## **EAST KENTUCKY NETWORK**

d/b/a
APPALACHIAN WIRELESSS

# EGYPT CELLULAR TOWER APPLICATION

Jackson County, Kentucky P.S.C. CASE # 2008-00450

### COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

### PECEVED

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PUBLIC SERVICE COMMISSION

In the matter of:

THE APPLICATION OF EAST KENTUCKY NETWORK)LIMITED LIABILITY COMPANY FOR THE ISSUANCE)OF A CERTIFICATE OF PUBLIC CONVENIENCE AND)NECESSITY TO CONSTRUCT A TOWER IN JACKSON)COUNTY, KENTUCKY).

) CASE No 2008-00450

In case number 91-002 East Kentucky Network, LLC, formerly Mountaineer Cellular

Limited Liability Company was granted a Certificate of Public Convenience and Necessity by the

Kentucky Public Service Commission to construct and operate a cellular radio

telecommunications system for KY RSA 10. East Kentucky Network LLC merger documents

were filed with the Commission on February 2, 2001 in Case # 2001-022.

In an effort to improve service in Jackosn County, East Kentucky Network, LLC pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a tower near. The proposed tower will be a 300 foot self-supporting tower with attached antennas located on a tract of land in Jackson County near Egypt, Kentucky. A map and detailed directions to the site can be found in Exhibit 8.

FAA and Kentucky Airport Zoning Commission approvals have been applied for and a copy of the application is included as Exhibit 4 and 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

A geologist was employed to determine soil and rock types and to ascertain the distance to solid bedrock. The geotechnical report is enclosed as Exhibit 3

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Allstate Tower, Inc and will be constructed under their supervision. Their qualifications are evidenced in Exhibit 5 by the seal and signature of the registered professional engineer responsible for this project.

The tower will be erected by A & D Communication of Cattlesburg, Kentucky. A & D has vast experience in the erection of communications towers.

Enclosed, and should be filed with Exhibit 10 is a survey of the proposed tower site signed by a Kentucky registered professional engineer. There is no structure within 500 feet of the proposed tower as indicated in this enclosure. Exhibit 2 is a list of all Property owners or residents according to the property valuation administrator's record who reside or own property within 500 feet of the proposed tower in accordance with the Public Valuation Administrator'. No other properties are contiguous with East Kentucky's property.

Exhibit 12, back of folder, contains a vertical sketch of the tower supplied by Coleman Engineering.

Pursuant to 807 KAR5:063 Sections1 (1)(L) and Section 1(1)(n)(1) all affected property owners according to the property valuation administrator's record who reside or own property within 500 feet of the proposed Tower were notified by certified mail return receipt requested of East Kentucky Network, LLC's proposed construction and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 2 is a copy of that notification.

Jackson County has no formal local planning unit. In absence of this unit the Jackson County Judge Executive's office was notified by certified mail, return receipt requested of East

Kentucky Network Limited Liability Company's proposal and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit (1) is a copy of that notification.

East Kentucky Network, LLC will finance the subject Construction with earned surplus in its General Fund.

Estimated Cost of Construction	140, 000.00
Annual Operation Expense of Tower	12,500.00

Two notice signs meeting the requirements prescribed by 807 KAR 5:063, Section 1(2), measuring at least two (2) feet in height and four (4) feet in width and containing all required language in letters of required height, have been posted, one at a visible location on the proposed site and one on the nearest public road. The two signs were posted on November 10 and will remain posted for at least two weeks after filing of this application as specified.

Enclosed in Exhibit 9 is a copy of East Kentucky Network LLC's deeds to the site.

Notice of the location of the proposed construction was published on the second and third weeks of November in the Jackson County Sun. Enclosed is a copy of that notice in Exhibit 1. The Jackson County Sun is the newspaper with the largest circulation in Jackson County.

The proposed construction site is on a very rugged mountaintop some feet from the nearest structure. Prior to construction the site was wooded.

Due to the steep hillside surrounding the proposed site, the property in close proximity is unsuitable for any type of development. East Kentucky Network LLC's operation will not affect the use of nearby land nor its value. No more suitable site exists in the area. A copy of the search area map is enclosed in Exhibit 8. No other tower capable of supporting East Kentucky Network LLC's load exists in the general area; therefore, there is no opportunity for co-location of our facilities with anyone else.

WHEREFORE, Applicant respectfully requests that the PSC accept the foregoing Application for filing, and having met the requirements of KRS [278.020(1), 278.650, and 278.665] and all applicable rules and regulations of the PSC, grant a Certificate of Public Convenience and Necessity to construct and operate the proposed tower.

The foregoing document was prepared by Janice Robinson, Technical Site Coordinator for East Kentucky Network d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to East Kentucky Network, LLC d/b/a Appalachian Wireless, 101 Technology Trail, Ivel, KY 41642.

anice Kolinson DATE: 11-10-08 SUBMITTED BY: Janie Robinson, Cell Site Coordinator

APPROVED BY: \_\_\_\_\_ DATE:\_\_\_\_

Gerald Robinette, General Manager

**Contacts:** 

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Gerald Robinette, General Manager

<u>Phone: (606) 791-2375, Ext. 111</u> <u>Email: grobinette110@ekn.com</u>

Janice Robinson, Technical Site Coordinator <u>Phone: (606) 791-2375, Ext. 166</u> Email: <u>jrobinson166a@ekn.com</u>

**Mailing Address:** 

East Kentucky Network, LLC. d/b/a Appalachian Wireless 101 Technology Trail Ivel, KY 41642

1	Notification/Response from County.	
2	Copies of Cell Site Notices.	
3	Universal Soil Bearing Analysis.	
4	Kentucky Airport Zoning Commission Application.	
5	Tower Design.	
6	FAA Approval/Notice of Proposed Construction.	
7	Audited Financial Statements	
8	Driving Directions and Map to Suitable Scale.	
9	Deed/Lease Agreement for Proposed Site.	
10	Survey of Site Signed/Sealed by Professional Engineer Registered in State of Kentucky.	
11	Site Survey Map with Property Owners identified in Accordance with PVA of County.	
12	Vertical Profile Sketch of Proposed Tower.	

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EAST KENTUCKY NETWORK 101 TECHNOLOGY TRAIL IVEL, KY 41642 PHONE: (606) 874-7550 FAX: (606) 874-7551 EMAIL: INFO@EKN.COM TE: WWW EKN.COM



### VIA: U.S. CERTIFIED MAIL

November 10, 2008

William O. Smith, Judge Executive P. O. Box 175 Mckee, KY 40447

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00450)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Jackson County. The facility will include a 300-foot self-supporting tower located near Egypt, Kentucky in Jackson County. (Latitude: 37° 18' 22.7 " Longitude: 83° 53' 11.2 "). A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you are the County Judge Executive of Jackson County.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2008-00450 in your correspondence.

Sincerely,

anice Robinson

Janice Robinson Technical Site Coordinator Enclosure 1

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\* \* Communication Result Report (Nov. 10. 2008 1:42PM) \* \* \*

