# AN ORDINANCE GRANTING A NON-EXCLUSIVE CABLE COMMUNICATIONS SYSTEM FRANCHISE

ADOPTED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF MT. AUBURN THIS 20TH DAY OF OCTOBER, 1999

PUBLISHED IN PAMPHLET FORM BY AUTHORITY
OF THE CORPORATE AUTHORITIES OF THE VILLAGE OF
MT. AUBURN, CHRISTIAN COUNTY, ILLINOIS
THIS 21ST DAY OF OCTOBER, 1999

# VILLAGE OF MT. AUBURN

# ORDINANCE NO. \_73

# AN ORDINANCE GRANTING A NON-EXCLUSIVE CABLE COMMUNICATIONS SYSTEM FRANCHISE

IT IS HEREBY ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MT. AUBURN, ILLINOIS AS FOLLOWS:

# **SECTION 1**

## SHORT TITLE AND DEFINITIONS

- 1) <u>Short Title.</u> This Franchise Ordinance shall be known and cited as the Cable Communications Franchise.
- 2) <u>Definitions.</u> For the purposes of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory. The word "may" is directory and discretionary and not mandatory.
  - (a) <u>"Basic Cable Service"</u> means any service tier which includes the lawful retransmission of local television broadcast signals and any public, educational, and governmental access programming required by the franchise to be carried on the basic tier. Basic Cable Service as defined herein shall not be inconsistent with 47 U.S.C. § 543(b)(7)(1993).
  - (b) "Cable Communications System" means a system of antennas, cables, wires, lines, towers, waveguides, or other conductors, Converters, equipment, or facilities located in Mt. Auburn and designed and constructed for the purpose of producing, receiving, transmitting, amplifying, or distributing audio, video, and other forms of electronic signals through television in Mt. Auburn. System as defined herein shall not be inconsistent with the definition as set forth in 47 U.S.C. § 522(6) (1993).
  - (c) <u>"Cable Programming Service"</u> means any video programming provided over a cable system, regardless of service tier, including installation or rental of equipment used for the receipt of such video programming other than:
    - (1) Video programming carried on the Basic Service Tier;

- (2) Video programming offered on a pay-per-channel or pay-per-program basis; or
- (3) A combination of multiple channels of pay-per-channel or pay-per-program video programming offered on a multiplexed or time-shifted basis so long as the combined service:
  - a) consists of commonly-identified video programming; and
  - b) is not bundled with any regulated tier of service.

Cable Programming Service as defined herein shall not be inconsistent with the definition as set forth in 47 U.S.C. § 543(1)(2) (1993) and 47 C.F.R. 76.901(b) (1993).

(d) <u>"Cable Communications Service"</u> means the provision of television reception, communications and/or entertainment services distributed over a Cable Communications System. This definition shall not include telecommunications services regulated pursuant to federal and state law as may be amended from time to time; and shall not include wireless satellite communications systems.

# (e) <u>"Cable Service"</u> means:

- (1) the one-way transmission to subscribers of (i) video programming, or (ii) other programming service, and
- (2) subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service;
- (f) <u>"Converter"</u> means an electronic device which converts signals to a frequency acceptable to a television receiver of a Subscriber and by an appropriate selector permits a Subscriber to view all Cable Communications Services which the Subscriber is lawfully authorized to receive.
- (g) <u>"Drop"</u> means the cable that connects the ground block on the Subscriber's residence to the nearest feeder cable of the System.
- (h) <u>"FCC"</u> means the Federal Communications Commission and any legally appointed, designated or elected agent or successor.
- (i) <u>"Effective Date of this Franchise"</u> shall mean the date this Franchise is accepted by Grantee in accordance with subparagraph A. of Section 8 of this Franchise.

