

**BOARD OF ALDERMEN**

**ITEM NO. C(4)**

**AGENDA ITEM ABSTRACT**

**MEETING DATE: April 4, 2006**

**SUBJECT: Authorization to Execute Lease Agreement for Wireless Internet Antenna Co-Location on Town Tower**

<b>DEPARTMENT: MANAGER'S OFFICE</b>	<b>PUBLIC HEARING: NO</b>
<b>ATTACHMENTS:</b> A. <b>Resolution Authorizing Execution of Lease of Tower Space to Clearwire for Wireless Internet Antenna</b> B. <b>Lease agreement</b>	<b>FOR INFORMATION CONTACT:</b> <b>Drew Cummings (918-7314)</b>

**PURPOSE**

Clearwire LLC has expressed an interest in co-locating an antenna for their commercial wireless internet service on the Town's telecommunications tower, and the Board of Alderman must approve this lease, giving the manager the authority to execute it as written here in Attachment B.

**INFORMATION**

The General Statutes of the State of North Carolina require Board approval of contracts leasing or renting Town property, and leases longer than ten years are to be treated effectively as sales. The proposed lease with Clearwire, LLC, is for five years with the possibility of automatic renewal for four additional five-year terms. An additional requirement for such longer leases is that the Town give 10 days public notice of the intent to enter into such a lease agreement.

**FISCAL IMPACT**

The contract stipulates a \$1,500 monthly payment (\$18,000 annually) to the Town with a 3% increase in the monthly rate each year of the lease. Staff deems the monthly lease amount to be appropriate for the size of the antenna.

**RECOMMENDATION**

The town staff recommends that the Board authorize the Town Manager to execute a lease agreement with Clearwire LLC following the required 10 day public notice period.