



# Audit, Finance & Enterprise Committee Report

**Date:** April 2, 2015  
**To:** Audit, Finance & Enterprise Committee  
**Through:** Christopher J. Brady, City Manager  
Karolyn Kent, Deputy City Manager  
**From:** Elizabeth Huning, City Engineer  
Michele Davila, Sr. Fiscal Analyst  
**Subject:** 2015/2016 Proposed Schedule of Fees and Charges

## Strategic Initiatives



## Purpose and Recommendation

The purpose of this report is to introduce an annual wireless communication facilities (WCF) fee during the annual review of the City's fees and charges schedule. The introduction of the proposed WCF fee is outlined in this report and is recommended for Audit, Finance & Enterprise Committee approval.

## Background & Discussion

Verizon Wireless (Verizon) is proposing to install, operate, and maintain wireless service facilities on City-owned streetlights in the City's rights-of-way and public utility easements. A cabinet will need to be placed to support the antennas. Verizon is proposing six sites at this time.

The City currently does not have an adopted WCF fee structure to install wireless facilities on City assets. The proposed fee structure is similar to fees in Scottsdale, Tempe, Phoenix, and Chandler. The proposed fee structure will be based on the volume (cubic feet) of equipment placed in City's rights-of-way and public utility easements and if the facilities are concealed or not. The minimum fee is \$3,469 annually and the maximum fee is \$21,073 annually, depending on the specific site.

The Wireless Antenna License will include a three percent (3%) annual increase during the term of each individual license issued by the City.

## Alternatives

The Audit, Finance & Enterprise Committee could approve staff's recommendation; consider different fees, or deny the fees.

**Fiscal Impact**

Adopting the proposed fee will have an overall revenue increase impact of approximately \$25,000 per year.

The City incurs no financial outlay as a result of authorizing this WCF fee, except for staff time required to prepare the WCF fee structure and instructions.

**Coordinated With**

City Manager's Office  
City Attorney's Office  
Development and Sustainability Department  
Transportation Department  
Engineering Department