- (j) <u>"Grantee"</u> is Triax Midwest Associates, L.P., its agents and employees, lawful successors, transferees, or assignees.
- (k) "Gross Revenues" means all revenue received from Cable Service directly by the Grantee from the operation of its System within Mt. Auburn. The term Gross Revenues shall not include franchise fees, advertising revenues, late fees, any fees itemized and passed through as a result of franchise imposed requirements or any taxes or fees on services furnished by Grantee imposed directly on any Subscriber or user by any municipality, state, or other governmental unit and collected by Grantee for such governmental unit.
- (i) <u>"Installation"</u> means the connection of the System from feeder cable to the point of connection, including Standard Installations and custom installations.
- (m) <u>"Lockout Device"</u> means an optional mechanical or electrical accessory to a Subscriber's terminal which inhibits the viewing of a certain program, certain channel, or certain channels provided by way of the Cable Communication System.
- (n) <u>"Pay Television"</u> means the delivery over the System of pay-per-channel or pay-per-program audio-visual signals to Subscribers for a fee or charge, in addition to the charge for Basic Cable Service or Cable Programming Services.
- (o) <u>"Person"</u> is any person, firm, partnership, association, corporation, company, or other entity of any kind, nature, or extent whatsoever.
- (p) <u>"Standard Installation"</u> means any residential installation which can be completed using a Drop of one hundred fifty (150) feet or less.
- (q) <u>"Street or Streets"</u> means the space above any public street, road, highway, freeway, lane, alley, path, court, sidewalk, parkway, or drive, or the surface of, and the space above any other public easement or other public right-of-way now or hereafter held by Village. It shall not include under any Street or Streets unless and until Grantee receives a Permit from Mt. Auburn in accordance with subparagraph B. of Section 2 of this Ordinance.
- (r) <u>"Subscriber"</u> means any Person who lawfully receives Cable Service. In the case of multiple office buildings or multiple dwelling units, the "Subscriber" means the lessee, tenant or occupant.
- (s) <u>"Mt. Auburn"</u> means Village of Mt. Auburn, a municipal corporation, in the State of Illinois, acting by and through its Village President and Board of Trustees.

# GRANT OF AUTHORITY AND TERM OF FRANCHISE

- A. It shall be unlawful for any Person to construct, operate, or maintain a Cable Communications System in Mt. Auburn unless such Person or the Person for whom such action is being taken shall have first obtained and shall currently hold a valid Franchise Ordinance from Mt. Auburn.
- B. Subject to the Grantee's full compliance with the terms and conditions set forth in this Ordinance to the satisfaction of Mt. Auburn, Grantee is hereby granted a non-exclusive Franchise to construct, erect, operate, and maintain a Cable Communications System above and over the Streets within the corporate limits of Mt. Auburn, as it exists from time to time. Grantee shall not be permitted to construct, erect, operate, or maintain any of its Cable Communications System underground Mt. Auburn's Streets without receiving a prior Permit from Mt. Auburn, which Permit may be denied by Mt. Auburn in its sole discretion from time to time so long as such denial is non-discriminatory and competitively neutral with any other Cable Community Service Provider then in Mt. Auburn; and any such Permit shall be subject to such terms and conditions as Mt. Auburn may determine in its sole discretion.
- C. This Franchise to Grantee is subject to all the terms and conditions set forth in this Ordinance. This Franchise to Grantee is non-exclusive and Mt. Auburn reserves the right to grant additional Cable Communications System Franchises or to grant the right to the use of Mt. Auburn's streets to any other Person or Persons at any time or times during the term of this Franchise.
- D. This Franchise to Grantee shall be in effect for a term of three (3) years from the Effective Date of this Franchise and shall immediate terminate at that time without any further action of Mt. Auburn, unless earlier revoked or terminated as herein provided. This Franchise shall automatically be extended for an additional term of seven (7) years and shall immediately terminate at that extended time without any further action of Mt. Auburn, subject to earlier revocation or termination as herein provided, if, and only if, Grantee timely completes, to the satisfaction of Mt. Auburn, Upgrade I and timely provides at least 40 channels, all as required by Section 4 herein.

## SECTION 3

#### **GENERAL PROVISIONS**

A. Upon the filing with Mt. Auburn's Village Clerk of the unqualified signed acceptance by Grantee as required by Section 10 herein, this Franchise shall supercede and replace any and all previous Ordinances, Resolutions, or agreements granting or

extending a Franchise to Grantee or to Grantee's successors, transferees, or assignees; and any and all such prior Ordinances, Resolutions, or agreements are hereby expressly repealed.

- B. Grantee shall not adopt any rules, regulations, terms, or conditions governing the conduct of its business which conflict with Mt. Auburn's Ordinances, Resolutions, rules, or regulations now enacted or adopted or as may be hereafter enacted, adopted, or amended.
- C. All written notices, reports, or demands shall be deemed given and received when delivered personally to any officer, agent, or representative of Grantee or to Mt. Auburn's Village President or forty-eight hours after it is deposited in the United States mail in a sealed envelope, with certified mail postage prepaid thereon, and addressed to the party to whom notice is being given, as follows:

If to Mt. Auburn:

Village of Mt. Auburn

P.O. Box 224

Mt. Auburn, IL 62547 Attn: Village President

If to Grantee:

Triax Midwest Associates, L.P

212 15<sup>th</sup> Avenue NE, Suite 2010

Waseca, MN 56093

Such addresses may be change by either party upon notice to the other party given as hereinabove provided.

