginning with the first payment after approval on this amendment. Assuming NUA approval in February 2018, the revised monthly rate in March 2018 will be \$3,082.27. This monthly revenue will be receipted into Water Tower Revenue (account 031-0000-363.15-82) as it is received.

**RECOMMENDATION:** Staff recommends the NUA approve Amendment No. 2 to Contract K-0506-151 with New Cingular Wireless PCS, LLC. to install new telecommunication equipment and continue leasing space for the equipment placed on the Brookhaven Water Tower.