



SAFE

SAFE Board of Directors

Item #15-4-2B

Consent

April 9, 2015

Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE): Approve Cellular Service Provider

Issue: Staff is seeking Board approval of a call box cellular provider for the call boxes to be modernized as part of the Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) Call Box Removal and Modernization Project.

Recommendation: The Transportation Committee unanimously recommends that the CVR-SAFE Board authorize the selection of Verizon Wireless Services for cellular service for ongoing call boxes in the CVR-SAFE system.

Committee Action/Discussion: The CVR-SAFE system currently has 970 call boxes using AT&T 2G cellular services and 139 call boxes using Verizon Wireless 3G cellular services. In the fall of 2013, the CVR-SAFE staff learned that AT&T's network will be undergoing an upgrade and the current 2G network used by much of the call box system will be phased out. Current plans call for AT&T to transition completely to newer technologies and shut down the 2G network by December 2016.

Faced with the costs for upgrading 87 percent of the current call boxes to a newer network, the CVR-SAFE staff researched and sought Board approval in November 2014 for the call box removal and modernization program discussed in Item 2A. Following the downsizing of the physical system from 1109 to 649 call boxes, the remaining call boxes using the 2G network will have to be upgraded to the 3G cellular network or no longer function. Costs for this upgrade are discussed in item 2C.

The CVR-SAFE staff explored whether any cellular providers could continue to support the current 2G network past 2016, but were informed that all of the providers plan to scale back their 2G service starting in 2017. Both AT&T and Verizon have comparable 3G cellular coverage. Sprint and T-Mobile offer less coverage for our region. While 4G LTE service is widely advertised by the cellular industry, voice communications currently use 2G or 3G networks; only data services use the 4G network technology.

Recently, the Metropolitan Transportation Commission (MTC) in the Bay Area began using the pricing plans of the Western States Contracting Alliance (WSCA) for their call box cellular services. WSCA offers the CVR-SAFE the lowest cellular prices available, as on all plans except Sprint's we would be able to eliminate the current \$7.35 per call box monthly charge. Table 1 shows cost estimates for providing cellular service for the call boxes that will remain in the regional system, comparing rates from the four largest cellular providers.

Table 1
Cost Comparison from WSCA Cellular Plans

Cellular Provider	Call box per-line monthly charge	Call Box per-minute price	Average number of call box system minutes per month (2013)	Estimated monthly cost (not including taxes or fees)
AT&T	\$0.00	\$0.06	1,900	\$114.00
Sprint	\$9.00	\$0.06	1,900	\$5,955.00
T-Mobile	\$0.00	\$0.08	1,900	\$152.00
Verizon	\$0.00	\$0.06	1,900	\$114.00

CVR-SAFE staff recommends using one cellular provider for all 649 call boxes that will remain in order to maximize the efficiencies with maintenance and operations of the system. AT&T and Verizon offer comparable prices and coverage, but 139 of the region's call boxes already use Verizon's 3G cellular service. Staff therefore recommends selecting Verizon Wireless' WSCA Cellular plan, based on the estimated monthly costs and approximately \$111,000 in savings that CVR-SAFE will realize from not needing to upgrade the existing 139 Verizon 3G call boxes to AT&T-compatible 3G equipment. Staff utilized SACOG's Small Purchasing Procedures to obtain the quotes shown above and to develop this recommendation.

Approved by:

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