



City of Arts & Innovation

City Council Memorandum

.....

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 15, 2025

FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL

**SUBJECT: REVISED MASTER COMMUNICATIONS SITE LICENSE AGREEMENT TO
REPLACE THE 1999 MASTER COMMUNICATION SITE LICENSE AGREEMENT**

ISSUE:

Approve a revised Master Communications Site License Agreement for cellular sites on City-owned property.

RECOMMENDATIONS:

That the City Council:

1. Approve the 2025 Master Communication Site License Agreement; and
2. Authorize the City Manager, or designee to execute Master Communications Site Licensed Agreements and all documents necessary to complete a transaction, including Schedules of Licensed Property.

BACKGROUND:

The General Services Department currently manages cell tower license agreements for 45 locations across the city. The Master Communication Site License Agreement (Master Agreement) under which these cell towers operate originated in 1999 and was intended to cover a 30-year period. Many site licenses authorized under these Master Agreements are scheduled to expire in the next few years. Since 1999, as technology has rapidly changed and cellular demand has increased, it became critical for General Services to review the Master Agreement to ensure alignment with current business models and best practices. Through a collaborative effort with the City Attorney’s Office, General Services staff prepared a new Master Agreement that contains up-to-date provisions relevant to today’s needs.

DISCUSSION:

Cellular companies and providers utilize cellular macro sites, a type of cellular base station designed to provide wide-area radio coverage and capacity for a mobile network. They are typically large vertical structures, like cell towers, with multiple antennas. Macro cell sites are often deployed in locations that offer high vantage points, such as rooftops or towers, to maximize

their coverage range. Unlike micro sites that focus on specific locations, macro sites use antennas that are mounted on tall towers or other structures to cover large areas, often several miles, to ensure clear signals for a large number of users and high volume of data traffic. These sites play a critical role in 5G/6G cellular networks, providing the backbone for wide-area coverage.

The revised Master Communications Site License Agreement (Master License Agreement or Agreement) is updated in several key ways including:

- The City will have the ability to terminate a site. Currently, only the carrier or provider has this ability.
- A formal, written amendment will be required when a site is upgraded or modified, enabling the City to memorialize and better document equipment changes. Currently, an amendment is required only when modifications alter the site footprint of square footage.
- A new provision for the City to review and approve all transfers of site ownership from one carrier to another, subject to a penalty for non-compliance.
- All licenses will increase annually by a flat rate of 4% and will no longer be tied to fluctuations in Consumer Price Index (CPI) throughout the year as agreements rotate through their 12-month cycles.
- Advanced notice of 12 hours is required for providers and carriers to access cell tower sites with restricted access, such as City Hall, Fire Stations, the Riverside Municipal Airport, and City parks.

There are currently 44 cellular sites on City-owned property. New Master Agreements will be negotiated and executed with individual carriers when current agreements expire. Additionally, the revised Master Agreement provides staff with the flexibility to administratively add and delete sites, thereby streamlining the process for cellular service providers. Schedules of Licensed Property (Schedules) are attached to the Master Agreement to more clearly identify a specific site, provide rent amounts and increases, and provide conditions for use of a site. Cellular tower facilities are subject to review by Planning staff and approvals through the Conditional Use Permit Process. Applications for these approvals are the responsibility of cellular carrier or provider.

The term of the updated Master Agreement is an initial five years, with five additional renewal terms of five years each, plus an optional “extended period” of nine successive one-year extensions, up to a maximum term of 39 years, which may then continue on a month-to-month basis by mutual agreement of both parties. The average annual Schedule of Licensed Property site fee is \$23,703.93, to be adjusted annually by a 4% flat rate increase. The updated Master Agreement includes standard insurance provisions and faithful performance bond requirements for construction and removal of facilities upon termination or abandonment.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 - High Performing Government**, and **Goal 5.2** to utilize technology, data, and process improvement strategies to increase efficiencies, guide decision making, and ensure services are accessible and distributed equitably throughout all geographic areas of the City. This item also contributes to **Strategic Priority 6 - Infrastructure, Mobility, and Connectivity**, and **Goal 6.4** to incorporate Smart City strategies into the planning and development of local infrastructure projects.

This project aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – This project is agendized for City Council consideration, ensuring public transparency.
2. **Equity** – Cellular sites provide essential telecommunications infrastructure for the public, including cell phone service and internet access. Strategic placement ensures adequate coverage and capacity for all residents, businesses, and visitors of the City of Riverside.
3. **Fiscal Responsibility** – Cellular Carriers and Providers lease City-owned sites, paying monthly fees for the use of the property and assume responsibility for the improvements and upkeep, including taxes and insurance.
4. **Innovation** – Cellular sites and equipment are continuously evolving to enhance network capacity, coverage, reliability, and end user experience.
5. **Sustainability & Resiliency** – Cellular sites are using more energy-efficient equipment, employing back up power systems, hardening infrastructure against weather events, and designing sites to accommodate future technological advancements and changing needs.

FISCAL IMPACT:

The fiscal impact of this action is an annual increase of 4% in cell tower revenues to the General Fund and Public Utilities Department. The following table provides anticipated annual revenue amounts for FY 2025/26. Currently no adjustments to the adopted revenue budgets are warranted. Should above projected revenues materialize, revenues can be adjusted in a future quarterly report to Council.

Fund	Description	Account Number	Amount
General Fund	General Fund cell tower locations	0000101-373102	\$852,228.29
Water Fund	Public Utilities cell tower locations	0000520-373102	\$166,918.42
Total			\$1,019,146.71

Prepared by: David Geiger, Project Manager
 Approved by: Lee Withers, General Services Director
 Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
 Approved as to form: Rebecca McKee-Reibold, Interim City Attorney

Attachments:

1. Master Communications Site License Agreement
2. Cell Tower Inventory