

Contact: Jean Friedrich

INSTITUTIONAL AGREEMENTS, LEASES, AND EASEMENTS

Action Requested: Consider approval of the easement for the benefit of the University of Iowa and the lease for the benefit of Iowa State University, subject to approval of the final documents by the Board Office and Attorney General's Office.

(ROLL CALL VOTE)

Executive Summary: Iowa Code §262.11 requires that certain agreements, leases, and easements be approved by the Board of Regents by roll call vote. The easement for the University of Iowa has been reviewed by the Attorney General's Office and the lease has been reviewed by the Board Office. An indemnification clause is included in the easement and the lease.

The University of Iowa with the Board as Owner for the following easement:

MidAmerican Energy Corporation and Mediacom Communications Corporation

The University requests approval of a Utility Easement Agreement with MidAmerican Energy Corporation and Mediacom Communications Corporation for an easement across University owned property in conjunction with the Melrose Avenue surface parking lot project previously approved by the Board of Regents. After the University razes eight homes on Melrose Place for the surface parking lot, three homes will remain. The existing electric and cable television lines and utility poles currently servicing these homes will be removed and relocated as part of the University's project. These three homes will need to be served with electricity and cable from an existing service utility pole on Melrose Avenue. The service lines connecting Melrose Avenue to these three homes will be re-routed to cross two University owned parcels. The easement is limited to ten feet in width on University property for access, repairing, reconstructing, operating, and maintaining the utility lines by MidAmerican Energy and Mediacom. See map of location on Attachment A.

Iowa State University with the Board as Tenant for the following lease:

Iowa RSA 10 General Partnership, d/b/a Verizon Wireless (Verizon)

Lease with Verizon for a five-year term, commencing on the 1st day of the month during which the Lease Agreement is executed by the parties. The lease may be extended for four additional five-year periods at the option of the Board. The rental rate is \$500 per month for an annual rate of \$6,000. The lease provides for a 3% annual increase in the rental rate.

The lease provides space on the Ogden, Boone County, Iowa tower for KICG's radio antennas and ground space for KICG's transmitting equipment and shelter to serve the Perry/Ames area.

In 2005, Iowa State University applied for and received a Public Telecommunications Facilities Program (PTFP) grant to cover a portion of the expense of constructing a radio station in Perry. The grant has been extended a number of times. In 2007, the University was granted a construction permit from the FCC to build the station, but never received and executed document. The construction permit has been tolled since this time, preventing the University from proceeding with construction.

In late 2011, Iowa Public Radio (IPR), the entity charged with managing the universities' radio stations, received approval from its Board of Directors to pursue alternative options related to the Perry/Ames project. It was determined that leasing tower space would be a more cost effective solution to better serving this area.

In February, 2012, IPR applied to the FCC for a modification of the construction permit. In March, 2012, IPR received notification that the FCC had granted its request, permitting IPR to locate an antenna on an existing tower rather than construct a new tower.

IPR received an extension of the PTFP grant through February 28, 2013. The total project is budgeted at \$451,949, with the PTFP grant covering approximately \$176,997.

Additional information is available from the Board Office.

H:\BF\2012\aug2012\0812_ITEM14_leases.doc

