

July 14, 2016

Laurie Anderson
Real Estate Manager II
Sprint-Ericsson Property Services
Mailstop KSOPHT0101-Z2650
6391 Sprint Parkway
Overland Park, KS 66251-2650

Re: Nextel Tower – 5605 Manitou Road, Tonka Bay, MN 55331

Dear Ms. Anderson:

This letter is a follow up to the City's letters dated November 5, 2015, February 24, 2016, and April 20, 2016. Pursuant to your previous correspondence, you indicated that Nextel was terminating its lease at the above-captioned address effective December 31, 2015. Notice of termination was forwarded to the City dated October 27, 2015.

By letter dated November 5, 2015, the City objected to the notice of termination. At the same time, the City notified you that should notice be deemed proper, the City would invoke its right to have Nextel reconstruct the tower, at its expense, for the benefit of the City. The contract reads:

At Landlord's option, unless termination was due to a default of Landlord, Tenant will rebuild and transfer ownership of an equivalent tower to Landlord prior to removal of Tenant's Tower at Tenant's Cost. Landlord shall notify Tenant of its decision to require rebuilding of the tower within 30 days of receiving written notice from Tenant that the Agreement is terminated.

The City, as landlord, did notify Nextel of its option to have the tower rebuilt on November 5, 2015, which was within 30 days from the October 27th notice of termination.

However, the City would like to propose an alternative to Nextel. Rather than installing a brand-new tower at the site, the City would be willing to accept transfer of ownership of any real or personal property thereupon, as well as a payment in the amount of \$_____. Such payment shall represent roughly one-half of the cost of replacing the tower with an identical, albeit brand new tower. Such an arrangement will serve to save Nextel from expending unnecessary funds,

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while also ensuring that the City is not overly burdened by the new need to conduct ongoing maintenance for an aging tower.

Please notify the City within 30 days if you find such arrangement acceptable. If so, please provide a list of all real and personal property located on the property which would become the property of the City. Alternatively, if you do not find this arrangement acceptable, please indicate the timeline necessary for you to rebuild the tower, as required by the original Agreement.

Please let me know if you have any questions. Your continued attention to this matter is appreciated.

Very truly yours,

Andrew M. Biggerstaff
Tonka Bay City Attorney

AMB:jms

cc: Lindy Crawford, City Administrator