**Fee Recommendation Schedule**

Department: Engineering  
Proposed Changes to Fees & Charges

Document of Change: Resolution

Description of Services:	Current FY 14/15 Fee/Charge	Unit	Proposed FY 15/16 Fee/Charge	Date Last Revised	FY 15/16 Fiscal Impact \$	Notes
<b>WIRELESS COMMUNICATION FACILITIES FEE (WCF) IN THE ROW (EXCLUDES CELLULAR FACILITIES):</b>						
CATEGORY 1			<b>\$3,469.00 ANNUAL FEE TO 50 CUBIC FEET (CF)</b>	<b>NEW</b>	<b>\$25,000.00/yr.</b>	<b>NEW</b> SEE BELOW
CATEGORY 2			<b>\$3,469.00 ANNUAL FEE: 1 CF to 50 CF</b> <b>\$9,928.00 ANNUAL FEE: 51 CF to 200 CF</b> <b>\$13,141.00 ANNUAL FEE: 201 CF to 300 CF</b> <b>\$16,337.00 ANNUAL FEE: 301 CF to 400 CF</b> <b>\$19,588.00 ANNUAL FEE: 401 CF AND MORE</b>			SEE BELOW SEE BELOW SEE BELOW SEE BELOW SEE BELOW
CATEGORY 3			<b>\$3,671.00 ANNUAL FEE: 1 CF to 50 CF</b> <b>\$10,130.00 ANNUAL FEE: 51 CF to 200 CF</b> <b>\$13,343.00 ANNUAL FEE: 201 CF to 300 CF</b> <b>\$16,539.00 ANNUAL FEE: 301 CF to 400 CF</b> <b>\$19,790.00 ANNUAL FEE: 401 CF AND MORE</b>			SEE BELOW SEE BELOW SEE BELOW SEE BELOW SEE BELOW
CATEGORY 4			<b>\$4,954.00 ANNUAL FEE: 1 CF to 50 CF</b> <b>\$11,413.00 ANNUAL FEE: 51 CF to 200 CF</b> <b>\$14,626.00 ANNUAL FEE: 201 CF to 300 CF</b> <b>\$17,822.00 ANNUAL FEE: 301 CF to 400 CF</b> <b>\$21,073.00 ANNUAL FEE: 401 CF AND MORE</b>			SEE BELOW SEE BELOW SEE BELOW SEE BELOW SEE BELOW
<b>CATEGORY 1 - A SINGLE WIRELESS ANTENNA DEVICE MOUNTED ON AN EXISTING VERTICAL ELEMENT (EG POLE) OR ASSOCIATED GROUND EQUIPMENT WITH A WIRELESS ANTENNA DEVICE MOUNTED ON A THIRD-PARTY VERTICAL ELEMENT. GROUND EQUIPMENT LARGER THAN 50 CUBIC FEET SHALL BE BASED ON CATEGORY 2 EQUIPMENT FEE RATES. EACH WCF SITE WILL BE ASSESSED FEES AS SET FORTH BELOW:</b>						
A. PER ANTENNA LOCATION			<b>ANTENNA BASE FEE</b>	<b>EQUIPMENT FEE</b>	<b>TOTAL WCF ANNUAL FEE</b>	
B. GROUND EQUIPMENT (UP TO 50 CF)			\$3,469	N/A	\$3,469	
			N/A	\$3,469	\$3,469	
<b>CATEGORY 2 - WCF WITH ANTENNA(S) ON AN EXISTING VERTICAL ELEMENT (EG POLE; CO-LOCATED) AND ANY ASSOCIATED GROUND EQUIPMENT. EACH WCF SITE SHALL HAVE AN ANTENNA BASE FEE, PLUS A GROUND EQUIPMENT FEE (IF APPLICABLE) FOR CUBIC FEET OF GROUND EQUIPMENT IN THE ROW, AS SET FORTH BELOW:</b>						
A. TOTAL IS 1 CF UP TO 50 CF			<b>ANTENNA BASE FEE</b>	<b>EQUIPMENT FEE</b>	<b>TOTAL WCF ANNUAL FEE</b>	
B. TOTAL IS 51 CF UP TO 200 CF			\$3,469	INCLUDED	\$3,469	
C. TOTAL IS 201 CF UP TO 300 CF			\$3,469	\$6,459	\$9,928	
D. TOTAL IS 301 CF UP TO 400 CF			\$3,469	\$9,672	\$13,141	
E. TOTAL IS 401 CF OR MORE			\$3,469	\$12,868	\$16,337	
			\$3,469	\$16,119	\$19,588	
<b>CATEGORY 3 - WCF WITH ANTENNA(S) MOUNTED ON A NEW VERTICAL ELEMENT THAT IS STEALTH OR UTILIZES ALTERNATE CONCEALMENT WHEN EXISTING VERTICAL ELEMENTS ARE NOT AVAILABLE, AND ANY ASSOCIATED GROUND EQUIPMENT. EACH WCF SITE WILL HAVE AN ANTENNA BASE FEE, PLUS A GROUND EQUIPMENT FEE (IF APPLICABLE) FOR CUBIC FEET OF GROUND EQUIPMENT IN THE ROW, AS SET FORTH BELOW:</b>						
A. TOTAL IS 1 CF UP TO 50 CF			<b>ANTENNA BASE FEE</b>	<b>EQUIPMENT FEE</b>	<b>TOTAL WCF ANNUAL FEE</b>	
B. TOTAL IS 51 CF UP TO 200 CF			\$3,671	INCLUDED	\$3,671	
C. TOTAL IS 201 CF UP TO 300 CF			\$3,671	\$6,459	\$10,130	
D. TOTAL IS 301 CF UP TO 400 CF			\$3,671	\$9,672	\$13,343	
E. TOTAL IS 401 CF OR MORE			\$3,671	\$12,868	\$16,539	
			\$3,671	\$16,119	\$19,790	
<b>CATEGORY 4 - WCF WITH ANTENNA(S) ON A NEW, (NON-EXISTING AT THE TIME OF ATTACHMENT) VERTICAL ELEMENT THAT IS NEITHER STEALTH NOR CONCEALED IN APPEARANCE, AND ANY ASSOCIATED GROUND EQUIPMENT. EACH WCF SITE WILL HAVE AN ANTENNA BASE FEE, PLUS A GROUND EQUIPMENT (IF APPLICABLE) FOR CUBIC FEET OF GROUND EQUIPMENT IN THE ROW, AS SET FORTH BELOW:</b>						
A. TOTAL IS 1 CF UP TO 50 CF			<b>ANTENNA BASE FEE</b>	<b>EQUIPMENT FEE</b>	<b>TOTAL WCF ANNUAL FEE</b>	
B. TOTAL IS 51 CF UP TO 200 CF			\$4,954	INCLUDED	\$4,954	
C. TOTAL IS 201 CF UP TO 300 CF			\$4,954	\$6,459	\$11,413	
D. TOTAL IS 301 CF UP TO 400 CF			\$4,954	\$9,672	\$14,626	
E. TOTAL IS 401 CF OR MORE			\$4,954	\$12,868	\$17,822	
			\$4,954	\$16,119	\$21,073	
<b>NOTE: THIS SCHEDULE IS NOT ALL INCLUSIVE AND OTHER FEES MAY APPLY; THESE FEES ARE SUBJECT TO AN ANNUAL ADJUSTMENT</b>						

