



Telecommunications Revenue Generation Strategy

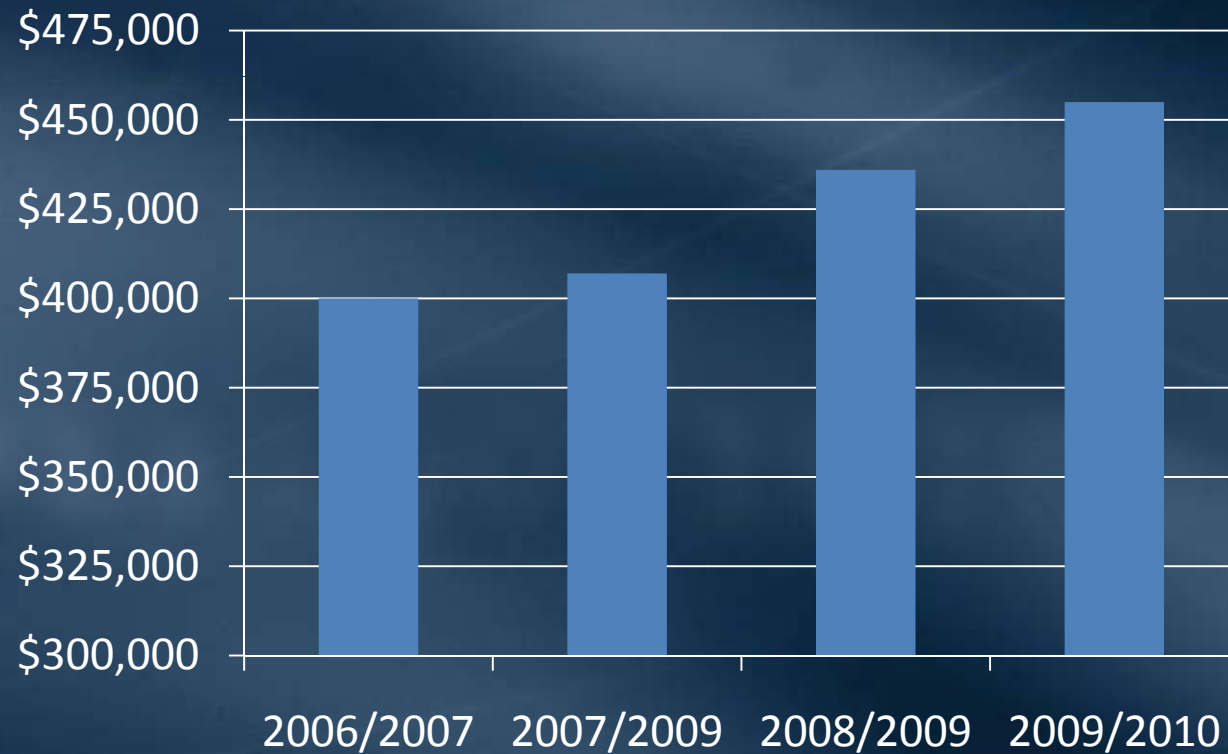
Real Property & Asset Management Committee

Item 9-1

November 23, 2010

Revenue

- 53 Leases
- \$455,000 - FY 2009/2010



Setting Expectations

AGENCY	# Leases	2009 REVENUE
*Metropolitan Transit Authority	200	\$1,500,000
Los Angeles Department of Water & Power	56	\$1,473,000
Otay Water District	33	\$900,000
Eastern Municipal Water District	11	\$224,000
Fallbrook Public Utility District	5	\$186,000

*MTA – Fiber optic, only 3 are cell towers

Monetization - Expectations

- Elements of Monetization:
 - Consistent revenue source – then discounted to Present Value
 - Reliable income stream, no disruptions through cancellation
 - Metropolitan has a unilateral right to terminate

Presentation by Capital Tower Group

- Core Discipline:

- Wireless infrastructure marketing, development and management strategy
- Program and project management
- Transactional structuring and negotiations of new and existing site agreements
- Entitlement and zoning
- Permitting and civil construction
- Financial structuring and analysis
- Lease monetization review and analysis
- Financing options and on-going site management

Capital Tower Group - Key Principles

- 30-years of telecommunications experience in the full life cycle of wireless facility deployments, and network real estate management and strategy
- Top-level wireless communication experts
- Local, regional and national director level positions with wireless carriers such as AT&T

Key for Success

- Marketable land to the telecomm market
 - Sites near populated areas
 - Sites to accommodate carrier technology upgrades and coverage enhancement
 - Enhanced microwave backhaul siting locations
- Speed to market
 - Master Lease Agreement (MLA)
 - Pre-approved wireless site location areas/zones
 - Operational concurrence and pre-established carrier access procedures
 - Timely negotiation, approval and execution of lease

Speed to Market

- Master Lease Agreement (MLA)
 - Pre-negotiated terms
 - Mutually balanced and protective terms and conditions
- Pre-operational approval
 - Green zones
 - Siting and operational process and procedures
- Timely execution of leases
 - Coordinate with general counsel

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Potential Telecom Site
Outside Mills Perimeter Fencing

Currently Proposed Telecom Site
(Inside Mills Perimeter Fencing)

Existing Telecom Lease
RL 1869
(Inside Mills Perimeter Fencing)

Potential Telecom Sites
Outside Existing Fence

Existing Telecom Sites

RL 1869 (as shown)
(ACCESS NOT SHOWN)

ALESSANDRO

Projected Revenue

- Today - \$455,000

Where we want to be:

- 3 years - \$800,000
- 5 years - \$1,200,000
- Accomplished through –
 - Effective renegotiation of existing site leases and renewals
 - Effective execution of a site promotion and marketing strategy
 - Favorable financial terms and conditions