

## Meeting with Crown Castle - March 10, 2011

Attendees for Crown Castle (NewPath Networks): Stephen Garcia, Director of External Affairs and Lynne Lagarde of Earl, Curley & Lagarde PC.

Attendees for THIA: Charlie Civer, Rick Nelson, Rick Pearson and Ralph Spurgin

Rick Nelson made opening comments. Point made include:

- THIA is an improvement association with about 200 property owners
- THIA is not opposed to Distributed Antenna Systems (DAS) technology or faux cactus “towers”.
- THIA wants to be involved in the placement of the “towers”.
- THIA believes we have a private property location, perhaps suitable for a “tower”, that Crown Castle might not be aware of.
- The ACC response letter (attached) highlights our area of disagreement with Crown Castle.
- THIA believes we have been wrongly treated or treated differently from other communities.
- THIA wants to be involved in discussion relative to future plans

Stephen Garcia made opening comments:

- Crown Castle has a value of \$20B, with wireless infrastructure installations in 23,000 locations
- Carriers; e.g. AT&T want to provide higher service levels.
- The purpose of DAS “towers” is for cellular service providers to provide better service in weak or blank portions of their cell service grid (i.e. fill in the blank spots within their grid). DAS nodes are low powered and need to be closer to the end customer (cell user).
- They are inter-connected by fiber optics.
- The radio signal received by the “tower” is converted to light and moved to a hub 10-12 miles away. The Tonto Hills installations’ hub is soon to be in Carefree.
- Crown Castle looked at the near-by homes and existing landscaping in deciding precisely where to put the “towers”. They used the same protocol as used for Scottsdale.
- AT&T is the anchor tenant for the 342 “towers” in the contract involving our “towers”.
- Crown Castle is a neutral host network. That means they are willing to serve any or all of the five cell phone service providers with these “towers”.

In the course of conversation the following points were made:

- In Crown Castle’s client list Verizon is first, T-Mobile is second and AT&T is third.
- The “towers” we have are third generation technology.
- The DAS signal travels only ¼ to ½ mile and dissipates quickly.
- The carrier; e.g. AT&T decides where their coverage needs enhancement. Based on this analysis, the carrier decides where the “tower” should be located. Crown Castle can “adjust” this location up to 150 feet to accommodate aesthetics. They consider views from home windows and existing landscaping.
- Concerning the question of certain entities being compensated for allowing these sites: Scottsdale is paid \$3183 per year per “tower”. PV reduces the lease fee as the number of carries is increased because they want as many carriers as possible. There is a fee structure wherein the lease payment is increased as more carriers are added.
- The approval process for DAS installation varies widely. In PV it was a legislative process by the Council, in Carefree it was an administrative process, in Scottsdale it was a Development Review Board process. Maricopa County has criteria for tower installation on private property not public right-of-way. There are no standards, no formal decision criteria, and no approval process other than applying for a permit through MCDOT.

- At this point there are no plans for carriers to add more “towers” in Tonto Hills. The two we have “go live” on March 31.
- At this point the “towers” purpose is to improve cell service and position the service to carry more data vs. voice traffic.
- Stephen Garcia guesses that it will be at least 18 months before AT&T re-addresses their needs in this area.
- All configurations result in RF signals well below the FCC allowed maximums.
- Crown Castle is willing to work with individual homeowners by taking RF reading before and after “tower” installations.
- There is one empirical study indicating that property values are not affected by “tower” installations. Crown Castle will provide THIA that study for our review.
- In response to the question: “why do you consider yourself a utility?” The short answer is because the ACC said we were. The AZ Corporation Commission CC&N defines parameters for utility designation.
- THIA residents were concerned about the vibration from drilling. The technique used was directional boring. This method is approved by the MAG (Maricopa Area Governments). Crown Castle is trying to get a less intrusive method approved. It will be fall 2011 at the earliest before MAG considers this.
- Crown Castle agreed to notify THIA when additional “towers” were sought in Tonto Hills. They agreed to work with us on the placement of the “towers”. THIA requested a written statement like a LOI (letter of intent) to that effect. Stephen and Lynn will request such an agreement from their bosses.

Based on the above following are action items:

- Crown Castle will provide the empirical study on property values.
- Crown Castle will provide written confirmation of their verbal agreement to consult with THIA in the future (or advise that they are unwilling to commit in writing).
- Lynne Lagarde will provide THIA with an information packet related to the above concerns as well as other issues.
- THIA now has Crown Castle contacts familiar with our concerns and can be contacted for future concerns.