CHAPTER 3
CABLE COMMUNICATION SYSTEM

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STATE OF WISCONSIN TOWN OF LAKE MILLS JEFFERSON COUNTY AN ORDINANCE PROVIDING FOR A CABLE COMMUNICATIONS SYSTEM IN THE TOWN OF LAKE MILLS

THE TOWN BOARD OF LAKE MILLS, JEFFERSON COUNTY, WISCONSIN, DOES ORDAIN AS FOLLOWS:

SECTION 1.

2-3-1: PURPOSE: It is the purpose of this ordinance to provide for the granting of a franchise to construct, maintain and operate a CATV System in the Town of Lake Mills, Jefferson County, Wisconsin and to set forth the obligations and rights of the Town and Grantee accompanying said grant.

1.02 It is the intent of the Town Board in adopting this ordinance that a Cable Communication System be provided for the residents of the Town of Lake Mills within the territorial limits of the of the grant as well as for the residents of the City of Lake Mills and surrounding townships. It is for this purpose that provision is made herein for the creation of a Joint Regulatory Board. It is the intent of the Town Board that the Town of Lake Mills work in cooperation with the City of Lake Mills and surrounding townships in obtaining a Cable Communications Systems which will serve all participating municipalities. It is also the intention of the town Board that revenues generated by the granting of this franchise be used for the purpose of enhancement of the Cable Communication System and the purchase of facilities and equipment to that end. The Town Board does not intend that the revenues generated by this franchise be used to defray general operating expenses of the Town.

2-3-2: SHORT TITLE: This ordinance shall be known, and may be cited as the "Town of Lake Mills Cable Franchise Ordinance" and shall become Chapter 3 of the Ordinances of the Town of Lake Mills.

2-3-3: DEFINITIONS: For the purpose of this ordinance, the following terms, phrases, words, a nd 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 numbers, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

(1) "Applicant" shall mean any individual, partnership, corporation, or association which shall have filed a written application for a franchise under this ordinance as provided herein.

(2) "Basic service" means the simultaneous delivery by the Grantee to television receivers of those broadcast and non broadcast television channels which are required to be provided by this ordinance.

(3) "Cable Communications System" shall mean any system whose function is to receive and amplify the broadcast signals of one or more television and radio stations or to provide signals for additional closed circuit programming and to redistribute such signals to members of the public who subscribe to such service or to whom redistribution of such signals is required by this chapter by means of wires, cables, conduit, microwaves, satellites, or other means.

(4) "Channels" means a group of frequencies in the electromagnetic spectrum capable of carrying an audio-data or an audio-visual television signal. Each channel is a block of frequencies containing 6MHz band width.

(5) "City" means the City of Lake Mills, Jefferson County, Wisconsin

(6) "City Council" or "Common Council" means the present or future governing body of the City.

(7) "Converter" means an electronic device which converts signals to a frequency not susceptible to interference with the television receiver of a subscriber, and by an appropriate channel selector also permits a subscriber to view all signals delivered at designated dial locations.

(8) "Education access channel" means that channel which the Grantee is required to provide by this ordinance.

(9) "FCC" means the Federal Communications Commission.

(10) "Grantee" shall mean any applicant receiving the grant of any franchise hereunder and shall include any lawful successor to the interest of the Grantee, when consent to such succession has been granted by the Board.

(11) "Gross revenues" shall mean any and all compensation, in whatever form, exchange or otherwise, derived from the provision of all Cable Communication System services in the City. ("Gross revenues" shall mean all revenues derived by the Grantee, its affiliates or subsidiaries from and in connection with the operation of the Cable Television System in the Town, as that term is defined by the FCC or a sort of competent jurisdiction, and shall include revenues from all sources including without limitation revenues form advertising, channel leasing, data transmission, and per program charges, in addition to the subscribers' regular monthly payments, provided however, that installation, and construction fees charged subscribers for services directly related to initial installation of the receiving equipment shall not be deemed a gross revenue as that term is used in this ordinance.)

(12) "Leased access channel" means the channel which the Grantee is required to provide by the terms of this ordinance.

(13) "Municipal access channel or government access channel" means the channel which the Grantee is required to provide by the terms of this ordinance.

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

(15) "Public access channel" means the channel or channels which the Grantee is required to provide pursuant to the terms of this ordinance.

(16) "Reasonable notice" shall mean the provision of notice of contemplated action delivered at least forty-eight (48) hours prior to such action.

(17) "Streets" shall include all streets, roadways, highways, avenues, lanes, alleys, courts, places, squares, curbs, sidewalks, easements, right-of-ways, or other public ways in the Town which have been or may hereafter be dedicated and open to public use, or such other public property so designated by law.

(18) "Subscriber" means any person or entity receiving for any purpose the cable service of the Grantee.

(19) "Town" shall mean the Town of Lake Mills.

(20) "Town Board" or "Board" means the present or future governing body of the Town.

(21) "Dwelling Unit" means a structure or that part of a structure which is used or intended to be used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, to the exclusion of all others. Where the term dwelling unit is used in this ordinance incident to the computation of any formula, a dwelling unit which is occupied for less than six months each year shall be considered as one-half (.50) dwelling unit, and a dwelling unit which is occupied for six months or more shall be considered as a whole dwelling unit.

(22) "Utility" shall mean the Lake Mills Light and Water Utility.

2-3-4: REQUIREMENT OF A FRANCHISE: No individual, partnership, corporation, or association shall install, maintain, or operate a Cable Communication System, or solicit subscriptions for the same, without first having applied for and obtained a franchise from the Town of Lake Mills in accordance with this section, and any failure to secure such a franchise prior to the commencement of operations or the soliciting of any subscription from any subscriber for such service shall be deemed a violation of this section and shall subject the violator to the penalties prescribed herein.

2-3-5: PROHIBITED USE OF STREETS: No individual, partnership, corporation, or associations shall use the streets for or in connection with a Cable Communication System except as may be specifically permitted by the Town Board or its designee. No cable or other equipment or device installed in, over, or under the streets under a franchise granted under this section shall be used for any purpose except for a Cable Communication System as herein defined.

2-3-6: APPLICATION: The application for a franchise shall be submitted to the Town Board in writing, and shall contain the following:

(a)(1) For individuals: The applicant's name, address, occupation, and principal place of business.

(2) For partnerships: The applicant partnership's name, business, and principal place of business; along with the names, addresses, occupations, and principal place of business of each of the partners.

(3) For corporations (or associations): The applicant corporation's name, principal business, and principal place of business; the state of incorporation; the names and addresses of the officers and directors; the names and addresses of its registered agent; the number of shareholders, including the names and residence of shareholders holding, controlling or having a beneficial interest in more than ten (10%) percent of the outstanding shares, identifying their interests, along with a statement indicating any intention of change of said interests during the term of the franchise. If the corporation is a foreign corporation, a certificate of authority to transact business in this state shall accompany the application.

(b) A statement as to any other Cable Communication Systems owned or operated by or in which the applicant has any interest. Such statement shall list by name and address each and every municipality in the United States in which applicant operates a Cable Communication System or has been granted a franchise so to do.

(c) A detailed explanation of the nature, extent, and scope of operation of the proposed system (including any present legal, financial, technical, or other qualifying matter which may relate to the inability of the applicant to perform the proposed system.)

(d) A complete, sworn financial statement of the applicant.

(e) The estimated cost of installing the system.

(f) The method of financing the system.

(g) A listing of channels which the applicant will provide and the type of program or service to be provided on each channel.

(h) A schedule of the applicant's rates for installation, monthly service charges, and any other charges to subscribers, together with a proposed rental or service agreement with subscribers which details the rights and obligations of subscribers to the system. The schedule of proposed rates shall also indicate whether or not a charge will be made to a subscriber for the removal of service.