Description of Services:	FY 14/15 Fee/Charge	Unit	FY 15/16 Fee/Charge	Date Last Revised	Fiscal Impact \$	Notes
<b>INSTRUCTIONS:</b>						
<p>THE ANNUAL ENCROACHMENT FEES FOR WIRELESS COMMUNICATIONS FACILITIES IN THE RIGHTS-OF-WAY CATEGORIES ABOVE SHALL BE ADMINISTERED ACCORDING TO THE FOLLOWING RULES:</p>						
<p>1) THE FEE STRUCTURE SHALL APPLY TO THE INSTALLATION OF ANY ANTENNAS, ANTENNA STRUCTURE, GROUND EQUIPMENT, ELECTRONICS, CABINTES, POWER SUPPLY, POWER SUPPLY INSTALLED FOR THE PURPOSE OF THE WIRELESS COMMUNICATION FACILITIES AND OTHER APPURTENANCES REQUIRED OR ASSOCIATED WITH THE OPERATION OF A WCF IN THE CITY'S RIGHTS-OF-WAY (ROW), CITY EASEMENTS (CE), AND PUBLIC UTILITY EASEMENTS (PUE).</p>						
<p>2) ALL WCF IN THE ROW, CE AND PUE MUST HAVE A WIRELESS COMMUNICATION LICENSE (WCL) SUBMITTED TO THE CITY FOR EACH WCF SITE INSTALLED AND OPERATED IN THE ROW, CE, AND PUE.</p>						
<p>3) WCF SITES IN ROW, CE AND PUE THAT ARE MODIFIED, UPGRADED, EXTENDED OR ENHANCED SHALL BE SUBJECT TO THE MOST CURRENT FEE SCHEDULE.</p>						
<p>4) ANTENNA STRUCTURE AND BASE FEE - IN CASES WHERE THE EXISTING VERTICAL ELEMENT IS REPLACED FOR STRUCTURAL PURPOSES WITH A POLE DESIGNATED TO SUPPORT THE ANTENNAS AND CABLING, THE WCF WILL BE CATEGORIZED AS BEING INSTALLED ON AN EXISTING VERTICAL ELEMENT. THERE MAY BE A LINEAR FOOT FEE FOR FIBER THAT RUNS OUTSIDE THE FOOTPRINT.</p>						
<p>5) GROUND EQUIPMENT FEE - THE GROUND EQUIPMENT MEASUREMENT IS CALCULATED BY THE SIZE OF A FOUR-SIDED "BOX" (PARALLEL SIDES OF EQUAL LENGTH) WITH A TOP PANE THAT IS PARALLEL TO THE GROUND SO THAT THE BOX WILL COVER THE GROUND EQUIPMENT FROM THE TOP OF THE EQUIPMENT TO THE GROUND (NON-IMPROVED DIRT SURFACE), AND FROM SIDE-TO-SIDE, INCLUDING ANY FOUNDATION OR PAD FOR THE EQUIPMENT. FOR SITUATIONS WHERE THERE IS MORE THAN ONE GROUND EQUIPMENT FIXTURE OR CABINET (ADJACENT TO EACH OTHER OR WITHIN THE SAME USE ARE), THE EQUIPMENT FIXTURES, CABINETS AND GENERATORS ARE DEEMED TO BE PART OF THE SAME CONTIGUOUS GROUND EQUIPMENT SPACE AND WILL BE MEASURED TOGETHER WITHIN THE SAME BOX. ANY REMOTE RADIO HEADS OR REMOTE RADIO UNITS MOUNTED TO A CABINET POST, OR WALL IN THE SAME AREA WITH THE GROUND EQUIPMENT SHALL BE INCLUDED IN THE MEASUREMENT FOR THE GROUND EQUIPMENT.</p>						
<p>6) WCF SITES THAT HAVE ANTENNAS INSTALLED ON A VERTICAL ELEMENT IN ROW, CE AND PUE, BUT THE GROUND EQUIPMENT INSTALLED ON PRIVATE PROPERTY, WILL BE ASSESSED THE APPLICABLE ANTENNA FEE.</p>						
<p>7) WCF SITES WITH ANTENNAS ON A VERTICAL ELEMENT LOCATED ON PRIVATE PROPERTY, BUT THE GOUND EQUIPMENT IN THE ROW, CE, AND PUE WILL BE ASSESSED THE APPLICABLE GROUND EQUIPMENT FEE.</p>						
