January 1, 2008

The City of Lawrence Attn: David Corliss 6 E 6th St. Lawrence, KS 66044 RECEIVED

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CITY MANAGERS OFFICE LAWRENCE, KS

To Whom It May Concern:

This letter serves as an update on the status of the Lawrence Freenet low income family initiative. For the period ending December 31, 2008, the organization was providing service to 1,217 locations. In addition the project was providing service to 224 bulk subscribers, 34 residential families. Of these locations 104 were classified as exempt from payment. At some of these locations, the organization provides service to more than one family, for example at the Habitat for Humanity neighborhood, there are multiple homes using the service or at the O'Connell Youth Ranch there are up to 32 individual children using the service.

During this quarter the company also turned on free service for the entire Lawrence Housing Authority site located at 1600 Haskell Ave. This includes 125 units reserved for low income users with children. This site is now running an open network which makes the network free to anyone who wants to use it.

Lawrence Freenet would also like to take this opportunity to formally request that the City of Lawrence assign a staff member to serve on the organization's board to improve transparency and ensure that the City is getting everything that it can from the project.

Sincerely,

Treasurer/Secretary

Lawrence Freenet, Inc.