



Administrative Report

H.5., File # 25-0488

Meeting Date: 6/10/2025

To: MAYOR AND CITY COUNCIL
From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AN AMENDMENT TO THE SITE LICENSE AGREEMENT WITH T-MOBILE WEST LLC. TO EXTEND THE AGREEMENT FOR THE OPERATION OF THE COMMUNICATIONS EQUIPMENT LOCATED AT 415 DIAMOND STREET, THROUGH MAY 19, 2028

APPROVE THE INCLUDED SETTLEMENT AGREEMENT (EXHIBIT F) TO RESOLVE OUTSTANDING CLAIMS ALLEGED BY THE CITY RESULTING IN A PAYMENT OF \$23,425 TO THE CITY

EXECUTIVE SUMMARY

T-Mobile West LLC (Licensee) has requested the attached first amendment to the License Agreement with the City (First Amendment) for the installation and operation of the communications monopole and associated equipment located at 415 Diamond Street. The equipment operates as a macro cell tower, which improves the cellular service for the surrounding community in Redondo Beach. The First Amendment includes a negotiated settlement agreement for the Licensee's failure to obtain approval for additional new equipment that was installed during previous maintenance activities.

Upon approval, T-Mobile West LLC, the current licensee, will pay the City \$23,425, per the Settlement Agreement. In addition, the City will receive an estimated \$96,000 in license fees for the first year of the First Amendment, and increased annual revenue based on a 5% escalator for each subsequent year through expiration of the Agreement. The First Amendment extends the term through May 19, 2028, with the option to renew for four additional five-year terms.

BACKGROUND

The City entered into a site license agreement with Cox Communications in 1998 for the cell tower located at 415 Diamond Street in the Redondo Beach Civic Center. The Agreement expired in 2003 when Cox Communications failed to exercise its option to extend the lease. At that time, the City was notified that Sprint assumed the role of Lessee under the Agreement. Sprint continued to maintain the site and make the required payments under the expired Agreement. A new site license agreement with Sprint was approved on May 20, 2008. Subsequently, Sprint installed additional equipment during the course of routine maintenance and upgrade work. However, Sprint failed to make the City aware of the modifications and did not pursue an amendment to include the additional space needed, as required per the terms of the License Agreement.

Later, Sprint and T-Mobile merged and T-Mobile West LLC assumed control of the site under the existing contract. After evaluating their newly acquired sites, T-Mobile West LLC approached the City to install additional equipment upgrades, leading to the discovery of the equipment previously installed outside of the terms of the License Agreement. As such, T-Mobile West LLC negotiated settlement terms for the equipment, which is included as Exhibit F of the proposed First Amendment, which was discussed by the City Council in Closed Session on June 3, 2025. The Settlement Agreement requires simultaneous approval by Council and execution by the Mayor.

Staff recommends approval of the proposed first amendment, along with the Settlement Agreement included as Exhibit F. This will resolve outstanding claims, approve collection of uncollected fees due the City, and establish the modified language, fees, and term moving forward.

COORDINATION

The First Amendment was coordinated with T-Mobile West LLC, the City Attorney's Office and the Public Works Department, with assistance from Telecom Law, Inc. the City's outside legal counsel with expertise in telecommunications law. The First Amendment was approved as to form by the City Attorney's Office.

FISCAL IMPACT

Execution of the Agreement will result in a settlement payment to the City of \$23,425, and annual revenue of \$96,290, plus a 5% escalator for each additional year.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - First Amendment to Site License Agreement with T-Mobile West LLC