D=te/Time: Nov. 10. 2008 1:41PM Page ile Result Not Sent Pg(s) No. Mode Destination \_\_\_\_\_ 6062877196 P. 1 OK 0950 Memory TX Reason for error E.1) Hang up or line fail E.3) No answer E.5) Exceeded max. E-mail size E.2) Busy E.4) No facsimile connection d/b/a Appalachlan Wiro'ess 101 TECHNOLOGY TRAIL IVEL, KY 41542 Phona: 605/874-7550 Fax: 608/791-2225 EAST KENTUCKY Fax JANICE ROBINSON, Accounting To: The Jackson County Sur East Kenlucky Nelwork. d/o/a Appelachian Wireless 608-287-7196 606-874-7550, Ext. 166 Phone: Fano 1 Page (INCLUDING COVER 606----287-7197 Pages: Phone: PUBLIC NOTICE ADVERTISEMENT Date: 11/10/0B Re; ( We would like to have the following public notice printed in Jackson County Sun for the next two weeks. The notice should state the following: PUBLIC NOTICE: RE: Public Service Commission of Kentucky (CASE NO. 2008-00) RGS. Public Service Commission of Refricting (CISE NO. 2008'00' Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kontucky Public Service Commission to construct a tover located on a tract of land near Egypt in Jackson County, Kentucky (Lafitude: 37\* 18" 22.7 " Longitude: 83\* 53' 11.2 "). The proposed tower will be a 300-finit solf-supporting tower. If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sover Boulevard, PO Box 615, Frankfort, Kentucky 40602, Please refer to Case No. 2008-00450. If you have questions about the placement of the above mentioned notice, please call me at 606-874-7550, ext. 166. Thunk you, Janice Robinson, Technical Site Coordinator Accounting Department If you have any problems with this for, plasso cell 606866.6007. The message above and the Information contained in the documents transmitted are confidential and intended only for the person(b) named above. Disseminiation, classification or copying of this communication inverse, plasson adity commonitation by engrand(b) mand above is prohliked. If you have noraked this communication in energy plasson adity commonitation by telephone and return the original message to us at the address listed above via regular mail. Thank you. ( Next Generation Communications

d/b/a Appalachian Wireless 101 TECHNOLOGY TRAIL IVEL, KY 41642 Phone: 606/874-7550 Fax: 606/791-2225



## Fax

То:	The Jackson County Sun	From:	JANICE ROBINSON, Accounting	
			East Kentucky Network,	
			d/b/a Appalachian Wireless	
Fax:	606-287-7196	Phone:	606-874-7550, Ext. 166	
Phone:	606—287-7197	Pages:	1 Page (INCLUDING COVER	
Re:	PUBLIC NOTICE ADVERTISEMENT	Date:	11/10/08	

We would like to have the following public notice printed in Jackson County Sun for the next two weeks. The notice should state the following:

### **PUBLIC NOTICE:**

RE: Public Service Commission of Kentucky (CASE NO. 2008-00)

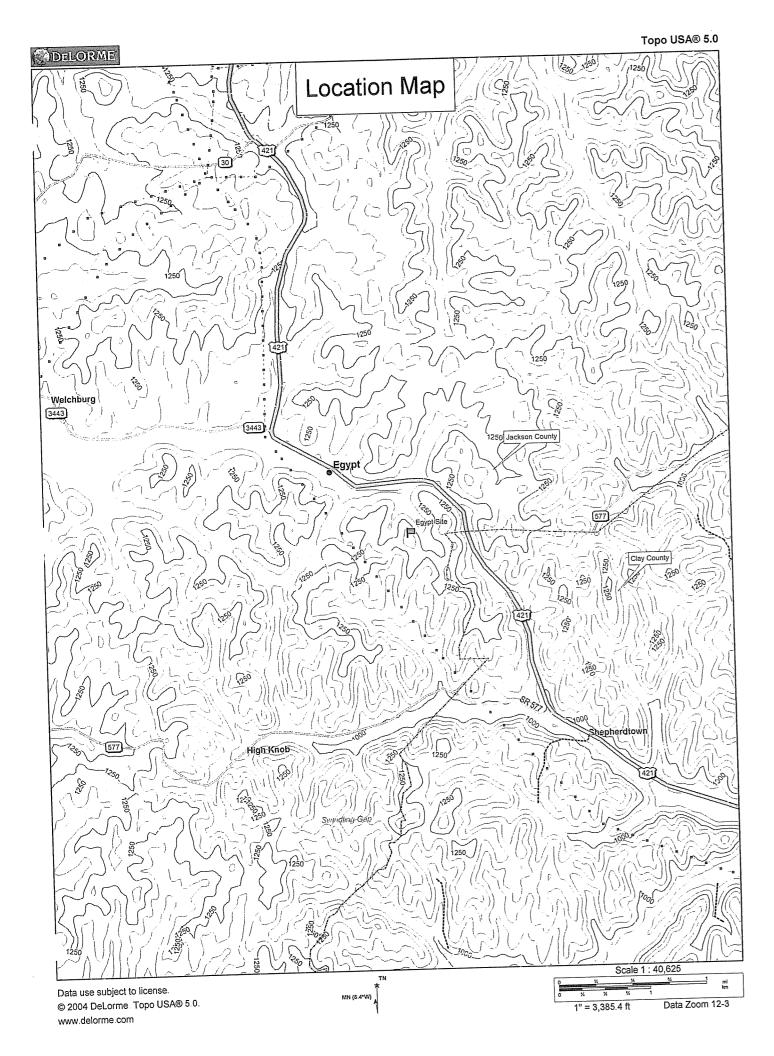
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If you have questions about the placement of the above mentioned notice, please call me at 606-874-7550, ext. 166.

Thank you, Janice Robinson, Technical Site Coordinator

Accounting Department If you have any problems with this fax, please call 606/886-6007. The message above and the information contained in the documents transmitted are confidential and intended only for the person(s) named above. Dissemination, distribution or copying of this communication by anyone other than the person(s) named above is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address listed above via regular mail. Thank you.

### Next Generation Communications



#### Statement Pursuant to Section 1 (1) (I) 807 KAR 5:063

<u>Section 1 (1)(1) 1</u>. The following is a list of every property owner who according to property valuation administrator's records, owns property within 500 feet of the proposed tower and each have been: notified by certified mail, return receipt requested, of the proposed construction., <u>Section 1 (1) I 2</u>. Every person listed below who, according to the property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Given the Commission docket number under which the application will be processed: and <u>Section 1 (1) I 3</u>. Every person listed below who, according to property valuation administrator's records, owns

<u>Section 1 (1) 1 3</u>. Every person listed below who, according to property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Informed of his right to request intervention.

### LIST OF PROPERTY OWNERS

Ronnie Hale P O Box 211 Annville, KY 40402

James Ward and Ruth Caudill 15500 US 421 S Tyner, KY 40486

Loraine and Billy Day 1522 Doolittle Road Annville, KY 40402

Chester Collett 1206 Doolittle Road Annville, KY 40402

Allen and Veronica Domas 13077 Saline Milan Road Milan, Michigan

Doreen E Main and Thomas G Gillard P O Box 158 Tyner, KY 40486

Ruth Caudill 15500 US 421 S Tyner, KY 40486

EAST KENTUCKY NETWORK 101 TECHNOLOGY TRAIL IVEL, KY 41642 PHONE: (606) 874-7550 FAX: (606) 874-7551 EMAIL: INFO@EKN.COM 'E: WWW.EKN.COM



### PUBLIC NOTICE

November 10, 2008

Ronnie Hale P O Box 211 Annville, KY 40402

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2008-00450)

Dear Mr. Hale,

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The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2008-00450 in your correspondence.

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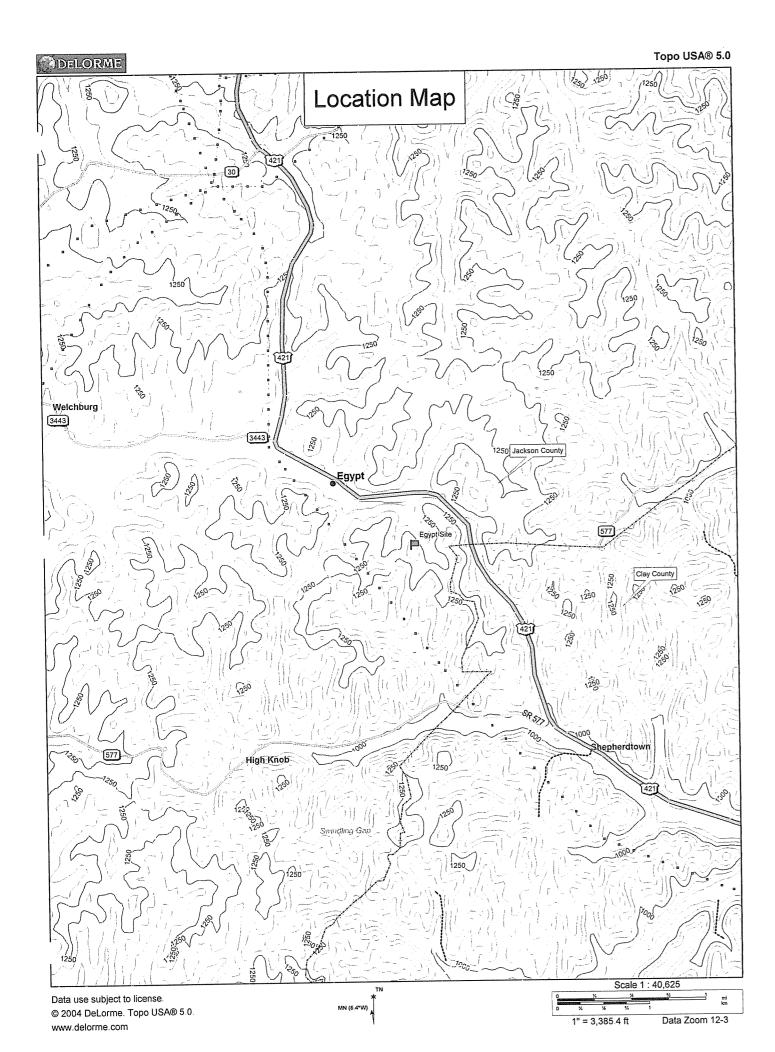
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Janice Robinson Technical Site Coordinator Enclosure 1



