



## Legislation Text

File #: ID#23-0236, Version: 1

### SUBJECT/RECOMMENDATION:

Approve an amendment and extension to a Service and Access Agreement dated July 1, 2002, between L3Harris Technologies, Inc. and the City of Clearwater (City), and two related site license agreements between L3Harris Technologies, Inc. and the City and between the State of Florida and the City respectively, all for a term ending on September 30, 2027, authorize an associated contract in a not-to-exceed amount of \$1,977,893.78 paid over the next 4.5 years broken into quarterly payments, and authorize the appropriate officials to execute same. (consent)

### SUMMARY:

On July 1, 2002, the City of Clearwater and M/A-COM Private Radio Systems, Inc. (M/A-COM) entered into a 20-year Service and Access Agreement (Agreement) for the maintenance of the Clearwater Radio System, including two communication towers and associated facilities. L3Harris is the successor in interest to MA/COM. L3Harris supports and maintains the City of Clearwater's radio system and associated communication towers under the Agreement. The Agreement provides for quarterly payments, adjusted annually based on current use and performance as well as changes in the Consumer Price Index (CPI) through the contract term which is set to expire on March 31, 2023.

On July 1, 2021, L3Harris entered into an agreement with the State of Florida (State) for the management of the State's Statewide Law Enforcement Radio System pursuant to terms specified by the Florida Legislature. Pursuant thereto, L3Harris was required to assign its license rights in one of the two City telecommunication towers, the Waste Pollution Control Plant Tower (also referred to as the Dunedin Tower), to the State via a Partial Assignment and Amendment of Site License Agreement (Assignment) which was entered into on January 24, 2022.

The Missouri Road Tower remains licensed to L3Harris and the company continues to be responsible for the maintenance and upkeep of both towers. The Assignment provided that at the end of the initial license term, new separate site license agreements would be created for both towers, one for L3Harris for the Missouri Road Tower, and one for the State for the Dunedin Tower. The two site license agreements have been finalized and although the State will hold the license to the Dunedin Tower, L3Harris will continue to maintain and service both towers.

The Service and Access Agreement and original Site License Agreement provided for one additional extension of five years upon mutual agreement of the parties. However, two short term extensions were agreed to by the Parties to negotiate revised terms that were more equitable and what remains is the allowance for a 4.5 year or 54-month extension. City staff, L3Harris, and the State of Florida have since reached a consensus on the terms of these agreements.

Importantly, the City and L3Harris have agreed to a revision of the tower tenant revenue sharing component under the Service and Access Agreement. Pursuant to the Agreement, L3Harris manages licensed space on the two city-owned communication towers. Previously, the Agreement provided for L3Harris to collect 75% of the revenue generated from any new tower tenants and the City to collect the remaining 25%. The City's revenues have averaged approximately \$5,000.00 per quarter under this arrangement. However, the amended agreement will provide for a 50/50 split for tower tenant revenue and City revenue is estimated to

rise to \$10,000.00 per quarter. Therefore, staff requests approval of an amended service and access agreement and two underlying site license agreements all for a term of 4.5 years to run from April 1, 2023, through September 30, 2027.

**APPROPRIATION CODE AND AMOUNT:**

These funds are available in the operating expense of the Garage Services Fund as budgeted each Fiscal Year.

**USE OF RESERVE FUNDS: N/A**