D. Grantee shall, within thirty (30) days of a written notice by Mt. Auburn, provide Installation of one (1) cable Drop, one (1) cable outlet, and monthly Basic Cable Service, Cable Programming Service, and Cable Service without charge to each of the following institutions:

Mt. Auburn -- at Mt. Auburn's Village Hail

All public primary and secondary schools located in Mt. Auburn

At each fire station, police station, library, and Mt. Auburn public office building

Additional drops and/or outlets at other public locations shall be provided by Grantee at the actual direct cost of Grantee's time and material. Alternatively, at the institution's request, said institution may add outlets at its own expense, as long as such installation meets Grantee's standard. Grantee shall provide such installation within thirty (30) days from the date Mt. Auburn designates such other public locations.

- E. Grantee shall obtain all necessary permits from Mt. Auburn before commencing any and all upgrades, repairs, or extensions of the Cable Communications System. Mt. Auburn shall have the right to inspect, from time to time, all construction or installation work and Grantee's Cable Communications System, and to make such tests, at Grantee's expense, as Mt. Auburn shall find necessary to ensure compliance with the terms and conditions of this Franchise and applicable provisions of local, state, and Federal law.
- F. Any and all Streets or private property, which is or are disturbed or damaged during any construction, repair, replacement, relocation, operation, maintenance, or reconstruction work of the Cable Communications System shall be fully restored or repaired by Grantee, at Grantee's sole expense and within thirty (30) days of such disturbance or damage, to the satisfaction of Mt. Auburn and to a condition as good as that prevailing prior to Grantee's work.
- G. Grantee shall, upon request of any Person holding a moving permit issued by Mt. Auburn, temporarily remove, raise or lower, or move its wires or fixtures to permit the moving of any building(s), structure(s), or vehicle(s) with the expense of such temporary removal to be paid by the Person (except Mt. Auburn) requesting the same, and Grantee shall be given not less than ten (10) days advance notice to arrange for such temporary removal. Grantee shall be solely responsible for collecting such expense from such Person and shall not look to Mt. Auburn to do so.
- H. Grantee shall not trim or remove any trees or tree branches upon or overhanging any Street without first obtaining a permit from Mt. Auburn, in accordance with Mt. Auburn's Ordinances now existing or as may be hereafter enacted, adopted, or amended.
- I. Grantee shall not construct, install, operate, or maintain any of its Cable Communications System upon any pole or apparatus of any public utility without the consent of the owner of such pole or apparatus.
- J. Grantee shall at all times exercise ordinary and reasonable care and commonly accepted methods and devices for preventing failures and accidents which are likely to cause, directly or indirectly, damage, injuries, or nuisances to any and all Person(s) or property or to the public. All work done by or on behalf of Grantee shall be performed by qualified trained personnel and in a good and workmanlike manner and all equipment shall be in accordance with good engineering and cable communication industry wide practices.
- K. Grantee's Cable Communications System shall not interfere with the proper use of Streets, shall not interfere with the rights and reasonable convenience of property owners who adjoin any Street, and shall not interfere with any Mt. Auburn improvements now existing or as may hereafter exist. If Mt. Auburn determines any such interference exist, Grantee shall relocate its Cable Communications System, at Grantee's sole expense, within thirty (30) days of Mt. Auburn's written request.

- L. In case of the disturbance of any pavement, sidewalk, driveway or other surfacing, Grantee shall, at its own cost and expense and in a manner approved by Mt. Auburn's authorized agent and within thirty (30) days of such disturbance, replace and restore all paving, sidewalk, driveway or surface of any Street disturbed in as good a condition as before said work was commenced.
- M. In the event that at any time during the period of this franchise or any extension thereof, Mt. Auburn, by reason of the construction of public facilities, traffic conditions, public safety or street vacation(s), shall lawfully vacate any Street or elect to alter or change the grade of any Street requiring the moving or relocation of any of the facilities of Grantee, Grantee, within thirty (30) days following written notice by Mt. Auburn, shall remove and relocate its poles, wires, cables, underground conduits and other fixtures at Grantee's sole expense.
- N. Immediately upon acceptance of this Franchise and thereafter as any change occurs in ownership or management of Grantee, Grantee shall promptly provide to Mt. Auburn, within thirty (30) days of any such change:
  - 1) The names and addresses of all partners or officers and members of Board of Directors of Grantee and of any parent corporation; and
  - 2) The names and addresses of all stockholders holding three percent (3%) or more of the voting stock of Grantee and the parent corporation, if any.
  - 3) The names and addresses of all persons or entities who have any interest in any limited partnership associated with Grantee.
- O. Grantee shall not sell, lease or transfer its Cable Communications System, in whole or in part, or transfer or assign any rights under this Franchise to another, without the prior written consent of Mt. Auburn and no such sale or transfer shall be effective until the vendee, assignee or lessee has filed in the Office of Mt. Auburn's Village Clerk a statement duly executed reciting the fact of such sale, assignment or lease accepting the terms of the Franchise and agreeing to perform all the conditions thereof. Consent shall not be unreasonably withheld. For the purposes of this section, the granting of a security interest in the Franchise or Cable Communications System shall not constitute a transfer or assignment. No Person holding such a security interest may assume ownership or control of the Franchise or Cable Communications System without the prior written consent of Mt. Auburn.

