

MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: April 16, 2019

SUBJECT: Adoption of a Resolution Amending the User Fee Schedule to Add Fees

Associated with Usage of the Rights-of-Way and City Property by

Telecommunications Service Providers

I. <u>RECOMMENDED ACTION</u>

Adoption of a Resolution amending the user fee schedule for Public Works to modify and add fees associated with usage of the rights of way and City property by telecommunications service providers.

II. <u>DEPARTMENT CONTACTS</u>

Kristi Wilson, Interim Public Works Director

Paul Cho, P.E., Engineering Manager

425-556-2529

425-556-2751

III. <u>DESCRIPTION/BACKGROUND</u>

In the first half of 2018, the City Council approved modifications to the Redmond Zoning Code (RZC) and the Redmond Municipal Code (RMC) to enable deployment of Small Cell facilities and equipment within the City right-of-way.

In October 2018, the Federal Communications Commission (FCC) issued a Report and Order and Declaratory Ruling (the "Ruling") that, among other things, established new federal standards for administrative fees and rent that could be collected by local agencies.

Staff worked with the City Attorneys' office to create a Master License Agreement to allow for the installation of Small Cell facilities on City-owned light poles in right-of-way. Information on this Agreement is being presented to City Council in a separate action.

In conjunction with this agreement, the City needs to amend the existing User Fee Schedule for the Public Works Department to set fees for the administrative review and annual rent for these small cell facilities.

IV. PREVIOUS DISCUSSIONS HELD

Date	Action / Committee Presentation
(MM/DD/YYYY)	
04/03/2018	City Council approved amending the RZC to allow for Small
	Cell Facilities and Networks
06/19/2018	City Council approved amending the RMC to establish the
	processes for permitting and the construction standards for
	Wireless Communication Facilities and Small Cell
	Networks.
Today	Approve Resolution amending the User Fee Schedule

V. IMPACT

A. Service/Delivery:

The User Fee Schedule needs to be amended to include fees for the following items:

- Telecommunications Master License Agreement for Small Cell Facilities in the Rights of Way. (Fee- \$591.77)
- Small Cell Site License Addendum Application (includes up to five small cell facilities on new or replacement poles) (Fee \$1,424.67)
- Additional Small Cell Site License Addendum Application beyond initial five (per pole) (Fee \$909.59)
- Annual Rental per Site License Addendum (Fee \$270 per year per cell site)
- Telecommunications Facility Hourly Review Fee (Fee \$118.99 per hour)

B. Fiscal Note:

The fees and rent collected for the small cell facilities should offset any costs to the City for staff time spent in reviewing and negotiating the Master License Agreement and in the review and construction of small cell installations.

VI. <u>ALTERNATIVES TO STAFF RECOMMENDATION</u>

The Council could choose not to approve this amendment to the User Fee Schedule. Without this, staff will not be able to collect fees to cover costs for administrative review and rental of City poles for small cell installations.

VII. TIME CONSTRAINTS

There are several wireless services providers (i.e. AT&T, Verizon, and Mobilitie) that have expressed interest in installing small cell facilities on City-owned infrastructure in the right-of-way. The FCC ruling set January 14, 2019, as the effective date of their Report and Order and Declaratory Ruling.

VIII. <u>LIST OF ATTACHMENTS</u>

Attachment A: Resolution

Attachment B: Amended User Fee Schedule

Kristi Wilson, Interim Director of Public Works

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Approved for Agenda _

John Marchione, Mayor