(i) A list of equipment to be used in the total system together with specifications therefor. The applicant will agree that the Town may require review of adequacy of equipment by a third party qualified consultant whose fee shall be paid by the applicant within thirty (30) days from the date of billing by the Town Board.

(k) A statement that the applicant will abide by and conform to all of the provisions of this section and amendments thereto, and that the applicant will pay at the time required any franchise fees herein prescribed.

(l) An application fee of $500.00 shall accompany the application. Said application fee shall be non refundable.

(m) Such additional detailed information which the Town Board may require.

2-3-7: GRANT OF FRANCHISE:

(a) The Town Board may grant a non exclusive franchise to an applicant, herein referred to as Grantee, for a period of 15 years from the date a system in the Town under the restrictions and conditions of this section. No property right in this franchise shall vest in the Grantee, and such franchise shall not be construed to create any right beyond that set forth in this section.

(b) For the purpose of deferring the cost incurred by the Town incident to the granting of the Cable TV Franchise, an application approval fee of $4,000.00 shall be paid by the Grantee of the Town within ten (10) days after the granting of the franchise to the Grantee.

(c) No transfer of control of the Cable Communication System shall take place, whether by force or voluntary sale, lease, assignment, or any other form of disposition, without prior notice of and approval by the Board after submission of an application by the transferee or assignee.

(d) None of the rights and privileges or the delegations, duties, or liabilities created by this franchise shall be transferred or assigned, either voluntarily or involuntarily, by Grantee without prior approval by the Board after submission of an application by the proposed transferee or assignee.

(e) The Grantee shall not assign, mortgage, pledge, hypothecate, or otherwise encumber the franchise or all or any portion of the cable, wires, or other equipment located within the Town, nor permit the same to occur, nor permit a prior assignment, mortgage, pledge, hypothecation, or encumbrance to continue, without prior notice to and approval by the Board.

(f) Upon the foreclosure or other judicial sale of all or a substantial part of the system, or upon the termination of any lease covering all or a substantial part of the system, the Grantee shall immediately notify the Board of such fact, and such notification shall be treated as a notification that a change in control of the Grantee has taken place, and the provisions of this subsection governing the consent of the Board to such change shall apply.

(g) The Grantee shall, at all times during the operation of this franchise, be subject to all lawful exercise of the police power as may be hereafter provided by the Town of Lake Mills.

(h) Cable Communication System service shall be made available to the Town in accordance with the construction schedule set forth in this section.

(i) The right to use and occupy any streets for the purpose herein set forth shall not be exclusive and the Town reserves the right to grant a similar use of said streets to any person at any time during the period of this franchise.

2-3-8: TERRITORIAL LIMITS OF GRANT: The franchise awarded pursuant to the terms of this ordinance shall require the grantee to provide CATV service to the following dwellings within the Town of Lake Mills:

(a) All dwellings which are located within the boundaries of the Lake Mills Light and Water Utility.

(b) All dwellings located in an area which now, or in the future, has a residential dwelling unit density of 40 units per lineal plant mile. It is understood for calculation purpose, plant miles for any extension begins at the end of the existing cable distribution system where the extension will physically commence. Extensions of less than one mile may be made and the 40 dwelling units per mile shall be prorated accordingly;

(c) In areas not meeting the 40 dwelling units per mile, the Grantee shall provide, upon the request of five (5) or more potential subscribers desiring service, an estimate of the costs required to extend service to said subscribers. The grantee shall then extend service upon request of said potential subscribers and receipt of payment of the estimated amount as may be satisfactory to Grantee; the amount paid by subscribers for this early extension shall be non refundable, and in the event the area subsequently reaches the density required for regular extension, such payments shall be treated as consideration for early extension.

2-3-9: REGULATORY BOARD:

(a) A Cable Television System Regulatory Board consisting of three (3) members which shall be appointed by the Town Board is hereby created. The Regulatory Board shall be known as the Town of Lake Mills CATV Regulatory Board. Upon creation of the Board, one Board

member shall be appointed for a one year term; one Board member shall be appointed for a two year term; and one Board member shall be appointed for a three year term. Thereafter, all members shall be appointed for three year terms. In the event a Joint Regulatory Board is created as provided in subparagraph (b) of this section, the Town members of that Board shall be appointed annually by the Town Board and nd in this event there shall be no separate Town Regulatory Board.

(b) In the event of the City or any other town whose boundaries are located entirely or partially within the Lake Mills Light and Water Utility, shall adopt an ordinance in substantially the same form as this ordinance, which ordinance shall also provide for a Regulatory Board, and in the further event that said City or towns provide for creation of a joint Regulatory Board, and in the further event that said City or Regulatory Board created hereunder shall be known as the Lake Mills Joint CATV Regulatory Board which shall consist of 7 members. Each municipality participating in the Lake Mills Joint CATV Regulatory Board shall make appointments to the Board in accordance with the following formula:

The number of Board members to which each municipality shall be entitled shall be determined by multiplying the total number of Board members by a fraction, the numerator of which shall be the number of dwelling units located in a given municipality which units have subscribed to the CATV service, and the denominator of which shall be the total number of dwelling units in the municipalities who are appointing members to the Lake Mills Joint CATV Regulatory Board which dwelling units have subscribed to the CATV service. If the product resulting from application of the foregoing formula is not a whole number, then the product shall be rounded off to the nearest whole number. Notwithstanding anything contained herein to the contrary, each municipality appointing members to the Lake Mills Joint CATV Regulatory Board shall be entitled to at least one representative on said Board.

(c) Annually, the Town Board shall approve the budget of the Town of Lake Mills CATV Regulatory Board or the Lake Mills Joint CATV Regulatory Board, as the case may be. The Board shall operate on a fiscal year beginning on January 1 and concluding on the following December 31. In the event of the creation of a Lake Mills Joint CATV Regulatory Board, the budget for such Board shall be approved by all participating municipalities, and each participating municipality shall contribute proportionately to the annual budget. The proportionate share of the annual budget which shall be contributed by each municipality shall be determined by multiplying the total proposed budget by a fraction, the numerator of which shall be the number of dwelling

units located in a given municipality which units have subscribed to the CATV service, and the denominator of which shall be the total number of dwelling units in the municipalities who are contributing to the budget which dwelling units have subscribed to the CATV service. At the conclusion of each fiscal year, or at the termination of the Lake Mills Joint CATV REgulatory Board, should that occur during a fiscal year, any budgeted by unspent funds shall be returned to the participating municipalities on a prorated basis.

(d) The functions and duties of the Town of Lake Mills CATV Regulatory Board or Lake Mills Joint CATV Regulatory Board, as the case may be, shall be as follows:

(1) To resolve disputes or disagreements between subscribers and the Grantee after investigation should the subscriber and Grantee not first be able to resolve their dispute or disagreement.

(2) To review and audit reports submitted to the Town as required by this ordinance, as well as such other correspondence as may be submitted to the Town concerning the operation of the CATV service so as to insure that the necessary reports are completed and filed pursuant to the terms of this ordinance.

(3) To review rules and regulations adopted by the Grantee incident to providing service to subscribers.

(4) To assure that all tariffs, rates, and rules pertinent to the operation of theCATV service in the Town are made available for inspection by the public at reasonable hours and upon reasonable request.

(5) To review rates and recommend any change to the Town Board as provided herein.

(6) To plan and develop production and programming on any dedicated access channels.

(7) To solicit, review, and provide recommendations to the Town Board to insure compliance with this ordinance.

(8) To insure that the Grantee makes public access channels available to all residents of the Town on a non discriminatory basis and to advise Grantee on procedural rules for this purpose.