- P. Grantee's Cable Communications System shall be installed, operated and maintained in such a manner that no interference will be caused to the reception of signals from standard television stations or to the reception of signals transmitted by any wireless satellite communication service, by any other Person, or by any other communications service authorized by any local, state or federal agency, or to any of the Village-owned utilities.
- Q. No contract as to the length of service for a regular monthly Subscriber shall be required by Grantee. Grantee agrees that it shall be the right of each Subscriber to start or terminate all or any service on cable according to such Subscriber's desires by making monthly payments of the then current rates to commence or continue service, and by reasonable notice to Grantee to terminate such service. Basic Cable Service shall be the only requisite service a Subscriber must select in order to be a customer or Subscriber of Grantee. No Subscriber shall be required to subscribe to any ancillary or additional category of service that may be offered by Grantee as a condition for continuing to receive those signals and services that are part of the Basic Cable Service.
- R. Grantee shall at all times offer service to all property residents situated within and to be within the corporate boundary limits of Mt. Auburn, as same now exists or as may hereafter exist by extension, annexation, or otherwise.
- S. Grantee shall, at least ten (10) days prior to each evaluation session as referred to in Section 7 of this Ordinance, inform Mt. Auburn of any modifications of the rules and regulations of the FCC. Grantee warrants that, except as to subparagraph L. of Section 4 of this Ordinance, the provisions of this Franchise are compatible with the existing laws of the State of Illinois and the current rules and regulations of the FCC. In the event of a breach of this warranty by Grantee, Mt. Auburn may revoke or terminate this Ordinance but all rights accruing to Mt. Auburn against Grantee shall continue in favor of Mt. Auburn. In the event of any amendment, modification or supplemental legislation or regulation which change the limitations now imposed by such law or regulations, this Franchise may, upon written notice by Mt. Auburn to Grantee, be amended and changed in accordance with such amendment, modification or supplement. This Franchise may be amended at any time with the mutual voluntary consent of both Mt. Auburn and Grantee.

# **UPGRADES AND OPERATIONS PROVISIONS**

A. By December 31, 2001, Grantee shall upgrade its Cable Communications System which actually utilizes 550 MHZ with "state of the art" technology, hardware, and equipment and fiber optic cable for its trunk cable lines and which is capable of delivering seventy-eight (78) channels with digital capacity (herein "Upgrade!"). Grantee shall provide four (4) additional channels within Basic Cable Service and

shall provide a total of <u>40</u> channels, within sixty (60) days of the completion of Upgrade I. Grantee shall endeavor, subject to technical limitations, to provide such additional four (4) channels before completion of Upgrade I. Grantee shall conduct subscriber surveys from time to time and also at times requested by Mt. Auburn to identify programming preferences of Grantee's subscribers. Copies of each of such surveys and the results thereof shall be furnished to Mt. Auburn immediately upon completion of each such survey(s). Grantee shall provide the channels as determined by the majority of subscribers in such survey(s).

- B. Grantee shall comply, at a minimum, with the technical standards promulgated by the FCC relating to cable communications systems pursuant to the Federal Communications Commission's rules and regulations, as now existing or as may be hereafter enacted, adopted, or amended, including but not limited to 47 CFR Part 76, Sections 76.601 through 76.617.
- C. Upon the request of a Subscriber, Grantee shall provide by sale or lease a Lockout Device.
- D. Grantee shall maintain a publicly listed toll-free telephone number and be operated by Grantee so as to receiver Subscriber calls, complaints, and requests on a twenty-four (24) hours-a-day, seven (7) days-a-week basis. Grantee shall respond to each Subscriber's calls, complaints, or requests within the same business day of such Subscriber's call or within the next business day following such Subscriber's call if such call was made on a non-business day or after business hours. Grantee shall establish and maintain at all times a procedure for the prompt investigation and resolution of Subscriber complaints or inquiries or requests.
- E. Grantee shall fully comply and adhere to Grantee's "Customer Service Pledge", attached hereto as Exhibit A and incorporated herein by reference thereto. Grantee shall provide each Subscriber with a free installation or a twenty dollar (\$20.00) refund or credit, at the option of such Subscriber, for each time Grantee defaults with its "On Time Guarantee" to a Subscriber. Such refund or credit shall be paid or issued within ten (10) days of each such default.
- F. Each employee, representative, and agent of Grantee shall carry credentials and a current photo of such employee, representative, or agent properly identifying such person as an employee, representative, or agent of Grantee. No employee, representative, or agent of Grantee shall enter into any building or residence located in Mt. Auburn without the owner's or tenant's prior consent. Each of Grantee's employees, representatives, and agents shall inform each Subscriber that such employee, representative, or agent does not have a right to enter any Subscriber's premises without the consent of the owner or tenant of such premises and that such Subscriber does not have to give such consent.
- G. Within 30 days of the Effective Date of this Franchise, Grantee shall provide Mt. Auburn with a map of the precise location of Grantee's Cable Communications

