

TO BE ENTITLED: "AN ORDINANCE GRANTING A FRANCHISE TO BULLITT COUNTY COMMUNICATIONS, INC., ITS SUCCESSORS AND ASSIGNS, TO OWN, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF HUNTERS HOLLOW KENTUCKY, SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OR FRANCHISE AND PROVIDING FOR REGULATIONS AND USE OF SAID SYSTEM BY SAID CITY."

ORDINANCE NO. 5

SECTION 1: Short Title. This Ordinance shall be known and may be cited as the "City of Hunters Hollow Cable Television Ordinance".

SECTION 2: Definitions. For the purpose of this Ordinance, the following terms, phrases, words and their derivation shall have the meaning given herein, unless the context clearly indicates that a different meaning is intended. When not inconsistent with the context, words used in the present tense include the future tense, 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.

(1) "Cable Television System" or "System" shall mean a system of antennas, cables, wires, lines, towers, wave guides, or any other conductors, convertors, equipment or facilities designed and constructed for the purpose of producing, receiving, amplifying and distributing audio, video and other forms of electronic electrical signals, including the necessary auxiliary equipment that could be altered to provide two-way capability return, located in the City of Hunters Hollow.

(2) "City" is the City of Hunters Hollow in the State of Kentucky.

(3) "Company" is the grantee of rights under this Ordinance awarding a franchise and is known as Bullitt County Communications, Inc.

(4) "Cable Subscriber Revenues" shall mean all basic service revenues derived directly by the grantee in connection with the operation of the system pursuant to this Ordinance.

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

(6) "Pay Television" means the delivery over the CATV System of video signals in intelligible form to subscribers for a fee of or charge (over and above the charge for Basic or Expanded Subscriber Service) on a per program or per channel basis.

SECTION 3: Qualifications of Grantee in Grant of Authority.

A public hearing concerning the application of the Company for the franchise herein granted was held on the 18th day of April, 1981 at 7:30 p.m. at The Mayor's Home, Hunters Hollow, Kentucky. Public Notice invited all interested persons to participate in the hearing and to comment upon the legal, character, financial, technical and other qualifications of the Company to construct and operate a Cable Television System in the City, and said Public Notice further invited all interested persons to comment upon the adequacy and feasibility of the Company's arrangements for the construction for such a Cable Television System in the City. Public hearings having been held on the date and at the place stated hereinabove, and said public hearing having been fully open to the public, and the City having received at said public hearing all comments regarding the qualifications of the Company to receive this franchise, the City hereby finds that the Company possesses the necessary legal, technical, character, financial and other qualifications, and further finds that the Company's construction arrangements are adequate and feasible, and that therefore the City hereby grants to the Company a non-exclusive franchise, right and privilege, to construct,

erect, operate, modify and maintain in, upon, along, across, above, over, and under the highways, streets, alleys, sidewalks, public ways and public places now laid out or dedicated and all extensions thereof, and additions thereto, in the City, poles, wires, cables, underground conduits, manholes and other television conductors and fixtures necessary for the maintenance and operation in the City of a Cable Television System for the purpose of distributing television and radio signals, and other electronic impulses in order to furnish television and radio programs, and various communications and other electronic services to the public. The right so granted includes the right to use and occupy said streets, alleys, public ways and public places and all manner of easements for the purposes herein set forth. The right so granted is subject to the restrictions hereinafter contained and set forth in this Ordinance and further is subject to such reasonable conditions and restrictions as hereinafter may be imposed by the City.

SECTION 4: Liability and Indemnification. The Company shall pay, and by its acceptance of this franchise the Company expressly agrees that it will pay, all damages and penalties and other costs, including reasonable attorneys' fees, which the City may legally be required to pay or which the City may incur as a result of the Company's negligence in the installation, operation or maintenance of the Cable Television System authorized herein. The City shall notify the Company's representative in the City within forty-five (45) days after the presentation of any claim or demand to the City, either by suit or otherwise, on account of any negligence or contract as aforesaid on the part of the Company. The Company shall carry

and pay the cost of the following liability insurance in support of its undertaking to hold the City harmless from loss sustained by the City on account of the negligence of the Company, in at least the amounts indicated below for injury to or death of persons and injury to or destruction of property.

