



Midpeninsula Regional
Open Space District

R-12-116
Meeting 12-37
November 28, 2012

AGENDA ITEM 4

AGENDA ITEM

Approval of a new Master Communication Site Lease and Communication Permit Agreement at the Russian Ridge Open Space Preserve (Rolfe Repeater Site); Approval of a Communication Permit Agreement at San Francisco Public Utilities Commission Property (Pise Hill Communication Site) with San Mateo County, and; Determination that the Recommended Actions are Categorically Exempt from the California Environmental Quality Act

GENERAL MANAGER'S RECOMMENDATIONS

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act (CEQA) as set forth in this report.
2. Adopt the attached Resolution authorizing the following agreements with San Mateo County: Master Communication Site Lease and Communication Permit Agreement at Rolfe Repeater Site, and Communication Permit Agreement at Pise Hill Communication Site.

SUMMARY

The Midpeninsula Regional Open Space District (District) proposes to execute a new 25-year Master Communication Site Lease and Communication Permit Agreement with San Mateo County (County) for the Rolfe Repeater Site, and a Communication Permit Agreement at the County's Pise Hill Communication Site for the upgraded District two-way radio system. The following report provides background information for the proposed lease and permit agreements.

DISCUSSION

Master Communication Site Lease (Rolfe Repeater Site)

In December of 1993, the District purchased the 32.34-acre Norton Property as an addition to the Russian Ridge Open Space Preserve. As part of that transaction, the District acquired the existing Rolfe Repeater Site and the lease between Norton and San Mateo County. The original lease between Norton and San Mateo County began on November 1, 1982, and terminated on October 31, 1992. Subsequently, a new ten-year lease was executed between Norton and San Mateo County for the site with a term from November 1, 1992, to October 31, 2002. The District became the landlord for the Rolfe Repeater Site under the second ten-year lease with San Mateo County. In 1994, the District was able to amend the lease to improve the terms for the District, which included but were not limited to increasing the rent, obligating the tenant for road

maintenance, and adding two five-year options to extend the term. In 2002, the second amendment to the lease was executed, increasing the rental rate and extending the term another five years to October 31, 2007, with one five-year option to extend. San Mateo County exercised the last five-year option; therefore, the lease expired on November 1, 2012.

The Rolfe Repeater Site is ideally located for communication transmission and provides critical communication infrastructure and service to a number of local and state agencies. San Mateo County currently subleases space within the site to the San Mateo County Transit District, the State of California (CHP), Pacific Gas & Electric, and the State of California Department of Transportation. In addition to the agencies listed above, the District is also a tenant of San Mateo County at the Rolfe Repeater Site and relies on San Mateo County's continued operation of the facility for the District's radio system.

The proposed Master Communication Site Lease at the Rolfe Repeater Site would allow San Mateo County to continue operating the communication site for up to an additional 25 years. The District's enabling legislation allows the lease of District-owned property for up to 25 years. The concept between the three proposed agreements is to link them together regarding the length of the term and to provide rental offsets. The new rental rate under the lease will reflect market rental rates, which was determined using information gained from a recent communications sites rental rate assessment conducted by Hulberg and Associates. Further details of the lease are discussed in the terms and conditions section of the report.

Communication Permit Agreement (Rolfe Repeater Site)

As part of the District's radio system upgrade, equipment was placed at the San Mateo County controlled Rolfe Repeater Site in early 2012 per a Temporary Permit Agreement that was executed on January 9, 2012. The District needed to install radio equipment at the Rolfe Site in order to transmit a signal from Black Mountain to the Pise Hill Communication Site. The Pise Hill Site is needed to provide a reliable radio signal down to the San Mateo Coast. The Temporary Permit Agreement is set to expire on December 31, 2012, and the proposed Permit Agreement would offer the District up to a 25-year term.