System and each of its antennas, cables, wires, lines, towers, etc, within Mt. Auburn. Within 10 days of the completion of each and every future upgrade, installation, construction, replacement, or extension of its Cable Communications System, Grantee shall provide Mt. Auburn with an updated map identifying the precise location of Grantee's Cable Communications System.

- H. Grantee shall, as a minimum, fully comply with each of the customer service obligations promulgated by the FCC at 46 C.F. R., Section 76.309 as now existing or as may be hereafter amended and with such other FCC rules or regulations relating to customer service obligations as now or as may hereafter be enacted, adopted, or amended.
- I. In the event a Subscriber established or terminates service and receives less than a full month's service, Grantee shall prorate the monthly rate on the basis of the number of days in the period for which service was rendered to the number of days in the billing.
- J. For each twelve (12) consecutive hours period, or part thereof, that a Subscriber's service is disrupted or experiences outages, Grantee shall, within ten (10) days of such disruption and/or outage, refund to such Subscriber an amount equal to 10% of such Subscriber's then monthly service rate; and if such disruption and/or outage to any subscriber occurs 10 or more times within any month, Grantee shall immediately refund to each such Subscriber 100% of such Subscriber's monthly service rate.
- K. Grantee shall not permit any of its cable wires or lines to remain upon the surface of any Street or upon the surface of private property for a period of more than seventy two (72) hours.
- L. Grantee shall provide on its Basic Cable Service all major local television broadcasting channels, including but not limited to, ABC, CBS, NBC, and FOX. If Federal or State law now or hereafter requires Grantee to provide and offer local television broadcasting channels as a separate service tier (e.g. "lifeline services") without requiring a Subscriber to subscribe to other services, then Grantee shall provide said local television broadcasting channels to Subscriber as a separate service tier without requiring a Subscriber to subscribe to any other service.
- M. Grantee shall fully and timely comply with all Mt. Auburn, local, State, and Federal ordinances, statutes, laws, rules, and regulations as now existing or as may be hereafter enacted, adopted, or amended relating to the protection of Subscriber privacy, including but not limited to 47 U.S.C. 551.
- N. Grantee shall fully and timely comply with all Mt. Auburn, local, State, and Federal ordinances, statutes, laws, rules, and regulations as now existing or as may be hereafter enacted, adopted, or amended relating or applicable to providing cable communications services.

