



Legislation Text

File #: RES 22-0041, **Version:** 1

ITEM TITLE:

#22-41 - Authorizing Lease Amendment No. 1 with Copper Valley Wireless a .5-Acre Portion of ASLS 87-18

SUBMITTED BY: Nicole LeRoy

FISCAL NOTES:

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

RECOMMENDATION:

Approve resolution #22-41 authorizing Lease Amendment No. 1 with Copper Valley Wireless a .5-Acre Portion of ASLS 87-18.

SUMMARY STATEMENT:

On July 15, 2012 the City of Valdez entered into a lease agreement with Copper Valley Wireless, Inc. for a portion of .5-acre portion of ASLS 87-18, expiring June 30, 2022 with three, five-year options to renew, per section 2.01 of the lease.

Copper Valley Wireless, Inc. has requested to continue to lease the property for an additional five-year term. The use of property will continue to be for operations associated with the existing communications building and tower.

Copper Valley Wireless leases this property for fair rental value, 10% of appraised value annually. The property was last appraised in 2019, and was valued at \$10,000.00. Copper Valley Wireless, Inc. pays \$1,000.00 annually for use of this property.

In addition to extending the term by utilizing extension option one of three options to renew, the approval of this lease amendment will also authorize changes to section 10 of the lease regarding insurance, repealing and replacing the language of section 10 in its entirety with the insurance language in the attached document. Staff has worked with our insurance providers and Legal Department to determine best practice for insurance requirements for lease agreements. We are updating insurance language in existing lease agreements accordingly as they come up for renewal. Copper Valley Wireless is amenable to this change, and the city attorney has determined their insurance policy is compliant with the updated language.

Another amendment to be authorized by this resolution is the addition of language in section 9 of the lease to add section 9.02 (see attached language.) Legal has advised us that the addition of this contractual waiver of subrogation meets the insurance requirements to adequately protect the city.

Pending Council approval of this resolution, staff will work with the city attorney and Copper Valley Wireless, Inc. to execute lease amendment #1 to their lease, extending the term for an additional five -year period, and amending the insurance sections described above. All other terms and conditions of the agreement will remain the same.