(9) To assure that the operation of the public access channels are free of program censorship.

(10) To perform such other duties as the Town Board may assign, or as may be otherwise provided herein.

(11) To annually prepare and submit an operating budget to the approving municipalities.

(12) To adopt rules of operation, including rules relating to financial matters such as place of depository for Board finances, method of authorization of expenditures, and so on.

(e) The Lake Mills CATV Regulatory Board shall be authorized to expend such funds as had been approved in its operating budget for the maintenance and improvement of the system. No funds may be expended except as had been approved by the participating municipalities as evidenced by the annual operating budget.

(f) Any assets held by the Lake Mills CATV Joint Regulatory Board at the termination of that Board's existence shall be sold or otherwise disposed of at the highest possible price, and the net proceeds received from the sale or disposition of such assets shall be returned to the participating municipalities in proportion to each participating municipality's contribution to the Board's annual budget as averaged over the three (3) year period next preceding termination of the Board.

2-3-10: REMOVAL OF EQUIPMENT:

(a) Following the Grantee's commencement of service through and over its CATV system, the Grantee upon request of the Town Board shall promptly remove from the public streets or Town property where its properties are located all or any part of the facilities so located when one or more of the following enumerated conditions occur:

(1) The Grantee ceases to provide a substantial amount of the services required in this ordinance for a continuous period of three (3) months.

(2) The Grantee fails to construct said system as provided herein.

(3) The franchise expires, or is revoked pursuant to notice as provided herein.

(b) Notwithstanding anything contained herein to the contrary, the Town shall provide Grantee with written notice delivered to the local office of the Grantee setting forth one or more of the occurrences hereinafter enumerated, and scheduling a public hearing to be held by the Town of Lake Mills CATV Regulatory Board or Joint Board. No action shall be taken by the Town Board until after receipt and consideration of the recommendations of the Town of Lake Mills CATV Regulatory Board or Joint Board.

(c) Any order issued by the Town Board providing for removal of property owned by the Grantee shall specify a date for removal which date shall be at least seven (7) days next following service of the order upon the Grantee. If the Grantee fails to comply with the order, the Town shall be entitled to remove the personal property of the Grantee, a nd shall be entitled to reimbursement for all costs so incurred.

2-3-11: JOINT USE BY TOWN AND UTILITIES:

(a) The Grantee may be required by the Town to permit joint use of its property and appurtenance located in the streets, alley, or other public ways of the Town by other utilities insofar as such joint use may be reasonably practicable and upon payment of reasonable rental therefor; provided that in the absence of agreement regarding such use, the Town Board shall provide for arbitration of the terms and conditions of such joint use and the compensation to be paid therefor, which award shall be final.

(b) The Town shall have the right, during the term of this franchise, to install and maintain free of charge upon the property of the Grantee its own equipment, including, but not limited to, a police alarm system, on the condition that such equipment does not unreasonably interfere with the CATV operations of the Grantee.

2-3-12: FRANCHISE RENEWAL:

(a) This franchise may be renewed by the Board upon application of the Grantee pursuant to the procedure established in this subsection and in accordance with the then applicable law.

(b) At least thirteen (13) months prior to the expiration of the franchise, Grantee shall inform the Board in writing of its intent to seek renewal of the franchise.

(c) Upon being advised of the Grantee's intent to seek renewal of the franchise, the Town Board shall direct the Lake Mills CATV Regulatory Board to hold a public hearing on the application for renewal. The public hearing shall be conducted, and a finding and recommendation of the Lake Mills CATV Regulatory Board shall be forwarded to the Town Board within sixty (60) days thereof. After receipt of the findings and recommendations of the Town of Lake Mills CATV Regulatory Board, or Joint Board, the Town board shall proceed to determine whether the Grantee has satisfactorily performed its obligations under the franchise. To determine developments and performance of the system, programming, other services offered, cost of services, and any other matters relevant to the operation and performance by Grantee. The Board shall consider the Grantee's annual reports made to the Town and the FCC and industry performance on a national basis.

(d) The Town Board shall determine whether the Grantee's application for renewal shall be granted within 120 days after receipt of the application for renewal, provided however, that a failure to act within that period of time shall not constitute an automatic renewal of the franchise. If the Board finds the Grantee's performance satisfactory, a new franchise will be granted pursuant to this section, as may be amended from time to time. for a period not to exceed ten (10) years.

(e) In the event the Grantee is determined by the Board to have performed unsatisfactorily, new applicants shall be sought, and evaluated and a franchise award shall be made by the Board according to the franchising procedures adopted by the Board.

2-3-13: INITIAL SYSTEM INSTALLATION SCHEDULE:

(a) The Grantee shall, make application to the Federal Communications Commission for all licenses and permits required by the Federal Communications Commission, including but not limited to licenses or permits necessary for the utilization of any microwave facilities to import permissible signals. The Grantee shall prosecute such applications diligently and faithfully in order that the necessary approvals can be obtained in the shortest possible time, and in accordance with the construction schedule as set forth in the grant of franchise.

(b) The Grantee shall, within twenty (20) days after franchise is granted by the Town, begin negotiations with utility companies for facility lease agreements.

(c) Prior to the commencement of construction and prior to receipt of final approvals from the Federal Communications Commission for establishment of the system, the Grantee shall conduct the necessary engineering studies so that the construction can be commenced immediately upon final approval by the Federal Communications Commission.

(d) The Grantee shall, within twenty (20) days after franchise is granted by the Town, begin preliminary engineering of the pole line route and electronic layouts, being negotiations for common carrier microwave contracts and initiate engineering surveys for the receiving site and building locations of Grantee's CATV system.

(e) The Grantee shall commence construction of the Cable Television System within thirty (30) days after the Lake Mills Light and Water Utility has given the Grantee written permission to attach the cable system to the utility poles. The Grantee shall notify the Town in writing as soon as all pole attachment agreements have been consummated, and as soon as final approval form the Federal Communications Commission to establish a Cable Television System as provided in this section has been obtained.

(f) The proposed construction schedule submitted by the Grantee to the Town Board shall be incorporated into the grant of franchise and shall constitute a material part thereof.

(g) The Grantee shall furnish the Town Board with construction progress reports every thirty (30) days indicating in detail the area of construction of the CATV system.

(h) The requirements established in subsections (a) through (g) above are maximums, and the Grantee may at any time proceed at a rate speedier than required by said subsections (a) through (g) above. The Town Board shall have the right to inspect all construction or installation work performed pursuant to the provisions of this section.

(i) Delays and Extension of Time: The Town may in its discretion extend the time for Grantee acting in good faith to perform any act required hereunder. The time for performance shall be extended or excused, as the case may be, for any period during which Grantee demonstrates to the satisfaction of the Town Board that Grantee is being subjected to delay or interruption due to any of the following circumstances if reasonably beyond its control:

(1) Necessary utility rearrangements, pole change-outs, or obtainment of easement rights;

(2) Governmental or regulatory restrictions;

(3) Labor strikes;

(4) Lock outs;

(5) War;

(6) National emergencies;

(7) Fire; or

(8) Acts of God.

(j) The Grantee shall, at its own expense, protect, support, temporarily or permanently disconnect, relocate in the same street, or remove from any street, reason of traffic conditions, public safety, street vacation, freeway and street construction, change or establishment of street grade, installation of sewers, drains, water pipes, power lines, and tracks or any other type of structure or improvement when required by the Town Board. Any property or equipment owned or used by the Grantee no longer needed in connection with the system shall be removed by the Grantee at its own expense.

(k) All installations by the Grantee of cables and incidental equipment shall comply in all respects with all laws, ordinances, rules, and regulations of the Federal Communications Commission, the State of Wisconsin, or any agency or department thereof, and the Town or any agency or department thereof, now or hereafter in effect.

