

January 11, 2017

Report To: Mayor and Council

From: Travis Rob, Manager of Operations & Facilities

RE: Lease Renewal Notice – Bell Mobility Equipment on the Water Tower.

On June 11, 2012 the Town of Fort Frances entered into an agreement with Bell Mobility to rent space on the Water Tower structure and yard for Bell Mobility to install antenna and related equipment to provide their services to the Town of Fort Frances Residents. The term of this agreement was 5 years after the commencement of construction. The term of this lease will expire on July 31, 2018.

A notice was received from Bell Mobility on December 30, 2016 outlining their wish to extend the agreement for a further period of 5 years (August 1, 2018 to July 31, 2023). Attached to this report is a memo outlining their request from Doug Herr, Environmental and Facilities Superintendent as well as the original request letter.

Under the agreement the renewal will commence automatically with the same terms as the original agreement at a predetermined rate of \$6900.00 per year. The Town can choose to terminate the agreement by providing 90 days written notice. Given the equipment is currently installed on site, not causing interference with the operations and the rent is paid, it is the recommendation of the Operations and Facilities Executive Committee to extend the agreement for a period of 5 years commencing on August 1, 2018.

Respectfully Submitted



Travis Rob, EIT
Manager of Operations & Facilities

Council Approval of this report will agree with the recommendation of the Operations and Facilities Executive Committee to extend the agreement for a period of 5 years commencing on August 1, 2018.

2017JanBellMobilityLeaseExtensionWaterTower

RECOMMENDED

JAN 18 2017

DIV. MNG. _____

EXECUTIVE COMM. _____

January 10, 2017

Report To: Travis Rob, Manager of Operations & Facilities

From: Douglas Herr, Environmental & Facilities Sup't.

**SUBJECT: Renewal Lease Agreement (5-Year) – Vianet
Space Rental on Water Tower for an Antenna**

Bell Mobility Inc. presently leases space at the Water Tower property for a building and on the tower for their antennas. A 5-year lease agreement has been in place since May 1, 2012 where Bell Mobility Inc. pays the Town \$ 6,900 (GST extra) annually. This agreement will expire on July 31, 2018.

Bell Mobility Inc. has submitted a letter to enact their option to automatically renew their agreement for an additional 5 years (August 1, 2018 to July 31, 2023) for the same rental amount. It is when they renew for a second time would there be a rent adjustment. All other conditions within the agreement remain the same.

Therefore find attached the letter to renew the 5-year agreement with Bell Mobility Inc.

Respectfully Submitted

A handwritten signature in blue ink, appearing to read 'D. Herr', is positioned below the 'Respectfully Submitted' text.

Douglas Herr
Environmental & Facilities Sup't.

Attachment – Bell Mobility Inc. 5-Year Renewal Letter

2611 Nootka St
Vancouver, BC V5M 3M4



December 21, 2016

****LEASE RENEWAL NOTICE****

The Municipal Corporation of the Town of Fort Frances
320 Portage Avenue
Fort Frances, ON P9A 3P9

Attention: Glenn Treftlin/Douglas Herr

Dear Glenn and/or Douglas:



**Re: LEASE RENEWAL NOTICE – 1st Option to Renew
Lease Agreement made May 1st, 2012, between The Municipal Corporation of the Town of
Fort Frances and Bell Mobility Inc. (the “Lease”)
Bell Site: W4273 Fort Frances West
Location: 220 McIrvine Road, Fort Frances, ON P9A 3S3**

As the current term of the above referenced Lease will **expire on July 31st, 2018**, we are pleased to inform you that Bell Mobility intends to maintain its tenancy on this property for the operation of a cellular base station.

Accordingly, your Lease will be **automatically renewing** for the **five (5)** year period commencing **August 1st, 2018 to July 31st, 2023** at annual rent predetermined **\$6,900.00 payable annually in advance**.

Please note that this is a courtesy reminder only and the Lease remains in full force and effect in accordance with the terms of the original agreement.

Bell would like to take this opportunity to thank you for your continued support as an integral part of its wireless network. Should you have any questions or concerns, please feel free to contact Bell Mobility's Landlord Relations Specialist by telephone at 1-800-667-5263, or by email to bmresi@bell.ca.

Sincerely,

Wendy Coles, Medallion Wireless
For Bell Mobility Inc.
Email: wendelyn.coles@bell.ca



SCHEDULE "C"
RENTAL PAYMENT SCHEDULE

The Tenant shall pay Rent to the Landlord as follows:

(a) During the period commencing on the Commencement Date and ending on the Construction Commencement Date, the Tenant shall pay to the Landlord annual Rent in the amount of Five Hundred Dollars (\$500.00), payable in advance.

(b) During the period commencing on the Construction Commencement Date and ending upon the expiry of the Term, the Tenant shall pay to the Landlord annual Rent in the amount of Six Thousand Dollars (\$6,000.00) payable annually in advance. 5000

If the Construction Commencement Date is on any day other than the anniversary date of the first day of the Term, Rent for the fractions of a year at the beginning and at the end of the year will be adjusted pro rata, on the basis of the actual number of days in such year prior to and the Construction Commencement Date.

(c) Provided that the Tenant shall have exercised its first (1st) Option to Renew, the rent of Six Thousand Nine Hundred Dollars (\$6,900.00) per annum payable in advance commencing on the first day of the first month of the first year following the expiration of the immediately prior Term/Renewal Term, and each and every month up to and including the first day of the fifth year following the expiration of the Term.

(d) Provided that the Tenant shall have exercised its second (2nd) Option to Extend, the annual rent of the greater of:

i) fair market value**; or,

ii) the annual rental during the last year of the immediate previous term adjusted by the number (as a percentage) obtained by adding the yearly percentage change in the CPI***;

payable in advance commencing on the first day of the first month of the first year following the expiration of the immediately prior Renewal Term and each and every year up to and including the first day of the tenth year following the expiration of the Term.

(e) Provided that the Tenant shall have exercised its third (3rd) Option to Extend, the annual rent of the greater of:

i) fair market value**; or,

ii) the annual rental during the last year of the immediate previous term adjusted by the number (as a percentage) obtained by adding the yearly percentage change in the CPI***;

payable in advance commencing on the first day of the first month of the first year following the expiration of the immediately prior Renewal Term and each and every year up to and including the first day of the fifteenth year following the expiration of the Term.

**Fair market value as agreed between the parties in the ninety (90) days prior to the expiration of the immediately preceding Term/Renewal Term, or in the absence of such agreement, as determined by arbitration heard at the parties joint expense in the Town of Fort Frances before a single arbitrator in accordance with the provisions of the Commercial Arbitration Act of the Province of Ontario.

***"CPI" means the Consumer Price Index, not seasonally adjusted, published by Statistics Canada (or by a successor or other government agency), or if it is changed or is not produced or issued by Statistics Canada (or by a successor or other government agency), then CPI shall mean the nearest and most similar replacement index available from a government authority or failing that, a recognized industry association.