

ORDINANCE NO. 80

AN ORDINANCE OF THE CITY OF DUNES CITY, GRANTING A NON-EXCLUSIVE FRANCHISE TO McCAW CABLEVISION LIMITED PARTNERSHIP - FLORENCE, TO OPERATE AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM WITHIN THE CITY LIMITS OF DUNES CITY, AND REPEALING ORDINANCE NO. 26.

THE CITY OF DUNES CITY DOES ORDAIN:

Section 1. Definitions. For the purposes of this ordinance, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

"Basic cable services" are programming information and communications signals transmitted as a package to Grantee's subscribers through Grantee's system over its primary tier of channels for which the subscriber is charged a package rather than a per-channel/per-program monthly fee. These do not include pay cable services.

"Cable communications system", hereinafter referred to as "CATV System" or "system", means a system, within the City's territorial limits, which receives and amplifies signals broadcast by one or more television or radio stations and which re-

ceives or originates other programming by any party, and distributes such signals and programming from a common headend by wire, cable, microwave, satellite, or other means to subscribers for a fee.

"Cable services" means both basic cable services and pay cable services.

"City" is the City of Dunes City, a municipal corporation organized under the laws of the State of Oregon.

"Council" is the City's elected governing body.

"Grantee" means McCaw Cablevision Limited Partnership - Florence, with McCaw Communications of Florence, Inc., an Oregon corporation, as sole general partner, and its lawful successors and assigns in accordance with the provisions of this franchise.

"FCC" is the Federal Communication Commission or any succeeding agency performing similar regulatory functions.

"Gross annual revenues" means any and all compensation, in whatever form, grant, subsidy, exchange, or otherwise, directly or indirectly received by Grantee which is any way related to the operation of its cable communications system. The term does not include any governmental taxes on services furnished by Grantee imposed directly on any subscriber and collected by Grantee.

"Pay cable services" are programs for which Grantee pays a fee other than statutory copyright and common carrier fees on a

per-program, per-channel or per subscriber charge, and do not include programs which are broadcast anywhere and received at any place without the use of special reception devices (such as WTBS) and programs which are included in the basic cable services.

"Person" is any person, firm partnership, association, corporation, company, or organization of any kind.

"Primary tier" refers to the programming offered by Grantee on channels 2 through 13 of its twenty-channel system; or, upon upgrade to a thirty-channel capacity system, on channels 2 through 13 and an additional five channels selected by Grantee.

"Programming" is any and all information transmitted in electronic form on a cable communications system.

"Subscriber" is any person receiving programming from Grantee's cable communications system.

"Territorial limits" is the area within the city limits of the City of Dunes City, as it exists on the effective date of this franchise or as hereinafter expanded through annexation.

Section 2. Grant of Non-Exclusive Authority.

(1) There is hereby granted by the City to Grantee the right and privilege to construct, reconstruct, install, operate and maintain, within the public utility easements and public ways within the territorial limits of the City the facilities and appurtenances necessary for Grantee's cable communications system.

(2) The right and privilege herein granted shall not be exclusive. City may grant similar rights and privileges to any person at any time during the period of this franchise.

Section 3. Compliance with Applicable Laws and Ordinances. Grantee shall, except as provided herein, at all times during the life of this franchise, be subject to and comply with all ordinances and other lawful exercise of the City's power to regulate the health, safety and welfare of the community. Grantee shall also comply with all applicable laws, rules, codes and regulations of the State of Oregon, the FCC, and of any body which may have jurisdiction over Grantee's activities.

Section 4. Governmental Service and Public Access.

(1) Grantee shall provide without charge one outlet for basic cable service to each City buildings, fire station, police station, and public school building within 150 feet of Grantee's cable. The distribution of the cable facility inside such buildings and the extent thereof shall be the option, duty and expense of the building owner.

(2) Grantee in cooperation with the Council will implement a reasonable policy regulating public, educational and local government access to Grantee's cable communications system. Noncommercial public, educational and local governmental programming shall be given priority use on one channel

located on channels 2 through 13.