(l) The Grantee shall provide and maintain its equipment in such conditions and of such quality so that none of its service will adversely affect radio and television reception.

(m) Installation and maintenance of equipment shall be such that standard color signals shall be transmitted with reasonable fidelity to any subscriber.

(n) The Grantee shall not either directly or indirectly engage in the servicing or repair of television receivers in the Town, nor directly or indirectly require of any subscriber the patronage of any designated person or company engaged in such service or repair business. The foregoing shall not apply to the repair or adjustment of equipment which is part of the system of the Grantee.

(o) The Grantee shall submit to inspections by duly authorized personnel of the Town and shall make available to such inspectors or duly authorized personnel its facilities and equipment. The Town reserves the right to enact reasonable regulations regarding the installation and maintenance of the facilities of the Grantee.

(p) The Grantee shall make available at Grantee's cost and to all subscribers who so request such switching devices as are necessary to permit a subscriber to use the subscriber's own antenna. Such devices shall provide the best possible signal quality consistent with the technical state of the art and with no interference to signals received by the subscriber off the air. No subscriber owned antennas shall be removed by the Grantee except upon the written request of the owner.

(q) The Town, in its use and maintenance of such wires and fixtures of the Grantee, shall at all times comply with the rules and regulations of the Grantee so that there may be a minimum danger of contact or conflict between the wires and fixtures of the Grantee and the wires and fixtures used by the Town.

(r) In removing its plant, structures, and equipment either at the termination of its franchise or upon termination of the franchise by the Town, the Grantee shall refill, at its own expense, any excavation that shall have been made by it and shall leave all public ways and places in as good condition as that prevailing prior to the Grantee's removal of its equipment and appliances, without affecting the electric or telephone cables, wires, or attachments. The Town shall inspect and approve the condition of the public ways and public places and cables, wires, attachments and poles after removal. Liability insurance and indemnity provided in Section 21.01(b) and the performance bond provided for in Section 21.01(d) shall continue in full force and effect during the period of removal, and approval thereof by the Town.

(s) In the event of a failure by the Grantee to complete any work required by subsection (r) above or any work required by the Town law or ordinances within the time established and to the satisfaction of the Town, the Town may cause such work to be done and the Grantee shall reimburse the Town the costs and expenses thereof within thirty (30) days after receipt of an itemized list of such costs, or the Town may recover such costs as provided in Section 14.01. Grantee shall provide a performance bond in an amount to be set by the Board to insure payment for such removal.

(t) It shall be the right of all subscribers to receive all available services insofar as their financial and other obligations to the Grantee are honored. In the event that the Grantee elects to overbuild, rebuild, modify, or sell the system, or the Board gives notice of intent to terminate or failure to renew this franchise, the grantee shall act so as to insure that all subscribers receive continuous, uninterrupted service regardless of the circumstances.

(u) The Grantee may be required to interconnect its system with any other broad band communications facility. Such interconnection shall be made within the time limit established by the Board. The interconnection shall, at the Board's discretion, be accomplished according to the method and technical standards determined by the Board, in a manner consistent with applicable FCC standards.

2-3-14: LIQUIDATED DAMAGES: In the event the Grantee shall fail to complete the construction and installation of the cable television system as herein provided, and as provided in the grant of franchise, the Grantee shall pay to the Town the sum of $500.00 for each and every day the time consumed in such installation and construction exceeds the time specified.

2-3-15: PURCHASE OF CABLE TV SYSTEM BY TOWN IN THE EVENT OF BREACH OF FRANCHISE CONDITIONS BY GRANTEE:

(a) When the franchise is revoked pursuant to this ordinance, or expires and is not renewed, the Town shall have the right to acquire the Grantee's cable system. Should the Town decide to purchase the cable system, it shall do so at a price not to exceed its then fair value. In determining the fair value of the system, the original cost of all tangible and intangible property, as well as the salvage value, the book value, the replacement cost, the cash flow, and other factors may be considered. Under no circumstances shall any valuation by made for "good will" or for any right of privilege granted by this franchise ordinance. Payment for the cable system shall be rendered to the Grantee within 120 days after the Town has exercised its rights in this area.

(b) In the event the determination of fair value cannot be negotiated or determined, said value shall be determined by an impartial arbitration procedure pursuant to Chapter 788 , Wisconsin Statutes, wherein the Grantee and the Town shall each choose an arbitrator and the arbitrators chosen shall choose the third and the valuation determined by said arbitrators shall be considered the fair value at which the system will be offered to the Town.

(c) The Town shall have ninety (90) days to exercise the right of first refusal to purchase the system, said ninety (90) day period commencing on the day the fair market value of the system is determined either through negotiation or the arbitration procedure. If the Town does not exercise its option to purchase and the system is not sold to another operator who has obtained a franchise from the Town in a reasonable period of time, the Grantee, upon request by the Town, shall promptly remove all its plant, structures, and equipment; provided, however, that in the event the Town determines not to exercise its right of first refusal it shall not unreasonably refuse to renew or grant a cable television franchise during a reasonable interim period. While transfer of the system and franchise is being negotiated, arranged, or ordered, the Grantee may be required to

continue service to the public unless for reasons beyond the control of the Grantee said operation will be economically unfeasible to the Grantee.

2-3-16: RATES

(a) Rate Schedule.

(1) The rates charged to the subscribers shall be fair and reasonable so as to allow the Grantee a reasonable return on its investment, but in all events, said rates shall be determined and approved by the Town Board.

(2) The initial rate schedule shall be approved by the Town, at the time of the granting of the franchise. Thereafter, the rate schedule approved by the Town at the granting of the franchise shall remain in effect for the first two years of the operation of the system. For the purpose of determining the two year time period under this subsection, the operation shall be deemed to have commenced one year after the date of award of the franchise or at such time as construction is necessary to make cable television service available to 50%of the homes in the Town has been completed, whichever shall first occur. Completion of construction shall include not only the required installation of equipment, but shall be interpreted to require the satisfactory receipt of all signals by subscribers.

(3) No change in rates shall be allowed unless a written notice shall first be given by the Grantee to the Town at least ninety (90) days prior to the proposed effective date for the change. Upon receipt of a request for change of rates, the Town shall refer the matter to the Town of Lake Mills CATV Regulatory Board, or Joint Board, for a review and recommendation. The Town Board shall determine whether or not a public hearing shall be held to consider such proposed rate change provided however, that the Town Board may direct the Town of Lake Mills CATV Regulatory Board or Joint Board to hold said public hearing if it deems such a hearing to be appropriate. Any request for a rate change by the Grantee shall include the following current financial reports, which shall reflect the operations of the Town cable television system.

a.) Balance sheet
b.) Income Statement

c.) Cash flow statement

d.) Statement of sources and application of funds

e.) Detailed supporting schedules of expenses, income, assets, and other items as may be required

f.) Statement of current and projected subscribers and penetration.

The Grantee's accounting records applicable to the Town system shall be available for inspection by the Town at all times. The Town shall have access to records of financial transactions for the purpose of verifying burden rates or other indirect costs prorated to the Town operation. The documents listed above shall include sufficient detail and/or footnotes as may be necessary to provide the Town with the information needed to make accurate determinations as to the financial condition of the system. All financial statements shall be certified as accurate by an officer of Grantee.

(4) After consideration of the information supplied and after public hearing, the Town Board, in its sole discretion, may approve the rate change, deny the rate change, or, if more than one type of rate is requested to be changed; approve the change in part and deny the change in part. The criteria for the Town Board's decision in such matter shall be the establishment of rates which are "fair and reasonable" to both the Grantee and its subscribers and shall be generally defined as the minimum rates necessary to meet all applicable costs of service, including fair return on all invested capital, assuming efficient and economical management.

