



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: October 25, 2012

Board Meeting Date: November 20, 2012

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Communications Site Lease and Permits with the Midpeninsula Regional Open Space District

RECOMMENDATION:

Adopt a Resolution authorizing a Communications Site Lease at Rolfe Mountain and Permit Agreements at Rolfe Mountain and Pise Hill with the Midpeninsula Regional Open Space District for the continued operation of communications facilities.

BACKGROUND:

Since 1975, the County has operated a communications site at Rolfe Mountain in unincorporated San Mateo County near Skyline Blvd, which is owned by the Midpeninsula Regional Open Space District (the "District"). Since 2007, the County has operated at Rolfe on a month-to-month basis, and currently pays the District \$32,620.53 per year for the use of the site. The County has sub-tenants at Rolfe, whose rent payments help offset the costs of operating the site. Since 1973, the County has operated a communications site at Pise Hill, which is owned by the San Francisco Public Utilities Commission (the "PUC").

In January 2012, the County entered into a Temporary Permit Agreement with the District to authorize the temporary placement of District equipment on County's facilities at Rolfe and Pise, which expires on January 9, 2013. The District pays the County \$2,032.63 per month for the temporary use of the sites.

The County and District desire to enter into a new long-term Communications Site Lease (the "Lease"), whereby the County may continue to occupy the property at Rolfe Mountain for up to 25 years. The rent will initially adjust to fair market value and increase annually by 3%. The County and District also desire to enter into new permits at Rolfe and Pise (the "Permits"), to allow the District to continue to occupy and operate communications equipment on the County's facilities. The Permit terms would be

concurrent with the Lease, and the fees for the Permits would partially offset the rent paid by the County for the Lease.

DISCUSSION:

Real Property Services has negotiated a Communications Site Lease, whereby the County shall continue to occupy approximately 9,900 square feet of property at Rolfe Mountain for use as a communications facility, for an initial term of 5 years, with 4 options to extend the term for an additional 5 years each. The Base Rent shall increase from \$32,620.53 to \$45,000.00 per year, which rent shall increase annually by 3% each year of the Term. The Lease also authorizes the County to continue to rent space on the tower to existing tenants.

Real Property Services has also negotiated Permit Agreements for the Rolfe Mountain and Pise Hill Communications sites, whereby the District shall continue to occupy and operate equipment at the sites, for an initial term of 5 years, with 4 options to extend the term for an additional 5 years each. The Permit Fee for Rolfe shall be \$9,962.04 per year, which shall increase annually by 3% each year of the Term. The Permit Fee for Pise shall be \$15,106.68 per year, which shall increase annually by 3% each year of the Term.

The Permit Fees will offset the Base Rent of the Lease each year. The initial amount owed by County for the first year of the Term will be \$19,931.28, after subtracting the Permit Fees from the Base Rent.

County Counsel has reviewed and approved the Lease, Permits and Resolution as to form. The Interim Chief Information Officer concurs in this recommendation.

Approval of the Amendment contributes to the Shared Vision 2025 outcome of a Collaborative Community by establishing an agreement that allows the County and Midpeninsula Regional Open Space District to continue operating important communications sites within the County of San Mateo.

FISCAL IMPACT:

The initial rent of \$19,931.28 for the first year of the Lease is included in the recommended FY 2012-13 budget of the Information Services Department.