### WENDELL R. HOLMES, P.G.

120 Church Street Whitesburg, KY 41858 (606) 633-1511

October 8, 2008

### Egypt Tower Site

#### Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Jackson County near Egypt, Kentucky. The site of the proposed tower is now forestland. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

#### Site Investigation:

The trenching method was used to determine at what depth and what type of bedrock material at the proposed tower site. A trench was dug with a Caterpillar 315 Excavator to expose the bedrock material. It is approximately 6.00 feet to the sandstone bedrock. (See attachments for location and descriptions of materials encountered.) The terrain in Jackson County is slightly to moderately steep. The tower site is located on a ridge between Pond Creek, a tributary of the Rockcastle River, and Sexton Creek, a tributary of the South Fork of the Kentucky River. and is approximately three quarters of a mile southeast of Egypt in Jackson County. The sandstone formation below the tower site is approximately 10.00 feet thick, based on the information obtained from the site investigation and geological maps of the area.

### Conclusions:

The proposed tower site is located on a ridge in the area. The sandstone bedrock on the proposed tower site is part of the Breathitt Formation, and is middle to lower Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the sandstone bedrock formation.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.



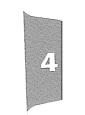
## WENDELL R. HOLMES, P.G.

## 120 Church Street Apartment 3 Whitesburg, Ky. 41858

## Geologist Log

Location: Egypt Tower Site

<u>.</u>	Unit Thickness	Total depth	Strata	Description
	1.00'	1.00′	Soil	Yellow and Brown, with Shale and Sandy shale Fragments
	5.00′	6.00′	Sandy Shale	Yellow, Brown and Weathered
	10.00'	16.00′	Sandstone	Brown and Gray

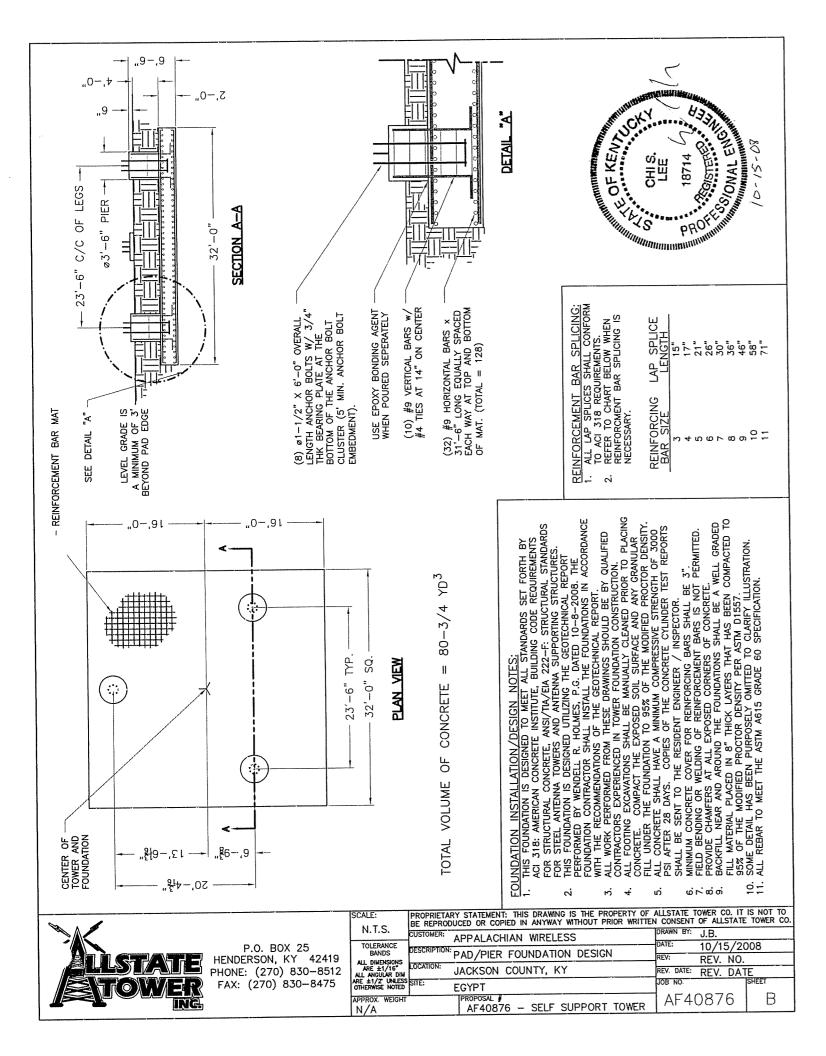


### Kentucky

#### TC 56-50E (Rev. 02/05)

Kentucky Transportation Cabinet, Kentucky Airport Zoning Commission, 200 Merc APPLICATION FOR PERMIT TO CONSTRUCT OR ALTER INSTRUCTIONS INCLUDED	
\PPLICANT Name, Address, Telephone, Fax, etc. st Kentucky Network, LLC         c/o Lukas, Nace, Gutierrez & Sachs, Chtd         1650 Tysons Blvd, Suite 1500         McLean, VA 22102         T: 703-584-8667 F: 703-584-8692         2. Representative of Applicant Name, Address, Telephone, Fax All Kuzehkanani         Lukas, Nace, Gutierrez & Sachs, Chtd         1650 Tysons Blvd, Suite 1500         McLean, VA 22102         T: 703-584-8667 F: 703-584-8692         3. Application for: X New Construction Alteration Existing         4. Duration: X Permanent Temporary (Months)         5. Work Schedule: Start11/15/2008 End         6. Type: X Antenna Tower Crane Building Power Line         □ Landfill Water Tank       Other	9. Latitude:       37       °       18       22       7         10. Longitude:       83       °       53       11       2       "         11. Datum:       XI NAD83       NAD27       Other
<ul> <li>21. Description of Proposal:</li> <li>The structure will include a 300' tower with top-mounted antennas (overall</li> <li>22. Has a "NOTICE OF CONSTRUCTION OR ALTERATION" (FAA Form 7460-1</li> <li>No X Yes, When October 28, 2008</li> <li>CERTIFICATION: I hereby certify that all the above statements made by me are</li> </ul>	1) been filed with the Federal Aviation Administration?
CERTIFICATION: I hereby certify that all the above statements made by meare	e true, complete and correct to the best of my knowledge and beller.
Ali Kuzehkanani/ Dir of Engineering	<u>3 C/// Carran 10/28/2008</u>
Printed Name and Title Signature	Date
PENALTIES: Persons failing to comply with Kentucky Revised Statutes (KRS 18 050:Series) are liable for fines and/or imprisonment as set forth in KRS 183.990(3) in further penalties.	183.861 through 183.990) and Kentucky Administrative Regulations (602 KA 3). Non-compliance with Federal Aviation Administration Regulations may resu
Commission Action:	airman, KAZC
Commission Action:	airman, KAZC 🗌 Administrator, KAZC