# FRANCHISE FEES, INDEMNITIY, AND INSURANCE PROVISIONS

- A. Grantee shall pay to Mt. Auburn an annual Franchise Fee in an amount equal to percent ( 4%) of Grantee's annual Gross Revenues. Grantee shall pay Mt. Auburn such annual Franchise Fee on March 31, 1999, and on each annual anniversary date thereafter. Each such payment shall be accompanied by a detailed report showing the basis for computation of such annual Franchise Fee. Mt. Auburn shall have the right at all times and from time to time to require Grantee to produce at Mt. Auburn's Village offices and/or to inspect, at Grantee's offices, Grantee's records regarding Grantee's operations in Mt. Auburn for the purpose of ascertaining accurately the actual annual Gross Revenues and/or other gross receipts of Grantee for each year during the term of this Franchise. Grantee shall produce such records within ten (10) days of a written request of Mt. Auburn. Mt. Auburn shall have the right from time to time, upon thirty (30) days advance notice to Grantee and after a public hearing noticed 15 days in advance, to increase such annual franchise fee up to and including five percent (5%) of Grantee's annual Gross Revenues or up to and including the maximum allowable legal rate, whichever rate is greater from time to time and/or to redefine "Gross Revenues".
- B. Grantee expressly agrees to and shall defend, hold harmless and indemnify Mt. Auburn for and from any and all liability, expense(s), cost(s), including Mt. Auburn's attorney's fees, loss(es), damage(s), claim(s), demand(s), suit(s) or action(s), in law or equity, or judgments of any kind, nature or extent whatsoever, which may arise, accrue or occur, directly or indirectly, as a result of or claimed to be the result of Grantee's Cable Communications System. Such indemnification obligation(s) shall be deemed to include, but without limiting the generality of the foregoing, any and all negligent, intentional or unintentional act(s) or omission(s) by Grantee, and by its employees, agents, representatives, successors, assigns, and by any of Grantee's subcontractors, subsidiaries, principals, affiliates, associates, partners or parent corporations or firms, by anyone directly or indirectly employed by or associated with any of them, or by any Person for whose acts any of them may be liable.
- C. Concurrent with the Effective Date of this Franchise, Grantee shall furnish to Mt. Auburn and file with Mt. Auburn's Village Clerk and at all times during the term of this Franchise maintain in full force and effect at Grantee's sole own expense a comprehensive general liability insurance policy, including worker's compensation and contractual liability coverage, in protection of Mt. Auburn and its elected and/or appointed Village President, Village Board of Trustees, officers, employees and agents, with a company licensed to do business in the State of Illinois, in a form satisfactory to the Mt. Auburn's Attorney, providing insurance protection for all claims, demands, suits, causes of actions, judgments, costs, expenses, including Mt. Auburn's attorney fees, and liabilities for loss or damage for personal injury, death or property damages occasioned directly or indirectly by the operations of Grantee under this Franchise as aforesaid with minimum liability limits of One Million Dollars

(\$1,000,000.00) for personal injury or death of any one Person and Three Million Dollars (\$3,000,000.00) for personal injury or death of any two or more Persons in any one occurrence, and One Million Dollars (\$1,000,000.00) for property damage to any one Person, and Three Million Dollars (\$3,000,000.00) for damage to property resulting from any one act or occurrence. The amount to be provided for workers compensation shall comply with all the provisions of the Worker's Compensation Law of Illinois. The above amounts and nature of insurance coverage shall be adjusted or increased by Grantee from time to time in such amounts as Mt. Auburn shall determine in its sole discretion from time to time and within thirty (30) days of a written notice by Mt. Auburn to Grantee. Concurrent with the Effective Date of this Franchise and within ten (10) days of any change in insurance company or coverage or policy, Grantee shall provide Mt. Auburn with certified copies of said insurance policy(ies) and certificate(s) of insurance issued by the insurance company providing such insurance coverage. Such insurance policy(ies) above referred to shall name Mt. Auburn and its elected and/or appointed Village President, Village Board of Trustees, officers, employees, and agents as additional insureds and shall contain a provision that written notice of cancellation, non-renewal, termination for any reason, or reduction of said policy or policies shall be delivered to Mt. Auburn at least thirty (30) days in advance of the effective date thereof and no cancellation can be effected until and unless such thirty (30) day advance notice is given to Mt. Auburn.

D. Grantee shall maintain throughout the term of this Franchise, or any renewal or extension thereof, a faithful performance bond running to Mt. Auburn with good and sufficient surety approved by Mt. Auburn in the penal sum total of \$25,000.00, subject to reduction to \$10,000 upon completion of Upgrade I, conditioned upon the faithful performance of Grantee and upon the further condition that in the event Grantee shall fail to comply with any law, statute, ordinance, rule or regulation governing this Franchise and/or with any one or more of the term(s) and provision(s) of this Franchise, there shall be recoverable jointly and severally from the principal and the surety of the bond, any damages or loss suffered by Mt. Auburn as a result, and/or any and all fines imposed by Mt. Auburn, including but not limited to the full amount of any compensation, indemnification or cost of removal or abandonment of any property of Grantee, and/or Mt. Auburn's attorney fees and costs, and/or the collection of any and all fines imposed under this Franchise, all of the foregoing, up to the full amount of the bond.

