



**Date:** July 26, 2016

**To:** THE TRUSTEES

**From:** THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**Subject:** Sprint Spectrum Realty Company – Extension of  
Transmission Structure Right-of-Occupancy Agreement

SUMMARY

The Trustees are requested to authorize the extension of a Transmission Structure Right-of-Occupancy Agreement to Sprint Spectrum Realty Company, L.P., successor-in-interest to Sprint Spectrum, L.P. ("Sprint"). The minimum annual rental is \$19,902 per tower site.

BACKGROUND

At their August 27, 1996 meeting, the Trustees approved a Transmission Structure Right-of-Occupancy Agreement ("Agreement") with Sprint for the use of space on Authority transmission towers to append antennas for communication services. Under the Agreement, Sprint installed antennas on five of the Authority's transmission towers in the Rochester area. The current Agreement will expire in September 2016 and Sprint has requested that the Authority extend the term of the Agreement for an additional 5-year period with three, 5-year renewal options.

DISCUSSION

The extension agreement requires that Sprint pay the Authority \$19,092 annually per transmission tower, with a 2.5% annual increase. The usage will provide the Authority with a minimum annual revenue of \$95,460. Any capital or operating and maintenance costs incurred by the Authority for maintenance of the antennas will be reimbursed by Sprint. The Authority contacted other utilities in several states and determined that the rental fee paid by Sprint is competitive and consistent with the fee negotiated by such other utilities. As the transmission towers are on real property upon which the Authority has an easement, rather than fee ownership, Sprint shall also pay each underlying fee owner approximately \$1,000 per month.

The use of the transmission towers to append antennas is not inconsistent with operation of the Authority's transmission system.

The Authority's Expenditure Authorization Procedures governing real estate require the Trustees' approval for operating agreements for use of Authority property where the annual value exceeds \$100,000. That threshold will be reached during the initial term of this extension.

FISCAL INFORMATION

Implementation of this extension will generate revenue for the Authority.

## RECOMMENDATION

The Vice President – Enterprise Shared Services and the Vice President -Transmission recommend that the Trustees approve the extension of a Transmission Structure Right-of-Occupancy Agreement between the Authority and Sprint Spectrum Realty Company, L.P.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Gil C. Quiniones  
President and Chief Executive Officer

## RESOLUTION

RESOLVED, that the President and Chief Executive Officer and the Vice President -- Enterprise Shared Services be, and hereby are, authorized to enter into an extension of a Transmission Structure Right-of-Occupancy Agreement between the Authority and Sprint Spectrum Realty Company, L.P. on substantially the terms set forth in the foregoing memorandum of the President and Chief Executive Officer and subject to the approval of the documents by the Executive Vice President and General Counsel or his designee; and be it further

RESOLVED, That the Vice President – Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Authority that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.