300'       300' <th>4'-0"</th> <th>(2 (1) (2 (1) (1) (1) <u>PLAN_VIEW_REF</u> (1) (6) 1.625" (2) (1) 1.625" (3) STEP_BOLT</th> <th>E: LINES LINE</th> <th><u>SYMBOL LIST:</u> A = L1.75" × .1875"</th> <th>BASE REACTIONS: TOTAL SHEAR = 39 KIPS AXIAL LOAD = 71 KIPS UPLIFT / LEG = 294 KIPS COMP. / LEG = 342 KIPS</th> <th>1000000000000000000000000000000000000</th>	4'-0"	(2 (1) (2 (1) (1) (1) <u>PLAN_VIEW_REF</u> (1) (6) 1.625" (2) (1) 1.625" (3) STEP_BOLT	E: LINES LINE	<u>SYMBOL LIST:</u> A = L1.75" × .1875"	BASE REACTIONS: TOTAL SHEAR = 39 KIPS AXIAL LOAD = 71 KIPS UPLIFT / LEG = 294 KIPS COMP. / LEG = 342 KIPS	1000000000000000000000000000000000000
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		F KENTUMU F KENTUMU CHI S. LEE 18714 9/STERP. DNAL ENGINIUM DNAL ENGINUMU	RE SOLID ROUND ASTM A-57 ARE SOLID ROUND ASTM A-57 E MATERIAL IS ASTM A-36 : Fy E AND FLANGE BOLTS ARE A32 × 6'-0" LONG (A-36) ANCHOI ACCORDANCE WITH THE TIA/EIA ACCORDANCE WITH THE TIA/EIA	A 1/2" OF RADIAL ICE (WITH REDUCTION). INAS		VIEW FOR FEEDLINE DISTRIBUTION 'S UTILIZED FOR CLIMBING WITH SAFETY CLIMB DEVICE
LEG DIA. LEG DIA. DIAGONALS CIRTS BRACE BOLTS FLANGE BOLTS # OF BAYS	23'-6"		DESIGN NOTES: DESIGN NOTES: DESIGN NOTES: ALL BRACE 3) ALL BRACE 3) ALL BRACE 4) (8) Ø1.5" x SPEED IN A		300' 290' 280' 270'	201
<b>LLSTATE</b> TOWER	P.O. BOX 25 HENDERSON, KY 42419 PHONE: (270) 830-8512 FAX: (270) 830-8475	DLERANCE BANDS DESCRIPTION: 300' SI DUENSIONS LOCATION: JACKSC ANGULAR DIM H/Z UNLSS SITE: EGYPT ENMER NOTED EGYPT	ACHIAN WIRELESS ELF SUPPORT TOWER DN COUNTY, KY N. J. D876 - SELF SUPPORT T	DATE: REV: JOB	09/29/200 REV. NO. DATE: REV, DATE	D8 EET A



### LUKAS, NACE, GUTIERREZ & SACHS HARTERED

1650 Tysons Boulevard, Suite 1500 McLean, Virginia 22102 703 584 8678 • 703 584 8696 Fax

WWW.FCCLAW.COM

RUSSELL D. LUKAS DAVID L. NACE THOMAS GUTIERREZ<sup>\*</sup> ELIZABETH R. SACHS<sup>\*</sup> GEORGE L. LYON, JR. PAMELA L. GIST DAVID A. LAFURIA TODD SLAMOWITZ<sup>\*</sup> TODD B. LANTOR<sup>\*</sup> STEVEN M. CHERNOFF<sup>\*</sup> KATHERINE PATSAS<sup>\*</sup> CONSULTING ENGINEERS ALI KUZEHKANANI LEILA REZANAVAZ OF COUNSEL LEONARD S. KOLSKY\* JOHN CIMKO\* J. K. HAGE III\* JOHN J. MCAVOY\* HON. GERALD S. MCGOWAN\* TAMARA DAVIS-BROWN\*

\*NOT ADMITTED IN VA

Writers Direct Dial (703) 5848667 akuzehkanani@fcclaw.com

October 28, 2008

#### Via U.S. Mail

EXPRESS PROCESSING CENTER Federal Aviation Administration Southwest Regional Office Air Traffic Airspace Branch, ASW-520 2601 Meacham Blvd. Fort Worth, TX 76137-4298

Dear FAA Evaluator:

Enclosed is an FAA Form 7460-1 (Notice of Proposed Construction or Alteration) for a new 314' communications tower structure (300' tower plus 14' antenna) near Egypt (Jackson), Kentucky. The site ("Egypt") is approximately 0.7 mi (1.1 kilometer) SE of town of Egypt.

The proponent, East Kentucky Network, LLC, is the licensee for Cellular Block B service in Kentucky 10 - Powell Rural Service Area (KY10B RSA), Market No. 452B. Transmit technology to be employed at this station is CDMA in the Cellular Band B frequency band (880 -890 MHz and 891 - 894 MHz); the maximum ERP is 500 Watts.

Should you have any questions or require additional information, please do not hesitate to call the undersigned at the above identified telephone number.

Sincerely,

Unsellamani Ali Kuzehkanani

Director of Engineering

Enclosure

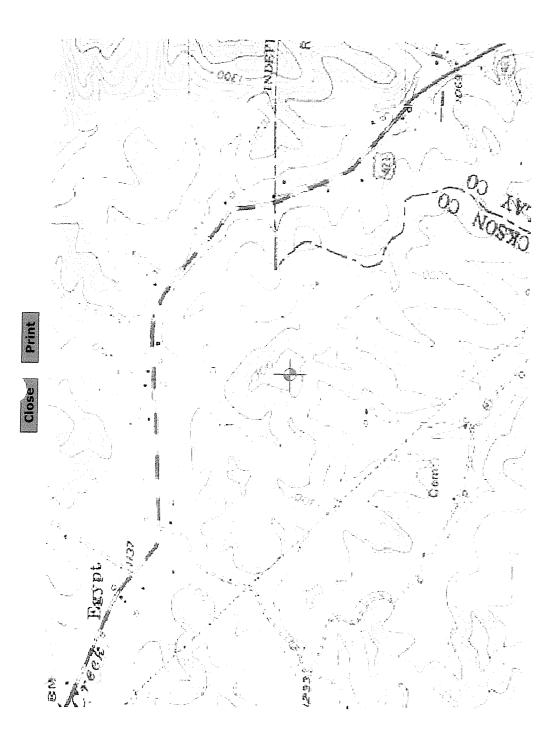
cc: East Kentucky Network, LLC Attention: Marty Thacker and Gerald Robinett

### Notice of Proposed Construction or Alteration - Off Airport

Project Name: EAST -000106214-08

Sponsor: East Kentucky Network, LLC

Details for Case : Egypt						
Show Project Summary						
Case Status						
ASN: 2008-ASO-59	977-OE	Date Accepted:	10/28/2008			
Status: Accepted		Date Determined:				
		Letters:	None			
		Documents	None			
Construction / Alterati	on Information	Structure Summ	ary			
Notice Of:	Construction	Structure Type:	Tower			
Duration:	Permanent	Structure Name:	Egypt			
if Temporary :	Months: Days:	FCC Number:				
Work Schedule - Start:	11/15/2008	Prior ASN:				
Work Schedule - End:	11/30/2008					
State Filing:	Filed with State					
Structure Details		Common Freque	ency Bands			
Latitude:	37° 18' 22.70" N	Low Freq 806	High Freq 824	Freq Unit MHz	ERP 500	ERP Unit W
Longitude:	83° 53' 11.20" W	824	849	MHz MHz	500	w
Horizontal Datum:	NAD83	851 869	866 894	MHz	500 500	w
Site Elevation (SE):	1340 (nearest foot)	896 901	901 902	MHz MHz	500 7	W
Structure Height (AGL):	314 (nearest foot)	930 931	931 932	MHz MHz	3500 3500	W
Requested Marking/Lightin	ng: Dual-red and medium intensity	932	932.5	MHz	17	dBW
Othe	er:	935 940	940 941	MHz MHz	1000 3500	W W
Nearest City:	Egypt	1850 1930	1910 1990	MHz MHz	1640 1640	W
Nearest State:	Kentucky	2305 2345	2310 2360	MHz MHz	2000 2000	W W
Description of Location:	Approx. 0.7 mi (1.1 km) SE of Egypt (Jackson), KY	Specific Frequer			2000	
Description of Proposal:	A new 300' tower plus top-mounted antennas (314' overall height)	• • • • • • • • • •	-			



