

ORDINANCE NO. 182
AN ORDINANCE CREATING AND AWARDDING A
CABLE COMMUNICATIONS FRANCHISE IN THE
CITY OF GREEN ISLE, SIBLEY COUNTY, MINNESOTA

DEFINITIONS

1. "Franchising Authority" is the City of Green Isle ~~Minnesota~~ also referred to as "the City" whose address is 55558 Green Valley.
2. "Franchisee," the grantee of right under this Franchise, is Lake Cable Partners, whose address is 2444 Solomons Island Road, Suite 202, Annapolis, Maryland 21401.
3. "FCC" is the Federal Communications Commission of the United States.
4. "Class IV channel" means a signaling path provided by a cable communications system to transmit signals of any type from a subscriber terminal to another point in the cable communications system.
5. "Non-voice return communications" means the provision of appropriate system design techniques with the installation of cable and amplifiers suitable for the subsequent insertion of necessary non-voice communications electronic modules.
6. The words "shall" and "must" are mandatory.
7. The word "may" is permissive.
8. The words "may not" are unconditionally prohibitive.

GRANT OF AUTHORITY

The City of Green Isle, Minnesota, hereby authorizes a cable communications franchise for the installation, operation and maintenance of a cable communications system within the corporate limits of the City of Green Isle and grants the same to Lake Cable Partners provided, however, that the Franchise shall be subject to the following terms and performance conditions.

14-1-0

1. COMPLIANCE WITH STATE AND FEDERAL LAWS: The Franchise and the Franchising Authority shall conform to all applicable State and Federal laws and regulations regarding cable communications as they become effective.
2. DEREGULATED CABLE SYSTEM: Pursuant to Minnesota Statutes, Chapter 238, the Franchising Authority has, by resolution dated October 1984, voted to remove the system from the provisions of Minnesota Statutes, Chapter 238. The Franchisee shall, however, comply with all State and Federal regulations as the same may apply to the system.
3. FRANCHISE TERMS: The Franchise shall have an initial term of fifteen (15) years, effective from August 1, 1990, and any renewal term, if granted by the Franchising Authority, shall be for a period of time to be mutually agreed upon by and between the City of Green Isle and the Franchisee, but in no event for more than fifteen (15) years.
4. RENEGOTIATION OF FRANCHISE TERMS: Any renegotiation of Franchise terms between the Franchising Authority and the Franchisee shall be in accordance with Telecommunications Act of 1984.
5. NON-EXCLUSIVE GRANT: The Franchisee is hereby granted the continuing right to use and occupy said publicly dedicated streets, alleys and utility easements until the termination of the Franchise.
6. RATES, RATE CHANGE PROCEDURE AND RESIDENTIAL SUBSCRIBER CONTRACTS:
 - A. RATES. Rates for residential subscribers in the initial service area shall be uniform.
 - B. DISCONNECTION OR CHANGE OF SERVICE:
 - 1) The Franchisee shall not charge subscribers for disconnecting from any service of the system.

- 2) In the event a subscriber terminates any monthly service prior to the end of prepaid period, the Franchisee shall refund the pro rata portion of any security deposit or advance payment as of the date of said termination.

C. **RATE CHANGE PROCEDURE.** Should the Franchisee desire an increase in its subscriber rates, the Franchisee shall proceed in accordance with the Telecommunications Act of 1984.

7. **FRANCHISE ADMINISTRATOR:** The only responsibility the City Clerk will have in this Franchise is to be a contact person between the Franchising Authority and the Franchisee.

8. **LIABILITY INSURANCE:** The Franchisee shall indemnify and hold harmless the City of Green Isle at all times during the term of the Franchise and shall maintain throughout the term of the Franchise liability insurance in the amount of One Million Dollars (\$1,000,000) insuring the Franchise with regard to all damages and penalties which the Franchising Authority may legally be required to pay as a result of the exercise of the Franchise.

9. **LIABILITY FOR INJURY TO FRANCHISEE'S FACILITIES:**
Nothing in this Franchise shall relieve any person from liability arising out of the failure to exercise reasonable care to avoid damaging the Franchisee's facilities while performing any work connected with grading, regrading, digging of any sort, changing the line of any street or public place or constructing or reconstructing any sewer or water system.
Notwithstanding anything to the contrary as provided for in this paragraph 9, in the event of an emergency relating to City utilities, the City of Green Isle shall not be liable to Franchisee or its customers for any damages that may be incurred as a result of the City undertaking to repair City utilities in an emergency, provided the City has followed Minnesota law requiring notification to utility companies, including cable television companies.