Communication Permit Agreement (Pise Hill Communication Site)

As stated above, the Pise Hill Communication Site is vital to the District radio system for providing a reliable signal to the San Mateo Coast. The site is owned by the San Francisco Public Utilities Commission, and San Mateo County holds the master site lease. As part of the District's radio system upgrade, equipment was placed at the San Mateo County controlled Pise Hill Communication Site in early 2012 per a Temporary Permit Agreement that was executed on January 9, 2012. The Temporary Permit Agreement is set to expire on December 31, 2012, and the proposed Permit Agreement would offer the District up to a 25-year term at the Pise Hill site contingent on San Mateo County maintaining the master lease for this site.

USE AND MANAGEMENT PLAN

The new master lease and permit agreement at the Rolfe Repeater Site is consistent with the Use and Management Plan for the Russian Ridge Open Space Preserve.

CEQA COMPLIANCE

Project Description

The proposed project consists of executing a new 25-year Master Communication Site Lease with San Mateo County for the Rolfe Repeater Site, a Communication Permit Agreement at the Rolfe Repeater Site, and a Communication Permit Agreement at the Pise Hill Communication Site for existing public structures and the associated ongoing repair and maintenance, involving no expansion of use.

CEQA Determination

The District concludes that this project will not have a significant effect on the environment. The project is categorically exempt from CEQA under Article 19, Section 15301, of the CEQA Guidelines as follows:

Section 15301 exempts operation, repair, restoration, maintenance, permitting, leasing, licensing or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The master lease and permit agreements specifies the property will be operated and maintained in the current condition and there will be no expansion of use.

The project is also exempt under 15061(b)(3), as there is no possibility the actions can have a significant effect on the environment.

TERMS AND CONDITIONS

Master Communication Lease (Rolfe Repeater Site)

Staff proposes a new Master Communication Site Lease with San Mateo County for the Rolfe Repeater Site. The proposed lease terms are outlined below:

1. The lease term shall be five years from December 1, 2012, to November 30, 2017 with four five-year options to extend the term.
2. The rental rate shall be \$45,000 per year with 3% annual increases (2012 rent was \$32,619). The County shall be granted a rental credit for the annual communication permit fees associated with the Rolfe (\$9,962.04) and Pise (\$15,106.68) communication sites, therefore the rent for paid to the District the first year will be \$19,931.28.
3. The County shall remain responsible for maintaining the access road, premises, and fire clearance.
4. The leased premises shall be slightly reconfigured to make the premises more usable (the leased square footage shall remain unchanged).
5. The County shall remain responsible for all utilities serving the site.

Communication Permit Agreement (Rolfe Repeater Site)

Staff proposes a new Communication Permit Agreement with San Mateo County for the Rolfe Repeater Site. The proposed permit terms are outlined below:

1. The permit term shall be five years from December 1, 2012, to November 30, 2017 with four five-year options to extend the term.
2. The rental rate shall be \$9,962.04 per year with 3% annual increases. This rental amount shall be applied as a credit against the County's rent obligation under the Master Communication Site Lease for the Rolfe Repeater Site.
3. The County shall supply both commercial power and emergency power for the operation of the District's radio equipment at no additional charge.

Communication Permit Agreement (Pise Hill Communication Site)

Staff proposes a new Communication Permit Agreement with San Mateo County for the Pise Hill Communication Site. The proposed permit terms are outlined below:

1. The permit term shall be five years from December 1, 2012, to November 30, 2017 with four five-year options to extend the term.
2. The rental rate shall be \$15,106.68 per year with 3% annual increases. This rental amount shall be applied as a credit against the County's rent obligation under the Master Communication Site Lease for the Rolfe Repeater Site.
3. The County shall supply both commercial power and emergency power for the operation of the District's radio equipment at no additional charge.

BOARD COMMITTEE REVIEW

Committee review of this item is not needed.

