



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

**November 30, 2012**

**TO: BOARD OF DIRECTORS**

**THROUGH: ARTHUR T. LEAHY**  
**CHIEF EXECUTIVE OFFICER**

**FROM: PAUL C. TAYLOR**  
**DEPUTY CHIEF EXECUTIVE OFFICER**

**SUBJECT: SUBWAY CELL PHONE SERVICE UPDATE**

**ISSUE**

This report provides an update of the installation of cell phone service in our tunnels and underground stations.

**BACKGROUND**

As part of improving safety, security and convenience for Metro patrons, staff has pursued the provision of cell phone service at all Metro Rail stations and tunnels at no cost to Metro. Wi-Fi service was also included as an option.

The Request for Proposal (RFP) was issued on December 22, 2011 and proposals were due and submitted on February 24, 2012. Since the receipt of the proposals, staff conducted extensive evaluation and initiated a pre-negotiation plan which was reported in the Executive Management Committee meeting on July 19, 2012.

In each of their proposal submittals, the proposers took numerous exceptions to the terms and conditions of the contract document that was contained in the RFP. Exceptions taken included licensing arrangements for future revenue sharing between Metro and the contractor, sublicensing arrangements between the contractor and the wireless providers, risk management issues related to construction and operations, and ownership of wireless network at the end of agreement.

As this was Metro's first time procuring such services, which are both unique and different than other procurements, staff had to develop new procedures and appropriate contract documents specifically for this type of work.

Moreover, staff took additional time to scrutinize the updated terms and conditions to ensure that Metro's transportation systems and facilities were protected and the safety and needs of our patrons were met.

At this time, staff is anticipating a December 4, 2012 release of a completely revised contract document to the proposers and a request that each proposer submit their respective best and final offer on December 20, 2012.

### **NEXT STEPS**

Staff will be providing the procurement recommendation at the Executive Management Committee in February 2013. After the contract award, staff estimates that 18-24 month timeframe for final design and installation.