Inside Towers

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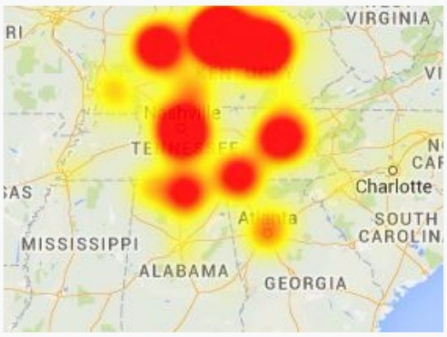
Vertical Bridge Goes to Town
More Towers for Belski to Lease

Townsquare Media announced their 2015 second quarter earnings yesterday, and reported that the company entered into an agreement to sell 43 towers to a subsidiary of Vertical Bridge Holdings for $22.8 million in cash. Following the sale, Townsquare Media will still own more than 250 towers. The 43 towers being divested are located on 41 sites in 28 markets and presently house Townsquare antenna, together with third party tenants. According to the earnings report, for 35 years following the closing, including an initial term of twenty years and three optional five-year renewal periods, Townsquare Media will pay $41 of rent per annum ($1 per site per annum) to Vertical Bridge for the right to hang antennas on the divested towers. The company has also entered into an agreement with Vertical Bridge to serve as the exclusive marketing agent for the towers retained by the company. Alex Gellman, Vertical Bridge Chief Executive Officer commented, “We are excited to be working again with the team at Townsquare Media. With over 250 managed sites and 43 owned towers, this transaction adds over 300 high quality towers in great locations to our growing portfolio of owned and managed towers, including a strong rent roll of third party tenants.”

Crown Castle Completes Acquisition of Sunesys

Crown Castle International announced Tuesday that it has completed its previously announced acquisition of Quanta Fiber Networks, Inc. (“Sunesys”). Crown Castle expects to update its full year 2015 outlook on its third quarter 2015 earnings press release and conference call to reflect the acquisition. The company announced the acquisition on April 30, and agreed to pay $1 billion in cash to acquire the company, who owns or has rights to nearly 10,000 miles of fiber in major metropolitan markets across the U.S. CEO Ben Moreland also noted on the July 23 conference call, “Given what we're seeing from the wireless carriers and the challenges they face with bringing more capacity online in many urban and suburban geographies, we believe the deployment of small cells is a critical tool to improving network quality. Similar to towers, we believe some of the best assets will be those that are secured early on where franchise value will help drive future co-locations, upgrade and expansions. And that is why we're so excited about the pending acquisition of Sunesys which will bring our fiber footprint to more than 16,000 miles, more than doubling our presences in the U.S., top U.S. metro markets.” This fiber is needed to deploy small cell networks, which Crown Castle has been aggressively pursuing. The company reported that 8% of their site rental revenue came from small cells during the second quarter.

Towers Out in Tennessee



AT&T, Verizon, and T-Mobile customers saw service disruptions Tuesday afternoon. Over 2,000 people reported AT&T outages to the website DownDetector.com, while 133 people reported Verizon outages. The AT&T outage affected both wireless and wireline connections, and when originally contacted, AT&T said they were aware of the issue, but had yet to determine the cause. WRCB reported a statement from AT&T, "Some customers across parts of the Southeast are experiencing wireline and wireless service issues. Engineers have pinpointed a hardware-related issue and are working to restore service as quickly as possible. We apologize for this inconvenience." A Verizon representative said they expected service restoration shortly after 7:30 pm Tuesday evening. But what caused the problem? Some news outlets are reporting that it was a problem with AT&T's landline network that caused outages for all the wireless carriers. In addition to Tennessee, some customers saw service outages in Alabama, Kentucky, and Indiana. According to Re/code, AT&T is the dominant landline provider for the region so all major cellular providers use its networks for backhaul. (Photo from DownDetector.com)