### EAST KENTUCKY NETWORK, LLC DBA APPALACHIAN WIRELESS

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FINANCIAL REPORT

December 31, 2006

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### INDEPENDENT AUDITOR'S REPORT

To the Members East Kentucky Network, LLC dba Appalachian Wireless Ivel, Kentucky 41642

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2006 and 2005 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Joner. Male : Mattingly Pic

Louisville, Kentucky March 15, 2007

South Fourth Avenue, Suite 300 Louisville, Kentucky 40202-9975 (502) 583-0248 • FAX (502) 589-1680





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## BALANCE SHEETS December 31, 2006 and 2005

ASSETS	2006	2005
CURRENT ASSETS Cash and cash equivalents Short-term investments Accounts receivable, less allowance for doubtful accounts of \$567,790 in 2006 and \$375,856 in 2005	\$ 2,818,346 46,271 2,802,673 37,612	\$ 1,046,669 43,803 1,560,267 3,149
Accounts receivable, members (Notes 5 and 6) USF receivable (Note 7) Inventory	1,584,039	589,913 1,056,766 143,547
Prepaid expenses • Total current assets	<u>173,657</u> \$ 7,462,598	\$ 4,444,114.
PROPERTY, PLANT AND EQUIPMENT (Note 3) Plant in service: General support MTSO equipment Cell equipment Paging equipment Fiber ring Unfinished plant Less accumulated depreciation	<pre>\$ 18,914,927 13,354,875 39,339,797 3,321,068 6,471,128 657,524 \$ 82,059,319 33,358,066 \$ 48,701,253</pre>	<pre>\$ 10,633,736 11,934,434 34,785,982 3,320,416 6,245,412 3,992,696 \$ 70,912,676 27,810,940 \$ 43,101,736</pre>
OTHER ASSETS Investment in affiliated company, RTFC (Note 3) Intangible assets, net of accumulated amortization of \$2,646,913 in 2006 and \$2,179,654 in 2005 (Note 2) Other	\$ 862,394 4,497,032 <u>27,550</u> \$ 5,386,976 \$ 61,550.827	\$ 875,133 4,623,855 <u>28,669</u> \$ 5,527,657 \$ 53.073.507
1	<b></b>	

The Notes to Financial Statements are an integral part of these statements.

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LIABILITIES AND MEMBERS' EQUITY	2006	2005
CURRENT LIABILITIES Current maturities of long-term debt (Note 3) Accounts payable Accounts payable, member (Notes 5 and 6) Accrued expenses Accrued state corporation taxes Customer deposits Total current liabilities	<pre>\$ 1,200,000 1,166,909 2,899 2,113,530 232,157 317,603 \$ 5,033,098</pre>	\$ 48,033 851,643 2,936 1,457,463 85,989 291,380 \$ 2,737,444
LONG-TERM DEBT, less current maturities (Note 3)	13,000,000	13,297,220
MEMBERS' EQUITY	43,517,729	37,038,843

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<u>\$ 61.550.827</u> <u>\$ 53.073.507</u>

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## STATEMENTS OF INCOME Years Ended December 31, 2006 and 2005

	2006	2005
REVENUE	<b>•</b> • • • • • • • • • • • • • • • • • •	\$ 00 000 E70
Retail	\$ 24,156,320 6,964,309	\$20,908,570 6,868,904
Roamer	0,904,309	177,350
Long distance	852,011	1,039,429
Paging Equipment sales, cellular	2,922,817	2,152,962
Equipment sales, paging	27,894	57,632
Other	3,065,078	2,359,809
Total revenue	\$ 38,143,475	\$ 33,564,656
EXPENSES		
Cost of cellular service	\$ 7,888,446	\$ 7,924,553
Cost of paging service	411,177	510,665
Cost of equipment sales, cellular	6,813,457	4,912,998
Cost of equipment sales, paging	58,755	78,428
Customer service	1,330,573	1,208,726
Billing	1,097,834	1,200,135
Selling	2,703,570	2,131,009
Maintenance	1,267,034	1,042,844
Utilities	454,008	354,870
Bad debts	800,268	672,263
Recovery of bad debts	(90,925)	(120,673)
Cell site rental	158,500	135,012
Taxes	565,271	257,247
Advertising	1,574,298	1,139,697
General and administrative	2,238,348	2,249,226
Occupancy	334,981	359,928
Depreciation	5,541,628	4,635,200
Amortization	508,526	495,241
Total expenses	\$ 33,655,749	\$ 29,187,369
Income from operations	\$ 4,487,726	\$ 4,377,287
OTHER INCOME (EXPENSE)		
Interest income	\$ 49,052	\$ 23,915
Interest expense	(821,277)	(795,898)
Universal Service Fund income (Note 7)	3,716,602	589,913
Impairment of goodwill (Note 8)		(331,286)
	\$ 2,944,377	\$ (513,356)
Income before taxes	\$ 7,432,103	\$ 3,863,931
Kentucky corporation tax expense	399,157	170,197
Net income	<u>\$ 7.032.946</u>	<u>\$ 3.693.734</u>

The Notes to Financial Statements are an integral part of these statements.

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## STATEMENTS OF MEMBERS' EQUITY Years Ended December 31, 2006 and 2005

	Cellular Services,	Gearhart Communi- cations Company,	Mountain Tele- communi- cations,	Thacker- Grigsby Telephone	Peoples Rural Telephone Coop- erative Corp- oration,	1
	Inc.	Inc.	Inc.	Co., Inc.	Inc.	Total
Balance, January 1, 2005 Net income Capital distributions •Balance, December 31, 2005 Net income Capital distributions Balance, December 31, 2006	\$ 6,781,309 738,747 (112,287) \$ 7,407,769 1,406,589 (110,812) \$ 8,703,546	\$ 6,781,309 738,747 (112,287) \$ 7,407,769 1,406,589 (110,812) <u>\$ 8,703,546</u>	\$ 6,781,309 738,747 (112,287) \$ 7,407,769 1,406,589 (110,812) <u>\$ 8,703,546</u>	\$ 6,781,309 738,746 (112,287) \$ 7,407,768 1,406,590 (110,812) \$ 8,703,546	\$ 6,781,308 738,747 (112,287) \$ 7,407,768 1,406,589 (110,812) \$ 8,703,545	\$33,906,544 3,693,734 (561,435) \$37,038,843 7,032,946 (554,060) \$43,517,729

The Notes to Financial Statements are an integral part of these statements.

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## STATEMENTS OF CASH FLOWS Years Ended December 31, 2006 and 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 7,032,946	\$ 3,693,734
Adjustments to reconcile net income to net cash provided		
by operating activities:		
Depreciation	5,541,628	4,635,200
Amortization	508,526	495,241
Impairment of goodwill		331,286
Changes in assets and liabilities, net of the effects		
of investing and financing activities:		
(Increase) in accounts receivable	(1,242,406)	(78,367)
Decrease in accounts receivable, members	(34,463)	51,248
(Increase) decrease in USF receivable	589,913	(589,913)
(Increase) in inventory	(527,273)	(230,130)
(Increase) decrease in prepaid expenses	(30,110)	5,012
(Increase) decrease in other assets	13,858	(646)
Increase (decrease) in accounts payable	315,266	(291,123)
Increase (decrease) in accounts payable, member	(37)	2,332
Increase in accrued expenses	656,067	339,038
Increase in accrued state corporation taxes	146,168	85,989
Increase in customer deposits	26,223	139,030
Net cash provided by operating activities	\$ 12,996,306	\$ 8,587,931
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (11,182,411)	\$ (11,469,668)
Purchase of intangible assets	(340,437)	(299,159)
Proceeds from sale of short-term investments	(2,468)	56,197
Net cash (used in) investing activities	\$ (11,525,316)	\$ (11,712,630)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital distributions	\$ (554,060)	\$ (561,435)
Proceeds from long-term borrowings	14,200,000	3,450,000
Payments on long-term borrowings	(13,345,253)	(832,731)
Net cash provided by financing activities	\$ 300,687	\$ 2,055,834
Net increase (decrease) in cash and cash equivalents	\$ 1,771,677	\$ (1,068,865)
Cash and cash equivalents:		
Beginning	1,046,669	2,115,534
Ending	<u>\$ 2.818.346</u>	\$ 1.046.669

The Notes to Financial Statements are an integral part of these statements.

