



July 12, 2010

Honorable Board of Supervisors  
County of Alameda  
1221 Oak Street, Suite 536  
Oakland, California 94612-4305

Dear Board Members:

**SUBJECT: APPROVE CONTRACT REQUIRED BY THE FEDERAL COMMUNICATIONS COMMISSION FOR THE "RELOCATION" PROJECT OF 2.0 GHz MICROWAVE RADIO WITH METRO PCS CALIFORNIA LLC; AMOUNT: \$670,470**

RECOMMENDATION:

- A. Approve a contract between Alameda County, General Services Agency (GSA), and Metro PCS, David Walker, Vice President, 2250 Lakeside Blvd., Richardson, Texas, 75082, for compensation valued at \$670,470 for the County to relocate its 2.0 GHz microwave radio equipment to other licensed spectrum, or to other telecommunications circuits, as per a national directive from the Federal Communications Commission;
- B. Authorize the Director of GSA to negotiate and prepare contract documents, have said document reviewed and approved by County Counsel and executed by the Director of GSA; and
- C. Authorize and direct the Auditor-Controller to make the budgetary adjustments listed on the attached financial recommendations.

DISCUSSION/SUMMARY:

In 2006, the Federal Communications Commission (FCC), complying with the congressional legislation creating the "Advanced Wireless Services" (AWS), conducted an auction of 1.7 GHz and 2.0 GHz frequencies currently being used by microwave radio operators such as the County of Alameda. Metro PCS won a license in the San Francisco Bay Area market that, if it began operations, would interfere with four existing County of Alameda microwave radio links which GSA uses to carry telephone and data signals. By FCC rule, Metro PCS and the County must negotiate a microwave relocation agreement to compensate the incumbent licensee (County) to move to other FCC-regulated frequencies or to utilize other means to transport its radio traffic. In 2009, Metro PCS began discussions on an agreement with the County and submitted the proposed

agreement as its offer. If no agreement is reached by October, 2010, Metro PCS may relocate the four County microwave links per the FCC's Report and Order relative to this project. The FCC rule mandates that the successful spectrum bidder (Metro PCS) is responsible for paying the costs associated with the relocation for comparable capacity and reliability circuits and equipment.

Metro PCS and GSA are in agreement with a relocation plan for the County 2.0 GHz microwave radios, from the current sites at Sunol Ridge, Lakeside Drive, Coyote Hills, and San Leandro Hills, to the County's recently licensed 10 GHz FCC digital microwave radio network at the same sites, which will allow the County to receive payment for replacement microwave radios and services or to utilize other means, and to cease transmissions on the four microwave radio paths identified, and to file a formal notice of transmitter deactivation with the FCC. This work will take place within 90 days of contract execution.

SELECTION CRITERIA/PROCESS:

*Alameda County General Services Agency has determined that the County must negotiate with Metro PCS in order to comply with the FCC's Report and Order since the FCC's action effectively rescinds the County's license on the current frequencies and allows Metro PCS to use the spectrum instead.*

FINANCING:

The General Services Agency will receive compensation in the amount of \$670,470 from Metro PCS for this agreement in two payments. The first payment, equal to 50% of the estimated cost, to relocate the 2.0 GHz microwave radio equipment and related services will be made within 45 days of the effective date of the contract. The second payment will be made upon completion of all County obligations under the terms of the contract, which is estimated to occur within 90 days from the effective date of the contract. There will be no increase in net County cost.

Respectfully submitted,



Aki K. Nakao

Director, General Services Agency

dr:RH:I:\Board Letters\Communications\Metro PCS 2 GHz Final July 12 2010

Attachment

cc: Susan S. Muranishi, County Administrator  
Patrick J. O'Connell, Auditor-Controller  
Richard E. Winnie, County Counsel

**FINANCIAL RECOMMENDATION**

**AGENDA DATE:**

7/27/2010

**Subject of Board Letter:**

Approve Contract Required by the Federal Communications Commission  
for the 2 GHz "Relocation" Project with Metro PCS California

**BY:** 2011

**FUND:** 31010

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

*Informational*

ORG	ACCT	PROG	PROJ/GR	AMOUNT
420111	479990	00000		\$670,470
<b>ORG TOTAL</b>				\$670,470

*Informational*

ORG	ACCT	PROG	PROJ/GR	AMOUNT
<b>ORG TOTAL</b>				\$0

**GRAND TOTAL ANTICIPATED REVENUE** \$670,470

The increase (decrease) in appropriations, as follows:

*Informational*

ORG	ACCT	PROG	PROJ/GR	AMOUNT
420100	610000	00000		\$670,470
<b>ORG TOTAL</b>				\$670,470

*Informational*

ORG	ACCT	PROG	PROJ/GR	AMOUNT
<b>ORG TOTAL</b>				\$0

**GRAND TOTAL APPROPRIATION** \$670,470