



TOPIC: Frostburg State University: Ground Lease to Cellco Partnership for Verizon Wireless Cell Tower Installation and Service

COMMITTEE: Finance

DATE OF MEETING: March 27, 2014

SUMMARY: Frostburg State University (FSU) requests approval from the Board of Regents to execute a ground lease agreement with Cellco Partnership, a Delaware general partnership doing business as Verizon Wireless, for the purpose of installing a cellular tower. This ground lease would have an initial term of ten-years with one additional ten-year renewal option.

FSU was approached by Cellco Partnership to locate a cell tower on FSU property. The site would be approximately 2,500 square feet or 0.06 acres and located at one of the highest topographical points on the campus. The location and installation of the proposed cellular tower would not interfere with current or future development plans for the campus. Although a different wireless provider currently leases land and located a tower nearby, it does not provide Verizon cellular service. The proposed tower would provide additional cell service options to the campus and to Allegany and Garrett Counties.

VENDOR(S): Cellco Partnership DBA Verizon Wireless, Delaware

ALTERNATIVES: The Committee could elect to not permit FSU to lease the property.

FISCAL IMPACT: This contract will generate revenue for the University. A monthly rent of \$1,100 would be paid by Cellco Partnership to the University. This rent would escalate annually at a rate of 3%. Additionally, Verizon Wireless has agreed to lease space on its tower to co-locators. Each co-locator would pay FSU \$300 per month escalating 3% annually. The proposed rent and escalation charges are consistent with those charges to another cellular company located on campus and are also consistent with those charged by Allegany County to other cellular companies.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve for Frostburg State University the execution of a ground lease to Cellco Partnership doing business as Verizon Wireless under the terms and conditions described above for an initial term of 10 years with one 10-year renewal option; and, delegate to Chancellor the authority to execute, after appropriate legal review by the Office of the Attorney General, all required documentation consistent with the University System of Maryland Policy and Procedures on the Acquisition and Disposition of Real Property. The University shall continue to work with the USM Office of the Chief Operating Officer/Vice Chancellor for Administration and Finance during the leasing process.

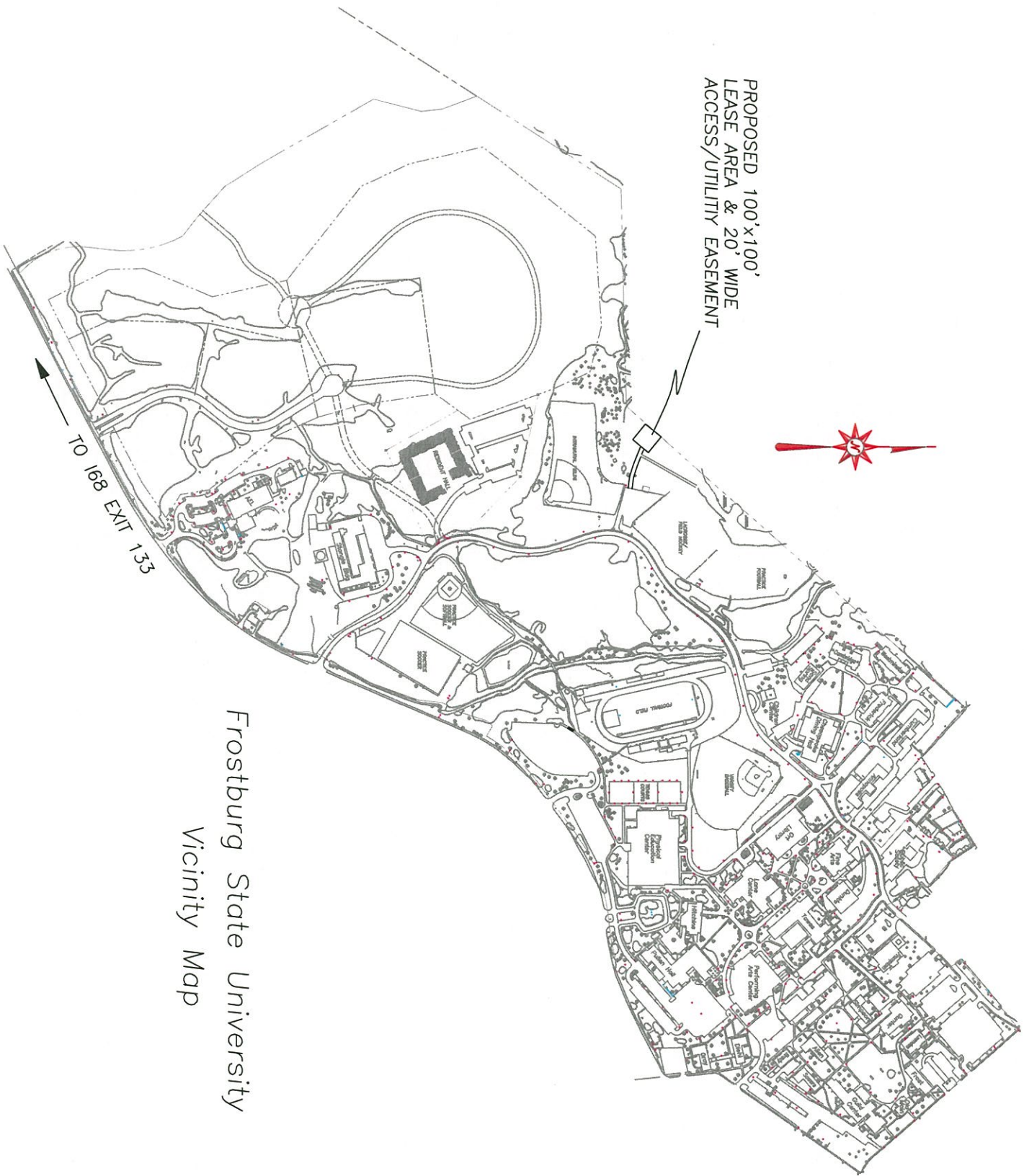
COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923



PROPOSED 100'x100'
LEASE AREA & 20' WIDE
ACCESS/UTILITY EASEMENT



TO I68 EXIT 133

Frostburg State University
Vicinity Map