

May 23, 2001

Ms. Magalie Roman Salas
The Office of the Secretary
Federal Communications Commission
455 12th Street, S.W.
Washington, D.C. 20554

Re: City Signal Communication, Inc. -- Ex Parte Meeting Regarding
CS Docket Nos. 00-253, 00-254 and 00-255

Dear Ms. Salas:

Pursuant to 47 CFR §1.1206(b)(2) of the Federal Communication Commission's rules, the Cities of Cleveland Heights, Wickliffe and Pepper Pike, Ohio are writing to report an *ex parte* telephone conversation with Commission staff on May 17, 2000 regarding the above-referenced proceedings. Participating in the meeting on behalf of the communities were Christopher L. Gibbon, Walter & Haverfield, and Law Director for the City of Pepper Pike; John H. Gibbon, Walter & Haverfield, and Law Director for the City of Cleveland Heights and special counsel for the City of Wickliffe; and Janet Alter, Walter & Haverfield, special counsel for the Cities of Pepper Pike and Cleveland Heights. Participating staff members of the Commission were Marjorie R. Greene and William Johnson of the Cable Services Bureau; Claudia Pabo of the Common Carrier Bureau; Aliza Katz of the General Counsel's Office; and Leon Jackler of the Wireless Telecommunications Bureau.

The purpose of the telephone conference was to update the Commission staff on the status of City Signal's request to place fiber in the Cities' rights-of-way. In addition to matters previously briefed, the following is a summary of the discussion:

1. Pepper Pike. Pepper Pike City Council has authorized City personnel to prepare plans and specifications and receive bids to build underground conduit in the City's rights-of-way to be leased to City Signal and other carriers. Chris Gibbon, the City's Law Director, has spoken with City Signal personnel in the Cleveland area at length and City Signal has agreed to use the City's conduit, which is scheduled to be completed by late summer or early fall. City Signal has indicated that this schedule fits its timetable. In the near future, the City and City Signal will enter into an agreement

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to lease City conduit to City Signal and City Signal has agreed to withdraw its Petition before the FCC when an agreement is signed. Additionally, the City has received initial bids for construction of the underground conduit that are approximately one-third the cost of what City Signal has represented in its filings before the Commission.

2. Cleveland Heights. An initial agreement was reached among Metromedia, City Signal and the City of Cleveland Heights in which Metromedia would construct underground conduit, a portion of which Metromedia would lease to City Signal. In March of 2001, however, Metromedia determined not to go forward with construction of the conduit. The City has since reached verbal agreement with City Signal for placing its fiber in the City's rights-of-way along City Signal's intended route. City Signal has agreed to string fiber aerially on certain City streets but to place fiber in conduit along other streets, particularly in the City's older business districts. Some conduit is pre-existing and some conduit will be constructed this summer. Under the agreement, City Signal will pay the City to construct two sets of conduit as part of an overall street resurfacing plan. City Signal will own one set of conduit, which it may use and/or lease to other carriers. The second set of conduit will belong to the City, which it plans to lease to other providers. With respect to the City-owned conduit, the City will pay City Signal seventy-five percent (75%) of all rental payments until City Signal is reimbursed for its capital investment. The City has also agreed to waive certain current and future fees from City Signal. Construction of the conduit is part of an overall street resurfacing plan on which the City will go out to bid within the next two weeks. The City anticipates that construction of the conduit will be finished by late summer or early fall, and City Signal personnel in the Cleveland Heights area have indicated that this schedule meets their timetable. They will withdraw the petition when an agreement between the City and City Signal is signed.

3. Wickliffe. The City has granted permits to City Signal to string fiber aerially along its intended route. According to City Signal personnel, City Signal will begin construction this month.

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The Cities of Cleveland Heights, Wickliffe and Pepper Pike, Ohio are to update Commission staff on the progress of negotiations with City Signal at the end of June.

Very truly yours,

/s/ Janet Alter

Janet Alter

JA:kaw

cc: Christopher L. Gibbon, Esq.
John H. Gibbon, Esq.
Ms. Marjorie R. Greene
Mr. William Johnson
Ms. Claudia Pabo
Ms. Aliza Katz
Mr. Leon Jackler
Ms. Janice Myles
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