10. **CHANNEL CAPACITY:** The Franchisee shall construct a cable system with a channel capacity available for immediate or potential use, equal to a minimum of 330 megahertz of Bandwidth (the equivalent of thirty-six (36) channels).

11. CONSTRUCTION SCHEDULE:

- A. Within ninety (90) days of the granting of this Franchise, the Franchisee shall apply for all necessary permits, licenses, certificates and authorizations from Federal, State, and Local governments. Energized cable plant shall be extended through the authorized Franchise area, within six (6) months from the Effective Date of this Franchise, weather permitting, provided there exists a density of at least twenty (20) "homes" per mile of cable plant within each particular area within the Franchise area as determined by the Franchisee. Any "home" that is situated along the route of the energized cable plant that wants to receive cable television service, shall be entitled to have an individual "drop" installed to their "home," within seven (7) months from the Effective Date of this Franchise, weather permitting, provided said drop is 150 feet or less from the energized cable plant. Notwithstanding the foregoing, no "home" in the Franchisee's service area will be arbitrarily refused service; but in recognition of the capital costs involved in unusual circumstances, such as when the distance from distribution cable to connection of service to a particular "home" is more than 150 feet, service may be made available upon the payment to the Franchisee by the subscriber the costs of materials, labor and easements, in order to prevent inequitable burdens on potential cable subscribers in more densely populated areas. The scheduling requirements of this provision may be waived by the Franchising Authority upon occurrence of unforeseen events, acts of God or nature.
- B. All cable plant may be underground in those areas of the Franchise area where public utilities providing both telephone and electric service are underground at the time of installation. In those areas where either telephone or electric facilities are installed above ground, the Franchisee may place its services above ground.

12. NOTICE: The City shall give the Franchisee reasonable notice of undertaking of public improvements which affect the Franchisee's cable communications

equipment. If the Franchisee fails to locate its wires, cable, conduits or other property within thirty (30) days of notice thereto, the City shall not be liable to the Franchisee for any damages that may result from the Franchisee's failure to locate within said thirty (30) day period of time. If the Franchisee fails to relocate its wires, cable, conduits or other property within ninety (90) days of notice thereto, the City may do so at the Franchisee's expense.

13. TECHNICAL STANDARDS: If a complaint is not resolved by the action taken by the Franchisee, the complainant shall file a complaint with the City Council, or its designate, with a statement of the action taken to resolve the complaint and/or to preclude any recurrence of the complaint. The City Council, or its designate, shall cooperate with the Franchisee in rectifying the complaint.

15. REPAIRS AND COMPLAINTS: The cost of repair and maintenance of the system shall be borne by the Franchisee. If service is not restored within forty-eight (48) hours, the subscriber shall be credited on a pro rata basis for such loss of service. Franchisee shall prepare and maintain a record of all complaints made to the Franchisee. Such a record shall indicate the nature of each complaint, the date of each complaint, disposition of each complaint and the date thereof. This record shall be made available for inspection upon request by the City.

16. TRANSFER OR SALE OF THE FRANCHISE, SALE OR TRANSFER OF STOCK: Sale or transfer of this Franchise or sale or transfer of stock so as to create a new controlling interest is prohibited except upon written approval of the Franchising Authority, which approval shall not be unreasonably withheld. Neither this paragraph nor any other paragraph of this Franchise shall preclude the mortgaging, hypothecating, or assigning of certain rights in the System, or the pledge of stock by the Franchisee for the purpose of financing.

17. USE FEE: Franchisee shall pay to the City the sum of \$1,000.00 in advance for the original 15 year term of this franchise, for the use of the City's water tower and land, if any, for the location of any improvements or equipment franchisee may require to provide the City cable television service throughout the term of this franchise.

18. BOND REQUIREMENTS: Franchisee shall furnish a bond to the City in the amount of Five Thousand Dollars (\$5,000.00) before any type of cable television system construction commences (the "Bond"). The Bond shall be required only during the initial construction period and once cable television service has been energized and cable television service is available to the residents of the City, the Bond shall be fully released upon written request by the Franchisee to the City.

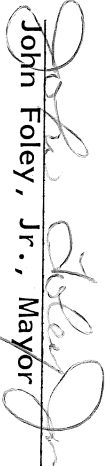
19. EFFECTIVE DATE: This ordinance shall be in full force and effect from and after its date of passage, adoption and publication according to law or at such later time, as may be provided in this ordinance.

PASSED AND ADOPTED by the City Council of the City of Green Isle, Minnesota, this 13 day of August, 1990.

ATTEST:



Carol Schwich, City Clerk



John Foley, Jr., Mayor