

MT.TAM COMMUNICATIONS SITE

PROPOSED
LICENSE AGREEMENT

MT. TAM COMMUNICATIONS SITE



MIDDLE PEAK- MAIN SITE



Middle Peak Equipment building

BUILDING 402- WEST PEAK



Building 402

ORIGINAL/EXISTING LEASE

- In 1979 - lease agreement for the Mt. Tamalpais Communications Site (“Lease”) with Watson Communication Systems, Inc. and Television Communications, Inc.,
- Construction of a communications facility on the middle peak of Mt. Tamalpais (“Site”) that would then be subleased to multiple users
- Subsequently assigned to American Tower, L.P. (“ATC”)
- Extended twice; Expires August 30, 2022

CURRENT LEASE REVENUE TERMS

Main Site- Greater of 35% of Gross or \$35,000/month

(FY 21- Approx. \$425,000)

Building 402- 75% of Gross

(FY 21- Approx. \$194,000)

Average Annual Income: \$630,000

REQUEST FOR PROPOSALS PROCESS

- **March 23, 2022** - Request for Proposals Issued
- **April 12, 2022** - Site Visit with Prospective Proposers
- **April 15 – 20, 2022** - Questions and Responses
- **April 28, 2022** - Proposals received
- **June 21, 2022** - Initial Review and Discussion
- **June 24, 2022** - Request for Last, Best and Final Offers
- **July 12, 2022** - Final Offers received
- **July 19, 2022** - Final Review and Selection of Proposal

SELECTED PROPOSAL - TERMS

- Everest Infrastructure Partners, Inc. through EIP Holdings II, LLC
- One time up front payment of \$1.5 Million
- 70% of gross revenues
 - Minimum \$40,000 monthly (not to exceed 85% of total gross) (subject to annual escalation- greater of 4% or Bay Area CPI)
- Total Term of up to 30 years
 - Initial term 10 years
 - Four five-year extension options
- Road Maintenance required
- Annual \$25,000 Vegetation Management Fee (subject to annual escalation- greater of 5% or Bay Area CPI)

RECOMMENDATION

- Staff recommends that the Board Approve the Proposed License Agreement with EIP Holdings II, LLC on the price and terms as substantially set forth in the Draft License Agreement and Authorize the General Manager to Finalize and Execute the License Agreement