2-3-17: SERVICE OF MUNICIPAL AND PUBLIC BUILDINGS: The Grantee shall provide, without charge, one outlet to the Town Hall, and all public and parochial schools in the Town of Lake Mills that are passed by its cable. If more than one outlet is required at any of said locations, the Grantee shall install same at the cost of time and materials only and in no event will there be a monthly service charge at such location.

2-3-18: FRANCHISE PAYMENTS:

(a) For use of the streets and other facilities of the Town of Lake Mills for the operation of the Cable Communication System and for supervision thereof by the Town, the Grantee shall pay to the Town an amount equal to three (3%) percent of the Grantee's gross revenues from the operations of the Cable Communications System in the Town during the calendar year. Such annual sum shall be payable one-half thereof at the end of each semiannual period. The semi-
annual anniversary shall be the last day of June and the last day of December of each year, and each semiannual payment shall be paid within sixty (60) days thereafter.

(b) The Grantee shall also file within 120 days following the conclusion of each fiscal year of the Grantee an annual report prepared and audited by an independent certified public accountant showing the annual total gross revenues and payments to the Town and any further relevant financial information in regard to the Grantee as may be required by the Town.

(c) The Town shall have the right to inspect the Grantee's income records and the right to audit and to recompute any amounts determined to be payable under this section; provided, however, the such audit shall take place within twelve (12) months following the close of each of the Grantee's fiscal years. Any additional amount due to the Town as a result of the audit shall be paid within thirty (30) days following written notice to the Grantee by the Town which notice shall include a copy of the audit report.

(d) In the event that any franchise payment recomputed amount or other payment is not made on or before the applicable dates heretofore specified, interest shall be charged from such date at the prime rate as established by the First Wisconsin National Bank.

(e) Payments of compensation made by the Grantee to the Town pursuant to the provisions of this section shall not be considered in the nature of a tax but shall be in addition to any and all taxes which are now or hereafter required to be paid by any law of the United States, the State of Wisconsin, the Town of Lake Mills, or Jefferson County.

(f) In the event this franchise shall be terminated or forfeited prior to the end of the basic fifteen (15) year term, the Grantee shall, within thirty (30) days, submit to the Town Board a financial statement prepared as above required showing the gross receipts of the Grantee for the time elapsed since the last period for which the Grantee has paid to the Town the required percentage of gross annual receipts, and the Grantee shall pay to the Town not later than thirty (30) days following the termination of the franchise a like percentage of such gross receipts.

(g) The franchise fees shall be kept in the Town's general fund and used by the Town as the Board sees fit.

2-3-19: COMPLAINT PROCEDURE:

(a) Grantee shall maintain a business office and telephone listing in the Lake Mills area for the purpose of receiving inquiries and complaints from its customers and the general public. Grantee shall investigate all complaints within forty-eight (48) hours of their receipt and shall in good faith attempt to resolve them within forty-eight (48) hours after notice. Grantee shall

maintain a record of each complaint and shall grant the Town access to such records and shall include a statement regarding the resolution or non resolution of the complaint supported by reasons for the action taken.

(b) Grantee shall provide a customer service office which shall be located in the Lake Mills area, so that service response be on a 24-hour basis at no charge.

(c) In the event of the failure by the Grantee to resolve complaints, the CATV Regulatory Board and the Town Board may review complaints, other than those relating to program content. Failure of the Grantee to resolve complaints may also be cause for revocation of the franchise.

(d) In all brochures and other written material, the Grantee shall state the fact that a complaint procedure has been established and shall state the mailing address and telephone number of the office handling inquires and complaints, as well as the municipal officer to whom such inquires and complaints should be directed.

(e) Repetition of Similar Complaints. When there have been similar complaints made or where there exists other evidence which, in the judgment of the Town Board, casts doubt on the reliability or quality of cable service, the Town Board shall have the right and authority to compel the Grantee to test, analyze and report on the performance of the system at the expense of the Grantee. Such test or tests shall be made and the reports of such test or tests shall be delivered to the Town no later than fourteen (14) days after the Town Board formally notifies the Grantee. Such report shall include the following information: the nature of the complaints which precipitated the special test; what system component was tested; the equipment used and procedures employed in said testing; the results of such tests; and the method in which such complaints were resolved. Any other information pertinent to the special test shall be recorded.

Said tests and analyses shall be supervised by a professional engineer not on the permanent staff of the Grantee. The aforesaid engineer should sign all records of special tests and forward to the Town such records with a report interpreting the result of the tests and recommending actions to be taken by the Town.

The Town's right under this provision shall be limited to requiring the tests, analyses, and reports covering specific subjects and characteristics based on said complaints or other evidence when and under such circumstances as the Town has reasonable grounds to believe that the complaints or other evidence require that tests be performed to protect the public against substandard cable service.

(f) The Town Board may establish rules and regulations which provide for fines to be levied against the Grantee when in the judgment of the Town Board, Grantee has failed to satisfactorily perform according to the terms of this section.

2-3-20: CONSTRUCTION OF SYSTEM:

(a) The Grantee shall within sixty (60) days of the date of the award of the franchise perform and submit all required registrations and application with the appropriate governmental agencies regulating cable systems.

(b) The Grantee shall within ninety (90) days of the date of the award of the franchise furnish to the Town complete plans and specifications for the construction of its plant and distribution system for approval by the Town.

(c) Failure to comply with any of the time limits by Grantee as set forth in this section, unless such time limits are extended by the Town Board, shall be grounds for revocation of the franchise.

(d) Grantee shall make provisions in the installation of its system to provide for connection with other systems where such service is available.

(e) The Grantee shall make no material change in the operation of the system from that approved by the Town Board in granting the franchise except upon prior written approval by the Town Board. At least two (2) weeks prior to making a request for a material change in operations, the Grantee shall cause to be published in the official Town newspaper prominent notice of the request, including a description of the nature of the changes and a concise statement for the reasons therefor.

2-3-21: LIABILITY OF GRANTEE INSURANCE AND INDEMNITY:

(a) The Grantee shall indemnify and save the Town, its agents and employees harmless from and against all loss, liability, damage, and expenses, including attorneys' fees, sustained by the Town on account of any suit, judgment, execution, claim, or demand arising out of the installation, operation, or maintenance of the cable communication system authorized herein, whether or not any act or omission complaint of is authorized, allowed, or prohibited by this section and any franchise granted hereunder; including, but not limiting said indemnity to, claims for personal injuries, death, or property damages, expense of investigation, and litigation, or claims and suits arising hereunder, and claims based on copyright violation or infringements or violations of proprietary rights.

(b) The Grantee shall carry and at all times maintain on file with the Town Clerk and at all times keep in force a public liability policy of insurance, insuring such Grantee and the Town of Lake Mills against any and all liability arising from such installation and/or operation, with limits of liability of not less than $500,000 for property damage and $1,000,000 for any one person for personal injury, death, or other damages attributable to the installation and/or operation of the cable communication system. Such policies of insurance or certificate thereof by a company licensed to do business in the State of Wisconsin shall be filed with the Town Clerk prior to the commencement of installation. Such policy or certificate shall provide that the Town shall be notified thirty (3)0 days in advance of the cancellation or termination of the policy. The Town Board reserved the right to approve the policy and increase minimum limits of liability based upon inflationary factors and other causes to be determined by the Town Board.

(c) The Grantee, upon receipt of due notice in writing form the Town, shall defend at its own expense any action or proceeding against the Town in which it is claimed that injury or damages arose from the Grantee's activities or failure to act in the installation, maintenance, or operation of its cable communication system.

