

COMMUNITY WIRELESS COMMUNICATIONS

March 31, 2011

Mike Dever
City Commissioner
The City of Lawrence
6 W 6th ST.
Lawrence, KS 66044

Dear Commissioner Dever,

Attached you will find a document outlining a proposed deal with the City of Lawrence.

The document is broken into three sections:

- **Applicable Needs/Wants** – Lists all of the items that each organization needs or wants that are applicable to this deal.
- **Applicable Assets** – Lists all of the assets that each organization has to offer as part of the deal.
- **Draft Deal Sheet** – Shows what each organization would provide to the other as part of the proposed deal.

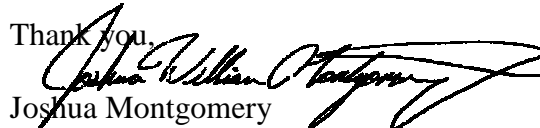
Though this document looks complex, the gist of it is simple:

1. The City gets its existing conduit filled to capacity with fiber optic cable at no cost. CWC gets 10% of the city's existing fiber on this run in exchange.
2. The City gets 5% of CWC's gross revenue. CWC gets its contract situation with the City of Lawrence straightened out.
3. The City gets a variety of network services, and access to several fiber jumpers that CWC already has planned. CWC gets access to a few strands of existing fiber that the City owns.

Though I am 100% certain of CWC's needs, to some extent I am guessing at the City's needs. If anyone at City hall has additional needs that we can fill, we would be happy to discuss it.

We'd like to break ground on this project on June 15, so if the City is interested, we'd like to move forward quickly.

Thank you,


Joshua Montgomery
President

Community Wireless Communications

Applicable Needs/Wants

Network Connectivity

Water Tower Park
Emergency Svcs Radio Communications
Other City Services (Police/Water Dept/Bus)

Fire Stations – Access
High Speed Connectivity at Fire Station No 3
High Speed Connectivity at Fire Station No 2

911
Improved Fail Over Connectivity with KU 911
(15th & Crestline)

Traffic Control Signals
768Kbps Connectivity at ~70(Estimate)
Traffic Control Signals

Internet Service
Currently Paying \$2,000/Mo for 20Mbps

Finance

Funding for Fiber Runs in Existing Conduit
6th & Mass -> Tee-Pee Junction
23rd & Iowa -> East Hills Business Park

Additional Franchise Income Offsets
Offset for Declining Telephone Revenue
Offset for Declining Video Revenue

Network Connectivity

Access to 24 Strands of Existing Cable
6th & Mass -> 6th & Iowa
6th * Iowa -> 23rd & Iowa

Access to City Tower Sites
Fire Station No 3
Fire Station No 2
Water Tower Park
19th & Kasold Water Tower
Babcock Place

Access to Conduit to Install New Cable
6th & Mass -> Tee-Pee Junction
23rd & Iowa -> East Hills Business Park

Access to 2 Strands of Existing Cable
6th & Mass -> Waste Water Treatment Center
6th & Mass -> Law Enforcement Center
6th & Mass > City Garage

Access to City Owned Utility Poles/Illumination

Finance

Collateral for Infrastructure Build Out
6th & Mass -> Tee-Pee Junction
23rd & Iowa -> East Hills Business Park
Iowa & Oxford -> Water Tower Park
15th & Iowa -> 15th & Crestline

Contractual Cleanup

Master Agreement Covering Existing Presence
Agreement Covering Future Expansion

Applicable Assets

Network Connectivity

288 Strands of Existing Cable
6th & Mass -> 6th & Iowa
6th * Iowa -> 23rd & Iowa

60 Strands of Existing Cable
6th & Mass -> Law Enforcement Center
6th & Mass -> City Garage

12 Strands of Existing Cable
6th & Mass -> Waste Water Treatment Center

Conduit
6th & Mass -> Tee-Pee Junction
23rd & Iowa -> East Hills Business Park

Tower Sites

Fire Station No 3		19 th & Kasold Water Tower
Fire Station No 2		Stoneridge Tower
Water Tower Park		Babcock Place

Network Connectivity

Internet Service
1,000 Mbps Fiber-Optic Internet Uplink
Expandable to 10,000 Mbps

96 Strands of Existing Cable
Water Tower Park -> 9th & Emory Traffic Control
23rd & Harper -> Fire Station No. 2

Applicable Point-to-Point Wireless
~70(Estimate) Traffic Control Signals
Fire Station No. 3
Fire Station No. 2
City Hall Network Operations Center

Tower Sites

12 th & Oread		23 rd & Wakarusa
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Revenue

Internet Service Revenue \$19,700/Mo (Tax Free)

Draft Deal Sheet

Provides to CWC

Access to 24 Strands of Existing Cable

6th & Mass -> 6th & Iowa

6th * Iowa -> 23rd & Iowa

Access to City Tower Sites

Fire Station No 3

Fire Station No 2

Water Tower Park

19th & Kasold Water Tower

Babcock Place

Access to Conduit to Install New Cable

6th & Mass -> Tee-Pee Junction

23rd & Iowa -> East Hills Business Park

Access to 2 Strands of Existing Cable

6th & Mass -> Waste Water Treatment Center

6th & Mass -> Law Enforcement Center

6th & Mass > City Garage

Access to City Owned Utility

Poles/Illumination

Contractual Cleanup

Master Agreement Covering Existing

Presence

Agreement Covering Future Expansion

Finance

Savings to CWC – Cost of Installing
Conduit

- Enable Local Investment
- Promote Job Growth
- Make High Speed Data Available to Local Businesses
- Promote Local Ownership

Provides to the City of Lawrence

Access to 24 Strands of Existing Cable

23rd & Harper -> Fire Station No 2

Access to 4 Strands of Existing Cable

Water Tower Park -> 9th & Emory Traffic Control

Access to 30Mbps of Internet Connectivity:

Delivered on Fiber-Optic Cable to City Hall NOC

New Fiber

Water Tower Park (48 Strands)

Iowa & Oxford -> Water Tower Park

Emergency Svcs Radio Communications Shed

Other City Services (Police/Water Dept/Bus)

15th & Crestline (48 Strands)

15th & Iowa -> 15th & Crestline Traffic Control

KU Emergency Services Center (911)

East Hills Business Park (264 Strands)

23rd & Iowa -> East Hills Business Park

Tee-Pee Junction (264 Strands)

6th & Mass -> Tee-Pee Junction

Finance

Revenue to City - Provides 5% of Gross Internet
Service Revenue to the City of Lawrence

Savings to the City – Fiber-Optic Internet
Connectivity (\$2,000/Mo)

Savings to the City – Offset the Costs of Fiber
Installation

Collateral – Through the end of the infrastructure
loan term, Community Wireless maintains
ownership. At the end of the term, the City of
Lawrence has the right to purchase the cable at
any time for \$10.