

# Memo

**To:** Roseville Finance Commission  
**From:** Michelle Pietrick, Finance Director  
**Date:** September 14, 2021  
**Re:** Item #6: Discussion on Antennae Leases

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## **Background**

The City of Roseville has five locations where cell phone companies lease space for placement of cellular equipment. The first lease was established in 1994 on the Free-Standing Lattice Tower at 2501 Fairview with Sprint (Nextel, C-Call). Over time, more companies started leasing space and more towers were erected. Clearwire built the South Monopole at 2660 Civic Center Drive and rent was abated through 2022. Clearwire merged with one of the other carriers and has now removed all of their equipment and the monopole has been conveyed to the City.

The lease rates vary in cost based on the amount of space and other equipment each carrier has on the various locations. Each lease was for 5 years with 5 renewal periods of five-years. Escalation clauses were 3-5% and addendums have been written if the carrier requires more space. There are currently four carriers under lease with separate leases for each location. The current carriers are AT&T, Sprint, T-Mobile, and Verizon. In 2020, the City collected a total of \$457,443 in antennae lease revenue. With the departure of Clearwire, we anticipate 2021 revenue to be approximately \$448,500.

The antennae leave revenue goes into the Information Technology (IT) Fund to support the City's cost of information technology for all tax supported departments and the network functions of all City staff. The Finance department monitors all payments. The negotiation of leases was previously done by the former Finance Director and the former IT Manager. To optimize future lease revenues, the city is contracting with Short Elliot Hendrickson who has specialists in the telecommunications field.

## **Staff Recommendation**

Not applicable.

## **Requested Commission Action**

No Commission Action required, the report is for information only.

Prepared by: Michelle Pietrick, Finance Director  
Attachments: A:None