(d) Surety Bond.

(1) The Grantee shall maintain, and by its acceptance of this franchise specifically agrees, that it will maintain throughout the term of this franchise a faithful performance bond running to the Town of Lake Mills with a good and sufficient surety approved by the Town Attorney in the sum of $100,000 conditioned that the Grantee shall well and truly observe, fulfill, and perform each term and condition of this franchise and of the Grantee's proposal and that in case of any breach, the Town shall be entitled to recover from the principal, and sureties thereof the amount of all damages including all costs and attorneys' fees incurred by the Town proximately resulting from the failure of the Grantee to well and faithfully observe and perform any and all of the provisions of this franchise. After the Grantee completes the installation of the CATV system and Grantee has provided service to all residents of the Town requesting such service, and the system is approved by the Town Board, Grantee may make application to the Town Board for reduction of its bond and if the Town Board approves the installation of the system and is satisfied that all residents of the Town within the light and water district or meeting the requirements for extension of service and requesting service have been provided such service by Grantee, the Town Board may reduce the amount of such bond but is not required to do so.

(2) No recovery by the Town of any sum by reason of the bond required herein shall be any limitation upon the liability of the Grantee to the Town, except that any sum received by the Town by reason of the bond required herein shall be deducted from any recovery which the Town might have against the Grantee.

2-3-22: ADDITIONAL REQUIREMENTS: The Grantee shall comply with all conditions imposed by the Federal Communications Commission and by the State of Wisconsin. Failure to obtain any required licenses or to comply with all such conditions shall be grounds to revoke the franchise without liability assigned to the Town. Copies of all documents filed with other government bodies, including but not limited to the FCC and the State of Wisconsin, shall be furnished to the Town of Lake Mills concurrently.

2-3-23: REVOCATION OF FRANCHISE:

(a) In addition to all the rights and powers reserved by the Town, the Town expressly reserves the right to revoke, terminate, and cancel the franchise and all rights and privileges to the Grantee hereunder in the event that:

(1) The Grantee violates any material provision of this ordinance, any material provision of the Grantee's proposal, the grant of franchise, or any rule, order, or determination of the Town made pursuant to this ordinance, except where such violation is without fault or through excusable neglect; or

(2) The Grantee becomes insolvent, unable, or unwilling to pay its debts, or is adjudged bankrupt; or

(3) A receiver of trustee has, at least one hundred and twenty (120) days beforehand, been appointed to take over and conduct the business of the Grantee, whether in receivership, reorganization, bankruptcy, or other action or proceeding unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred and twenty (120) days, or unless:

a.) within one hundred and twenty (120) days after his election or appointment, such receiver or trustee shall have fully complied with all the provisions of this ordinance and remedied all defaults thereunder; and

b.) such receiver or trustee, within one hundred and twenty (120) days, shall have executed an agreement, duly approved by the court having jurisdiction in the premises, whereby such receiver or trustee assumes and agrees to be bound by each and every provision of this ordinance; or

(4) There has been a change in the control of the Grantee without first obtaining written consent of the Town Board, or where such consent has been sought and denied or not given; or

(5) The Grantee attempts to evade any of the material provisions or this ordinance or practices and fraud or deceit upon the Town; or

(6) The Grantee fails to have service available to all areas of the Town in the LakeMills light and water district or which meet the requirement for extension of service.

(b) Such revocation, termination, and cancellation shall occur only after public hearing has been conducted by the Town Board. The Town Board may, but is not required, to refer such matter to the CATV Regulatory Board for review and recommendation. If as a result of said public hearing, the Town Board approves and recommends revocation, termination, a nd cancellation, the Town Board shall provide written notice of its decision to the Grantee. The written notice shall include a statement specifying the steps, procedures, or acts which the Grantee must undertake to perform in order to void revocation, termination, and cancellation. In the event the Grantee strictly complies with each step, procedure, or action required by the Town Board, the revocation, termination, and cancellation shall not take effect. In the event the Grantee fails to strictly comply with each step, procedure, or act required of the Town Board, the revocation, termination, and cancellation shall take effect at the expiration of thirty (30) days after receipt of the written notice without further notice to the Grantee. Such revocation, termination, and cancellation shall in no way affect any of the Town's rights under this ordinance or any provision of law. In the event that such revocation, termination, and cancellation depends upon finding of fact, such finding of fact, as made by the Town Board, shall be conclusive; provided, however, that before the franchise may be revoked, terminated, and canceled under this section, the Grantee must be provided with an opportunity to be heard before the Town Board.

(c) In the event that the Town revokes, terminates, and cancels this franchise, pursuant to the appropriate provision of this ordinance, the Town shall have the right to purchase the Grantee's cable system in accordance with the provisions of Section 15.01. After purchasing the Grantee's

cable system, the Town shall have the right to sell said system to another operator if the Town so chooses.

(d) Whenever this franchise shall set forth any time for any act to be performed by or on behalf of the Grantee, such time shall be deemed of the essence and any failure of the grantee to perform within time allotted shall be sufficient grounds for the Town to revoke this franchise.

(e) If grounds for the revocation of this franchise exist, the Town Board may pass a resolution imposing any penalty of sanction, not amounting to revocation, upon the Grantee; provided that said penalty or sanction, not amounting to revocation is agreed upon by both the Grantee and the Town Board. If no agreement is reached between the Grantee and the Town Board, the town Board shall decide whether or not to revoke the Grantee's franchise.

2-3-24: PREFERENTIAL OR DISCRIMINATORY PRACTICES PROHIBITED: The Grantee shall not deny service, deny access, or otherwise discriminate against subscribers, programmers, or general citizens on the basis or race, color, religion, national origin, creed, orsex. Nothing in this provision shall be construed to prohibit the reduction or waiving of charges in conjunction with promotional campaigns for the purpose of establishment of a graduated scale of charges and classified rate schedules to which any subscriber or programmer included within a particular classification shall be entitled.

2-3-25: RIGHT OF PRIVACY: The Grantee shall to reveal to any third party any information or data concerning any specific subscriber. Any information or data revealed to third parties shall be limited to gross data relating to all subscribers, without identification as to individual subscribers.

2-3-26: EVALUATION SESSIONS:

(a) The Town of Lake Mills CATV Regulatory Board or Joint Board and the Grantee shall hold scheduled evaluation sessions within thirty (30) days of the fifth and tenth anniversary dates of the granting of this franchise. All such evaluation sessions shall be open to the public and announced in the official town newspaper at least five (5) days before each session. The CATV Regulatory Board shall file a report detailing all complaints, comments, and suggestions for improvement which are received in any evaluation session, and shall include in its report any recommendations the Board had with respect to the continued operation of the system.

(b) Special Evaluation Sessions. Special evaluation sessions may be held at any time during the term of the franchise, provided that both the Town of Lake Mills CATV Regulatory Board or Joint Board and the Grantee shall mutually agree on the time, the place and the topics to be evaluated. All such evaluation sessions shall be open to the public and announced in the official Town newspaper at least five (5) days before such session. In the event the Town Board desires a special evaluation session and the Grantee refuses to take part in such evaluation session, the Town Board may, nevertheless, set the time and place thereof and give notice to the Grantee. If the Grantee fails and refuses to participate in such special evaluation session, the same may subject the franchise to forfeiture.

(c) Topics to be Evaluated. The following topics shall be discussed at every scheduled evaluation session:

(1) Service rate structures
(2) Free or discounted services
(3) Application of new technologies
(4) System performances
(5) Services provided
(6) Programming offered
(7) Customer complaints
(8) Privacy and human rights
(9) Amendments to this ordinance
(10) Judicial and FCC rulings

Topics in addition to those listed may be added for discussion at such evaluation sessions. Members of the general public may add topics either by working through the negotiating parties or by presenting a petition. If such a petition bears the valid signatures of fifty (50) or more qualified electors of the Town, the proposed topic or topics shall be added to the list of topics to be discussed at the evaluation session.

