



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Legislation Text

File #: [24-0134], Version: 1

Execute of a new encroachment and lease agreement with T-Mobile South, LLC for the maintenance and operation of existing wireless communications facilities in Northern Community Park

Staff:

Chris Butts, Chief Information Office

Department:

Technology Solutions

Overview: The attached resolution would authorize the Town Manager to execute an encroachment and lease agreement for the maintenance and operation of T-mobile's existing wireless communications system on a Duke Energy Corporation transmission tower. The term of the agreement is five years with the option to extend for another five years. In return, T-mobile pays the Town \$37,391.11 per year with an annual increase of 3%. The lease for the wireless communications equipment was originally approved by Council in 1998 and was amended to last for 15 years.

**Recommendation(s):**

That the Council adopt the attached resolution to authorize the Town Manager to execute a new encroachment and lease agreement for the maintenance and operation of T-mobile's existing wireless communications system on an existing Duke Energy Corporation transmission tower for a period of up to ten years.

Key Issues:

- North Carolina Statute 160A-272 authorizes the Town to lease or rent Town property pursuant to a resolution of the Council authorizing the execution of the lease or rental agreement adopted at a regular Council meeting upon 10 days' public notice. The item was published on the Council Agenda on March 6, 2024, providing 14 days notice.

Fiscal Impact/Resources: The new lease amount would begin at \$37,391.11 per year with an annual increase of 3% over the previous year paid in one lump sum within 30 days of the lease and encroachment approval.

**Attachments:**

- Resolution
- Town Contract
- Encroachment and Lease Agreement

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE AN ENCROACHMENT AND LEASE AGREEMENT FOR A PORTION OF THE NORTHERN COMMUNITY PARK FOR THE PURPOSE OF ALLOWING T-MOBILE SOUTH, LLC TO MAINTAIN THEIR CELLULAR EQUIPMENT ON A DUKE ENERGY TOWER (2024-03-20/R-5)

WHEREAS, the Town Council previously authorized SprintCom, Inc to place a wireless communications system on and around an existing Duke Energy tower; and

WHEREAS, T-Mobile South, LLC, is the successor in interest to SprintCom, Inc; and

WHEREAS, the North Carolina Statute 160A-272 authorizes the Town to lease or rent Town property pursuant to a resolution of the Council authorizing the execution of the lease or rental agreement adopted at a regular Council meeting upon 10 days' public notice and such notice has been made.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby Authorizes the Town Manager to execute of a new encroachment and lease agreement for the maintenance and operation of T-mobile's South LLC's existing wireless communications system on a Duke Energy Corporation transmission tower located in the Northern Community Park, as described in the March 20 meeting materials.

This the 20th day of March, 2024.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By adopting the resolution, the Council authorizes the Town Manager to execute a new encroachment and lease agreement for the maintenance and operation of T-mobile's existing wireless communications system on a Duke Energy Corporation transmission tower that is located in the Town's Northern Community Park. The term of the agreement is five years with the option to extend for another five years.