<p>8) WCF INSTALLATION SHALL BE REASONABLE COORDIANTED AND CO-LOCATED WITH THE CITY AND OTHER WIRELESS PROVIDERS TO ACCOMMODATE CO-LOCATION OPPORTUNITIES FOR COMMON INSTALLATION AND PLACEMENT. THE APPLICANT SHALL DEMONSTRATE THAT THE ENGINEERING OF THE WCF AND THE PLACEMENT OF GROUND-MOUNTED EQUIPMENT WILL ACCOMMODATE OTHER WIRELESS PROVIDERS.</p>						
<p>9) THE ANNUAL WCF IN THE ROW PERMIT FEE DOES NOT INCLUDE FEES AND CHARGES FOR ANY OTHER CITY FEES, TAXES, PERMITS, PLAN REVIEW FEES, INSPECTION FEES, OR ANY OTHER SERVICES OR APPROVALS THAT MAY BE REQUIRED BY THE CITY.</p>						
<p>10) WCF APPLICATIONS SHALL OBTAIN AN ENCROACHMENT PERMIT FOR INSTALLATION AND AN ANNUAL MAINTENANCE/ EMERGENCY PERMIT TO WORK IN ROW AFTER INITIAL CONSTRUCTION.</p>						
<b>WCF GUIDELINES FOR CONSTRUCTION OF FACILITIES/EQUIPMENT:</b>						
<p>WCF LOCATED ON EXISTING OR REPLACED STREET LIGHT POLES, PARKING LOT LIGHT POLES, AND STREET SIGN POLES, ARE SUBJECT TO THE FOLLOWING CRITERIA:</p>						
<p>1. EACH WCF SHALL BE IDENTIFIED BY A PERMANENTLY INSTALLED PLAQUE OR MARKER, NO LARGER THAN FOUR (4) INCHES BY SIX (6) INCHES; CLEARLY, WIRELESS COMMUNICATIONS SERVICE PROVIDER'S NAME, ADDRESS, E-MAIL CONTACT, AND EMERGENCY PHONE NUMBER.</p>						
<p>2. THE REPLACEMENT POLE AND WCF SHALL NOT INCREASE THE DIAMETER OF THE EXISTING POLE BY MORE THAN SIXTY (60) PERCENT, NOT-TO-EXCEED EIGHTEEN (18) INCHES TOTAL, OR INCREASE THE HEIGHT OF THE EXISTING POLE BY MORE THAN SIX (6) FEET;</p>						
<p>3. ANTENNAS SHALL BE LIMITED TO SNUG-MOUNT, CANISTER-MOUNT, AND CONCEALED ANTENNA;</p>						
<p>4. ALL CABLES SHALL BE LOCATED INSIDE THE POLE OR WITHIN AN ENCASEMENT TO HIDE ALL CABLES COLORED TO MATCH THE POLE AND ORIENTED TO A SIDE WITH THE LEAST VISUAL IMPACT AND BE RATED FOR 600 VOLTS;</p>						
<p>5. STREET LIGHT CONSTRUCTION AND POLE REPLACEMENT SHALL MATCH BUILD TYPE OF EXISTING STREET LIGHT POLES PER MESA STANDARD DETAILS AND SPECIFICATIONS M-70 THROUGH M-78.02;</p>						
<p>6. EQUIPMENT CABINET:</p>						
<p>A. SHALL BE SCREENED, PAD MOUNTED, INCONSPICUOUSLY PLACED AWAY FROM SIGNAGE AND WINDOW VIEWS; LOW PROFILE CABINETS, PLACED ADJACENT TO PROPERTY LINE OR CLUSTERED BY EXISTING FACILITIES, OR WITHIN A VAULT; PLACED TWO FEET FROM PROPOSED OR EXISTING SIDEWALK</p>						
<p>B. EQUIPMENT CABINET LOCATIONS SHALL COMPLY WITH THE HEIGHT AND DEVELOPMENT STANDARDS OF THE UNDERLYING ZONING DISTRICT; SETBACK SHALL MEET THE YARD DEVELOPMENT STANDARDS AND SETBACK REQUIREMENTS OF THE UNDERLYING ZONING DISTRICT, EXCEPT AS OTHERWISE PERMITTED HEREIN;</p>						
<p>C. EQUIPMENT IS REQUIRED TO BE SCREENED BY A SCREEN WALL, PAINTED, AND/OR LANDSCAPED. SCREENING SHALL BLEND WITH OR ENHANCE THE SURROUNDING CONTEXT IN TERMS OF SCALE FORM, TEXTURE, MATERIALS AND COLOR. WCF SHALL BE CONCEALED AS MUCH AS POSSIBLE BY BLENDING INTO THE NATURAL AND/OR PHYSICAL ENVIRONMENT. ALL SCREENING SHALL BE AT THE DISCRETION OF THE CITY.</p>						