2-3-27: LOCAL ORGANIZATION:

(a) The Grantee shall provide free installation and cablevision service to any schools which may hereafter be constructed within the Town of Lake Mills, and the Town Hall for use by the Town of Lake Mills for emergency purposes. The educational channels may be used between the school buildings and classrooms to transmit educational programs or to broadcast school activities into the homes of subscribers. A set of television production equipment will be made available to

the Town for use by schools located in the Town, the Town of Lake Mills, and the general public if the need arises in the future. This will include a color TV camera, video recorder, and lighting equipment.

(b) The Grantee shall devote at least one channel to locally originated programming. The Grantee shall also submit a plan, subject to the approval of the Town Board, stating the proposed number of channels which will be provided for additional services, including channels to be devoted to locally originated programs. Said plan shall contain an estimate of the total number of broadcast hours per week per channel which the Grantee proposed to devote to local programming, the types of local programs it proposes to originate and a provision that the Grantee shall submit to the Town Board each year a proposed programming schedule for locally originated channels. The Town reserves the right to require reservation of one channel in addition to the channel reserved for locally originated programs for the Town government and the dissemination of public information through the Town government.

2-3-28: SERVICE STANDARDS:

(a) Upgrading of Facilities, Equipment, and Services. The Grantee shall upgrade its facilities, equipment, and services as subscribers' demands dictate so that its system is as advanced as the current state of technology with field-proven equipment will allow.

(b) The cable system shall be engineered and installed with the capacity for two-way communications in accordance with the regulations of the Federal Communications Commission now in effect or which may be promulgated.

(c) The Grantee shall utilize microwave distribution systems where necessary to fulfill all of the representations made to the Town in the Grantee's proposal.

(d) At the option of any individual subscriber, the Grantee shall install a switching device upon subscriber's television receiver whereby said subscriber may disconnect his television receiver from the Grantee's cable system in order to receive over-the-air television signals. The price of this device to said subscriber shall be the cost of said device to the Grantee, or less at the option of the Grantee, and the Grantee shall not charge the subscriber any fee for the installation of said device. The Grantee shall make all reasonable efforts to obtain said devices at the lowest possible cost to it.

(e) At the option of any individual subscriber, the Grantee shall provide a device which allows said individual subscriber to utilize a key to disconnect those channels providing additional

services to the subscriber, such as pay-TV channels. The price of such device shall be the cost of such device to the Grantee, or less at the option of the Grantee, and the Grantee shall not charge the subscriber any fee for the installation of said device. The Grantee shall make all reasonable efforts to obtain said devices at the lowest possible cost to it.

(f) The Grantee shall provide for the standardization of cable television system facilities for the exchange of transmission of both live and recorded programs with other cable television facilities operating in adjacent territory to the Town. The Grantee shall run appropriate trunk lines to the borders of the franchise area or provide other suitable methods to accomplish said purpose. Interconnections shall be made within sixty (60) days of a request made by the Town.

2-3-20: MISCELLANEOUS RATE MATTERS:

(a) Advance Charges.

(1) The Grantee may require subscribers to pay for each month of basic service and FM service in advance at the beginning of each month. No other advance payment or deposit of any kind shall be required by the Grantee for basic subscriber service. No deposit or advance payment of any kind shall be charged for the provision of any converter without prior approval of the Town Board. Additional advance payments may be made available, as an option, by the Grantee to subscribers. Nothing in this provision shall be construed to prohibit charges for initial installation and reconnection.

(2) The Grantee may make available or require advance charges or deposits for various additional services, provided that the Town Board have authorized such charges or deposits, pursuant to Section 16.01 of this ordinance.

(b) Termination of Service.

(1) If any subscriber fails to pay a properly due monthly subscriber fee, or any other properly due fee or charge, the Grantee may disconnect the subscriber's service outlet. Such disconnection shall not be effected until ten (10) days after adequate written notice of the intent to disconnect has been delivered to the subscriber in question. After disconnection, upon payment of the delinquent fee or charge and the payment of a reconnection charge, the Grantee shall promptly reinstate the subscriber's cable service.

(2) Upon termination of service to any subscriber, the Grantee shall promptly remove all of its facilities and equipment from the premises of such subscriber upon his written request. The service will be disconnected at the poles if above ground or at the connection box if underground so that such disconnection shall be outside rather than inside the home. For multiple family dwellings such disconnection shall be made in the basement or other appropriate service area outside the living area itself. Any such removal shall be at no cost to the subscriber.

(c) Refunds to Subscribers and Programmers.

(1) If the Grantee fails to provide any materials service requested by a subscriber or programmer, the Grantee shall, after adequate notification and being afforded the opportunity to provide the service promptly refund all deposits or advance charges paid for the service in question by said subscriber or programmer.

(2) If any subscriber terminates any monthly service during the first twelve (12) months of said service because of the failure of the Grantee to render the service in accordance with the standards set forth in this franchise, the Grantee shall refund to such subscriber multiplied by the fraction of the twelve (12) month period for which the subscriber will not be receiving service.

2-3-30: RIGHT OF RESIDENTS:

(a) An owner or operator of an apartment building, condominium, nursing home, or any other rental facility may not interfere with or charge a fee for the installation of cable facilities for the use of a lessee of said property or premises, except that such owner or operator may require:

(1) Installation to conform to reasonable conditions necessary to protect the safety, appearance, and functioning of the premises;

(2) The Grantee, occupant, or tenant to pay for the installation, operation, orremoval of such facilities; or

(3) The Grantee, occupant, or tenant to agree to indemnify the owner or operator for any damages caused by the installation, operation, or removal of such facilities.

(b) It shall be unlawful for the Grantee to reimburse or offer to reimburse any person, or for any person to demand or receive reimbursement from the Grantee, for the placement upon the premises of such person of Grantee's facilities necessary to connect such person's premises to the distribution lines of Grantee to provide CATV service to said premises.

(c) A landlord may not discriminate in the amount of rent charged to tenants or occupants who receive cable services and to those who do not.

(d) The Grantee may not take actions which would diminish or interfere with the privileges of any tenant or which would disclose the names and addresses of its subscribers, or any list which identifies, by name subscriber viewing habits, to any person, agency, or entity, for any purpose whatsoever.

2-3-31: RIGHTS RESERVED TO THE TOWN:

(a) The right is hereby reserved to the Town 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 the police powers; provided, that such regulations, by ordinance, or otherwise, shall be reasonable and not in conflict with the rights herein granted.

(b) Nothing in this ordinance shall limit the right of the Town to acquire the cable system of the Grantee through the exercise of eminent domain, condemnation proceedings, or otherwise.

(c) Nothing contained in this ordinance shall be construed to limit or in any way impair the powers and authorities of the Town of Lake Mills, except as expressly stated in this ordinance.

2-3-32: PROTECTIONS AFFORDED THE GRANTEE

(a) Tampering with Cable Equipment. A person who willfully or maliciously damages, or causes to be damaged, any wire, cable, conduit, apparatus, or equipment of the Grantee, or who commits any act with intent to cause damage to any wire, cable, conduit, apparatus, or equipment of the Grantee, or who taps, tampers with, or connects any wire or device to a wire, cable, conduit, or equipment of the Grantee with intent to obtain a signal or impulse therefrom without authorization of the Grantee, shall be subject to a forfeiture of not more than $200.00 as determined by the court and shall be liable in a civil action for the actual amount of damages sustained thereby, but this section shall not prevent a public utility from removing, disconnecting, or otherwise rendering inoperable any of the Grantee's apparatus or equipment attached or in any way connected to such public utility's facilities, if done for reasonable cause.

