

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100275	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Neutral Host Master License Agmt

PURPOSE:

To obtain Board approval to negotiate and enter into a Master License Agreement to the following six legal entities: (a) Cellco Partnership and Washington SMSA Limited Partnership, each d/b/a Verizon Wireless (collectively "Verizon Wireless") respectively a Delaware General Partnership and a Virginia Limited Partnership, (b) Sprint Nextel, a Delaware Limited Partnership, and Nextel Communications of the Mid-Atlantic, Inc., a Delaware corporation, each d/b/a Sprint Nextel ("Sprint Nextel"), (c) New Cingular Wireless PCS, LLC, a Delaware limited liability company by and through its Manager AT&T Mobility Corporation, a Delaware corporation, and (d) T-Mobile Northeast LLC, a Delaware Limited Liability Company ("T-Mobile") to design, build, operate, maintain, and own a Wireless Communication Infrastructure throughout Metro`s underground stations and tunnels; and to separately amend and wind down the existing Bell Atlantic Mobile Systems Agreement.

DESCRIPTION:

In 1993, Metro entered into an agreement with Bell Atlantic Mobile Systems (now Verizon Wireless) to install wireless communications in Metro`s underground stations and tunnels. This wireless network, currently owned and maintained by Verizon wireless, only supports Verizon cell phones. Sprint phones must roam onto this network for access. T-Mobile and AT&T phones have no current access. In addition, the existing wireless infrastructure is old and does not have the technical sophistication to support new service offerings and technology.

Metro proposes to provide a common, open, comprehensive wireless communication infrastructure, using state-of-the-art technology, in order to achieve the following objectives:

- Qualify for \$1.5 billion in dedicated federal funds (Pub. L. 110-432 A/K/A The Amtrak Bill), by meeting the following goals:
 - By 10/16/2009, provide wireless communications in the 20 busiest rail

- stations
 - By 10/16/2012, provide wireless communications throughout the rail system
- Maximize the revenue to Metro with minimal operational complexity and impact to transit operations
- Improve the safety, security, and information opportunities for Metro ridership
- Provide Metro a wireless communication infrastructure for its own operational and administrative needs
- Leverage the economic value of Metro`s facilities, infrastructure, ridership, and presence within the Washington Metropolitan Area

The Licensees will act under a Master License Agreement as the intermediary-or "Neutral Host"-between participating telecommunications service providers and the consumers of their services. Metro anticipates that the Master Licensee will execute sub-license agreements with wireless voice and data service providers who will want to obtain access to and use of the underground wireless infrastructure. This Wireless Common Infrastructure will support a wide range of existing and future planned frequencies.

The Master Licensee will build a separate and complete parallel communication system for Metro`s exclusive use to serve consumer needs and allow Metro to support its own wireless operational, administrative, and public safety needs. In addition, the Master Licensee will pay to Metro a minimum guarantee and additional compensation as required in the Master License Agreement.

FUNDING IMPACT:

This Master License Agreement will generate guaranteed revenue of \$40,054,701 during the initial twenty-one year license term with additional guarantees for future option years.

RECOMMENDATION:

Approval to enter into a Master License Agreement to design, build, operate, maintain, and own a Wireless Communication Infrastructure throughout Metro`s underground stations and tunnels; and to separately amend and wind down the existing Bell Atlantic Mobile Systems Agreement.