

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 5, 2023

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department

LYNN FYHRLUND, Chief Information Officer, Innovation and Technology Department

SUBJECT

Amendment to Revenue License Agreement with Los Angeles SMSA Limited Partnership dba Verizon Wireless for Rack and Antenna Space in Big Bear

RECOMMENDATION(S)

1. Find that approval of Amendment No. 6 to revenue License Agreement No. 03-1202 with Los Angeles SMSA Limited Partnership dba Verizon Wireless for rack and antenna space is an exempt project under the California Environmental Quality Act Guidelines Section 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 6** to revenue **License Agreement No. 03-1202** with Los Angeles SMSA Limited Partnership dba Verizon Wireless, to extend the term of the license for five years, retroactive to December 1, 2023, through November 30, 2028, following a permitted holdover for the period of October 1, 2023, through November 30, 2023, with the option to extend for two additional five-year terms, adjust the license fee schedule, and update standard license agreement language for the use of rack space within the San Bernardino County-owned equipment shelter, and antenna space on the San Bernardino County-owned antenna tower at Bertha Peak Communication Site in Big Bear, increasing the revenue in the amount of \$556,750.
3. Direct the Clerk of the Board of Supervisors to file and post the Notice of Exemption for the project as required under the California Environmental Quality Act.
(Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total revenue to be received by San Bernardino County (County) during this five-year amendment is \$556,750, including a two-month permitted holdover period of October 1, 2023 through November 30, 2023. Revenue will be deposited in the Real Estate Services Department (RES) Rents budget (7810001000). Annual license revenue is as follows:

<u>Year</u>	<u>Annual Revenue</u>
October 1, 2023 – November 30, 2023*	\$15,070
December 1, 2023 – November 30, 2024	\$100,008
December 1, 2024 – November 30, 2025	\$104,004

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December 1, 2025 – November 30, 2026	\$108,168
December 1, 2026 – November 30, 2027	\$112,500
December 1, 2027 – November 30, 2028	<u>\$117,000</u>
Total Revenue	\$556,750
*Holdover Rent	

BACKGROUND INFORMATION

Amendment No. 6 to revenue License Agreement 03-1202 (License) provides for the continued use of County-owned rack and antenna space by Los Angeles SMSA Limited Partnership, dba Verizon Wireless (Verizon), through an extension of the term of the License of five years through November 30, 2028, following a permitted holdover for the period of October 1, 2023 through November 30, 2023. The amendment also provides option extensions to extend the term of the License for two additional five-year terms at the Bertha Peak Communication Site (Bertha Peak) in Big Bear for Verizon to operate its wireless communication equipment.

On December 2, 2003 (Item No. 29), the Board of Supervisors (Board) approved a five-year License, with three five-year options to extend the term of the License, with Verizon, for rack and antenna space, for revenue in the amount of \$154,276, for the period of December 2, 2003 through September 30, 2008.

On August 1, 2006 (Item No 32), the Board Approved Amendment No. 1 to the License, which allowed Verizon to add additional equipment to the antenna tower and increase Verizon's use of rack space, adjusted the license fee schedule, for revenue in the amount of \$93,892, and provided for the recapture by the County of any fees charged by the United States of America, Department of Agriculture, Forest Service (FS) for the use of the FS land on which the site was constructed.

On February 3, 2009 (Item No. 24), the Board approved Amendment No. 2 to the License to extend the term of the License five years, for the period of October 1, 2008 through September 30, 2013, through Verizon's exercise of the first of three five-year options to extend the term of the License and adjusted the license fee schedule, for revenue in the amount of \$229,860.

On September 10, 2013 (Item No. 61), the Board approved Amendment No. 3 to the License to extend the term of the License five years, for the period of October 1, 2013 through September 30, 2018, through Verizon's exercise of the second five-year option, and adjusted the license fee schedule, for revenue in the amount of \$279,612.

On October 21, 2014 (Item No. 43), the Board approved Amendment No. 4 to the License, which allowed Verizon to add five antennas to the County-owned antenna tower, adjusted the license fee schedule, for revenue in the amount of \$299,209, and updated the License to standard license agreement language inclusive of revisions to standard County provisions for insurance.

On March 19, 2019 (Item No. 34), the Board approved Amendment No. 5 to the License to extend the term of the License five years, for the period of October 1, 2018, through September 30, 2023, through Verizon's exercise of its final option, adjust the license fee schedule, for revenue in the amount of \$445,212, and update the standard license agreement language inclusive of revisions to the provisions for hazardous materials, notice requirements and public records disclosure.

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Verizon requested the Innovation and Technology Department (ITD) consider a five-year extension of the License to continue its use of County-owned rack and antenna space at Bertha Peak. ITD requested RESD negotiate an extension of the term of the License for Verizon's use of the County-owned facility. Extended negotiations regarding the terms and provisions of the amendment delayed presentation of this item for approval by the Board and on October 1, 2023, the License went into holdover. This amendment accomplishes ITD's request.

The project to approve this amendment to the revenue License with Verizon was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Guidelines Section 15301 – Existing Facilities (Class 1) because approval of a license amendment for existing facilities is an exempt activity under CEQA. There is no possibility that the licensing of the subject property will have a significant effect on the environment, therefore, the activity is exempt from the provisions of CEQA.

Summary of License

Terms

Licensee:	Los Angeles SMSA, Limited Partnership, dba Verizon Wireless
Location:	Bertha Peak in Big Bear
Size:	Rack and Antenna Space
Term:	Twenty-Five years, commencing December 2, 2003, through November 30, 2028
Options:	Two five-year terms
Rent:	Monthly: \$8,334* Annual: \$100,008* *High-range for comparable facilities in the Big Bear area per the competitive set analysis on file with RESD
Annual Increases:	4%
Improvement Costs:	Provided by Licensee for Licensee's equipment
Maintenance:	Provided by Licensee for Licensee's equipment
Utilities:	Provided by County for electric but reimbursed through the rental rate
Insurance:	The Certificate of Liability Insurance, as required by the License, is on file with the RESD
Holdover:	Upon the end of the term, if permitted by Licensor the License shall continue on a month-to-month term upon the same terms and conditions which existed at the time of expiration
Right to Terminate:	Licensee has the right to terminate with 90-days' prior written

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notice (i) if the Licensee cannot secure, loses or forfeits any permits necessary to use or operate its facilities at Bertha Peak or (ii) if the Licensee determines the use of the premises is obsolete or unnecessary; the County has the right to terminate with twelve months prior written notice

PROCUREMENT

Not applicable

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, Deputy County Counsel, and Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on October 31, 2023; Innovation and Technology Department (Tim Trager, Division Chief, 388-5563) on October 31, 2023; Purchasing (Ariel Gill, Supervising Buyer, 386-8046) on October 27, 2023; Finance (Ivan Ramirez, Administrative Analyst, 387-4020, and Garrett Baker, Administrative Analyst, 387-3077) on November 9, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 15, 2023.

(KB: 677-7961)

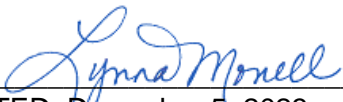
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: December 5, 2023



cc: RESD - Thompson w/ agree
Contractor c/o RESD w/ agree
File w/ agree
JLL 12/20/2023