



## Staff Report

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**File #:** 17-393

**Version:** 1

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**Item #:** 3.3b.

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**TO:** Mayor and City Council  
**THROUGH:** Steve Powers, City Manager  
**FROM:** Gerald F. Moore, Chief of Police

### **SUBJECT:**

Lease Agreement with Day Wireless Systems for space to support 800 MHz radio system

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

### **ISSUE:**

Shall the City Council authorize the City Manager to execute the attached lease agreement with Day Wireless Systems, and any amendments to the lease agreement, for installation, operation, and maintenance of City radio system equipment at a Day Wireless Systems communication facility for the City's 800 MHz trunked radio system project (radio system project)?

### **RECOMMENDATION:**

Authorize the City Manager to enter into the attached lease agreement (Attachments 1 & 2) with Day Wireless Systems, and any amendments to the lease agreement, for installation, operation, and maintenance of City radio equipment at a Day Wireless Systems communication facility for the City's radio system project.

### **SUMMARY AND BACKGROUND:**

The City is replacing the existing radio communications system utilized by the City of Salem Fire and Public Works Departments, City of Keizer Police Department, and Salem-Keizer Transit District. Users of the City of Salem Police Department's separate radio system will also migrate to the new radio system. The current radio systems are beyond their useful operational lifespans and are no longer supported by the manufacture.

The City is replacing the existing systems with a single new P25 compliant 800 MHz trunked system. The system will allow for efficient, semi-private conversations between multiple groups of users, all

operating on the same radio system. The system will provide users with increased interoperability with other emergency response agencies within the area.

The scope of the project includes procurement of new system equipment, radio tower site improvements, and supporting services to ensure a successful transition to the new system.

The selected firm, Motorola, designed the new system to utilize four communication towers (ownership shown in parentheses):

1. Keizer City Hall (Crown Castle Corporation and City of Keizer)
2. Lowen Water Tank (City of Salem)
3. Prospect Hill (Day Wireless Systems)
4. Department of Corrections (Oregon Department of Corrections)

Staff has been working to negotiate lease agreements for the sites not under City of Salem ownership.

## **FACTS AND FINDINGS:**

1. Day Wireless Systems hosts communications equipment for clients at their Prospect Hill site, located south of Salem. Sufficient space is not available to place antennas on the site tower at the elevations necessary to provide the specified coverage for the radio system. Day Wireless Systems agrees to construct a new tower, directly adjacent to the existing tower, to meet the project's coverage requirements.
2. The City's radio system project is currently in the "Design Development Review" phase in which Motorola defines, develops, and submits documentation to the City design team for review and approval. Entering into the lease agreement will enable Day Wireless Systems to complete the construction of equipment and facilities at Prospect Hill in time for Motorola's mobilization and system installation, currently scheduled to begin in early 2018.
3. Staff has negotiated and reached agreement with Day Wireless Systems on a rental rate of \$3,410.50 per month, beginning the first of the month after completion of construction of the new tower. The initial term of the lease agreement is ten-years and will automatically renew for successive three-year terms until terminated. Rent will increase 3% annually after completion of the initial ten-year term. Electricity and any use fees, equipment use/taxes, permit fees, and fees charged to the premises are not included in the rent. The City will also be responsible for all maintenance and operational costs of the equipment.
4. Day Wireless Systems will provide a HVAC system on site at their cost, and the City will make a capital contribution of \$5,000.00 by January 1, 2018, for electrical and HVAC upgrades to accommodate City's equipment.
5. The lease includes standards for installation of City equipment which will be done at City's cost; installation inspection fees of up \$2,000.00 to be paid by the City for tower installations which may not comply with agreement requirements; responsibilities for keeping City equipment secure; the condition that the site will be provided and maintained; City's access to the site and equipment; City's obligations to remedy any interference caused by City's equipment;

indemnification and insurance requirements; renewal, amendment, and termination of the agreement; and City's obligations to repair and restore the site.

6. The lease agreement allows for amendments. The City Manager may execute amendments to the lease agreement if the following requirements are met:
  - a. The amendments do not substantially expand City's obligations;
  - b. The amendments do not broaden the scope of the agreement to subjects other than installation, operation, and maintenance of City radio system equipment;
  - c. The amendments do not increase the City's financial obligations; and,
  - d. The amendments may extend the term or renew the lease agreement so long as any other changes to the lease agreement do not substantially expand the City's obligations.
7. Execution of the attached lease agreement will benefit the public and the City of Salem

Allen Dannen  
Project Manager / Engineering

**Attachments:**

1. Exhibit 1 to Lease Agreement with Day Wireless System.
2. Lease Agreement with Day Wireless System