SUMMARY STATEMENT

ITEM NO.: PATCO-20-017

SUBJECT: License Agreement with AT&T to Install Cellular Equipment in PATCO Underground Stations

COMMITTEE: Operations and Maintenance

COMMITTEE MEETING DATE: August 4, 2020

BOARD ACTION DATE: August 19, 2020

PROPOSAL: That the Board authorizes staff to negotiate and enter into a license agreement with New Cingular Wireless PCS, LLC, a special purpose entity wholly owned and controlled by AT&T wireless (“AT&T”), granting to AT&T the right to install, operate and maintain cellular communication equipment at seven (7) PATCO underground stations for a term of five (5) years with one (1) renewal option of five (5) years. PATCO will receive an annual license fee in exchange for allowing this equipment to be installed in the seven (7) underground stations.

PURPOSE: To grant a license in favor of AT&T to place cellular communication equipment at seven (7) PATCO underground stations: 15th and Locust; 9th and Locust; 12th and Locust; 8th and Market; Franklin Square; City Hall; and Broadway.

BACKGROUND: Through prior Board actions, Verizon and Boingo Wireless (a Sprint and T-Mobile provider and a partner of AT&T for above ground station services) are currently authorized to provide cellular services along the PATCO line and at various below and above ground stations, respectively. To further enhance cellular service availability for PATCO customers underground, staff recommends that AT&T is permitted to install, operate and maintain its equipment at seven (7) PATCO underground stations: 15th and Locust; 9th and Locust; 12th and Locust; 8th and Market; Franklin Square; City Hall and Broadway. AT&T has proposed a license agreement with an initial term of five (5) years and one (1) renewal option of five (5) years and an annual license fee of $62,917 that will increase by 2.5% annually. Pursuant to this proposal, AT&T would install, operate and maintain all communication equipment at its sole cost and expense and would be required to insure that its operations do not interfere with nor have an adverse impact upon PATCO operations. AT&T would also be subject to all applicable insurance and indemnity provisions as required by PATCO.
SUMMARY: Amount: $0 Cost;
Annual minimum revenues will be:
Year 1 $ 62,917.00
Year 2 $ 64,489.93
Year 3 $ 66,102.17
Year 4 $ 67,754.73
Year 5 $ 69,448.60
Total Minimum Revenue: $330,712.42

Source of Funds: N/A
Capital Project #: N/A
Operating Budget: $0
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: Five (5) years plus one (1) 5-year renewal
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board authorizes staff to enter into a license agreement with New Cingular Wireless PCS, LLC, a special purpose entity wholly owned and controlled by AT&T wireless (“AT&T”), granting to AT&T the right to install, operate and maintain cellular communication equipment at seven (7) PATCO underground stations to enhance cellular service for PATCO customers for a term of five (5) years with one (1) renewal option of five (5) years; and be it further

RESOLVED: That the Chairman, Vice Chairman and the President must approve and are hereby authorized to approve and execute all necessary agreements, contracts or other documents on behalf of PATCO. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and President and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of PATCO along with the President. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the President shall execute such documents on behalf of PATCO.

SUMMARY:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
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