## SECTION 6

### EARLIER REVOCATION OR TERMINATION OF FRANCHISE

#### **FINES**

A. In addition to, and not in lieu of, any and all other rights which Mt. Auburn has under this Ordinance and/or pursuant to law and equity, and in addition to the fine provisions provided herein, and not in lieu thereof, Mt. Auburn reserves and shall

have the right to earlier revoke or terminate this Franchise to Grantee, and all of Grantee's rights and privileges thereunder, if Mt. Auburn determines:

- (1) Grantee has violated or failed to fully comply with any one or more provision(s) of this Franchise; or
- (2) Grantee has attempted to evade any one or more provision(s) of this Franchise; or
- (3) Grantee has practiced fraud or deceit upon Mt. Auburn or any Subscriber; or
- (4) Grantee has materially misrepresented any fact(s) in the application for or during negotiations of this Franchise; or
- (5) Grantee is insolvent, or that Grantee has applied for adjudication as a bankrupt, or Grantee has been adjudicated a bankrupt upon an involuntary petition; or
- (6) Grantee has failed to provide Subscribers with adequate service.
- B. Mt. Auburn shall provide Grantee with written notice of one or more of the above causes for earlier revocation or termination and of Mt. Auburn's intent to earlier revoke or terminate this Franchise. If Grantee thereafter so requests, Grantee shall be given thirty (30) days from the date of receipt of said notice in which to correct any and all violations or to have a public meeting with Mt. Auburn to show cause why this Franchise should not be earlier revoked or terminated. In the event such violation(s) are not corrected or Mt. Auburn determines that cause has not been sufficiently shown by Grantee, in either case to the satisfaction of Mt. Auburn within said thirty (30) day period, then Mt. Auburn shall, within thirty (30) days thereafter, state in writing its reasons for such earlier revocation or termination; and this Franchise to Grantee shall, without any further action by Mt. Auburn, be thereupon revoked or terminated but all rights accruing to Mt. Auburn under this Franchise against Grantee shall continue in favor of Mt. Auburn. Failure of Mt. Auburn to enforce or insist upon compliance of any one or more of the terms, conditions, or provisions of this Franchise shall not constitute a waiver or relinquishment of any such terms, conditions, or provisions by Mt. Auburn, but the same shall be and remain at all times in full force and effect.
- C. In addition to, and not in lieu of, Mt. Auburn's rights under this Ordinance or Mt. Auburn's right to earlier revoke or terminate this Franchise, Grantee shall be subject to the following fine provisions:
  - (1) Upon conviction of each violation of any term, condition, or provision of this Franchise Grantee shall be subject to a fine in an amount not less than Two Hundred Fifty Dollars (\$250.00) nor more than Seven Hundred Fifty Dollars (\$750.00) for each such violation; and a separate violation shall be deemed to occur on each day that a violation occurs or continues.

## MISCELLANEOUS PROVISIONS

- A. If any section, subsection, sentence, 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 and distinct and independent provision and such holding shall not effect the validity of the remaining portion thereof.
- B. Mt. Auburn may require evaluation sessions at any time during the term of this Franchise, upon thirty days prior written notice to Grantee, provided, however, there shall not be more than six review sessions during each year period commencing from the Effective Date of this Franchise plus any additional meetings as may be mutually agreed to between Grantee and Mt. Auburn. All evaluation sessions shall be open to the public and notice of sessions shall be published in the local newspaper at least five (5) days in advance of each such evaluation session. Grantee shall notify its Subscribers of all evaluation sessions by announcement on at least one (1) Basic Service channel of the System between the hours of 7:00 p.m. and 9:00 p.m. for five (5) consecutive days preceding each session. Topics which may be discussed at any evaluation session may include, but are not limited to, application of new technologies, System performance, programming offered, access channels, facilities and support, municipal uses of cable, Subscriber complaints, any suggested amendments to this Franchise, judicial rulings, FCC rulings, line extension policies and any other topics Village or Grantee deem relevant.

## **SECTION 8**

### EFFECTIVE DATE AND ACCEPTANCE

- A. The Effective Date of this Franchise shall be the date of acceptance by Grantee in accordance with this subparagraph A. of this Section 8. Grantee shall accept this Franchise without qualification by executing same within thirty (30) days of the effective date of this Ordinance. Such acceptance by the Grantee shall be deemed the grant of this Franchise for the purposes set forth herein. Upon acceptance of this Franchise, Grantee shall be bound by all the terms and conditions contained herein. Grantee shall accept this Franchise in the following manner:
  - (1) This Franchise shall be properly executed and acknowledged by Grantee and delivered to Mt. Auburn by filing same with Mt. Auburn's Village Clerk's office.
- B. With its acceptance, Grantee shall also deliver the insurance certificates and insurance policies and performance bond required herein that have not previously been delivered.

That the provisions of other Village of Mt. Auburn ordinances, to the extent they duplicate, conflict with or otherwise affect the validity hereof, shall be disregarded.

## SECTION 10

This Ordinance shall be in full force and effect form and after its passage, approval, and publication in pamphlet form as provided by law.

ON MOTION DULY MADE AND SECONDED and pursuant to roll call vote, this Ordinance was passed, approved, enacted and adopted this 20<sup>th</sup> day of October, 1999.

