



March 10, 2010

Diane Stoddard
Assistant City Manager
The City of Lawrence
6 E 6th St.
Lawrence, KS 66044

Dear Diane,

Now that it is clear that the Federal Gov't will not be making an investment in Broadband for Douglas County, we would like to move forward with the process of formalizing our status with the City of Lawrence.

As we have discussed in the past, CWC would be willing to pay the City of Lawrence the sum of 5% of its broadband revenue in addition to the 5% of CATV revenue that we have already committed. Since our video service is still in the planning stage, this new fee will provide the City of Lawrence with a growing revenue stream to compensate the city for the use of the right-of-way.

These revenue payments would begin immediately and would encompass all CWC data services delivered using the public right-of-way.

In exchange for this 5% payment, we would like a formal agreement that allows CWC to assume responsibility for the Lawrence Freenet installations already present on the City water towers and on illumination arms throughout the community.

Specific locations of tower site equipment:

- City Hall
- Stratford Water Tank
- Kasold Water Tank
- 6th St. Water Tank
- Harper Water Tank
- Babcock Place Roof

Provided we can work this agreement out on reasonable terms, the partner discount provided to the Water Department for its camera system will continue (\$24,000 in discounts in FY 2009).



CWC will also commit to continuing to provide free service to existing Lawrence Freenet members who qualify.

There are over 500 locations where equipment is mounted on illumination arms. This list changes almost daily as we adjust equipment to accommodate outages due to car accidents, lightning strikes, and Westar maintenance. As a result, we would like to negotiate carte blanche access to illumination heads. It will simplify the process of negotiation and maintenance of the contract.

The last item we would like to include in the contract relates to interference by other tenants. Currently there are no other tenants on the illumination heads. At the water tower sites, the only other tenant using similar spectrum is the police department. Though we would welcome competition from other tenants at these sites, we want to avoid a situation where their equipment causes radio interference with our existing installations. For this reason we would like to reserve use of the following frequencies on poles or water towers on which CWC maintains equipment.

Reserved Pole Frequencies

- 902-928 MHz
- 2.4-2.482 GHz
- 3.6-3.7GHz
- 5.1-5.5GHz
- 5.7-5.9 GHz

Reserved Tower Frequencies

- 902-928 MHz
- 3.6-3.7GHz
- 5.1-5.5GHz
- 5.7-5.9 GHz

Please note that this does not mean that other operators cannot use these frequencies, it simply means they cannot use these frequencies for equipment attached to a tower or pole on which CWC already has a presence. If another operator wants to make use of these frequencies on their own tower, in their home or business, they would not be in any way precluded from doing so. This reservation applies exclusively to sites where CWC has equipment mounted in the public right-of-way.

I believe that is all of the major points we would like to cover. To summarize:

1. CWC would pay 5% of its broadband revenue.
2. CWC would assume responsibility for installations currently under contract to Lawrence Freenet, Inc.
3. CWC would continue offering free service to Lawrence Freenet members who qualify.
4. CWC would continue offering partner discounts to the Water Department and other City of Lawrence customers.
5. The City would commit to preventing interference by limiting spectrum use to for future tenants of illumination heads or water tower sites.



If we can agree in principle, we can hammer out a document with the various attorneys involved and move forward towards a final agreement.

Thank you,

A handwritten signature in black ink, reading "Joshua William Montgomery".

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