



Agenda Item

City Council

Item #: 7.2.

9/14/2021

File #: 21-0151

TO: Honorable Mayor and Members of the City Council

FROM: Rick Otto, City Manager

1. SUBJECT

Master Encroachment Agreement with Verizon Wireless for the installation of small cell facilities in the public right-of-way.

2. SUMMARY

The proposed Master Encroachment Agreement would allow Verizon Wireless to apply for individual permits to install small cell facilities on City streetlight poles.

3. RECOMMENDED ACTION

Approve the Master Encroachment Agreement by and between the City of Orange and Los Angeles SMSA Limited Partnership, DBA Verizon Wireless, for the construction, installation, maintenance, and operation of telecommunications network facilities within the public right-of-way, and authorize the Mayor and City Clerk to execute on behalf of the City.

4. FISCAL IMPACT

The City will receive \$270 per year for each facility that is installed under this agreement.

5. STRATEGIC PLAN GOALS

Goal 2: Be a fiscally healthy community

d: Effectively manage and develop City assets.

6. DISCUSSION AND BACKGROUND

As demand for wireless data grows, the major cell carriers are augmenting their traditional cell towers with small cell facilities mounted on City streetlight poles. These small cell facilities help expand network coverage and increase capacity. A companion item on this agenda is a proposed Council policy on the installation of small wireless facilities, and this agreement would conform to that policy.

In 2017, the City entered into a Master Encroachment Agreement with Mobilitie, who installed six small cell facilities for Sprint (now a part of T-Mobile). In 2018, the City entered into a Master Encroachment Agreement with AT&T who has applied for or installed more than 60 small cell facilities in the city.

The proposed Master Encroachment Agreement with Los Angeles SMSA Limited Partnership (Verizon) allows Verizon to install small cell facilities on City-owned streetlight poles once they have obtained individual permits for each site from the Public Works Department. The permit review process includes design review, review of construction drawings and structural analysis, and site

inspections.

The terms and conditions of the proposed Agreement include:

- Annual Attachment Fee of \$270 per facility
- Attachment Fee is subject to an annual increase of 3%
- Agreement term is ten years with one five-year extension
- Individual permits approved under this agreement have an initial term of ten years, with three five-year extensions

Staff recommends approving the proposed agreement to allow Verizon to apply for individual permits for small cell facilities in the public right-of-way.

7. ATTACHMENT

- Master Encroachment Agreement with Verizon Wireless