Section 5. Liability and Indemnification.

(1) Grantee shall defend and pay all claims, damages and penalties which the City may legally be required to pay as a result of granting this franchise or of an action challenging the validity of this franchise. This includes, but shall not be limited to, damages arising out of copyright infringements and all other damages arising out of the installation, operation, or maintenance of the cable communications system authorized herein, whether or not any act or omission complained of is authorized, allowed or prohibited by this franchise.

(2) Grantee shall pay all necessary and reasonable expenses incurred by the City in defending itself against all claims, damages and penalties mentioned in subsection (1) above, including but not limited to reasonable attorneys' fees.

(3) Grantee shall maintain liability insurance throughout the term of this franchise, or any extension thereof, insuring the City and Grantee against all damages mentioned in subparagraph (1) above in the minimum amounts of: (a) \$250,000 property damage in any one accident; (b) \$500,000 for bodily injury or death to any one person; (c) \$1,000,000 for bodily injury or death resulting from any one

accident; or in the minimum amounts established in ORS 30.270 whichever is greater.

(4) Grantee shall furnish proof to the City of the acquisition of insurance as required herein by filing with the City Recorder a copy of the insurance policy, which shall be subject to approval as to form by the City Attorney.

(5) The City shall be named as additional insured and shall receive a 30-day prior written "notice of cancellation" should the insurance policy be terminated.

Section 6. Fair Business Practices.

(1) Grantee shall establish internal procedures for receiving, acting upon, and resolving subscriber complaints in a prompt and timely manner. Complaint procedures and a telephone number shall be given to each subscriber in writing at the time of subscription and shall provide that all complaints shall be made directly to Grantee at its system office. If a subscriber's complaint is not handled as specified in the procedures and if the subscriber suffers serious deterioration in system signal quality at his subscriber's terminal and Grantee fails to correct the deficiency in a timely manner, Grantee shall, unless such failure to correct is caused by events beyond the control of Grantee, be liable to the subscriber for all charges paid by the subscriber to Grantee after the initial complaint.

(2) Grantee shall refund to any subscriber whose service is terminated a pro rata portion of the subscriber's installation and connection charges under any of the following conditions:

(a) If any subscriber terminates service because Grantee fails to render service as required by this franchise;

(b) If Grantee terminates service to any subscriber without good cause; or

(c) If Grantee permanently ceases to operate the cable communications system for any reason, except expiration of this franchise.

The amount of the refund shall be the total connection charges less an amount equal to the total connection charges divided by 36 and multiplied by the number of months the subscriber has received service.

(3) Grantee shall not sell its subscriber lists to any third party for marketing or other purposes unrelated to the provision of cable services hereunder in violation of privacy rights of Grantee's subscribers.

Section 7. System Signal Standards.

(1) Grantee shall comply fully with the rules and standards for cable communications system operations as adopted by the FCC.

(2) Except for signals received off air from outside grade B contours for the signal being received or except for transmission/reception conditions beyond Grantee's reasonable control, the system shall meet or exceed FCC technical standards for cable systems performance.

(3) The City shall have the right and authority to test, analyze and report on the performance of the system at any time at the City's own expense or compel Grantee to do so at Grantee's sole expense.

Section 8. Service Quality Requirements. Grantee shall:

(1) Put, keep, and maintain all parts of the system in good condition.

(2) Transmit signals to all outlets without interfering with other electrical or electronic systems.

(3) Keep system failures to a minimum by locating and correcting malfunctions promptly.

(4) Comply with all standards, specifications and requirements of the FCC concerning signal quality and equipment or facilities affecting signal quality as those standards, specifications and requirements now exist or as they may be amended during the term of this franchise.

(5) No later than 120 days from the effective date of this ordinance, upgrade the existing system to 20 channel



capacity, and no later than eight (8) years thereafter upgrade and replace as necessary the existing system with a system having a 300 MHz capacity or not less than thirty (30) channels capacity which is capable of being modified to provide two-way transmission services throughout the entire system.

