



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Tom Manheim
Stephen R. Ferguson

SUBJECT: Area Code Split

DATE: March 10, 2011

Approved

Date

3/11/11

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Adopt a resolution in support of an Overlay approach (Alternative 1) for the creation of a new area code within the current 408 area code.

OUTCOME

Council's preference for using the overlay approach for the creation of a new area code within the current 408 area code will be communicated to the California Public Utilities Commission (the governing body for this decision) in order that San Jose's preference is considered in the decision making process.

BACKGROUND

The North American Numbering Plan Administrator (NANPA) is the organization that manages the design of the nation's phone number plan, and has estimated that phone numbers in the 408 area code will be exhausted by the third quarter of 2012. In order to meet the region's needs for allocation of new phone numbers beyond 2012, NANPA has determined that a new area code needs to be added to support residential and business growth.

NANPA has proposed two alternatives for the implementation of the new 669 area code. Alternative #1 would use an "overlay" approach, where Alternative #2 would "split" the existing 408 area code into two geographic regions.

Area code changes have been proposed in the past for the region. In 1996, a split of the 408 area code, adding the 831 area code was implemented with the Santa Clara County line being designated as the geographic boundary. In 1998, a similar change was proposed (Overlay vs. Split) and the City of San José adopted a position in support of the overlay option be adopted. The 1998 change was not implemented, because Pacific Bell and the NANPA elected to implement in 1999 what they referred to as a "number conservation plan". The number conservation plan extended the life of the 408 area code for approximately ten years.

The California Public Utilities Commission will conduct a series of public meetings on March 16, 17 & 18 to solicit input from local jurisdictions and the public before that body rules on the approach later this summer.

ANALYSIS

Alternative #1 (Overlay) – Under the *Overlay* option the entire geographic region now under the 408 area code would be served by two area codes – the existing 408 area code and a new second 669 area code. A map showing the overlay approach is attached as Alternative #1. Under the overlay approach, residents and businesses that already have a phone number with the 408 area code would keep their current numbers. New phone numbers in the area would be assigned the new 669 area code. Under the overlay approach callers would need to dial the full ten-digit telephone number including area code when making phone calls, even if calling someone with the same area code.

Alternative #2 (Split) – Under the *Split* plan, a geographic division of the 408 area code would be made creating two “areas” and the new 669 area code would be assigned to one of the areas. A map showing the proposed split boundary is attached as Alternative #2. While the map does not include enough detail to identify specific street boundaries, staff has determined that most of downtown San José as well as areas north and west of downtown would be separated from the eastern and southern portions of the City. Staff has requested more detailed maps from the CPUC but has been informed that they are not available. Under the split plan, any phone number in the new 669 area would be required to change to the new area code. This alternative would maintain the 7-digit dialing option within each geographical region.

The geographic boundary that has been selected is driven by how AT&T’s network is designed using the areas served by their local offices (Central Offices) and is dependent on how those offices are configured. Central Offices are grouped into Rate Centers and Rate Centers are grouped into area codes. Geographic splits of an area code must occur along the Rate Center boundaries. In highly urbanized areas like San José and the surrounding cities, these Central Office service areas frequently do not coincide with political boundaries.

Under the proposed Alternative #2, San José would be split into two separate area codes. Which area would retain the 408 area code, and which area would be assigned 669 has not yet been determined.

Additional Option Not Recommended

While not recommended, there is a third option that is not included in the alternatives offered by the CPUC. As the Split Alternative #2 map shows, the plan places the Rate Center area identified as “San Jose-West Da” in one area, and the rest of San José in the other area. Staff could advocate that the CPUC change the dividing line so that the “San Jose-West Da” area remains with the rest of San Jose, and that this area retains the 408 area code. This approach would consolidate most but not all San José residents in one area code. In addition to the benefits and challenges noted above for Alternative #, this approach has another benefit, but also

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a downside. The benefit would be to put more of the City of San José in the same area code. The downside would be that the City of San José would be taking a position that is at odds with west valley jurisdictions which would likely advocate that they retain the 408 area code. (The City of Los Gatos has already taken this position.) While keeping more of San José in one area code is a desirable objective, advocating for this approach will be an up-hill struggle. However, the CPUC staff has indicated to us that the public input period is the appropriate time if the City wanted to advocate for an alternative that is not currently being considered.

City staff from the Information Technology, Public Works, Planning/Building and Code Enforcement and the City Manager's Office have analyzed the options and for the following reasons, and recommend that the City Council adopt a resolution to be delivered to the CPUC stating that the City prefers the new area code be implemented using the overlay design for the following reasons:

1. Overlays have become more common as we have transitioned into an era of communication mobility and phone number portability.
2. Smart phones, PDAs and other mobile devices already require users to connect using the full 10-digit phone number.
3. Overlays tend to be the least disruptive approach to adding a new area code as they do not require customers who already have a 408 phone number to change. The geographic split approach requires half the customers in the current 408 area code to change numbers.
4. The overlay alternative would be the least costly to the City to implement compared to the cost of reprinting materials for City offices and facilities that would be impacted by the geographic split.
5. The overlay alternative would have the least impact upon City IT and telecommunications systems including 911/CAD, the Call Center, and other call trees.