FISCAL IMPACT

Under the initial five-year communication lease for the Rolfe Repeater Site with the rental offsets taken into account for the two permit agreements, the District would receive a total of \$128,923.69 in rent from San Mateo County. As discussed in the terms and conditions section above, the annual lease income includes a rental credit deduction for the District's annual permit fees for District radio equipment installed at the Rolfe and Pise Hill communication sites managed by San Mateo County. This results in no out of pocket expense to the District for equipment installed at these two communication sites, which are integral to the District's radio improvement project. Under this proposal the District's radio equipment budget will save \$162,154.76 over the initial five-year period.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

NEXT STEPS

Upon approval by the Board of Directors, staff will deliver the executed Master Communication Site Lease and the two Communication Permit Agreements to San Mateo County.

Attachments:

1. Resolution
2. Map

Responsible Department Manager:
Michael Williams, Real Property Manager

Prepared by:
Allen Ishibashi, Real Property Specialist

Contact person:
Same as above

Graphics prepared by:
Jamie Hawk, GIS Intern

ATTACHMENT 1

RESOLUTION NO. 12-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT APPROVING A MASTER COMMUNICATION SITE LEASE AT THE ROLFE REPEATER SITE, A COMMUNICATION PERMIT AGREEMENT AT THE ROLFE REPEATER SITE AND A COMMUNICATION PERMIT AGREEMENT AT THE PISE HILL COMMUNICATION SITE WITH THE COUNTY OF SAN MATEO (RUSSIAN RIDGE OPEN SPACE PRESERVE)

The Board of Directors of the Midpeninsula Regional Open Space District does hereby resolve:

Section One. The District may, under the provisions of Section 5540 and 5563 of the Public Resources Code, lease property owned by the District for up to twenty-five (25) years, and the Board of Directors hereby finds that the proposed lease premises located in the Russian Ridge Open Space Preserve remains presently unnecessary for open space purposes and that execution of a Master Communication Site Lease for radio communication is in the best interests of the public.

Section Two. The Board of Directors of the Midpeninsula Regional Open Space District approves the Master Communication Site Lease at the Rolfe Repeater Site between Midpeninsula Regional Open Space District and San Mateo County and does hereby authorize the President, General Manager or other appropriate officers to execute said Lease on behalf of the District.

Section Three. The Board of Directors of the Midpeninsula Regional Open Space District approves the Communication Permit Agreement at the Rolfe Repeater Site between Midpeninsula Regional Open Space District and San Mateo County and does hereby authorize the President, General Manager or other appropriate officers to execute said Lease on behalf of the District.

Section Four. The Board of Directors of the Midpeninsula Regional Open Space District approves the Communication Permit Agreement at the Pise Hill Communication Site between Midpeninsula Regional Open Space District and San Mateo County and does hereby authorize the President, General Manager or other appropriate officers to execute said Lease on behalf of the District.

Section Five. The General Manager or the General Manager's designee is hereby authorized to negotiate and approve the exercise of the subsequent five-year lease option as set forth in the Master Communication Site Lease Agreement. The General Manager is further authorized to execute any and all other documents necessary or appropriate to the completion of such transactions.

Section Six. The General Manager and General Counsel are further authorized to approve any technical revisions to the attached Agreements and documents which do not involve any material change to any term of the Agreements or documents, which are necessary or appropriate to the closing or implementation of this transaction.

* * * * *

Path: G:\Projects\Russian_Ridge\LeasedAreas\ExhibitA_LeasedAreas_BoardReport.mxd
Created By: jhawk

