A RESOLUTION TO AUTHORIZE NEGOTIATIONS WITH VENDORS RELATING TO THE CONSTRUCTION OF A RADIO TOWER TO SUPPORT RADIO COMMUNICATIONS

WHEREAS, the City of Winchester is embarking on the purchase and installation of a radio communications project to support internal and external communications; and

WHEREAS, interoperable radio communications is necessary to promote public safety and efficiency of service during day to day operations; and

WHEREAS, interoperability is a key component to effective operations during major emergencies and/or disasters; and

WHEREAS, the City has been presented with several options pertaining to the erection, operation and maintenance of the communications tower; and

WHEREAS, the City desires to insure the radio coverage is satisfactory for the users and meets the needs of the community; and

WHEREAS, the City is cognizant of cost and desires to meet the needs of the community in a fiscally responsible manner; and

NOW THEREFORE, BE IT RESOLVED that the Common Council of the City of Winchester, Virginia hereby authorizes negotiations to be conducted for the construction of the communications tower in accordance with Option _____ as presented to Common Council.

STAFF REPORT

TITLE: Radio Communications Tower

BACKGROUND: During the design, RFP process and initial negotiations the radio communications project has been predicated on a single tower site having a tower of 250' to achieve the standard of coverage specified in the RFP and which will be guaranteed by the vendor. The single site approach was conceived based on the ability to achieve 20db in building loss when utilizing portable radios 95% of the time over 95% of the city. Additionally the vendor realized and understood the fiscal restraints of the city and made this a primary consideration.

The response to the RFP provided two options relating to the construction of the communications tower. They are:

- **Option 1** - The city contracts with a vendor to construct a 250' tower that will support city radio communications at an initial cost of $402,489.00. After construction and acceptance of the tower the city will be the sole owner and will be responsible for annual maintenance inspections, repairs, normal maintenance and liability. The proposed tower included in this option will support city radio communications but will not structurally support the installation of additional antennas such as those utilized for wireless phone service.

- **Option 2** - The city contracts with a vendor to construct a 250' tower that will fully support city radio communications with a capacity for city growth and may be utilized by the construction/tower company to install commercial communications antennas from which they may develop a revenue stream. In return for the use of the land the city will be permitted to place communications antennas on the tower at little or no cost and will receive a deduction to the overall proposed project cost of $353,913.00.

- **Alternate** – An alternate that has not been presented but could be requested is a proposal whereby the 250' tower would be erected and the city will have ownership and could promote commercial utilization creating a revenue stream. Implementing this alternative would make the city responsible for the management, maintenance, insurance, upkeep, inspections and liability associated with the tower as well as creating the potential for the marketing and

creation of a revenue stream. The estimated annual cost to maintain the tower is estimated at $2,000 for routine maintenance but does not include insurance premiums. Based on information from a tower company they would market the site and charge the city 25% on any revenues generated. They would be responsible for marketing, inspecting, completion of carrier contracts and cost associated with the operations of the tower. The City would be responsible for expenses associated with insurance, tower maintenance and FAA lighting as required. It should be stressed that this is a rough estimate and many elements may impact the associated cost. A projected revenue stream is estimated at $22,000 - $28,000 per year in initial rent with an anticipated increase of 3% per year. Projections are 1 carrier in the initial 12 month period and a 2nd in year five.

Each of the options presents positives and negatives that must be considered as the project moves forward. Generally speaking they are:

- **Option 1** would provide a tower that would structurally support the city's radio communications with some room for city communications growth. This option satisfies the communications needs of the city and places the responsibility for maintenance, repair, upkeep, inspections and liability solely with the city with no potential for revenue production. The city may have the option to sell the tower at a later date but without the structural capability to support commercial options the sale would most likely be difficult.

- **Option 2** provides the city with a radio communications tower whereby the city has space on the tower at little or no cost in exchange for the utilizing the parcel of land and allowing the construction of the tower. The city is does not have ownership of the tower and is not responsible for maintenance, inspections, upkeep and liability and will receive a reduction in the overall project cost of $353,913.00. Should the construction/tower company desire to lease space on the tower for commercial endeavors each installation will be subject to compliance with the city's zoning ordinance, review and approval/recommendation by the Planning Commission and final review and approval by City Council.

- **Alternate** – On the surface the alternate may have some attraction but the marketing and liability coupled with the maintenance cost may create inherent obstacles. Maintenance will become a significant factor as the tower ages and if it is not maintained the marketability of space on the tower may be restricted.

SUMMARY: The project and negotiations hinge on the keystone of the communications tower. In order to progress with the project negotiations must begin in earnest in relationship to the tower. Both options will meet the needs of the city's communications system utilizing different formats. One option provides coverage and an immediate financial return while the other option insures radio communications in accordance with the design while having no immediate or long term financial return.

STAFF RECOMMENDATION: Staff is of the opinion that the most prudent and cost effective approach is to pursue specific negotiations with the construction/tower company offering to erect the tower and provide space on the tower for the city's communications needs at little to no cost to the city while they retain ownership of the tower and assume responsibility for the maintenance, upkeep and liability of the structure. Staff recognizes that Council has expressed the desire to review and consider all options associated with the communications project and respects all comments and suggestions Staff is prepared to pursue direction as identified by Council. Staff has prepared a resolution for Council's consideration that is in concert with staff recommendation whereby the tower company will retain ownership of the tower and all responsibilities associated with such.

R-2012-45

CITY OF WINCHESTER, VIRGINIA

PROPOSED CITY COUNCIL AGENDA ITEM

CITY COUNCIL/COMMITTEE MEETING OF: 6/9.2012_ **CUT OFF DATE:** 6.13.2012

RESOLUTION _X_ **ORDINANCE** ___ **PUBLIC HEARING** ___

ITEM TITLE: Radio Tower, Vendor Negotiations

STAFF RECOMMENDATION: See Attached

PUBLIC NOTICE AND HEARING: N/A

ADVISORY BOARD RECOMMENDATION: N/A

FUNDING DATA: N/A

INSURANCE:

The initiating Department Director will place below, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The Director's initials for approval or disapproval address only the readiness of the issue for Council consideration. This does not address the Director's recommendation for approval or denial of the issue.

DEPARTMENT	INITIALS FOR APPROVAL	INITIALS FOR DISAPPROVAL	DATE
1.			
2.			
3.			
4.			
5. City Attorney	AW		6/13/2012
6. City Manager			6-14-12
7. Clerk of Council			

Initiating Department Director's Signature: _____ 6-12-2012
Date

CITY ATTORNEY'S OFFICE Received JUN 13 2012 WINCHESTER, VA

APPROVED AS TO FORM:

_____ 6/13/2012
CITY ATTORNEY

Revised: October 23, 2009