(6) Grantee's obligations under subsection (5) of this section may be delayed by the Council to a date certain by the Council because of technological, economic or regulatory changes affecting cable services. The Council's decision under this subsection shall not be arbitrary or capricious nor shall it be subject to arbitration under Section 24.

(7) Grantee shall have in effect and deliver to City during periods of construction required to comply with subsection (5) of this section a performance bond or letter of credit in an amount equal to the sum required to complete the ongoing construction. This bond or letter of credit shall not be required prior to commencement or following substantial completion of such construction periods. A failure by Grantee to deliver and maintain the bond or letter of credit as herein required shall be a material and substantial failure by Grantee and shall permit the City to terminate this franchise pursuant to section 21(e) below.

(8) Grantee shall serve all areas of the City as provided in the service extension policy attached hereto as Attachment A and incorporated herein by this reference.

Section 9. Operation and Maintenance of System.

(1) Grantee shall render efficient service, make repairs promptly and interrupt service only for good cause and for the shortest time possible. Such interruptions, insofar as possible, shall be preceded by notice to subscribers affected and occur during periods of minimum use.

(2) Grantee shall maintain a payment office in the City of Florence which shall be open during all usual business hours, and a 24-hour listed toll-free telephone to provide service to subscribers, and be so operated that complaints and requests for repairs or adjustments may be received at any time.

(3) Subscribers in areas annexed to the City in the future shall be served at the same current monthly rates as other subscribers within the City. However, line extension and installation fees to these areas shall proceed as provided in Attachment A hereto.

(4) Grantee shall notify the City in the event of a material change in its equipment, facilities or services offered not disclosed in previously submitted plans for upgrading the system.

Section 10. Signals and Programming. Except as required by FCC signal carriage rules, Grantee shall confer with the City prior to Grantee making any changes to the signals and programming provided in its basic cable service. The City and Grantee shall confer at least thirty (30) days prior to the date of the proposed change unless circumstances reasonably beyond Grantee's control require a shorter time within which to confer.

Section 11. Use of System. When in the City's judgment an emergency or disaster exists, Grantee shall make available its facilities to the City for emergency use during the emergency or disaster period.

Section 12. Conditions of Street Occupancy.

(1) Grantee shall use its existing poles or existing poles erected and maintained by power and telephone companies whenever practicable (including the right to refuse to agree with such companies if such attachment rates are not reasonable) and whenever agreements with said companies so permit. All transmission and distribution structures, lines, and equipment erected by Grantee within the City shall be so located as to cause minimum interference with other proper use of public utility easements and public ways and places, and to cause minimum interference with the rights and reasonable convenience of property owners who join any of the

public utility easements and public ways and places.

(2) In case of disturbance of any street, sidewalk, alley, public way, or paved area, Grantee shall, at its own cost and expense and in a manner approved by the City, replace and restore such street, sidewalk, alley, public way, or paved area in as good a condition as before the work was done. Said work shall be completed within thirty (30) days of disturbance unless granted additional time by the Council in writing.

(3) If at any time during the period of this franchise the City shall lawfully elect to alter or change the grade of any street, sidewalk, alley, or other public way, or construct or relocate any public improvement, Grantee, upon reasonable notice by the City, shall remove, relay and relocate its poles, wires, cables, underground conduits, manholes, and other fixtures at its own expense.

(4) Grantee shall, upon twenty-four hours' advance written request of any person holding a permit issued by the City, temporarily raise or lower its wires to permit the moving of buildings or equipment. The expense of such temporary removal or raising or lowering of wires shall be paid by the person requesting the same, and Grantee shall have the authority to require such payment in advance.

(5) Grantee shall have the authority to trim trees

upon and overhanging streets, alleys, sidewalks, and public ways and places of the City so as to prevent the branches of such trees from coming in contact with the wires and cables of Grantee, except that at the option of the City, such trimming may be done by it or under its supervision and direction at the expense of Grantee.

