CITY OF UNALASKA UNALASKA, ALASKA

RESOLUTION 2022-09

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO APPROVE AN AMENDMENT TO TELALASKA'S EXISTING LEASE AREA ON LEAR ROAD

WHEREAS, the Unalaska City Council approved Resolution 2020-64 leasing a portion of city owned real estate for use by TelAlaska for its tower located on Lear Road and shared with the water tank; and

WHEREAS, the 20-year lease is in effect through December 2040; and

WHEREAS, TelAlaska is seeking permission from the City to construct a new 60 foot tower on a slightly larger area and adjacent to its existing 30 foot tower; and

WHEREAS, TelAlaska will remove the existing tower once the new tower is complete and operational; and

WHEREAS, the existing lease addresses additions and expansions and states "Alterations and Improvements: Upon receiving written permission from Lessor, Lessee may make alterations, additions and improvements to the Parcel, at Lessee's sole cost and expense. Lessor's consent shall not be unreasonably withheld. Lessee shall remove all improvements and personal property of Lessee from the Parcel at the end of the Lease term and the Parcel shall be restored to the condition prevailing on the effective date of this Lease"; and

WHEREAS, TelAlaska has submitted a building permit application with required drawings and specifications, and the required City departments have signed off and approved the new improvements.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to approve the improvements proposed by TelAlaska per the existing agreement between the City and TelAlaska.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 8, 2022.

Vincent M. Tutiakoff, Sr.

Mayor

ATTEST:

Marjie Veeder, CMC

City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Planning Director
Through: Erin Reinders, City Manager

Date: March 8, 2022

Re: Resolution 2022-09: Authorizing the City Manager to approve an Amendment to

TelAlaska's existing lease area on Lear Road

SUMMARY: TelAlaska currently has a cellular communications tower on a city owned parcel in the valley on which a water tower is also present. The site is accessed from Lear Road. TelAlaska seeks to expand its existing 280 square foot area with an additional 420 square feet for a total of 700 square feet and construct a new, taller communications tower. The present tower is 30' tall and the new tower will be 60' tall, adding 30' feet to the height. The City lease requires any significant changes to be approved by the City. Staff recommends approval.

<u>PREVIOUS COUNCIL ACTION:</u> Council adopted Resolution 2020-64 on October 13, 2020, authorizing the City Manager to enter into an agreement renewing a 20-year lease with TelAlaska for the Lear Road Water Tank Site.

BACKGROUND: The existing lease for TelAlaska's use is for a portion of city owned real estate situated off Lear Road and on the same parcel as the Lear Road Water Tower. The initial lease spanned 10 years beginning in 2010 and expired in 2020. City Council approved Resolution 2020-64 and authorized the City Manager to enter into a new, 20 year agreement for the same tower and location.

<u>DISCUSSION</u>: In general, telecommunication companies have found it difficult to locate desired sites for new tower infrastructure in Unalaska. This is due primarily to the limited amount of available real estate that meets optimal network needs for the companies. Presently there are several telecommunication tower projects happening in Unalaska. GCI, OptimERA and TelAlaska are all working to improve their tower infrastructure on new locations throughout the city.

Exhibit A indicates the general vicinity of the site on which the City's water tank and TelAlaska's existing tower is located. Attachment A indicates the present and proposed tower locations, size and position near the water tank. Attachment B illustrates details of the existing and proposed towers. The attachments were provided by TelAlaska. If approved, the existing 280 square foot area and the tower will be removed once the new tower is constructed and operational.

TelAlaska's lease for this site runs through December, 2040, about 18 years from now. The company currently pays \$14,400 annually. Paragraph 8 of the lease addresses future alterations and site work and is quoted below (Lessee = City; Lessor = TelAlaska):

8. Alterations and Improvements: Upon receiving written permission from Lessor, Lessee may make alterations, additions and improvements to the Parcel, at Lessee's sole cost and expense. Lessor's consent shall not be unreasonably withheld. Lessee shall remove all improvements and personal property of

Lessee from the Parcel at the end of the Lease term and the Parcel shall be restored to the condition prevailing on the effective date of this Lease.

TelAlaska applied for a building permit on January 10, 2022. City departments involved with reviewing new building permits have all signed off on the application and plans. Approval from City Council is required per the lease and is the last step before TelAlaska can proceed with the project.

TelAlaska already pays \$14,400 for the site. Most of the new leases are being charged \$10,800 annually. Staff does not recommend increasing the annual fee as a result of the existing difference.