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Tower Relocation Program

A tower in Astoria, Oregon, may finally be relocated after years of discussion. Many residents feel the tower is a blight on a park in Coxcomb Hill where the Astoria Column, a local landmark, is located. City officials are working with Verizon to place a new tower on Reservoir Ridge, in addition to a monopole at Shivley Park, and equipment on top of the Astor Hotel. This agreement was approved by the City Council earlier this week, and will improve the city's emergency communications along with Verizon's service. According to The Daily Astorian, the city wanted the communications tower off Coxcomb Hill for several years, but the deal with Verizon became intertwined with questions about transparency in city spending. Even though the proposal was approved, some on the Council were upset that Verizon will place a 150-foot pole in Shivley Park. The City Council ordered the Coxcomb Tower to be moved in April 2013 because it was overcapacity. Verizon was reluctant to move from that location until the Shivley Park site was secure in order to ensure coverage for customers in the city's south slope. "The approval of the agreement with Verizon is the first step of the process for the new towers, which have to go before the city's Planning Commission and, for the monopole at Shively Park, the city's Historic Landmarks Commission," The Daily Astorian reported.

Moving Forward

Hopes were dashed for the opponents of a cell tower at the Manhansett Firehouse in Shelter Island, New York, earlier this week. Fire Commission Chairman Andy Reeve told the group that the commissioners are getting closer to making a deal with Elite Towers. They made some changes to the proposed contract, and sent it back to the Director of Operations and Managing Partner, Justin Saper. If the changes are approved, the contract could be finalized at the August 24 meeting. If finalized, the proposal would be sent to the Tower Board for review and issuance of permits. The Shelter Island Reporter explained, "Saper said Elite would pay the fire district $150,000 initially, and then split the annual profits received from renting space on the tower to various cellphone service providers. The original contract with Elite set a 180-day clock running last September, but the revised contract extends that time period. During the 180 days, the commissioners could back out

of any agreement.” The commissioners support the tower, which would improve emergency communications despite complaints of radiation and worries that the structure would collapse.

Contracts Awarded for New Towers

Four companies in Madison County, Indiana, were awarded contracts in excess of $1.7 million for the construction of three radio towers to handle the new 911 emergency dispatch radio system. The Madison County Commissioners awarded the contracts Tuesday, which will allow for the construction of two towers in Anderson and one in Pendleton. An engineer anticipated the work would cost $2.2 million, $600,000 less than the companies estimated. According to the Herald Bulletin, the Commissioners also approved a memorandum of understanding with Alexandria and Elwood for the placement of two towers on water towers in the cities. Consultant Terry Burnworth with Pyramid Architecture expects the towers to be built next year. Currently, the county is waiting for approval from the FCC as the FAA has already approved the construction of the three towers. “Fredricks Inc. was awarded a contract in the amount of $1,058,869 for cast-in-place concrete, precast shelters, electrical and excavation work,” the Herald Bulletin explained. “E&B Paving received a contract of $18,360 for paving work at the Pendleton site; Gerry’s Construction was awarded a chain link fencing contract in the amount of $15,800; and MPX Solutions will erect the towers at a cost of $198,000. All State Towers of Kentucky will provide the material for the three towers at a cost of $453,418.”

Small Cells

Verizon Stole the Show

Verizon made it possible for selfies, Snapchats, and Instagram posts to all be uploaded during Chicago’s Lollapooloza festival in Grant Park. The company installed 12 small cells in Grant Park, where the three day festival took place last weekend. The small cells will remain in place now that the festival is over. According to Light Reading, “Brian Pascoe, Verizon's region president for Illinois and Wisconsin, said that at 2011's Lollapooloza, 11 terabytes of data were used over the three-day weekend, but that grew to 124 terabytes last year. Lolla isn't the only traffic driver at Grant Park either. The recent Blackhawks parade used 4.8TB of data, 350% more than was used during the three-day NFL draft in the same spot.” The small cells give Verizon five to eight times the coverage of its traditional Cell on Wheels deployments, which have been utilized in the past. Verizon currently has 134 small cells deployed in Chicago, and has said they will more than double that number over the next two years. "I would say that Chicago is a top-tier market in the country,” Jacque Vallier, Verizon's director of network for Illinois and Wisconsin, told Light Reading. "We design and engineer systems to the same standards in other metro areas, but outside of New York, San Francisco and Chicago, you don't have the tall buildings and infrastructure as widely, so it does get unique

attention. We are using small cells across the nation, but there's a heavy focus in dense metro areas."

