

School district representatives and Palmer Wireless have reached agreement on a Land Lease With Option. Under the terms of the agreement, Palmer will furnish the school district with equipment and service to provide wireless Internet on the district's 20 busses for the term of the agreement. Palmer will also provide the district with backup ISP service to be used in the event of a main Internet provider outage.

The School District will lease property of approximately 60' x 60' to Palmer Wireless to erect a monopole. Palmer would purchase, engineer, permit, project manage, and construct the 170 foot monopole to be used for the Palmer Wireless network and the Becker school WiFi network.

The pole would be one of the four poles planned with the construction project to light the soccer field inside the track, thus slightly reducing the construction expenses.

The equipment and service value to the school district over 5 years is shown below. The value of the equipment and service is difficult to estimate after 5 years due to the rapid change of technology.

20 mobile 3G/WiFi modems for Becker bus fleet @\$790 per modem	\$15,800
Internet Service for 20 bus modems (\$37.99 per mo/ per modem for 5 years)	\$45,588
Backup ISP service with 5 Mbps peak service (\$47.99 per month over 5 years)	\$2,879
Total	\$64,147*
<i>*Values shown over 5 years. However, Palmer would provide the equipment and services throughout the term of the lease.</i>	

Highlights of the lease include:

- 10 year initial term. Renewable for 2 successive 5-year terms by Palmer.
- Palmer will pay the school district 20% of any revenue realized from additional antennas, placed on the tower, which are not owned by Palmer.
- Palmer will provide insurance against liability, with the district named as an additional insured, in the amount of \$2,000,000.

Two documents, prepared by Palmer Wireless, are enclosed, which describe the proposal. The district's legal counsel has reviewed the lease agreement. **I recommend approving the Land Lease With Option with Palmer Towers LLC as presented.**