EVALUATION AND FOLLOW-UP

After communicating the City Council's policy decision, staff will monitor the hearing process and continue to communicate the City's preferences as opportunities arise. As the process progresses, the City will need to develop a communications plan for public notification.

POLICY ALTERNATIVES

None.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater; **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this item does not meet any of the criteria above, this memorandum will be posted on the City's website for the March 15th Council Agenda.

COORDINATION

This memorandum has been coordinated with Public Works, PBCE, and the City Manager's Office.

FISCAL/POLICY ALIGNMENT

Not applicable.

COST SUMMARY/IMPLICATIONS

Cost implications will be considered following a decision by the CPUC.

BUDGET REFERENCE

Not Applicable.

CEQA

Not a project, File Number PP10-069 (a), Staff Reports/Assessments.

/s/
TOM MANHEIM
Communications Director

/s/
STEPHEN R. FERGUSON
Chief Information Officer

For questions please contact Tom Manheim (535-8170) or Steve Ferguson (535-3560).

ALTERNATIVE #1 OVERLAY 408 NPA and 669 NPA

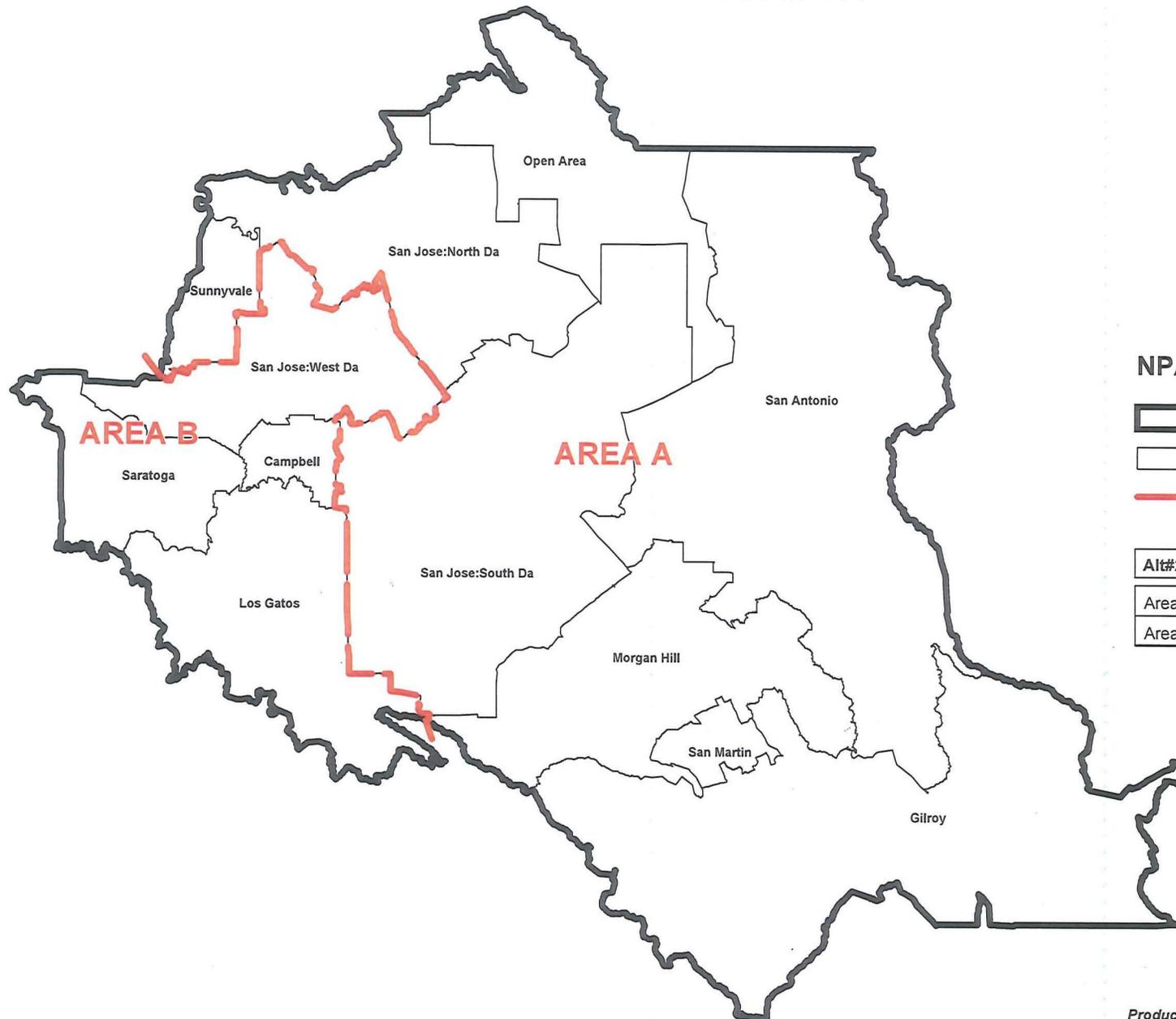


NPA 408 & 669 NPA Map

- NPA Boundaries
- Rate Center Boundaries

Alt#1	Projected_Life
Overlay	36 Years

**ALTERNATIVE #2
408 NPA SPLIT**



NPA 408 Map Legend

- NPA Boundaries
- Rate Center Boundaries
- Split Line

Alt#2	Projected_Lives
Area "A"	39 Years
Area "B"	32 Years