- (1) \$100,000.00 for property damage to any one person.
- (2) \$200,000.00 for property damage in any one accident.
- (3) \$100,000.00 for personal injury to any one person.
- (4) \$300,000.00 for personal injury in any one accident.
- (5) \$2,000,000.00 umbrella liability coverage.

In addition, the Company agrees to hold the City harmless and protect the City, bearing all expenses including reasonable attorneys' fees and all other costs whether or not such claims, damages or costs are covered by insurance.

The Company shall comply with all provisions of the Workmen's Compensation laws of the State of Tennessee and the Federal Government and Tennessee's Employment Security laws (including unemployment compensation), and with all State and Federal laws regulating the operation and maintenance of business enterprises and the employment of personnel.

SECTION 5: Local Office: Complaint Procedures.

(1) The Company shall maintain within the City a local business office or designated agent for the purpose of receiving and resolving all complaints regarding the quality of service, equipment malfunctions and other similar matters. The provisions of this Section shall be complied with if the Company maintains a local business headquarters office within ten (10) airline miles of the principal coordinates of the City; or provides the City Clerk's office the name, address and telephone number of a designated person who will act as the Company's agent to receive

complaints regarding quality of service, equipment malfunctions and other similar matters. The local office shall be open to receive any inquiries or complaints from subscribers during normal business hours.

(2) The Company shall provide a telephone number at which subscribers may contact the Company or agent thereof on a twenty-four hour basis in the case of emergencies, and shall list such number in the local city telephone directory, and shall notify its subscribers of such service.

(3) Complaints by any subscriber may be filed with the Company in writing or delivered to the Company orally in person or by means of the telephone.

(4) Any complaints received from subscribers shall be investigated by the Company and acted upon as soon as possible, but at least within three (3) business days of their receipt.

(5) The Company shall keep a maintenance service log that will indicate the nature of each complaint, the name of the employee of the Company receiving the complaint, the date and time it was received, the disposition of the complaint and the time and date thereof. In said log the Company shall state the specific steps taken by the Company to remedy the complaint. This log shall be made available for periodic inspection by the City.

(6) The Company shall maintain the staff and facilities needed to handle properly, system maintenance and complaints.

(7) The Company shall maintain a duty roster or qualified technicians to respond to complaints or malfunctions at other than normal office hours.

SECTION 6: Condition or Road Occupancy.

(1) The Company may enter into one or more contracts with

the City, or other appropriate agencies or the owner or lessee of any poles located within the City to whatever extent such contract or contracts may be expedient and of advantage to the Company in furnishing the service covered by this franchise to its customers.

(2) The Company's system, poles, wires and appurtenances shall be located, erected and maintained so that none of its facilities shall endanger or interfere with the lives of persons, or interfere with any improvements the City may deem proper to make, or hinder unnecessarily or obstruct the free use of the streets, alleys, bridges, easements or public property.

(3) If at any time during the period of the franchise the City shall lawfully elect to alter or change the grade of any street, sidewalk, alley, or other public way, the Company 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) The Company shall on the request of any person holding a building permit issued by the City, temporarily raise or lower its wires or relocate such wires if the circumstances so necessitate to permit the moving of buildings or the construction of any buildings. The expense of such removal, relocation or raising or lowering of wires shall be paid by the person requesting the same, and the Company shall have the authority to require such payment in advance.

(5) The Company shall provide a copy of the plans and specifications for all construction within; upon or adjacent to City streets, alleys, or other public ways and places, and shall deliver a copy of such plans and specifications to the City.

(6) The Company shall comply with all Federal and State rules and regulations now in force or which may hereinafter be put into force with respect to proper installation and construction of lines, cables, wiring and other electronic equipment authorized by this Ordinance.

