

1 [Master License Agreements - Extenet Systems (California), LLC, GTE Mobilnet of California,
2 LP, d/b/a Verizon Wireless, and Mobilitie Investments III, LLC - Installation of Wireless
3 Telecommunications Equipment on Transit Support Poles - \$13,560,789]

4 **Resolution retroactively approving executed Master License Agreements between the**
5 **City and County of San Francisco, Extenet Systems (California), LLC, GTE Mobilnet of**
6 **California, LP, d/b/a Verizon Wireless, and Mobilitie Investments III, LLC, for the**
7 **installation of wireless telecommunications antennae and equipment on San Francisco**
8 **Municipal Transportation Agency poles, each for a term of nine years beginning**
9 **September 22, 2014, November 30, 2014, and April 23, 2015, respectively, for a sum**
10 **total revenue of approximately \$13,560,789; and approving a form Master License**
11 **Agreement and delegating approval authority to the Director of Transportation; and**
12 **affirming the Planning Department’s determination under the California Environmental**
13 **Quality Act.**

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15 WHEREAS, Charter, Section 8A.102(b)1, provides in pertinent part that the San
16 Francisco Municipal Transportation Agency (SFMTA) has "exclusive authority over the
17 acquisition, construction, management, supervision, maintenance, extension, operation, use,
18 and control of all property, as well as the real, personal, and financial assets of the Agency;
19 and [has] ... exclusive authority over contracting, leasing, and purchasing by the Agency;" and

20 WHEREAS, Charter, Section 8A.109(b), requires the Mayor, the Board of Supervisors,
21 and the SFMTA “diligently shall seek to develop new sources of funding for the Agency's
22 operations;” and

1 WHEREAS, The SFMTA currently owns approximately 10,000 Transit Poles in San
2 Francisco, which are poles of various types of construction used to support the overhead
3 catenary traction power system that powers trolley buses and light rail vehicles; and

4 WHEREAS, In late 2013, wireless telecommunications companies approached the
5 SFMTA seeking access to its Transit Poles for the installation of wireless telecommunication
6 antennae and equipment (ODAS Equipment) to enhance wireless telephone and data
7 services to their customers in San Francisco; and

8 WHEREAS, On July 15, 2014, by Resolution No. 14-121, the SFMTA Board of
9 Directors adopted a "Policy for Placement of Wireless Facilities on SFMTA Owned and
10 Managed Real Estate Assets" (SFMTA Wireless Policy), which established policies and
11 procedures that govern the fair access and use of Transit Poles by third parties; and

12 WHEREAS, On July 15, 2014, also by Resolution No. 14-121, the SFMTA Board
13 approved a form Master Outdoor Distributed Antenna System Pole License Agreement
14 (Master License Agreement), which SFMTA staff negotiated with representatives of wireless
15 communications companies, and also delegated to the Director of Transportation the authority
16 to approve Master License Agreements on behalf of the SFMTA; and

17 WHEREAS, The form Master License Agreement contains a mechanism for issuing
18 individual Pole Licenses, each designating the locations of the licensed Transit Pole(s),
19 describing the ODAS Equipment to be installed on said Transit Pole(s), and setting out
20 conditions or requirements unique to the licensed Transit Pole(s) as to ODAS Equipment
21 installation and aesthetic requirements; and

22 WHEREAS, The form Master License Agreement and the SFMTA Wireless Policy
23 authorize the SFMTA to consult with the Planning Department to ensure that the design of
24 any ODAS Equipment to be installed on any Transit Pole is appropriate for a given location;
25 and

1 WHEREAS, The form Master License Agreement provides that the SFMTA will not
2 allow any ODAS Equipment or other communications equipment to be installed on a Transit
3 Pole unless the Department of Public Works has issued the permit required under Article 25
4 of the Public Works Code; and

5 WHEREAS, The SFMTA negotiated and the Director of Transportation executed a
6 Master License Agreement with Extenet Systems (California), LLC, for a term of nine years,
7 and a copy of that Master License Agreement is on file with the Clerk of the Board of
8 Supervisors in File No. 151100; and

9 WHEREAS, The SFMTA negotiated and the Director of Transportation executed a
10 Master Licenses with GTE Mobilnet of California, LP, d/b/a Verizon Wireless, for a term of
11 nine years, and a copy of that Master License Agreement is on file with the Clerk of the Board
12 of Supervisors in File No. 151100; and