ALTERNATIVES: Council may not unreasonably withhold its consent per the lease.

<u>FINANCIAL IMPLICATIONS</u>: The city receives \$14,400 annually from the present lease for this tower and location.

LEGAL: None

STAFF RECOMMENDATION: Approve Resolution 2022-09 authorizing the City Manager to approve an amendment to TelAlaska's existing lease area on Lear Road.

PROPOSED MOTION: I move to adopt Resolution 2022-09.

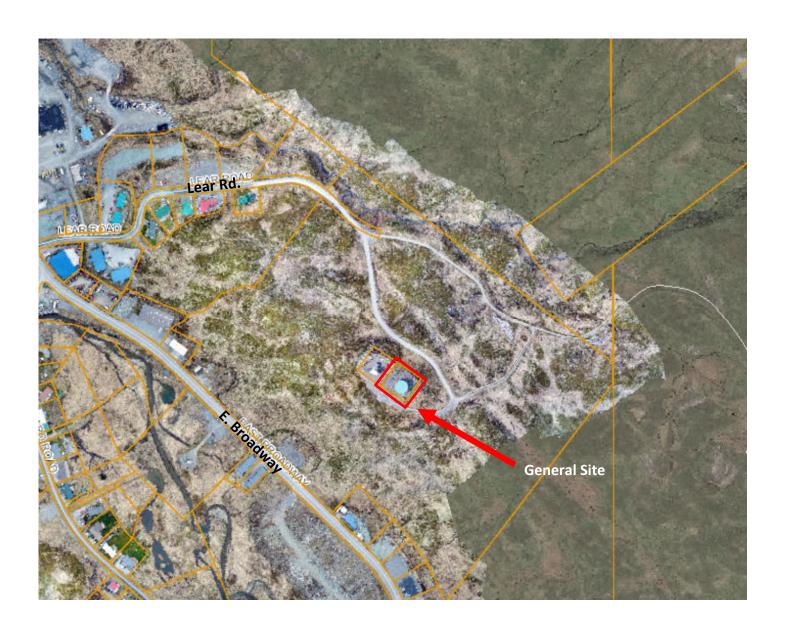
CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

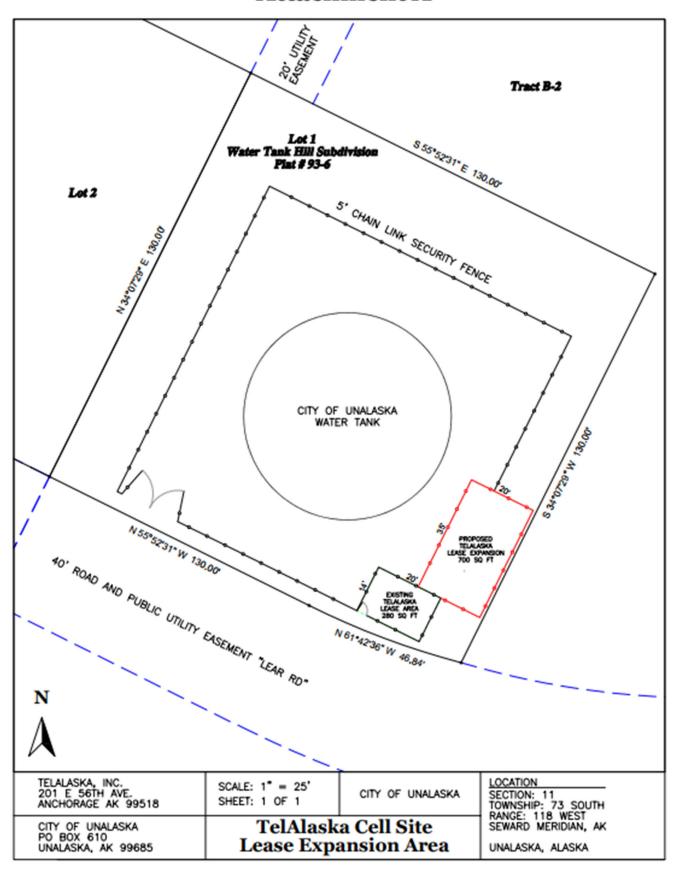
Exhibit A: Vicinity Map
 Attachment A: Project Site

3. Attachment B: Project Details

EXHIBIT AVicinity Map



Attachment A



Attachment B

