



July 11, 2016

**Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, California 94102**

***Subject: Master License Agreement for outdoor distributed antenna system
on SFMTA transit poles***

Dear Board Members:

Attached for your consideration is a Resolution authorizing retroactive approval under Charter Section 9.118(a) of a revenue contract "Master Outdoor Distributed Antenna System Pole License Agreement" (MLA), for the installation of wireless telecommunications antennae and equipment (ODAS Equipment) on San Francisco Municipal Transportation Agency (SFMTA) poles, between the SFMTA and New Cingular Wireless, LLC, for a term of nine years.

Background

The SFMTA owns approximately 10,000 poles, which support overhead traction power lines that provide power to trolley buses and light rail vehicles. In 2013, wireless telecommunication companies requested permission to install antennae and equipment on SFMTA poles to improve cellular and data service to their customers. The SFMTA negotiated with industry representatives to develop a form MLA. On July 15, 2014, the SFMTA Board of Directors approved the form MLA and authorized the Director of Transportation to approve and execute MLAs with Licensees that seek to install ODAS Equipment on SFMTA poles. The SFMTA entered into MLAs with Mobilitie Investments III, Extenet Systems, and GTE Mobilnet/Verizon.

On November 3, 2015, the SFMTA Board of Directors and the Board of Supervisors' retroactively approved the MLAs between the SFMTA and Mobilitie Investments III, Extenet Systems, and GTE Mobilnet/Verizon, each for a term of nine years and for revenues of \$1,000,000 or more.

On December 30, 2015, the SFMTA and New Cingular Wireless, LLC dba AT&T Mobility, a fourth wireless telecommunication company, executed a MLA. When AT&T signed the MLA, AT&T intended to install ODAS Equipment on 14 poles. Staff estimated the revenue generated by that MLA would be approximately \$534,618. But due to customers' increasing demands, in May 2016 AT&T advised SFMTA of plans to license 75 poles under its MLA, which would now generate approximately \$2,864,025 in revenue over the nine-years contract term. Because the revised revenues estimate exceeds \$1,000,000, the MLA now requires Board of Supervisors' approval under Charter Section 9.118(a).

Funding Impact

Approval by the Board of Supervisors of the MLA will bring increased revenues to the SFMTA. Currently, staff estimates that total revenues to the SFMTA from New Cingular Wireless, LLC will be approximately \$2,864,025, over the nine-year terms of the agreement.

SFMTA Board of Directors' Approval

The SFMTA Board of Directors is pending adoption and authorization for retroactive approval under Charter Section 9.118(a) of the existing Master License Agreement through its Resolution at its July 19, 2016 meeting. A copy of the signed Resolution will be provided after the meeting.

RECOMMENDATIONS

The SFMTA recommends the Board of Supervisors retroactive approval the MLA for New Cingular Wireless, LLC, for a term of nine years.

If you have any questions regarding this matter, please contact Kerstin Magary at 415-701-4323.

Sincerely,

Edward D. Reiskin
Director of Transportation