(b) Liability of the Grantee in Libel Action. The Grantee or its agents shall not, in an action for slander or for publishing a libel, be held liable in damages for and on account of any of any defamatory matter uttered, telecast, cable cast, or published over the facilities of the Grantee by any person whose utterance, telecast, cable cast, or publication is not, under the provisions of any law of the United States or any regulation, ruling, or order of the Federal Communications Commission, subject to censorship or control by the Grantee.

2-3-33: SUPERVISION OF THE GRANTEE:

(a) Books and Records of the Grantee.

(1) The Grantee shall file with the Town Clerk accurate copies of maps and/or plats of the location and character of all existing and proposed installation over, upon, or under the street. These maps and plats shall conform to the requirements of the Town Engineers, and shall be kept continuously up-to-date.

(2) The Grantee shall continuously keep on file with the Town Board a current list of its shareholders, holding 5% or more of the outstanding stock, and officers, with their current addresses. These lists must also be included in the annual report of the Grantee required in Section 18.01(b) of this ordinance.

(3) All books and records of the Grantee concerning its operations within the Town, including but not limited to all income tax returns and financial records of the Grantee, shall be made available for inspection and audit by the Town Board or its designate within thirty (30) days after any request of such inspection or audit shall be made.

(4) The Grantee shall keep and maintain all records required by the FCC. Copies of said records and all other rules and regulations, terms, and conditions established by the Grantee for the conduct of his business shall be filed with the Town Board and at the local office of the Grantee.

(5) Copies of all petitions, applications, and communications submitted by the Grantee to the Federal Communications Commission, Securities and Exchange Commission, or any other federal or state regulatory commission or agency having jurisdiction in respect to any matter affecting cable operation shall also be submitted simultaneously to the Town by filing the same with the Town Clerk.

(6) The Grantee shall maintain records of those subscriber complaints and requests for service which it has received, the time of such reception, and the time at which it responded to said subscriber complaints and requests for service. Every two (2) months, copies of said records shall be submitted to the Town Board. The grantee shall also keep a copy of said records at its local office.

(7) The Grantee shall keep and maintain a complete record of all persons or groups requesting time on its access channels. Said record shall be made available for public inspection and a copy of said record shall be submitted to the cable review committee.

(8) All records required by this section shall be kept on file by the Grantee for the duration of this franchise.

(b) Restrictions Against Assignment.

(1) This franchise shall not be assigned or transferred either in whole or in part or leased, sublet, or mortgaged in any manner, nor shall title thereto either legal or equitable, or any right, interest, or property therein, pass without the express consent of the Town Board. The granting, giving, or waiving of any one or more of such consents shall not render unnecessary any subsequent consent orconsents.

(2) The Grantee shall promptly notify the Town Board of any actual or proposed change in or transfer of, or acquisition by, any other party of control of the Grantee. Within sixty (60) days after receiving said notice, the Town Board shall hold a public hearing on this matter. For the purpose of determining whether it will consent to such change, transfer, or acquisition of control, the town Board may inquire into the qualifications of the prospective controlling party, and the Grantee shall assist the Town Board in any such inquiry.

(3) Every change, transfer, or acquisition of the control of the Grantee with respect to which the consent of the Town Board is required, pursuant to subsection (1) above, shall make this franchise subject to revocation unless and until the Town Board shall have consented thereto. In the event that the Town Board denies consent, and such change, transfer, or acquisition of control has been effected, the Town may revoke this permit unless control of the Grantee is restored to its status prior to the change, or to a status acceptable to the Town Board.

(4) Upon the foreclosure or other judicial sale of all or a substantial part of the Grantee's cable system, or upon the termination of any lease covering all or a substantial part of said system, the Grantee shall notify the Town Board of such fact, and such notification shall be treated as a notification that a change in control of the Grantee has taken place, and the provisions of subsections (1), (2), and (3) above shall apply.

(5) The consent or approval of the Town Board to any assignment, lease, transfer, sublease, or mortgage of this franchise shall not constitute a waiver or release of the rights of the Town in and to the streets.

(6) Nothing in this section shall be deemed to prohibit a mortgage or pledge of the cable system equipment or any part thereof or a leasing by the Grantee from another person of said cable system equipment or part thereof or a leasing by the Grantee from another person of said cable system equipment or part thereof for financing purposes or other wise. Any such mortgage, pledge, or lease shall be subject and subordinate to the rights of the Town under this contract or applicable law.

2-3-34: INTENDED SCOPE OF THIS ORDINANCE:

(a) Compliance with Local, State, and Federal Law.

(1) The Grantee shall construct, operate, and maintain the CATV system subject to the supervision of all of the authorities of the Town who have jurisdiction in such matters and in strict compliance with all laws, ordinances, and department rules and regulations.

(2) If at any time the powers of the Town Board or any agency or official of theTown are transferred by law to any other Board, authority, agency, or official, this Board, authority, agency, or official shall have the power, rights, and duties previously vested under this ordinances or by law in the Town Board or any agency or official of the Town.

(3) Notwithstanding any other provisions of this franchise, the Grantee shall at all times comply with all laws and regulations of the state and federal government or any administrative agency thereof; provided, however, if such state or federal law or regulation shall require the Grantee to perform any service in conflict with the terms of this ordinance or of any law or regulation of the Town, then as soon as possible following knowledge thereof, the Grantee shall notify the Town Board of conflict believed to exist between such regulation or law and the laws or regulations of the Town or this ordinance. If the Town Board determines that a material provision of this ordinance is affected by such subsequent action, the Town Board shall have the right to modify any of the provisions herein to such reasonable extent as may be necessary to carry out the full intent and purpose of this ordinance.

(b) Failure of Town to Enforce this Franchise No Waiver of the Terms Thereof. The Grantee shall not be excused from complying with any of the terms and conditions of this franchise by any failure of the Town upon any one or more occasions to insist upon or to seek compliance with any such terms or conditions.

(c) Captions. The captions to sections throughout this ordinance are intended solely to facilitate reading and references to the sections and provisions of this ordinance. Such captions shall not affect the meaning or interpretation of this ordinance.

(d) Sever ability. If any provision of this ordinance or the application of such provision to any circumstances is held invalid for any reason whatsoever, the remainder of this ordinance or the application of the provisions to other circumstances shall not be affected hereby.

2-3-35: LIMITATIONS OF THE GRANTEE'S RECOURSE:

(a) Except as expressly provided in this franchise, the Grantee herein shall have no recourse whatsoever against the Town for any loss, cost or expense, or damage arising out of the provisions or requirements of this ordinance or because of the enforcement thereof by the Town.

(b) The Grantee expressly acknowledges that upon accepting this franchise, it did so relying upon its own investigation and understanding of the power and authority of the Town to grant this franchise. By the acceptance of this franchise to the Grantee agrees that it will not at any time set up against the Town in any claim or proceeding any condition or term of this franchise as unreasonable, arbitrary, or void or that the Town had not power or authority to make such term or conditions of this franchise in their entirety.

(c) The Grantee by acceptance of this franchise acknowledges that it has not been induced to enter into this franchise by any understanding or promise or other statement whether verbal or written by or on behalf of the Town or by any other third person concerning any term or condition of this franchise not expressed herein.

(d) The Grantee further acknowledges by acceptance of this franchise that it has carefully read the terms and conditions hereof and is willing to and does accept all reasonable risks of the meaning of such terms and conditions and agrees that in the event of any ambiguity therein or in the event of any other dispute over the meaning thereof, the same shall be construed strictly against the Grantee and in favor of the Town.