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## DANE COUNTY PLANNING & DEVELOPMENT

November 26, 2019

Dane County Zoning & Land Use Regulation Committee  
City - County Building, Room 354  
210 Martin Luther King Jr. Blvd.  
Madison, WI 53703

*RE: Dane County CUP 02481  
Proposed Tillman Wireless Facility at approximately 300' North of 869 County Highway  
A, Town of Albion, Wisconsin (the "CUP")  
Cellco Partnership d/b/a Verizon Wireless ("Verizon") - Statement of Economic Burden*

Dear Members of The Zoning & Land Regulation Committee:

I am employed by Verizon and serve on its Network Real Estate Team. My job duties include oversight of high rent sites in the State of Wisconsin. Please allow this letter to serve as evidence in the above-noted zoning matter, establishing proof of the economic burden experienced by Verizon warranting approval of the CUP.

Verizon presently leases space on a tower owned by SBA Communications located at 820 County Highway A, Town of Christina, Wisconsin (the "SBA Tower"). Verizon wishes to relocate its installation from the SBA Tower to the tower proposed to be owned and operated by Tillman Infrastructure which is the subject of the CUP (the "Tillman Tower").

Verizon does not relocate from existing sites without conducting a considerable amount of due diligence. After careful and deliberate consideration, Verizon requests approval of the Tillman Tower CUP. Rent and other terms in the lease for the SBA Tower significantly deviate from industry norms in Dane County. The recurring fees (i.e., rent and other increases) assessed by SBA, which have escalated significantly from the starting figure provided in Verizon and SBA's original agreement, are excessive by today's standards in the wireless industry and have rendered the status quo cost-prohibitive for Verizon. SBA's inflated license fee derives from an imbalanced and outdated real estate model that does not reflect terms that wireless providers are getting with other tower companies today.<sup>1</sup> Continuing to pay excessive fees to collocate on the

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<sup>1</sup> In its recent Order intended to provide relief from an "outdated" regulatory approach and thereby facilitate the deployment of 5G, the FCC recognizes that deploying the necessary infrastructure in a timely manner will be a challenge involving considerable financial resources. *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, FCC 18-133, WT Docket No. 17-79, 85 FR 51867, ¶ 28 (the "Order"). The FCC acknowledges that wireless providers have finite capital budgets and high fees "create an appreciable impact on resources that materially limits plans to deploy service." *Id.* at 60. In restricting fees charged by municipalities for small cells in the right-of-way to recovery of actual costs, the FCC emphasized that the question of whether a high fee materially inhibits the provision of service in violation of the Telecommunications Act of 1996 should involve reference to impact on a provider's ability to invest elsewhere. *Id.* at 61. As the very same logic applies to the present case, Dane County must consider the contents of this letter in light of the FCC's recent guidance on the proper approach to evaluating a provider's evidence of financial burden.

SBA tower is not a financially sustainable model for Verizon. To continue improving our cellular coverage and capacity in a financially sustainable way, Verizon must fundamentally change its tower strategy and address the economically burdensome associated costs. Tower leasing represents the largest single capital expense for Verizon, and we cannot economically expand our network to serve customers' ever-expanding needs without a fundamental change to our leasing strategy and expense.

Repeated Corporate-level negotiations, aimed at reducing SBA rents and updating their leasing model, have not accomplished their intended objective. SBA has steadfastly refused to reduce its rents and other lease terms to pricing and terms similar to that of Tillman or other tower companies which lease Dane County tower space to Verizon. Relocation to the Tillman Tower will result in a significant reduction in Verizon's recurring license fee, without sacrificing network objectives. This allows for additional capital to be invested into our network and increases our ability to continuously improve the wireless experience for our customers now and in the future. If Dane County approves the necessary new Tillman Tower, as we request, Verizon has committed to relocating onto this tower. Verizon has also surveyed other potential sites, and we have concluded that the proposed new Tillman Tower, at a location that our radio frequency engineers have carefully selected, is the best economical and technical solution, despite the one-time expense Verizon would incur in relocating its equipment.

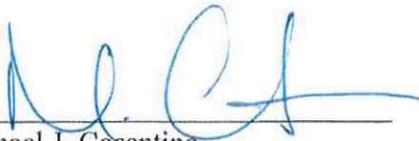
SBA's economically burdensome monthly fees are **180%** higher than the average rental rate on which Verizon is collocated within Dane County. The monthly fees on the SBA Tower are dramatically higher than Tillman's. In the case of the SBA Tower, SBA's current rental fee charged to Verizon is approximately **150%** higher the rent Verizon would pay on the Tillman Tower, a price difference that would significantly grow over the years, given Tillman's far more flexible terms. For example, SBA's prices automatically escalate on average between 3-4 % per year, whereas Tillman has no escalation for fifteen (15) years. Tillman's prices are all-inclusive, whereas SBA charges additional fees for almost every technological upgrade – whether Verizon seeks to add or replace its equipment. Due to SBA's cost-prohibitive escalation terms, Verizon has held off on modifications or upgrades to its equipment on the SBA Tower since 2013. The Tillman Tower and lease terms would immediately offer dedicated space to accommodate Verizon's needs for many years, as opposed to many older SBA towers that may require costly structural modifications, at Verizon's expense, to accommodate new equipment. At the current rate of rent increases, Verizon would be forced to spend over \$1,188,390.25 more than Tillman's pricing on this site for a 25 year lease term. This \$1,188,390.25 figure assumes Verizon would perform no technological upgrades to its SBA Tower installation.