(6) In all sections of the City where the cables, wires, or other like facilities of public utilities are placed underground, Grantee shall place its cables, wires or other like facilities underground.

(7) Where telephone or electric power utilities are compensated by property owners for part or all of the cost of relocating facilities underground by the local improvement district method or otherwise, Grantee shall be entitled to receive from said utility or the property owners as the case may be a comparable portion of its undergrounding costs, as a condition to relocating its facilities underground.

(8) Copies of all agreements for joint use of poles and facilities with other utilities shall upon request of the City Recorder be filed with the City.

Section 13. Removal of Facilities upon Request. Upon termination of service to any subscriber, Grantee shall promptly disconnect the service and terminate charges.

Section 14. Preferential or Discriminatory Practices Prohibited.

(1) Grantee shall not, as to rates, charges, service, service facilities, rules, regulations, or in any other thing or action, make or grant undue preference or advantage to any person, nor subject any person to prejudice or disadvantage.

(2) Grantee shall not discriminate against any person in any condition of, or opportunity for employment because of age, sex, race, creed, color or national origin.

Section 15. Transfer of Franchise. Grantee shall not lease, assign or otherwise alienate this franchise without prior approval of the City being granted by ordinance for that purpose, which such approval shall not be unreasonably withheld; PROVIDED, that the City hereby grants its approval to a transfer or assignment of this franchise by Grantee to McCaw Communications Companies, Inc., or to McCaw Communications Companies, Inc.'s wholly-owned subsidiaries or to a partnership in which McCaw Communications Companies, Inc. maintains the controlling interest as a general partner. Grantee shall give the City written notice of any transfer or assignment for which the City has granted its approval herein.

Section 16. Additional City Rights.

(1) The right is hereby reserved to the City Council to adopt, in addition to the provisions contained herein and in existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of its power to regulate the health, safety and welfare, provided that such regulations, by ordinance or otherwise, shall be reasonable and not in conflict with the rights herein granted.

(2) The City shall have the right to make reasonable inspections of books, records, maps, plans, financial statements and other like materials of Grantee relating to the system, its rates, equipment and service record at any time during normal business hours for the purpose of verifying compliance with the provisions of this franchise; PROVIDED that all such materials shall be kept confidential by the City and not disclosed to any other parties without the advance written consent of Grantee.

(3) The City shall have the right, during the life of this franchise, to install and maintain free of charge upon the poles of Grantee any wire and pole fixtures necessary for a police or fire alarm system, on the condition that such wire and pole fixtures do not interfere with the system operations of Grantee.

(4) The City shall have the right to make inspections as it shall find necessary to insure compliance with the terms of this franchise and other pertinent provisions of law, upon giving Grantee reasonable advance notice and an opportunity to address the City in response to its concerns.

(5) Except for abandonment as defined in Section 21(1)(f), at the expiration of the term for which this franchise is granted or any renewal thereof, or upon its termination as provided for herein, the City shall have the right to require Grantee to remove at its own expense all portions of the system from all public utility easements and all public ways within the City or, if Grantee fails to so remove the system, the City shall have the right to purchase Grantee's system at its fair market value. In the event Grantee abandons the system, the City shall have the right to possess all such abandoned equipment without compensation to Grantee.

Section 17. Maps and Reports.

(1) Grantee shall upon request of the City Recorder file with the City true and accurate maps of all existing and proposed installations.

(2) Grantee shall submit to the City on or before September 30 of each year, an annual report for the year ending June 30, signed by the president, vice president,



treasurer or general manager of Grantee, which shall show the number of subscribers and the subscriber revenues received for each of the existing rate classifications.

(3) Grantee shall submit such other reasonable information as the Council shall request with respect to Grantee's financial condition, properties and expenses and to Grantee's performance of this franchise.