13 WHEREAS, The SFMTA negotiated and the Director of Transportation executed a
14 Master License Agreement with Mobilitie Investments III, LLC, for a term of nine years, and a
15 copy of that Master License Agreement is on file with the Clerk of the Board of Supervisors in
16 File No. 151100; and

17 WHEREAS, When the Director of Transportation approved the three Master License
18 Agreements, the SFMTA did not anticipate that any of the executed Master License
19 Agreements would result in revenues of more than \$1,000,000 dollars, and the SFMTA
20 therefore did not seek Board of Supervisors approval of the executed Master License
21 Agreements under Charter, Section 9.118(a); and

22 WHEREAS, The number of applications for Pole Licenses has greatly exceeded the
23 amount that the SFMTA had anticipated, and the SFMTA has determined that due to that
24 unexpected demand for access to Transit Poles, based on current projections of Licensees'
25 Pole License applications, the projected revenues from each of each of the three existing

1 Master License Agreements will substantially exceed \$1,000,000, and the sum total revenues
2 of all three Master License Agreements will total approximately \$13,560,789 over the nine
3 year term of those contracts; and

4 WHEREAS, Charter, Section 9.118(a) requires that the Board of Supervisors by
5 resolution to approve any contract that produces revenues of \$1,000,000 or more; and

6 WHEREAS, The SFMTA anticipates that other wireless telecommunications
7 companies may seek to enter into Master License Agreements with the SFMTA to install
8 under substantially the same terms and conditions as the existing executed Master License
9 Agreements, and the SFMTA anticipates that the revenues from those agreements may also
10 exceed one million dollars over their terms; and

11 WHEREAS, Approval of the Master License Agreement is not subject to the California
12 Environmental Quality Act (CEQA) as defined under California Environmental Quality Act
13 (CEQA), California Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15
14 Cal. Administrative Code, Sections 15000 et seq., (CEQA Guidelines), and San Francisco
15 Administrative Code, Chapter 31 (Chapter 31); and

16 WHEREAS, The Planning Department has determined that the actions contemplated in
17 this Resolution comply with the California Environmental Quality Act (California Public
18 Resources Code, Sections 21000, et seq.); and

19 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in
20 File No. 151100 and is incorporated herein by reference; and

21 WHEREAS, The Board affirms this determination; now, therefore, be it

22 RESOLVED, That the Board of Supervisors approves the Master License Agreement,
23 and any Pole License Agreements executed under that agreement, between the SFMTA and
24 Extenet Systems (California), LLC, dated September 22, 2014, which agreement is on file with
25

1 the Clerk of the Board of Supervisors, for an amount to exceed \$1,000,000 and a term of nine
2 years; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors approves the Master License
4 Agreement, and any Pole License Agreements executed under that agreement, between the
5 SFMTA and GTE Mobilnet d/b/a Verizon Wireless, dated November 30, 2014, which
6 agreement is on file with the Clerk of the Board of Supervisors, for an amount to exceed
7 \$1,000,000 and a term of nine years; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors approves the Master License
9 Agreement, and any Pole License Agreements executed under that agreement, between the
10 SFMTA and Mobilitie Investments III, LLC, dated April 23, 2015, which agreement is on file
11 with the Clerk of the Board of Supervisors, for an amount to exceed \$1,000,000 and a term of
12 nine years; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
14 Transportation of the SFMTA to enter into additional Master License Agreements on
15 substantially the same terms and conditions as set out in the form Master License Agreement
16 on file with the Clerk of the Board of Supervisors, and to enter into any pole licenses that are
17 necessary to effectuate the purposes of the Master Licenses; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
19 Transportation of the SFMTA to approve any additions, amendments or other modifications to
20 Master License Agreements (including, without limitation, preparation and attachment of, or
21 changes to, any or all of the exhibits and ancillary agreements) that the Director of
22 Transportation, in consultation with the City Attorney, determines is in the best interest of the
23 SFMTA, do not materially increase the obligations or liabilities of the SFMTA or City, or
24 materially decrease the public benefits accruing to the SFMTA, and are necessary or
25 advisable to complete the transactions contemplated and effectuate the purpose and intent of

1 this Resolution, such determination to be conclusively evidenced by the execution and
2 delivery by the Director of Transportation of any such documents; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of any additional Master License
4 Agreements being fully executed by all parties, the SFMTA shall provide final versions of said
5 Master License Agreements to the Clerk of the Board for inclusion into the official file.

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