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Tower Ticker

SYMBOL	TIME & PRICE		CHG & % CHG		DAY'S LOW & HIGH		VOLUME
AMT	03:59pm EDT	96.67	↑0.55	↑0.57%	96.10	96.99	1,508,888
CCI	03:59pm EDT	82.20	↑0.20	↑0.24%	82.01	82.89	1,278,993
SBAC	03:59pm EDT	120.69	↓0.54	↓0.45%	120.69	123.43	910,397
S	04:00pm EDT	3.15	↓0.34	↓9.60%	3.14	3.54	35,703,293
T	04:00pm EDT	34.55	↓0.03	↓0.09%	34.51	34.83	19,548,497
TMUS	04:05pm EDT	40.59	↓0.62	↓1.50%	40.15	42.02	5,242,954
VZ	04:01pm EDT	46.62	↓0.05	↓0.12%	46.60	47.15	9,163,508

Zoning & Moaning

Approved in Edison

The Zoning Board of Adjustment in Edison, New Jersey, approved Verizon's tower application. The structure will be placed on a commercial building rooftop on Route 27. The wireless carrier needed to procure variances to exceed the permitted height, along with front, rear and side yard setbacks for the project. The property is in a general business zone, which doesn't allow for towers. This is the third application from Verizon in recent months, and this tower would reduce the volume of traffic at sites in Metuchen and in the Metropark area, which are slated to reach full capacity in the next two years, according to Radio Frequency Engineer Gary Hartman. David Karlebach, planner for the applicant, explained that towers are only permitted in the restricted and light industrial zones, which only comprise about 16% of the town. "So here we have a situation where you're trying to cover 100 percent of the town but you can only use 16 percent of the land area in which to do it and not require a variance, and in this particular instance, there are no nearby industrial zones on which to locate an antenna and still provide that capacity relief that is being sought," Karlebach said. (The Sentinel) The chosen site is commercial, and the visual impact of the tower would be minimal. There was no public comment at the meeting, and the board unanimously approved the proposal.

Angry in Asheville

Residents in Asheville, North Carolina, are upset over Verizon's proposal to increase an already-approved tower's height by 10 feet. When the neighbors received notification in the mail, they de-

cided they would attend the public hearing next week. "I feel like the citizens of Asheville deserve an opportunity to get together and figure out what their plan of action might be and a week doesn't really give us much time for that," neighbor Anne Gietzen said. (WLOS-TV) Residents found out about the tower being placed above an old firehouse too late to do anything about it, but the proximity to Claxton Elementary School bothers some. "It's not attractive. It's on a historic building that we could be using for something else. I believe the city of Asheville owns the fire station, which could be sold and renovated—that seems like a better use for this space than using it for a base for a cell tower," said Gietzen. (WLOS-TV)

La Jolla Considers Impact of Federal Law

City officials in La Jolla, California, recently approved wireless antenna installations and related equipment in a Mt. Soledad neighborhood, along with a 49-foot pole for San Diego Gas & Electric's wireless communications. Both of these decisions upset residents, and the federal law that relaxes local oversight of this technology isn't going over so well either. Residents have expressed concern over a provision that "strips the ability of San Diego officials (and those of other local governments) to regulate cellular communications equipment. They say the provision, known as the Spectrum Act, gives the wireless industry free rein to install poles, antennas and related equipment in excess of La Jolla's 30-foot height limit and to disregard other previously mandated aesthetic considerations — all without public notice," La Jolla Light reported. This Act was part of the Middle Class Tax Relief and Job Creation Act of 2012, which was signed into law in February 2012. However, last fall the FCC issued an order explaining the provision of the Spectrum Act, which aims to prevent local governments from denying eligible wireless facilities requests. San Diego's Development Services Department will host a public hearing next week to solicit public input on a draft supplemental environmental impact report (SEIR) on its proposed Spectrum Act amendments, the La Jolla Light reported. The notice said the city has determined that, per California Environmental Quality Act (CEQA) guidelines, the Spectrum Act "may potentially result in environmental impacts in the following areas: visual effects/neighborhood character and cumulative effects." (La Jolla Light) Once the SEIR is finalized, the amendments will go to the San Diego Planning Commission and the City Council for a vote this fall. (Photo courtesy of La Jolla Light)