Section 18. Payment to City. Grantee, as payment to the City for the privilege of engaging in a cable television business in the City and using the public ways, shall pay the City an annual amount equal to three percent (3%) of Grantee's gross annual revenues for each fiscal year of this franchise or portion thereof, commencing on July 1 and terminating on June 30. Except as provided in this franchise, no other fee, license, rent, charge, tax, consideration or payment of any form whatsoever shall be imposed on Grantee during the existence of the franchise. Such payments shall be made quarterly within forty-five (45) days of the end of the quarters ending on September 30, December 31 and March 31. The payment for the quarter ending June 30 shall be made on or before the September 30 and shall contain a reconciliation of the under or over payment based on the actual gross annual revenues.

Section 19. Rates and Charges.

(1) Except as provided in subsection (3) of this

section Grantee shall have the right to charge and collect compensation from all persons, firms and corporations to whom it may furnish cable services. The subscriber rates and charges shall at all times be reasonable, fair, just and equitable. The rate for basic cable service shall be maintained consistent with other services provided and adjustments in capital and operating costs. The Council reserves the right to require Grantee to charge such reasonable rates and charges for its basic cable service and installation services. The Council may also require that Grantee provide sufficient data reasonably necessary to ensure that such rates are equitable, fair, just and reasonable.

(2) The Grantee's installation charges shall be sufficient to recover the true cost of the service. For promotional purposes, Grantee may periodically reduce its installation charges below the true cost.

(3) Not less than ten (10) days prior to a regular meeting of the Council, Grantee shall give written notice to the City of the Grantee's intention to adjust its rates or charges for basic cable services or for installation services together with sufficient data reasonably necessary to insure Grantee's proposal complies with this section, and specifying the effective date of the change. A copy of the written notice shall also be sent to individual members of the

Council. At the regular meeting at least ten (10) days after receiving the notice, the Council may elect to review the Grantee's proposed rates and charges for compliance with subsection (1) of this section. If City fails to make such an election at that meeting, the adjustments shall be effective on the date designated in the Grantee's notice.

However, if City does elect at that meeting to review Grantee's proposed adjustments, City will proceed to review the adjustment and provide Grantee at all times with an opportunity to be heard. City's final approval, modification or rejection of the proposed adjustments shall be rendered within forty-five (45) days following the initial council meeting. City's approval of the adjustment shall not be unreasonably withheld.

(4) Any adjustment of rates or charges proposed by Grantee and approved by the Council under subsection (3) of this section shall be in effect for at least six (6) months during which time Grantee shall not propose any other adjustments in its rates and charges.

(5) Grantee shall file with the City the schedule of rates and charges in use by Grantee.

Section 20. Franchise Review.

(1) Provided at least twelve (12) months has passed since completion of a prior review hereunder, at any

time in the discretion of either the City or Grantee, and at least every third year during the term of the franchise, the City and Grantee may review the parties' franchise performance, generally, and in particular, the following matters:

- (a) Use of basic cable service channel capacity;
- (b) Service extension policies set forth in Attachment A, including, but not limited to, changes in the areas to be served by Grantee;
- (c) Technical adequacy of the system, including but not limited to, picture quality, two-way transmission capability (after 1991), and compliance with standards set forth in Section 7;
- (d) New technological, regulatory, or legal developments affecting the franchise, Grantee's operation, or the City's regulatory authority hereunder, and including changes in FCC authority, rules or regulations;
- (e) The franchise fee set forth in Section 18; and
- (f) Cable services available in comparable communities of comparable size, geography, economy and cable history.

(2) Except when executive sessions are authorized

by ORS 192.660, Grantee shall be represented at the Council meetings reviewing the franchise performance by a representative authorized to speak on behalf of Grantee on questions of corporate practice, policy, plans, or other matters concerning the cable communications system. Grantee shall attend and negotiate at such meetings in good faith and with the purpose of earnestly considering and responding to all reasonable requests of the City relating to modifications or improvements necessary to maintain the standards set forth in this franchise.

