

# **Livonia Public Schools**

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## ***Business Services Office***

Date: March 29, 2012

To: Randy Liepa, PhD., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Cell Tower Lease

This is in follow-up to our discussion on the proposed agreement to lease cell towers to Unison. Over the past several months we have been considering the long term lease (or easement) of the cell towers at five locations in the district. The easement would provide some upfront one time funds that will assist the district with immediate budget issues.

The Board of Education asked us to put together a 10 year schedule of the revenue we expect from the current leases compared to the proposal from Unison. Attached is a schedule by building indicating when the current revenue stream would stop and the new easement revenue would be received.

As you can see, we would have an additional \$531,000 in revenue for next year. This would help with the budget issues in 2012-13 including one-time costs of \$162,000 for all day kindergarten.

We have also attached a schedule of the current cell tower leases with the lease termination date as requested.

We would like to discuss this at the Finance Committee meeting on Monday April 2, 2012. Please let me know if there are any questions.

LA/kp

Attachments

**CELL TOWER LEASE REVENUE**

	2011-12	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	Total
<b>LEASE REVENUE</b>											
Stevenson	42,085	<b>452,403</b>									494,488
Johnson	6,000	6,000	<b>64,500</b>								76,500
Churchill	22,725	22,725	<b>244,326</b>								289,776
Franklin	22,530	22,530	22,530	<b>242,262</b>							309,852
Central Office	12,000	12,000	12,000	12,000	<b>138,000</b>						186,000
Emerson	15,735	15,735	15,735	15,735	15,735	15,735	15,735	15,735	15,735	15,735	157,350
<b>Total Revenue</b>	<b>121,075</b>	<b>531,393</b>	<b>359,091</b>	<b>269,997</b>	<b>153,735</b>	<b>15,735</b>	<b>15,735</b>	<b>15,735</b>	<b>15,735</b>	<b>15,735</b>	<b>1,513,966</b>

CURRENT AS PROPOSED

Current Lease for same period (10 years)  
 Revenue with Unison Lease  
 Increase in total revenue

1,210,750.00 (\$121,075 \* 10 YEARS)  
 1,513,966.00  
303,216.00

**The revenue from Unison is in bold and blocked for each year it is received**

**Livonia Public Schools  
Cell Tower Lease Revenues Termination Dates**

<b>LESSEE</b>	<b>LOCATION</b>	<b>ANNUAL LEASE</b>	<b>MONTHLY LEASE</b>	<b>LEASE TERMINATION DATE</b>
American Tower, Inc.	SHS Cell Tower	\$42,085.00	\$3,507.08	April 30, 2022
AT&T	CHS Cell Tower	\$9,030.00	\$752.50	May 1, 2025
AT&T	CHS Cell Tower	\$3,795.00	\$316.25	
AT&T CHS Total		\$12,825.00	\$1,068.75	
AT&T	FHS Cell Tower	\$9,030.00	\$752.50	March 18, 2025
AT&T	FHS Cell Tower	\$3,600.00	\$300.00	
AT&T FHS Total		\$12,630.00	\$1,052.50	
MetroPCS DET 1616-G	CHS Cell Tower	\$9,900.00	\$825.00	Feb. 16, 2031
MetroPCS DET 1119-G	FHS Cell Tower	\$9,900.00	\$825.00	Feb. 16, 2031
Mobilitie Investments II, LLC 2MI31367	Emerson Cell Tower	\$15,735.00	\$1,311.25	March 19, 2013, then successive 5 yr terms thereafter
T-Mobile USA, Inc. DE02620D	Johnson cell tower	\$6,000.00	\$500.00	Oct. 25, 2012, then successive 5 yr terms thereafter
Verizon Wireless	C. O. Complex Tower	\$12,000.00	\$1,000.00	Nov. 1, 2042, then successive 5 yr terms thereafter