(7) The Company shall use only new cables and equipment with such shielding and protective devices as may be necessary to insure the best possible service. No splices in the cable system shall be permitted, except at such places and under such circumstances as shall be absolutely necessary in the installation of the system, and in such cases such splices shall be done in a good and workmanlike manner and in such way as to prevent any leakage or interference. The Company shall, at its own cost and expense, move its lines, cables, wiring, towers and other appurtenances to other locations when the City, through its authorities, may require such removal for the safety and convenience of said City and other franchise holders and inhabitants affected thereby.

(8) The Company shall strictly adhere to all building and zoning codes currently or hereafter in force. The Company shall arrange its lines, cables, and other appurtenances on both public and private property, in such a manner as to cause no unreasonable interference with the use of said public or private property by any person. In the event of such interference, the City may require the removal of the Company's lines, cable and appurtenances from the property in question.

SECTION 7: Records and Reports. The Company shall keep full, true, accurate and current books of account reflecting its investment, its assets and liabilities, and its operating income and expenses under this franchise, which books and records shall

be made available for inspection and copying by the City at all reasonable times. The Company shall furnish to the City an annual accounting of all Company books and financial records. The annual accounting shall be furnished the City within forty-five (45) days subsequent to the close of each fiscal year of the Company. If within such time the Company shall fail to furnish the City such accounting, the City shall have the right to demand an annual audit of all Company books and financial records by an independent Certified Public Accountant who shall conduct such audit and shall certify the annual reports furnished by the Company to the City according to generally accepted accounting principles.

The Company shall, upon written request, supply the County with copies of all records, reports and documents relating to the operation, management and financial status of said Company and required by a City, State or Federal agency.

SECTION 8: Rates. The Company's initial rates for service rendered to normal residential and commercial customers shall not exceed the following schedule:

	<u>Residential</u>	<u>Commercial</u>
Installation	\$25.00	At Cost
2nd Set Installation at Same Time or Relocation	10.00	At Cost
Monthly Service Charge for 1st Set	7.00	\$ 7.00
Monthly Service Charge for HBO	7.50	
Monthly Service Charge for 2nd and Each Additional Set	3.00	Subject to Negotiation But Not To Exceed Residential Rates

The Company shall have the right, at its sole option, to increase the rates listed above by an amount not to exceed the percent of annual increase in price reported by the United States Department of Labor (All Products-Urban Areas).

Any such increase shall not exceed in percentile amount of such price increase since the later of:

- A. The date of the final passage of this Ordinance.
- B. The date of the most recent price increase.

No increase in rates or charges in excess of such percentage increase shall be made unless authorized by the City subsequent to the holding of a public hearing in accordance with the provisions of Section 10, hereof, except for increases in normal City, County or State sales taxes. It is understood that the Company has the right to decrease at will any of the above rates for sales or promotional purposes.

The Company may, from time to time, introduce new services or new categories of service at fair and reasonable rates which shall be established by the Company. The City may review such rates annually and after a public hearing may set rates other than those established by the Company. In this event, the Company may continue such service at the new rates or may at its option, elect to discontinue such service.

If any subscriber fails to pay a properly due monthly subscriber's fee, or any other properly due fee or charge, the Company may disconnect the subscriber's service outlet. Upon payment of the delinquent fee or charge, and the payment of a reconnection charge, the Company shall promptly reinstate the subscriber's cable service.

SECTION 9: Sanctions and Procedures for Enforcement.

- (1) The City shall have the right to conduct an inquiry,

the financial condition of the Company, and such inquiry, proceedings and investigation shall be directed pursuant to instructions from the Board of Mayor and Aldermen.

SECTION 10: Foreclosure, Receivership. Within one hundred and twenty (120) days subsequent to the appointment of a Receiver, or Trustee, and to the take-over and conducting of the business of the Company, whether in Receivership, re-organization, bankruptcy, or other action or proceeding, such Receiver, or Trustee, shall make a determination of whether it will agree to be bound by the provisions of this Ordinance, and shall make known such determinations to the City.

SECTION 11: Abandonment.