Verizon continuously upgrades equipment on its towers to improve service for its customers. The fact that Verizon has not recently upgraded its installation at the SBA Tower does not imply that Verizon desires to remain on this SBA tower, nor does it demonstrate that its installation is technologically updated. In fact, it confirms the monopoly power of SBA, as Verizon had no choice but to either capitulate to SBA or refrain from updating its installation at the SBA site.

We request your approval to allow Tillman to construct its tower for Verizon to relocate from the SBA Tower to the Tillman Tower. We need relief from SBA's excessive fees, facilitating our ability to continue to improve wireless service and upgrade our network, to benefit the entire community.

Sincerely,

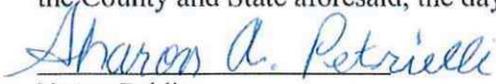
Cellco Partnership d/b/a Verizon Wireless

By:   
Michael J. Cosentino  
Engineer III Spec-RE/Regulatory

STATE OF ILLINOIS     )  
  )     SS.  
COUNTY OF COOK     )

On this 26<sup>th</sup> day of November, 2019, before me appeared Michael J. Cosentino, to me personally known, who, being by me duly sworn did say that he serves Cellco Partnership d/b/a Verizon Wireless, a limited partnership, in the capacity noted above and that the foregoing instrument was signed and sealed in behalf of said partnership, and he acknowledged said instrument to be the free act and deed of said partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

  
Notary Public  
My Commission Expires:





T-Mobile USA, Inc.  
12920 SE 38<sup>th</sup> Street, Bellevue, WA 98006

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DANE COUNTY PLANNING & DEVELOPMENT

**VIA HAND DELIVERY**

November 25, 2019

Dane County Zoning & Land Use Regulation Committee  
City - County Building,  
ROOM 354  
210 Martin Luther King Jr. Blvd.,  
Madison, WI 53703

**Re: Proposed Application to Construction a 260' Monopole by Tillman Infrastructure at Approximately 400' North of 869 County Highway A, Town of Albion, WI (the "Proposed Project")**

Dear Members of the Zoning & Land Use Regulation Committee:

I write on behalf of T-Mobile USA, Inc. ("T-Mobile") in connection with the above referenced application. While T-Mobile is not part of the project or contemplated to be an initial collocater on the Proposed Tower, it supports the Proposed Project because it would create additional vertical infrastructure capable of cost effectively supporting the deployment of next generation wireless infrastructure.

As you know, T-Mobile provides wireless communication services across Dane County ("County") to its residents, business community, and visitors. Like the County, we are constantly striving to provide the services our customers, and your constituents, expect while also responding to the ever-changing demands and expectations placed on wireless infrastructure in the 21<sup>st</sup> century. T-Mobile is making significant investments nationally in its network to support the transition to a broadly available 5G wireless network which requires, among other things, densification and modernization of our network. This investment is broad and includes both new sites and existing sites to ensure that we can continue to support customers who increasingly rely on wireless services exclusively and have ever growing data demands.

While we are very excited about the opportunities presented by 5G for our company and our customers, given the scope of scale of investment we are making it is also important that we are able to make them cost effectively in order to maximize the scope and reach of T-Mobile's deployments. T-Mobile is in a competitive space and constantly works to ensure that its lease terms and conditions support its current and future needs with respect to deployment. One way it is able to do this is by having access to infrastructure options (e.g., additional towers or other support structures) capable of supporting its network service goals in a given area.

The availability of options about where to site in given location increases the ability to negotiate terms and provides additional flexibility when developing RF designs to achieve T-Mobile's underlying service

objectives. Furthermore, options that enable us to invest cost effectively, ensures T-Mobile is then able to invest more broadly, which translates into more competitive and broadly available service.

We believe an additional tower, like the Proposed Project, provides the type of optionality that is needed in order to support the deployment of next generation wireless infrastructure, and for that reason T-Mobile is writing in support of the Proposed Project. If you have any questions, please feel free to contact me at [dylan.fuge1@t-mobile.com](mailto:dylan.fuge1@t-mobile.com) or (425) 383-6295.

Regards,

A handwritten signature in black ink, appearing to read 'Dylan M. Fuge', with a long horizontal flourish extending to the right.

Dylan M. Fuge  
*Principal Corporate Counsel - Land Use*  
T-Mobile USA, Inc.

Cc: Lauren Neill, Sr. Sitting Advocacy Manager, T-Mobile  
Mike Blasutti, Sr. Manager - Engineering & Development, T-Mobile