

64580

DATE: August 7, 2018

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne
Chief Information Officer

Gary Friedman
Director of Real Estate

RE: Authorization to enter into a License Agreement (IT-1502) with Sprint Spectrum, L.P. for the installation, operation and maintenance of the Licensee's radio equipment at the Westchester County Airport, Hangar E-2 Shelter, for a five (5) year period commencing January 1, 2014 and terminating December 31, 2018, renewable at Licensee's option for an additional five (5) year period, for a license fee during the first year of the license of \$26,235.63, which fee shall increase annually by five (5%) percent.

BACKGROUND:

The County's license agreement with Nextel of New York, Inc., for the use of the County's Shelter at Hangar E-2 at the Westchester County Airport ("Site") expired on May 31, 2012. In December 2013, Nextel decommissioned its equipment at the Site and vacated the premises. Simultaneously with the decommissioning of Nextel's equipment at the Site, Sprint Spectrum, L.P. ("Sprint") moved in to this Site. Sprint desires to enter into a new license agreement with the County for use of the Site on the terms set forth below.

This license agreement (the "License") will allow for the installation, operation and maintenance of radio equipment for a five (5) year period. The License shall commence on January 1, 2014 (the "Commencement Date") and shall have a term of five (5) years. Sprint, at its sole option, may renew the License for an additional five (5) year term upon ninety (90) days prior written notice to the County. The County shall have the right to terminate the License on sixty (60) days written notice to Sprint and Sprint shall have the right to terminate the License on six (6) months written notice to the County.

During the term of the License, Sprint shall pay to the County annual license fees payable in monthly installments equal to one-twelfth (1/12) of the annual fee beginning at the Commencement Date. The license fee for the first five-year term shall be:

January 1, 2014 - December 31, 2014	\$26,235.63.
January 1, 2015 - December 31, 2015	\$27,547.41.
January 1, 2016 - December 31, 2016	\$28,924.78.
January 1, 2017 - December 31, 2017	\$30,371.02.
January 1, 2018 - December 31, 2018	\$31,889.57.

The annual license fee will automatically increase by five (5%) percent each year on the anniversary of the Commencement Date.

Sprint shall reimburse the County \$22,414.69 representing electricity charges for the period January 1, 2014 through June 28, 2018. Sprint shall thereafter reimburse the County 100% of the cost of electricity used at the Site until such time that Sprint is able to arrange with the local electric utility company to transfer responsibility for payment of the electric charges at the Site from the Licensor to the Licensee. The County, on behalf of the County and the Licensee, shall pay for all HVAC maintenance and service required for operation at the Site.

This agreement is in the best interest of the County since it produces revenue and helps cellular carriers improve cell coverage in the Airport area.

This agreement is exempt from the Westchester County procurement policy pursuant to section 3(b) which provides: "This policy shall not apply to real property leases, licenses and concessions."

ACTION REQUESTED:

Authorization to enter into a license agreement with Sprint Spectrum, L.P., for the installation, operation and maintenance of radio equipment at the Westchester County Airport, Hangar E-2 Shelter, for a five (5) year period commencing January 1, 2014 and terminating December 31, 2018, and Sprint will have an option to renew the agreement for an additional five (5) year term. Sprint will pay the County a license fee of \$26,235.63 for the first year of the license agreement which fee will increase by five percent (5%) each year on the anniversary of the Commencement Date.

Accordingly, the attached resolution is submitted for your consideration.

MB/GF/TSA

RESOLUTION

Upon a communication from the Chief Information Officer and Director of Real Estate, be it hereby

RESOLVED, that the County of Westchester (“County”) is hereby authorized to enter into a license agreement with Sprint Spectrum, L.P., (“Sprint”) for the installation, operation and maintenance of radio equipment at the Shelter at Hangar E-2 at the Westchester County Airport, for a five (5) year period commencing January 1, 2014 and terminating December 31, 2018; and, be it further

RESOLVED, that Sprint will have an option to renew the agreement for an additional five (5) year term upon ninety (90) days prior written notice to the County; and, be it further

RESOLVED that the County may, at any time, upon sixty (60) days’ notice, terminate this License for any or no reason, and Sprint may upon six (6) months prior written notice, terminate this License for any or no reason; and, be it further

RESOLVED, that Sprint shall pay to the County an annual license fee which for the first five-year term shall be:

January 1, 2014 - December 31, 2014	\$26,235.63.
January 1, 2015 - December 31, 2015	\$27,547.41.
January 1, 2016 - December 31, 2016	\$28,924.78.
January 1, 2017 - December 31, 2017	\$30,371.02.
January 1, 2018 - December 31, 2018	\$31,889.57.

The annual license fee will automatically increase by five (5%) percent each year on the anniversary of the Commencement Date, and be payable in monthly installments equal to one-twelfth (1/12) of the annual fee beginning at the Commencement Date, and; be it further

RESOLVED that Sprint shall reimburse the County \$22,414.69 representing electricity charges for the period January 1, 2014 through June 28, 2018. Sprint shall thereafter reimburse the County 100% of the cost of electricity used at the site until such time that Sprint is able to arrange with the local electric utility company to transfer responsibility for payment of the electric charges at the site from the County. The County, on behalf of the County and the Licensee, shall pay for all HVAC maintenance and service required for operation at the site; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to execute and deliver any and all documents and to take all action necessary and appropriate to effectuate the purposes hereof.

Contract Number

Account to be Charged/Credited

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars
2014	101	16	6000	9065		\$26,235.63
2015	101	16	6000	9065		\$27,547.41
2016	101	16	6000	9065		\$28,924.78
2017	101	16	6000	9065		\$30,371.02
2018	161	44	4110	9096		\$31,889.57
2018	161	44	4110	9096		\$22,414.69
2018	161	44	4110	9096		\$3,274.74

Budget Funding Year(s): 2014-2018 Start Date: 1/1/14 End Date: 12/31/18
(must match resolution)

Funding Source Tax Dollars: _____
State Aid _____
\$ 170,657.84 Federal Aid _____
(must match resolution) Other: Revenue _____

APPROVED BOARD OF ACQUISITION CONTRACT - 08/30/2018 - JOAN COCCARDI, SECRETARY