

ORDINANCE NO. 18

AN ORDINANCE GRANTING TO NORTHLAND CABLE PROPERTIES FIVE LIMITED PARTNERSHIP, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO LOCATE, CONSTRUCT, MAINTAIN AND OPERATE A CABLE TELEVISION SYSTEM IN THE CITY OF LOG CABIN, TEXAS; AUTHORIZING THE USE, RIGHT, PRIVILEGE, POWER AND AUTHORITY TO CONSTRUCT, MAINTAIN, OPERATE AND REMOVE IN, OVER AND ACROSS THE STREETS, AVENUES, PARKWAYS AND ALL OTHER PUBLIC PLACES THE NECESSARY EQUIPMENT FOR THE OPERATION OF A CABLE TELEVISION SYSTEM AND ELECTRONIC DISTRIBUTION NETWORK IN THE CITY OF LOG CABIN, TEXAS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOG CABIN, TEXAS:

SECTION 1. The word "City" shall mean the City of Log Cabin, Texas and the word "Grantee" shall mean Northland Cable Properties Five Limited Partnership. "Cable System" shall mean the cables, wires or other electrical conductors and equipment used or to be used to originate or receive television or radio signals directly or indirectly off-air or via satellite and to transmit them on the Cable System to subscribers for a fixed or variable fee, including the origination, receipt, transmission, and distribution of voices, sound signals, pictures, visual images, digital signals, telemetry, or any other type of closed circuit transmission by means of electrical impulses, whether or not directed to originating signals or receiving signals off the air.

SECTION 2. There is hereby granted to Grantee the right, privilege and authority to construct, lay, maintain and operate, and remove a system of poles, wires, conduits, and other fixtures in, upon and across, along, under and over the streets, alleys, parkways, public grounds and all other public places in the City for the purpose of constructing, maintaining and operating a Cable System in the City. This franchise is not exclusive, and the City reserves the right to grant a similar use of streets, alleys, parkways, public grounds, ways and other places to any other person at any time during the term of this franchise; provided, however, that no such grant of authority shall be upon terms and conditions more favorable to such grantee than the terms and conditions herein contained. However, grantee acknowledges and agrees that there is litigation currently pending over the use, authority and the control of the streets and roadways in the City. Accordingly, it shall be the duty and responsibility of Grantee to secure any other permission or grant for the use of City streets herein for its work under this ordinance. Nothing herein shall be deemed to be an admission by the City that it does not have control and authority concerning the use of its streets and roadways. Rather this is inserted for protection of the City and Grantee in light of the fact that litigation is currently pending regarding the use of the authority over said streets, roadways, and alleyways.

SECTION 3. This franchise shall be effective from and after the date hereof and shall remain in full force and effect for a period of fifteen (15) years. With the consent of the

City, which consent shall not be withheld unreasonably, this franchise shall be extended for an additional fifteen (15) years after the expiration of the primary term under the same terms and provisions.

SECTION 4. Grantee shall defend the City against all lawful claims for injury to any person or property caused by the installation and operation of the Cable System or by the Grantee in the construction or operation of its property; and Grantee does hereby agree to indemnify and hold the City harmless from (i) any injury to any person or property as a result of the installation, construction, repair, extension or maintenance of its equipment or the operation of its business and (ii) all reasonable costs and expenses (including reasonable legal fees and costs and other experts' fees and costs), incurred or suffered by the City in connection with the foregoing.

SECTION 5. All installations of equipment shall be of a durable nature and placed in such locations so as not to unreasonably interfere with the rights of the public or individual property owners, and shall not unreasonably interfere with the travel and use of public places by the public. Grantee agrees to comply with such ordinances as the City may now have or may pass hereafter regulating the installation and maintenance of such equipment.

SECTION 6. Grantee shall have the right to operate a Cable System during the term, or extension thereof, of this franchise, and have the right to extend its distribution system upon the streets, alleys, and public grounds of any addition or additions

hereafter made to the City's territory and to use the streets, alleys and public grounds to continue to points beyond the corporate limits of the City.

SECTION 7. Grantee shall at all times during the existence of this franchise, maintain insurance as follows:

- (a) Workman's Compensation Insurance in accordance with the laws of the State of Texas;
- (b) Insurance to protect the City and Grantee from and against any and all claims, injury and damage to persons or property, both real and personal, caused by the construction, erection, operation or maintenance of any aspect of the Cable System;
- (c) Automobile liability insurance; and
- (d) Property damage insurance.

Grantee shall furnish a certificate of insurance to the City outlining this coverage and the limits.

SECTION 8. Failure or refusal to observe the terms and provisions of this franchise by Grantee, its successors and assigns, shall entitle the City to cancel and terminate this franchise and all rights hereunder. The City may exercise such right one hundred eighty (180) days after serving written notice upon Grantee setting forth in detail the nature of Grantee's failure to observe the terms hereof, and upon refusal by Grantee during the said period to commence performance or action as requested by said notice.

Grantee shall notify the City of the intended date of initiation and completion of installation and construction.

SECTION 9. All provisions of law provided and prescribed for the granting of this franchise are hereby declared to have

been fully complied with, and this franchise shall be in full force and effect from and after its execution and approval.

SECTION 10. The Cable System shall be and shall remain in substantial compliance with the specifications and requirements promulgated by the Federal Communications Commission or any successor agency of the federal government.

SECTION 11. The franchise granted hereby may be sold, transferred, hypothecated, leased, assigned, or disposed of by Grantee in whole or in part at any time and from time to time, but only with prior written consent of the City which consent shall not be unreasonably withheld.

SECTION 12. Grantee, upon seventy-two (72) hours written notice, will adjust, raise or lower its wires temporarily to permit the moving of houses or other bulky structures; provided, however, that the party making such request shall pay all reasonable costs and expenses associated with same. The minimum height of all wires shall conform to all applicable codes which may now be in effect or become effective hereafter. Grantee may, but shall not have any obligation or duty to, trim trees overhanging the streets, alleys, sidewalks and public places of the City to the extent necessary to prevent the branches from coming into contact with the wires or cable of Grantee.

SECTION 13. As compensation for the privileges granted hereby, Grantee shall pay to the City a franchise fee in an amount equal to three percent (3%) of the gross annual subscription receipts (less federal, state and local sales or other taxes, copyright and other royalty payments and the direct

costs of programming distributed) from Grantee's sale of basic cable television services to residents in the City. Such fee shall be due and payable on the first day of February in the year following the date on which Grantee first commences cablecasting on the Cable System, and the first day of February annually thereafter.

PASSED, APPROVED AND ADOPTED on this the 13 day of August, 1988 by the City of Log Cabin, Texas.


Mayor

ATTEST:


~~City Clerk~~

MAYOR PRO-TEM

:4107