Community Betterment Committee

January 22, 2018

Present: Committee Members Buxton and Fleck; Council President King; Council Members Baltzell, Larmore, and Scott; Mayor Hazel; Auditor Strawn; Safety-Service Director Hitchcock; Law Director Moore; Kevin Sandler, WCSM Radio; and Bill Kincaid, The Daily Standard.

Committee Chairman Buxton called the meeting to order at 6:30 pm for discussion of the RG Communications lease renewal. Director Hitchcock explained the City authorized the original Agreement through an Ordinance in 1988, with an addendum to the Agreement in August 2007. The original annual lease was $3,600, and it is currently $3,800 per year. RG Communications has requested the lease be reduced to $3,000, because the tower is not of structure to support cellular equipment and is used for repeater service for farming and commercial businesses. With the increased use of cell phones, they have lost a lot of repeater customers. Mayor Hazel stated he sympathizes where they are at. CM Fleck asked if there are any other companies using this space. Director Hitchcock stated it is actually their tower, but they are leasing the ground it sits on. CM Larmore asked if we have any other cell towers sitting on City property that we could compare this to. Director Hitchcock reported there is a cell tower by the solar field being charged $4,110 annually. Mayor Hazel stated we want to see businesses succeed, but he questioned if it is appropriate to renegotiate at a danger of other companies on our water towers wanting to reduce their rent also. Sprint has equipment on top of the water tower and pays $1,150 per month. CM Larmore asked if the City could consider selling the land to RG Communications. Director Hitchcock replied he does not believe we can with it being so close to the landfill, and the location is landlocked. CM Baltzell stated he appreciates their position, and asked if the company needs to remove the tower if the Agreement is not renewed. Law Director Moore replied that the current Agreement reads that it is RG Communications’ responsibility to remove all equipment from the property within 180 days of the termination of the Agreement. CM Fleck stated he is ok with dropping the price and suggested a five year Agreement.

CM Fleck made a motion to recommend a five year lease at $3,000 per year. CM Scott stated this creates a possibility of setting a precedence, but the City could argue the point of long-term customers and the technology is limited. Law Director Moore stated this is a valid point and would recommend a whereas clause in the legislation indicating the reasoning of lowering the lease. Mayor Hazel suggested a clause be added in the Agreement that if they update the tower with new technology, the Agreement will need to be renegotiated. CM Buxton seconded the motion. Motion passed with a voice acclamation vote2-0 aye.

Committee Chairman Buxton adjourned the meeting at 6:53 pm.

Submitted by Joan S. Wurster, Clerk of Council