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## STATEMENTS OF CASH FLOWS (Continued) Years Ended December 31, 2006 and 2005

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STRUCT PARAMENTAL DISCLOSING OF CASILITON ANTION	2006	2005	
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION Cash payments for interest	<u>\$ 866.941</u>	<u>\$ 788.610</u>	
Cash payments for state corporation taxes	<u>\$ 167.000</u>	<u>\$ 84.207</u>	
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES Settlement of note payable from impairment of goodwill	¢	\$ 400.000	
Settlement of accrued interest from impairment of goodwill	<u> </u>	<u>\$ 400.000</u> \$ 56.000	

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The Notes to Financial Statements are an integral part of these statements.

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## NOTES TO FINANCIAL STATEMENTS

### · Note 1. Summary of Significant Accounting Policies

### Nature of operations

East Kentucky Network, LLC, dba Appalachian Wireless, is a Kentucky limited liability company formed by the merger of Appalachian Cellular, LLC, Mountaineer Cellular, LLC and East Kentucky Network, LLC on January 1, 2000. The Company is engaged in cellular telephone communications and paging services to residential and commercial customers located in eastern Kentucky. The Company's five members consist of Cellular Services, Inc.; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

## Cash

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The Company maintains its cash balances, which exceed the \$100,000 federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

### Cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having a maturity of three months or less to be cash equivalents.

### Short-term investments

Certificates of deposit having original maturities between three and nine months are classified as short-term investments, are carried at cost, which approximates fair value, and are held to maturity.

#### Inventory

Inventory is composed of cellular telephone equipment, paging equipment, and accessories purchased for resale during the ordinary course of business. The inventory is valued at the lower of cost or market, cost being determined by the first-in, first-out (FIFO) method.

### Property, plant and equipment

Property, plant and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

#### Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost, which approximates fair value.

## Note 1. Summary of Significant Accounting Policies (Continued)

### Intangible assets

The customer lists, non-compete agreements, FCC licenses, and use of name are recorded at cost and are being amortized over 15 years by the straight-line method. The excess cost over the fair value of the net assets acquired (goodwill) related to paging acquisitions is measured for impairment on an annual basis, and written down, if necessary, to its estimated value at that time. During the prior year, the Company expensed the remaining balance of goodwill as an impairment (see Note 8).

### Recognition of revenue

Cellular service and paging revenues are recognized when earned. Monthly access and feature charges are billed one month in advance and recognized as revenue the following month. Revenue from telephone and accessories sold are recognized as revenue upon delivery to the customer.

## Advertising

Advertising costs are expensed as incurred. At December 31, 2006 and 2005, these costs were \$1,574,298 and \$1,139,697, respectively.

#### Income taxes

Under existing provisions of the Internal Revenue Code, the income or loss of a limited liability company is recognized by the members for income tax purposes. Accordingly, no provision for federal income taxes has been provided for in the accompanying financial statements. Effective for years beginning on or after January 1, 2005, the State of Kentucky enacted legislation which now provides for the taxation of limited liability companies' at the entity level. The accompanying financial statements include the related state tax liability under the new regulations.

### Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

## Note 2. Intangible Assets

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Intangible assets consist of the following at December 31, 2006:

,	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,152,951)
Non-compete agreements	220,348	(121,577)
FCC licenses	1,141,593	(330,542)
Use of name	10,000	(4,334)
Other	408,474	(37,509)
	\$ 7,143,945	\$ (2,646,913)

## Intangible assets consist of the following at December 31, 2005:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (1,795,634)
Non-compete agreements	220,348	(106,898)
FCC licenses	1,141,593	(264,446)
Use of name	10,000	(3,668)
Other	68,038	(9,008)
	\$ 6,803,509	\$ (2,179,654)

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2006 and 2005 totaled \$467,259 and \$437,982, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

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Year	ending	December	31	:
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2006	\$ 450,000
2007	450,000
2008	450,000
2009	450,000
2010	450,000

## Note 3. Long-Term Debt

/ /\ Long-term debt consists of the following at December 31:

	2006	2005
Note payable, Fifth Third Bank (a)		
Dated 02/28/06, variable rate		
(5.41% at 12/31/06)	\$ 14,200,000	\$
Notes payable, RTFC (b)		
Dated 11/13/97, variable rate		
Paid in full 03/01/06		194,957
Dated 11/13/97, variable rate		
Paid in full 03/01/06		899,406
Dated 11/13/97, fixed rate		
Paid in full 03/01/06		727,521
Dated 12/31/98, fixed rate		
Paid in full 03/01/06		618,521
Dated 02/13/01, variable rate		
Paid in full 03/01/06		786,457
Dated 02/13/01, variable rate		
Paid in full 03/01/06		932,200
Dated 07/27/01, variable rate		
Paid in full 03/01/06		2,845,311
Lines of Credit, RTFC		
Line of credit, variable rate (c)		
Paid in full 03/01/06		5,000,000
Line of credit, variable rate (d)		
Paid in full 03/01/06		1,750,000
Line of Credit, Fifth Third Bank (e)		
Due 03/28/08, variable rate		
(5.41% at 12/31/06)		
•	\$	\$ 13,754,373

(a) On February 28, 2006, the Company borrowed \$14,200,000 to restructure its debt. The note is payable in 10 annual installments of \$1,200,000 for 2007, \$1,400,000 for 2008 through 2012, and \$1,500,000 for 2013 through 2016, with a variable interest rate. The note is collateralized by the assets of the Company.

(b) The notes payable to Rural Telephone Finance Cooperative (RTFC) were secured by mortgage and security agreements that include substantially all of the assets of the Company. In addition, the Company was required to purchase equity certificates in RTFC equal to 5% of the total amounts borrowed. The notes were payable in quarterly installments over 15 years with interest at variable or fixed rates set by RTFC. The notes were paid in full on March 1, 2006.

### Note 3. Long-Term Debt (Continued)

- (c) The line of credit agreement with RTFC provided for borrowings up to \$5,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and was renewed June 28, 2004 for 24 months. The line of credit was paid in full on March 1, 2006.
- (d) The line of credit agreement with RTFC provided for borrowings up to \$2,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and due May 16, 2006. The line of credit was paid in full on March 1, 2006.
- (e) The line of credit agreement with Fifth Third Bank provides for borrowing up to \$3,000,000. The agreement carries a variable interest rate, is secured by certain assets of the company, and is due March 28, 2008.

Approximate maturities or payments required on principal under note payable agreements for each of the succeeding five years are as follows:

Year ending December 31:

2006	\$ 1,200,000
2007	1,400,000
2008	1,400,000
2009	1,400,000
2010	1,400,000

#### Note 4. Retirement Plans

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The Company has a 401(k) plan for qualifying employees who have reached twenty-one years of age. Eligible employees are allowed to invest up to 15% of their compensation and the Company has agreed to match 100% of the first 3% of the employees' contribution and 50% of the employees' contribution between 3% and 5%. The Company contributed \$73,607 and \$67,460 matching funds for its 401(k) plan during the years ended December 31, 2006 and 2005, respectively.

The Company also offers an employer sponsored retirement savings plan for qualified employees who have reached twenty-one years of age. The Company has agreed to contribute 9% of the eligible employee's compensation, plus an additional 5% of the original contribution.