BRUCE HOHEINSTEIN, Village President

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|    |   |   |   |    |

TAMMY HAMELL Village Clerk

(MUNICIPAL SEAL)

AYES: Trustees Beck, Battell, Copenbarger,

Campbell, Handland

NAYES:

ABSENT: A Clayton

FILED IN THE OFFICE OF THE VILLAGE CLERK, VILLAGE OF MT. AUBURN, ILLINOIS, ON THE 20TH DAY OF OCTOBER, 1999.

THIS ORDINANCE IS HEREBY PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MT. AUBURN, CHRISTIAN COUNTY, ILLINOIS, THIS 21ST DAY OF OCTOBER, 1999.

ACCEPTED: This Franchise is accepted and we agree to be bound by its terms and conditions.

|  | TRIAX MIDWEST ASSOCIATES, L.P.   |
|--|--|
| Dated:   | By: Triax Midwest General Partner, L.P.,<br>Managing General Partner<br>By: Triax Midwest, L.L.C.,<br>Sole General Partner   |
| ·  | By:  |
|  | Its:   |
|  |  |
| STATE OF) COUNTY OF)   |  |
| COUNTY OF)   |  |
|  | County and State, do hereby certify that is a person personally known to me to   |
| be a duly authorized representative of T<br>known to me to be the same person wh<br>instrument, who appeared before me th<br>person signed and delivered said instru<br>said Triax Midwest Associates, L.P., pu<br>directors of said corporation as his/her to<br>voluntary act and deed of said corporation | Friax Midwest Associates, L.P., and personally cose name is subscribed to the foregoing his day in person and acknowledged that said ment as the duly authorized representative of rsuant to authority given by the board of free and voluntary act, and as the free and ion, for the uses and purposes therein set forth. |
| Given under my hand and notari   | al seal this day of, 19  |
|  | Notary Public  |
|  |  |

## **CERTIFICATE**

| STATE OF ILLINOIS   | )     |
|---------------------|-------|
|                     | ) SS. |
| COUNTY OF CHRISTIAN | )     |

I, TAMMY HAMELL, certify that I am the duly elected and acting Village Clerk of the Village of Mt. Auburn, Christian County, Illinois.

I further certify that on October 20, 1999, the Board of Trustees of said Village passed and approved Ordinance No. <u>13</u> entitled "AN ORDINANCE GRANTING A NON-EXCLUSIVE CABLE COMMUNICATIONS SYSTEM FRANCHISE".

The pamphlet form of Ordinance No. <u>13</u> including the Ordinance and a cover sheet thereof was prepared, and a copy of such Ordinance was posted in the Village Hall, commencing on October 21, 1999, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the Office of the Village Clerk.

DATED at Mt. Auburn, Illinois, this 31st day of October, 1999.

TAMMY HAMELL, Village Clerk

(MUNICIPAL SEAL)

## Focus de Customer Satisfaction

State-of-the-art cable television is only half the picture at Mediacom. Our customer care representatives are among the best in the business. Each one is trained to provide customers with the answers they need whenever they call. Mediacom provides 24 hour, seven day a week service to most of its customer base. We also feature one of the industry's best billing and information systems to give each customer accurate monthly statements. Mediacom takes pride in combining state-of-the-art technology with straight-from-the-heart service.

In keeping with our commitment of providing first class customer care and consistently superior service with reliability customers can trust, Mediacom has established standards which meet or exceed the standards published by the National Cable Television Association as guidelines for the industry. Mediacom continually monitors the performance of the customer service function in these important areas.

# Customer Service Pledge:

- Mission: Provide first class customer care and a consistently superior product with the level of reliability customers expect.
- Empowerment: Our employees receive extensive on-going training and are given the authority to use their judgement to make things right for the customer.
- Deliver: The highest quality television product available to each of the communities we serve.
- Innovation: Significant technical improvements have resulted in an abundance of new programming choices for the customer, and in many markets new technologies such as digital and Internet services.
- Accessibility: We are able to respond to our customers' needs and requests 24 hours a day, 7 days a week by phone, and by e-mail through Mediacom's Web site.
- Communication: Understanding our customers' concerns and programming interests is a priority. We "stay in touch" with our customers through newsletters and surveys, as well as providing regular notifications of all programming, service and pricing changes.
- On-Time Guarantee: We make a promise to our customers to arrive on time for all scheduled installations and service appointments. If we fail to arrive "On-Time" the customer is compensated with a free installation or a \$20,00 service credit.
- Money Back Guarantee: If a new customer is not 100% satisfied with the basic cable service during the first 30 days we will provide a full regund.

EXHIBIT A