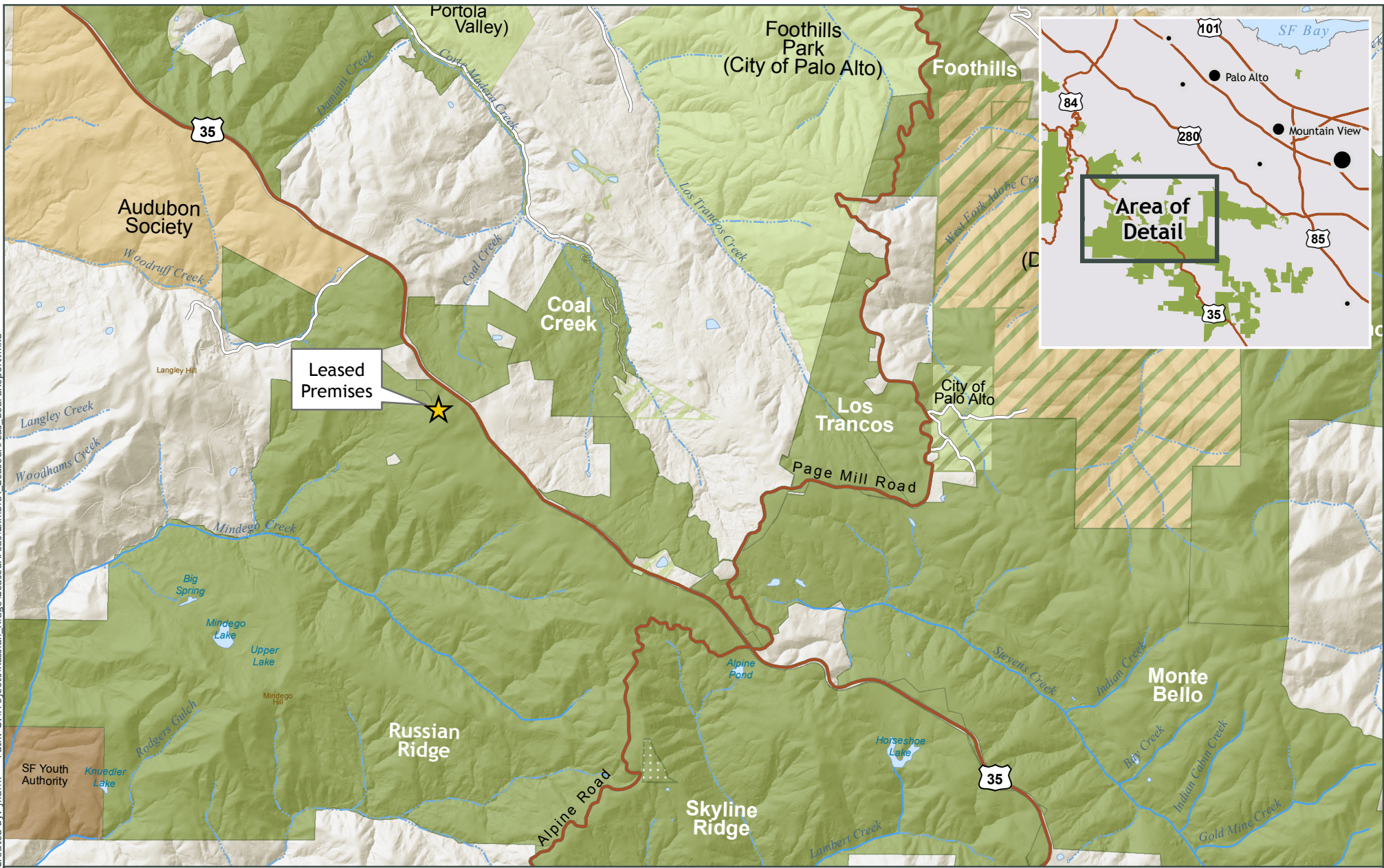


Exhibit A: Leased Premises Location

- | | | |
|--|---|---|
|  MROSD Preserves |  Other Public Agency |  Leased Premises |
|  Other Protected Open Space or Park Lands |  Land Trust |  Private Property |
|  Watershed Land |  MROSD Conservation or Agricultural Easement | |

Midpeninsula Regional
Open Space District
(MROSD)



While the District strives to use the best available digital data, this data does not represent a legal survey and is merely a graphic illustration of geographic features.