The Company contributed \$259,859 and \$221,669 to its retirement savings plan during the years ended December 31, 2006 and 2005, respectively.

### Note 5. Related Party Transactions

The Company shares personnel with one of its members. The Company paid \$114,996 and \$132,681 for shared personnel during the years ended December 31, 2006 and 2005 respectively. The Company also leased offices and warehouse space from two members. The leases are for an unspecified length of time. The monthly lease payments total approximately \$7,000. In addition, the Company incurred interconnection and telephone charges from its members aggregating \$752,095 and \$786,283 for the years ended December 31, 2006 and 2005, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member for \$100 per month for each site. The leases are for an unspecified length of time. In addition, the Company leases two other sites from a company owned by this member for \$600 each on a month to month basis.

The Company leases cellular tower sites from the parent company of one of its other members for \$1,039 per month. The leases are for five years with options to renew.

The Company pays commissions to two of it members for phone sales to customers. The amount of commissions paid to related parties was \$45,484 and \$43,873 for 2006 and 2005 respectively.

### Note 6. Operating Leases

The Company has entered into operating leases with its members and other customers to provide fiber optic transmission capacity and ancillary services. The terms of these leases are for 15 years.

Total rental income earned from these operating lease commitments included in the statements of income were \$1,130,809 and \$1,254,902 for the years ended December 31, 2006 and 2005, respectively. Rental income earned from the Company's members from these leases was \$631,789 and \$713,599 for the years ended December 31, 2006 and 2005, respectively.

Investments in operating leases are as follows at December 31:

	2006 2005
Fiber ring Accumulated depreciation	\$ 6,471,128 \$ 6,245,412 (982,379) (773,028)
-	\$ 5,488,749 \$ 5,472,384

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$700,000 each year based upon new contracts negotiated during 2005.

## Note 6. Operating Leases (Continued)

The Company has also entered into lease agreements with its members to obtain fiber optic transmission and digital microwave transmission services. The terms of these leases are for 15 years.

Rental expenses incurred under these operating lease commitments included in the statements of income were \$194,083 and \$33,329 for the years ended December 31, 2006 and 2005, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are \$115,734 each year.

## Note 7. Eligible Telecommunication Carrier

During the prior year, the Company was granted Eligible Telecommuniation Carrier (ETC) status by the Kentucky Public Service Commission. As an ETC, the Company receives funding from the federal Universal Service Fund (USF) to support the high cost of providing local telephone service in rural areas. USF payments amounted to \$3,716,602 and \$589,913 for 2006 and 2005 respectively.

### Note 8. Impairment of Goodwill

During 2005, the Company completed its annual valuation of the acquired goodwill related to paging acquisitions. Pursuant to the valuation, the Company expensed the remaining balance of goodwill. In management's judgment, the underlying assets associated with the goodwill were determined to be of substantially less value than the amount originally paid. The Company disputed the amount based upon the estimated current market value of the purchased customer lists, which approximates the current amortized book value. Accordingly, the entire balance of the remaining note payable issued as part of the acquisitions, along with the related accrued interest, has been written off due to the impairment of goodwill.

The following is a summary of the impairment of goodwill expense included in the financial statements for the year ended December 31, 2005:

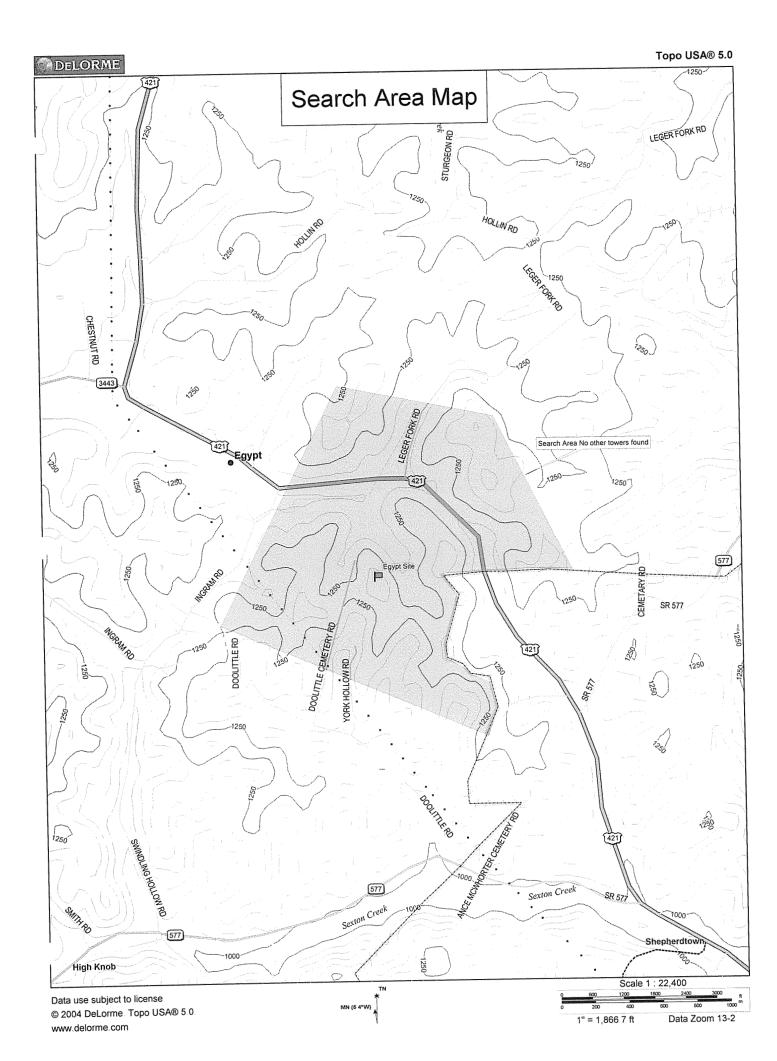
Goodwill	\$ 787,286	
Note payable	(400,000)	
Accrued interest	(56,000)	
	\$ 331,286	

# Directions to Egypt Site

From the Courthouse in McKee Kentucky Take route 421 South 14.8 miles to Hwy. 577. Turn Right onto Hwy. 577 and continue for .75 miles to Doolittle Rd. Turn right onto Doolittle Rd and continue for .5 miles to York Hollow Rd. Turn right onto York Hollow Rd. and continue for .35 miles. New gravel road turns right and stops at tower site.

Directions were written by,

Marty Thacker Appalachian Wireless 606-438-2355 Ext. 111 (office) 606-634-9505 (cell phone) <u>m.thacker@tgtel.com</u> (email)



## DECLARATION and GRANT OF PERPETUAL EASEMENT and RIGHT OF WAY

THIS DECLARATION and GRANT OF PERPETUAL EASEMENT AND RIGHT OF WAY made and executed on  $15^{-4h}$  day of  $5^{-4h}$ , 2008 by and between Ronnie Hale and Mary Hale, his wife, of P.O. Box 211, Annville, Kentucky 40402, GRANTORS and East Kentucky Network, LLC d/b/a Appalachian Wireless, of 101 Technology Trail, Ivel, Kentucky 41642, GRANTEE:

WHEREAS, Grantors are the owners of that certain tract of land located in Leslie Tack County, Kentucky as more particularly described in that certain Deed of Conveyance from: (1) Connie Hale recorded in Deed Book 172 Page 671, (2) Kathleen and Danny Ridner recorded in Deed Book 142 Page 263, (3) Gilbert and Dorothy Hale recorded in Deed Book 163 Page 467 and (4) Darrell and Swecia McQueen recorded in Deed Book 145 Page 483, all recorded in the Jackson County Clerk's Office;

WHEREAS, Grantors and Grantee have, for a valuable consideration as set out hereinafter, agreed to the dedication and grant of a perpetual easement and right of way in favor of the Grantee, its successors and assigns, for a portion of the Property, described by metes and bounds in the description attached hereto and made a part hereof as Exhibit "A", and as shown on the Plat dated the  $\frac{16}{16}$  day of  $\frac{Apple 1}{16}$ , 2008, prepared by James W. Caudill, PLS, and attached hereto and made a part hereof as Exhibit "B", said real property being hereinafter referred to as the "Premises", together with certain non-exclusive easements and right of ways as set out hereinafter;

NOW THEREFORE, for and in consideration of the sum of  $\frac{2000.00}{200.00}$ . Dollars, the receipt and sufficiency of which is hereby acknowledged, the Grantors do

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hereby grant and convey unto Grantee, its successors and assigns, the perpetual and exclusive right and easement to use the Premises as described at Exhibit "A" and shown upon the Plat at Exhibit "B", respectively, attached hereto and made a part of hereof, for the purpose of constructing buildings, towers, guy lines, anchors and other related facilities, including, but not limited to telephone lines, coaxial lines, power lines and the installation of any and all other equipment deemed necessary by Grantee to receive and transmit any and all electronic signals in the rural service area now or hereafter to be served by the facility. The parties hereto recognize that technology in the communications field is advancing at a rapid rate and that this site may be used for any other purpose now in the development stage or which may later be developed in the communications industry to carry out the objectives of Grantee, that being to transmit! and receive signals and communications by wire, fiber optics, radio and satellite, in connection with Grantee's business.