(1) If the Company ceases to use any part of the system located on public property or public easements for a period of twelve (12) months, or if any portion of the system has been installed on public property or easements contrary to the requirements of this Ordinance, it shall be considered abandoned property. Abandonment shall also be presumed when the Company's franchise has been terminated, cancelled or expired, or when the Company has ceased to operate the system and no employee, officer or agent can be found in the City.

(2) When the City deems any portion of the system to be abandoned, it shall notify the Company by a letter addressed to the Company's office of the classification of the portion of the system considered abandoned.

(3) The Company may for a period of ninety (90) days after the mailing of the notice request a hearing before the City Court to request a change in system status or permission to remove from the system items of significant value if removal does not damage

equipment to be abandoned in place.

(4) The City may further require the Company to remove the abandoned property or may dispose of the property at the expense of the Company or may appropriate the property to the use of the City or any other Company.

SECTION 12: The Franchise Term. The franchise granted the Company herein shall be terminated twenty (15) years from date of grant, subject to renewal on the same terms and conditions as contained herein or on such different or additional terms and conditions as may be lawfully specified by the City Court and as are not inconsistent with the applicable requirements of the Federal Communications Commission.

SECTION 13: Commencement of Construction. Upon grant of this franchise to construct and maintain a cable television system, the Company may enter into one or more contracts with the City, or other appropriate agencies, or the owner or lessee of any poles or posts located within the City for the use of poles and posts necessary for proper installation of the system, may obtain right-of-way permits from appropriate State, County and Federal officials necessary to cross highways or roads under their respective jurisdictions to supply main trunk lines from the Company's receiving antennas, may obtain permission from the Federal Aviation Authority to erect and maintain antennas suitable to the needs of the system and its subscribers, and may obtain whatever other permits a City, County, State or Federal Agency may require. In the construction, installation and maintenance of this system, the Company will use steel, cable and electronic devices, all of specialized and advanced design and type all conforming to the most advanced design and type available and in accordance with the best state-of-the-art

equipment available, and will utilize and furnish in the construction of the system, the Company will employ personnel with training, skill and experience in electronics and communications. If in the event of a war or other similar national emergency, either material or personnel of this sort will not be available to the Company for its system, then substitutions may be made.

SECTION 14: Operational Standards. The Company shall provide a system that: (a) is designed and rated for 24-hour a day continuous operation; (b) is capable of and will produce a picture upon any subscriber's television screen in black and white or color (provided that the subscriber's television set is capable of producing a colored picture) that is undistorted and free from ghost images and accompanied by proper sound, assuming typical standard production sets are in good repair; and that the television transmission is satisfactory; in any event, the picture produced shall be as good as the state-of-the-art allows; (c) is capable of and will receive, transmit or distribute signals of adequate strength to produce good pictures with good sound at all television receivers of all subscribers and to all other designated locations without interfering with other electrical or electronic systems or the reception of other television or radio receivers in the area not connected to the system; (d) is installed with the capability of offering two-way capability or return service; and (e) will conform to all of the technical requirements of the Federal Communications Commission in all regards, particularly with respect to picture quality and spurious radiation. The Company shall render efficient service, make repairs promptly and interrupt service only for such good cause and for the shortest possible time.

Such interruptions insofar as possible shall be preceded by notice and shall occur during periods of minimum use of the system.

SECTION 15: Construction Schedule.

(1) Within one hundred (100) days after the award of all F.C.C. Certificates and required authorizations, the Company shall proceed with due diligence to obtain all necessary permits and authorizations which are required in the conduct of its business, including but not limited to municipal permits, any utility joint use attachment agreements, micro-wave carrier licenses, and any other permits, licenses and authorization to be granted by duly constituted regulatory agencies having jurisdiction over the operation of CATV Systems, or their associated micro-wave transmission facilities.

(2) Within one (1) year from the date the Federal Communications Commission certifies that the Company's plans for cable television operations in and for the City comply with its rules and regulations governing cable television, the Company shall extend energized trunk cable and shall provide service capability in accordance with the provisions of this Ordinance.