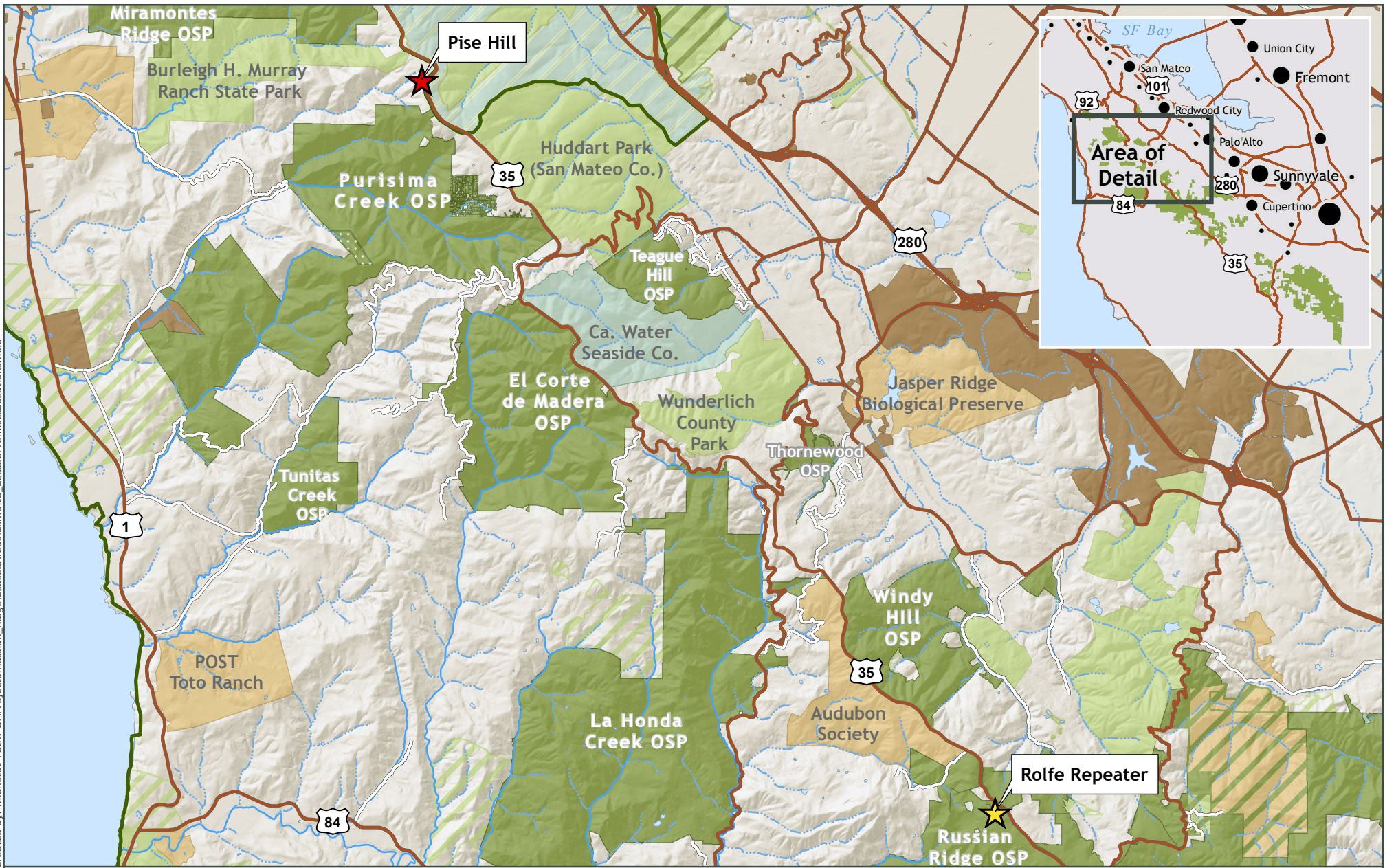


Exhibit B: Lease/Permit Locations

- | | | |
|--|---|--|
|  MROSD Preserves |  Other Public Agency |  Pise Hill Site |
|  Other Protected Open Space or Park Lands |  Land Trust |  Rolfe Repeater Site |
|  Watershed Land |  MROSD Conservation or Agricultural Easement |  Private Property |

Midpeninsula Regional Open Space District (MROSD)



November, 2012