And for the consideration aforesaid, Grantors grant and convey to Grantee the non-exclusive easement and right of way for ingress and egress by any method, whether pedestrian, or motorized vehicles of all types and descriptions, together with the right privilege and easement to construct and locate, with Grantors' input to such roadway or easement for a width of twenty feet (20'); together with a non-exclusive easement and right of way of twenty feet (20') either side along any such roadway for the construction, installation and maintenance of utility lines, including telephone, electric power, including wires, poles, cables, conduits, and pipes over, under or along a twenty foot (20') wide right of way across the Property of Grantors extending from the nearest public right of way to the Premises. Grantee may gate its access road in a manner to best

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prevent trespassing. The gate shall be kept locked with a lock furnished by Grantee, who shall also furnish the Grantors with a key to the lock.

It is understood that the easements and rights of way granted above whether exclusive or non-exclusive, as applicable, are perpetual in nature. The Grantee, if in its sole and exclusive judgment determines that the Premises are no longer needed in connection with Grantee's business, shall have the right to surrender the perpetual easements and rights of way granted herein upon sixty (60) days written notice of such intention to Grantors, and thereafter, shall have one hundred eighty (180) days within which to remove any and all of its buildings, equipment or facilities constructed upon the Premises, after such time the Premises shall revert to Grantors.

Grantors warrant generally the Premises, rights, easements, and privileges granted herein.

Grantors shall not use the remainder of the property of Grantors of which this Grant of Easement and Right of Way is a part for the construction, installation or operation of any wireless communications facilities which would unreasonably interfere with Grantee's communications facility.

This grant and the exhibits attached hereto constitute the entire agreement of the Parties, and no oral or implied agreements or representations will be binding upon the Parties hereto.

This instrument shall be interpreted under the laws of the Commonwealth of Kentucky.

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The terms, covenants and provisions of this Grant of Easement and Right of Way shall be binding upon the Parties hereto, their respective executors, administrators, heirs, successors and assigns.

Grantee shall pay all personal property taxes assessed on, or any portion of such taxes attributable to, the equipment used by Grantee on the Premises. Grantors shall pay when due all real property taxes and all other fees and assessments attributable to the Premises. Grantee shall reimburse the Grantors as additional compensation for any increase in real estate taxes levied against the Grantors (or their heirs or assigns) which are attributable to or arise as a result of the improvements constructed by the Grantee, its successors or assigns.

Grantee shall indemnify and save harmless the Grantors of any liability by virtue of Grantee's activities upon the Premises or in the exercise of any of the rights, privileges and rights of way granted herein, specifically including but not limited to any claim, ldss, fine, penalty and costs (including reasonable attorney's fees) arising out of any violation of any environmental laws or regulation. This provision shall survive the termination of this Grant of Easement.

All notices, demands or other writings provided to be given, made or sent hereunder, shall be deemed to have been given when made in writing and deposited into the United States mail, certified and postage prepaid, to Grantors and Grantee at the address stated in the caption of this Grant, unless addresses have been changed by writien notice given by either Party.

WITNESS OUR HANDS, the day and year aforesaid.

GRANTORS: RONNIE HALE

GRANTEE:

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EAST KENTUCKY NETWORK, LLC., D/B/A APPALACHIAN WIRELESS BY: ITS: General MOANAGEN

STATE OF KENTUCKY,

COUNTY OF Jackson,

Subscribed and acknowledged to before me by RONNIE HALE this  $\frac{H_1}{15}$  day of  $\frac{Ju(\gamma_1, 2008)}{10}$ ,  $\frac{1}{10}$ 

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NOTARY PUBLIC, STATE AT LARGE My commission expires: OCT- 22-2009

STATE OF KENTUCKY,

COUNTY OF Tackson,

Subscribed and acknowledged to before me by MARY HALE this  $\frac{15}{15}$  day of  $\frac{14}{14}$ , 2008.

Jul

NOTARY PUBLIC/STATE AT LARGE My commission expires: <u>OCT-JJ- 2009</u>

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STATE OF KENTUCKY,	;
COUNTY OF Floyd,	
Subscribed and acknowledged to before me by Gevald F Robinett as	
(Teneral Manager of EAST KENTUCKY NETWORK, LLC., D/E	3/A

APPALACHIAN WIRELESS, this 17 day of July, 2008.

NOTARY PUBLIC, STATE AT LARGE My commission expires: oct; 22-2009

PREPARED BY:

Punt Hans

CLINT J. HARRIS 21 BANKERS ALLEY MANCHESTER, KENTUCKY 40962

ED FOR RECORD THIS d POW BOOK NO AND RECORDED IN <u>POW</u> BOOKNO <u>'/</u> AT PAGE <u>30</u> ATTEST: DONALD R. MOORE BY: Blandy Liefde D.C.

## DEED DESCRIPTION FOR SUB DIVISION OF Property of RONNIE HALE P.O. Box 211, ANNVILLE, KY 40402 Between Doolittle Road and Highway 421 Near Egypt in Jackson County April 16, 2008

A portion of the property lying within the tract of land located between Pond Creek on Highway 421 and Sexton Creek on Doolittle Road in Jackson County Kentucky, near the community of Egypt. Being a part of property conveyed by deed from Connie Hale and recorded in Deed Book 172 Page 671 of the Jackson County Court House.

## Lot #H1

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Unless stated otherwise, any monument referred to herein as "set iron pin with cap" is a set ½" diameter rebar, at least eighteen (18") in length, with a plastic cap stamped "LS-2259". All bearings stated herein are referred to the NAD83 KY South State Plane north. This survey preformed by James W. Caudill, LS2259, on April 16, 2008.

Beginning on a set iron pin with cap at a hollowed out tree on the ridge at intersection of wire fences, said point having a NAD83 KY south state plane coordinate of [N:2000046.6878, E:2182399.97] and being on the dividing line between Ronnie Hale and James Ward & Ruth Caudill (Book 150 page 717); thence running with the fence and the line of James Ward & Ruth Caudill South 46 deg 30 min 01 sec East a distance of 69.14 feet to a set iron pin with cap at 36" Oak tree with fence, South 40 deg 23 min 13 sec East a distance of 155.67 feet to a 24" oak tree with fence, from which a set iron pin with cap bears North 47 deg 18 min 59 sec East, 2.22 ft; thence leaving the line of James Ward & Ruth Caudill and the fence and severing the land of Ronnie Hale (Book 172 page 671) North 87 deg 14 min 42 sec West a distance of 206.77 feet to a set iron pin with cap on the ridge and near an old wire fence on the line of James Ward & Ruth Caudill; thence running with the ridge and fence North 54 deg 59 min 06 sec East a distance of 88.72 feet back to the point of beginning

> lavies de Candill Lavesta

James W. Caudill, PLS #2259

### Containing a calculated area of 21244 sq ft or 0.49 acres.

This according to a survey by James W. Caudill, PLS #2259, on April 16, 2008.

Exhibit "A"