(3) The system shall be constructed, operated and maintained in a workmanlike manner so as to afford all reasonable safeguards to the public and so as not to interfere with public traffic. All initial construction on the system shall be completed within one hundred eighty (180) days of its beginning date. All later construction and repairs or maintenance shall be accomplished using due diligence and all deliberate speed.

(4) During the existence of this franchise and any subsequent renewals thereof, the Company shall continue to extend cable television service to those areas that subsequently become

incorporated into the City. Such extension of service shall be provided on a non-discriminatory basis and shall be provided within such time as the City shall determine, provided any newly annexed area has a density of thirty-five (35) homes per strand mile and is contiguous to an area in which cable television service is provided by the Company.

SECTION 16: Free Extension of Facilities to Public Schools and Public Buildings. The Company shall furnish its service free of charge to any public schools as well as public buildings, and facilities in the City which are adjacent to the cable system. Major trunk and distribution cables will be routed near these installations, where possible, or where the cable system is in the area, feeder lines will be extended to a service point outside the school or public buildings. All attachments to public schools and public buildings and facilities shall be at the Company's expense, but distribution of the system within these buildings shall be at the expense of the schools or responsible public agencies. It is further understood that services to public schools and public buildings and facilities will be supplied in a logical extension of the system into each area rather than construction specifically to service a public school, because of the costs and extended time required to build a complete system.

SECTION 17: Two-Way Capability or Return Service. Subsequent to a public hearing to which the Company is a necessary party, the City shall be empowered to direct the Company to offer its subscribers the availability of two-way capability or return service. When offered, activation of the return service must always be at the option of the subscriber.

applicable, any subsequent requirement adopted by the Federal Communications Commission regarding the regulation of the cable television industry and not inconsistent with the provisions of this Ordinance shall be considered as a part of this franchise, and such subsequent requirement shall be effective without further action by the City ninety (90) days after the effective date said requirement is adopted by the Federal Communications Commission, and shall thereupon be incorporated as a part of the franchise granted to the Company, unless the City shall take direct action relating to such requirement within one (1) year from the effective date that said requirement is issued by the Federal Communications Commission.

SECTION 19: Activities Prohibited. The Company shall not allow its cable or other operations to interfere with television or radio reception of persons not served by the Company, nor shall the system interfere with, obstruct or hinder in any manner, the operation of the various utilities serving the residents of the City.

SECTION 20: Employment Requirements. The Company shall establish, maintain and effect equal employment policies and procedures set forth both by Federal statute and pursuant to the rules of any applicable government agency. Such policies and procedures shall be made known to the general public. The Company shall establish a system and procedure to the periodic review of its employment practices and procedures to insure their compliance with Federal statutes and the rules promulgated by applicable governmental agencies. The Company shall further carry out a periodic review of its employment practices to determine whether unfair or discriminatory practices occur and, if so, shall make all necessary changes.

SECTION 21: Renewal Procedure. One (1) year prior to the expiration of this franchise, the Company shall have the option to request renewal of said franchise for an additional period not to exceed fifteen (15) years. Should the Company desire to exercise this option, it must notify the City, in writing, not less than One (1) year prior to the expiration of this franchise. Upon receipt of such notice the City shall have the right to undertake such public hearings as it deems appropriate to consider such renewal.

SECTION 22: Amendments. The City shall have the right and the power to amend the terms of the franchise granted hereby at any time during the life of the franchise, including any extensions thereof, which right and power shall extend to any and all provisions of the franchising Ordinance.)

SECTION 23: Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court 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 thereof.

SECTION 24: Ordinance Repealed. All Ordinances or parts thereof in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 25: BE IT FINALLY ORDAINED that this Ordinance take effect from the date it shall have been passed by the City, certified and delivered, to the City Mayor in writing by the City Clerk or other appropriate official, and become effective as otherwise provided by law.

ATTEST:

Cynthia DeWitt

CITY OF HUNTERS HOLLOW, KENTUCKY

Troy Beasley

Mayor

James C. Nantz

Councilman

William K. Justice Jr.

Councilman

Robert E. McNeill

Councilman

Nancy Riggs

Councilman

Councilman