(3) Any breaches of this franchise, particularly including a breach under subsection (1) or (2) of this section which the parties are unable to resolve after good-faith negotiations in the course of these review proceedings, shall be submitted to binding arbitration pursuant to Section 24 herein.

Section 21. Termination of Franchise.

(1) In addition to all other rights and powers pertaining to the City by virtue of this franchise or otherwise, the City reserves the right to terminate by ordinance this franchise and all rights and privileges of Grantee hereunder, in the event that Grantee:

(a) Fails, after sixty (60) days' notice in writing given by certified mail, return receipt

requested, to it by the City, to remedy the violation of any provision of this franchise or any rule, order or determination of the Council made pursuant to this franchise;

(b) Becomes insolvent, unable or unwilling to pay its debts, or voluntarily or involuntarily becomes the object of a judgment in bankruptcy;

(c) Attempts to transfer or assign any right or obligation under this franchise contrary to the terms of Section 15 above;

(d) Fails to disclose or misrepresents a material fact under the terms of this franchise or fails to provide the services required by this ordinance;

(e) Fails to perform any other material and substantial obligation under this franchise within ten (10) days after receiving written notice of such performance demanded by the City; or

(f) Abandons the system by failing to take steps reasonably necessary to reestablish cable television transmissions to its subscribers within ten (10) business days after receipt of notice of abandonment from City, or by failing within sixty (60) days following termination to remove all portions of the system from all public utility easements and public ways;

provided that no termination shall result if the failure is due to causes beyond the reasonable control of Grantee.

(2) Such termination shall be by ordinance duly adopted after thirty (30) days' notice to Grantee and shall in no way affect any of the City's rights under this franchise or any provision of law, provided, before this franchise may be terminated under this section, Grantee must be provided with an opportunity to be heard before the Council.

Section 22. Duration and Acceptance of Franchise.

(1) This franchise and the rights, privileges, and authority hereby granted, shall take effect as provided in Section 26 of this ordinance and shall continue in force and effect for a term of twenty (20) years from the date of passage of this ordinance, provided that prior to the effective date of this ordinance Grantee and Florence Cable TV, Inc. shall file with the City Recorder its unconditional acceptance of this franchise and Grantee shall promise to comply with and abide by all its provisions, terms, and conditions. The acceptance and promise required in this paragraph shall be in writing. Execution of this franchise by Grantee and Florence Cable TV, Inc. where indicated shall be deemed such acceptance of this franchise as of the date of passage of this ordinance.

(2) Should Grantee and Florence Cable TV, Inc. fail to comply with subsection (1) above, neither shall acquire any rights, privileges or authority whatever under this ordinance.

(3) The acceptance of a franchise granted under this ordinance shall be deemed to constitute surrender by Grantee and Florence Cable TV, Inc. of any right to operate a cable communications system in the City under or by virtue of any cable franchise granted by the City to Florence Cable TV under Ordinance 26.

Section 23. Separability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 24. Arbitration. Except as otherwise expressly provided in this ordinance, any controversy regarding either party's performance or decisions under this ordinance, or regarding the terms, conditions or meaning of this ordinance shall be submitted to arbitration. Either party may request arbitration upon ten (10) days' prior written notice. If the parties cannot agree to a single arbitrator within ten (10) days of the notice, each party shall have five (5) additional days to



select a person to represent the party and the two representatives shall, within five (5) days, select an impartial third person to complete a three member arbitration panel. The panel shall conduct the arbitration in accordance with the provisions of Oregon Revised Statutes Chapter 33 or the future corresponding provisions of any such law. The arbitrators shall assess all or part of the cost of arbitration, including attorneys' fees to one or both parties.

Section 25. Notice. When City or Grantee are required by this ordinance to give notice to the other, it shall be given by certified mail to the following addresses:

To Grantee at: P. O. Box S  
Florence, Oregon 97439

c/o McCaw Communications Companies  
P. O. Box 3867  
Bellevue, Washington 98009

c/o Monroe & Perry  
Suite 4010 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104

To City at: c/o City Recorder  
P. O. Box 97  
West Lake, Oregon 97493

City or Grantee may change any of the above addresses anytime upon written notice to the other.


Section 26. Effective Date. The franchise hereby granted shall be effective upon the written acceptance of this ordinance by Grantee and Florence Cable TV, Inc. and upon notice

to City that the sale of limited partnership interests in Grantee is complete, or that, at Grantee's discretion, Grantee has received from McCaw Communications Companies, Inc. funding required to fully perform this franchise, either of which events shall occur no later than ninety (90) days following adoption and approval by the Council. The ninety (90) day period herein provided may be extended by the Council at its discretion upon Grantee's request showing good cause for the requested extension.

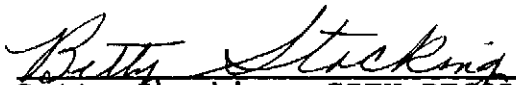
Section 27. Repealer. Ordinance No. 26 is hereby repealed upon the effective date set forth in Section 26 above.

PASSED BY THE COUNCIL OF DUNES CITY this 22 day of

September, 1983.

  
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Robert Petersdorf, MAYOR  
Dunes City, Oregon

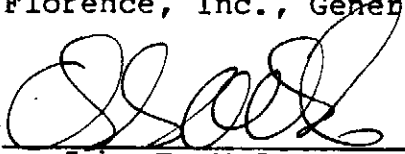
ATTEST:

  
\_\_\_\_\_  
Betty Stocking, CITY RECORDER

McCaw Cablevision Limited Partnership—Florence unconditionally accepts the terms of this franchise and promises to comply with and abide by all of its provisions, terms and conditions.

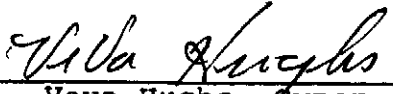
MCCAW CABLEVISION LIMITED  
PARTNERSHIP - FLORENCE

By McCaw Communications of  
Florence, Inc., General Partner

By   
John E. McCaw, Jr.  
Vice President/Secretary

Florence Cable TV, Inc. unconditionally accepts this Ordinance with its repeal of Ordinance No. 26 entitled "AN ORDINANCE GRANTING TO FLORENCE CABLE TV A FRANCHISE TO STRETCH WIRES AND CABLES AND APPURTENANT STRUCTURES OVER AND UNDER THE STREETS AND ALLEYS OF THE CITY OF DUNES CITY, AND TO MAINTAIN AND USE THE SAME AS A COAXIAL CABLE DISTRIBUTION SYSTEM FOR TELEVISION AND OTHER SIGNAL DISTRIBUTION OF SUBSCRIBERS' RESIDENCES AND TO BUSINESSES AND PUBLIC ESTABLISHMENTS FOR TEN YEARS WITH AN OPTION FOR AN ADDITIONAL TEN YEARS, REGULATING THE RATES OF SUCH SERVICE, AND DECLARING AN EMERGENCY".

FLORENCE CABLE TV, INC.

By   
Veva Hughs, Owner

ATTACHMENT A  
SERVICE EXTENSION POLICY

(A) Service shall be extended to any area at such time as the area to be served has the equivalent of fifty (50) homes per cable mile requesting service and giving firm orders accompanied by payment of all rates and charges required by Grantee's current schedule of rates and charges.

(B) Service to areas with less than the equivalent of fifty (50) homes per cable mile shall be extended only if the Grantee receives a deposit and an installation charge set in Grantee's schedule of fees and charges.

(C) In new subdivisions, if a developer agrees to pay a negotiated deposit not to exceed the cost of trench and cable plant, Grantee shall make cable service available from the date the first subscribers move into the subdivision.

(D) At the same time utilities are being installed in new subdivisions inside the territorial limits of the City, Grantee in cooperation with the developer shall install cable lines. The deposit required by Paragraph B or C may be waived if a development plan approved by the City demonstrates fifty (50) living units per cable mile are planned. Service shall be made available from the date of the first move-in regardless of density.