

AN ORDINANCE GRANTING TO TELEPROMPTER CORPORATION, A CORPORATION, THE NONEXCLUSIVE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, OPERATE, AND MAINTAIN A CABLE TELEVISION SYSTEM FOR TELEVISION AND OTHER ELECTRONIC SIGNAL DISTRIBUTION THROUGHOUT THE TOWN OF RUSTON, WASHINGTON, AND PROVIDING AND IMPOSING PROVISIONS, CONDITIONS, AND REGULATION RELATING THERETO.

BE IT ORDAINED BY THE TOWN OF RUSTON:

Section 1. SHORT TITLE. This ordinance shall be known as and be cited as the "Ruston Cable Television Franchise Ordinance # 708."

Section 2. DEFINITIONS. For the purposes of this ordinance, the following terms, phrases, words, and their derivations shall have the meaning given herein. When no inconsistent with the context, the words used in the present tense include the future, words in the plural number include the singular number. The word "shall" is always mandatory and not merely directory.

- (1) "Town" is the Town of Ruston, Washington.
- (2) "Company" or "Grantee" is grantee of rights under this franchise; provided, however, if grantee is a division or subsidiary of another entity, corporation or otherwise, which conducts operations or fields of endeavor other than are covered by this franchise, then "Company" or "Grantee" as used herein shall pertain only to operations in connection with the rights granted under this franchise and not to any other phases of operations not covered herein.
- (3) "Council" is the Town Council of the Town of Ruston as established and constituted under the Charter of the Town of Ruston.
- (4) "Person" is any person, firm, partnership, association, corporation, company, or organization of any kind.
- (5) "Cable Television System" is defined as a facility interconnecting subscribers to such a service system to a common source of electromagnetic intelligence derived from television and other audio-visual electronic signal sources transmitting to the public entertainment, training, educational, sporting and special events, weather reports, news and other informational programs and public service programs.

The granting of this franchise is specifically limited to the extent and for the purposes herein mentioned and nothing contained in this franchise shall ever be construed as prohibiting the Town from granting other separate franchises in future and further technological developments; no from engaging in such activities in its own municipal capacity.

Section 3. GRANT OF AUTHORITY. The Town of Ruston hereby grants to TELEPROMPTER CORPORATION, a corporation, its successors and assigns, for a period of Fifteen years from the date of the acceptance by the company of this franchise, the right, privilege, authority, and franchise to construct, install, erect, operate, and maintain in, upon, along, across, over, and under the streets, alleys, public ways, and public places now laid out or dedicated, and all extensions thereof and additions thereto, in the Town of Ruston, Washington, poles, wires, cables, underground conduits, manholes, and other equipment, fixtures, and appurtenances necessary for the operation and maintenance in the Town of a cable television system or systems as described in the definition (subparagraph (5) of Section 2).

The rights and franchise herein granted shall not be exclusive, and the Town reserves the right to grant a similar use of said streets, alleys, public ways, and places to any person or persons at any time during the period of this franchise.

Section 4. COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES. The Company shall at all times during the life of this franchise be subject to all lawful exercise of the police power by ordinance of the Town and to all laws, rules, and regulations, federal, state, and local that are now in effect or that hereafter may be enacted or promulgated relating in any way to the exercise by the Company of its rights under this franchise.

Section 5. COMPANY LIABILITY - INDEMNIFICATION. The Company shall at all times protect and hold harmless the Town from all claims, actions, suits, liability loss, expense, or damages of any kind and description, including court costs and attorneys' fees, which may accrue to or be suffered or claimed by any person or persons, arising out of the ownership, construction, or operation of said cable television system and by reason of any license, copyright, property right, or other intangible or patent of any article or system used in the construction or use of said system.

The Company shall maintain in full force and effect, during the life of this franchise, public liability insurance in a solvent insurance company authorized to do business in the State of Washington in the following amounts:

- (1) \$50,000 property damage to any one person;
- (2) \$300,000 property damage in any one accident;
- (3) \$300,000 for personal injury to any one person;
- (4) \$300,000 for personal injury in any one accident;
- (5) \$100,000 contractual coverage for this franchise authorized pursuant to this ordinance, which shall include all compensation for damages resulting from any infringements of copyrights or other similar rights.

The Town shall be named as the coinsured on all applicable insurance policies and a copy of said policy or policies, authenticated by the insurance carrier, shall be approved by the Town attorney and filed with the Town Clerk of the Town. Authenticated proof of renewals shall likewise be approved and filed showing the above coverage for the duration of this franchise.

Section 6. PERFORMANCE BOND. The Company shall present a surety bond in the amount of \$25,000 which shall be approved by the Town attorney, which bond shall be in effect until construction of the cable television system is completed and shall insure and guarantee the faithful performance by the Company, its assigns and successors in interest, of all the terms conditions and requirements of this ordinance and franchise relating to any and all construction of the Company, will indemnify and save the Town harmless from all claims, actions or damages of every kind and description which may accrue to or be suffered by any person by reason of any construction or maintenance or any opening in any street, alley, avenue or other public place made by the Company, that the Company will replace and restore such street, alley, avenue, planting or other public or private property or improvement to as good a state or condition as at the time of the commencement of said work and providing a recovery on the bond in case of failure to perform any of the terms and conditions of this ordinance and franchise relating thereto.

Section 7. OPERATION -- BEGINNING. The Company shall begin the operation of its system or systems within the Town of Ruston within a period of six months from the date of acceptance by the Company of this franchise; otherwise, the franchise and authority granted hereunder shall be nullified, cease, and be of no further force or validity.

Section 8. SERVICE TO CUSTOMERS. The Company shall furnish its cable television service commensurate with that which is available under other comparable CATV systems in the area to all persons when feasible to do so and when such persons agree to abide by such Company's reasonable rules and regulations.

The Company shall furnish its cable television services at nondiscriminatory rates as between each class or classes of its subscribers except that installation rates may vary in accordance with customer's location, density of service potential and/or factors substantially affecting the extent of plant required for service.

Section 9. JURISDICTION AND CONTROL OVER SERVICES. The Company shall maintain and operate its system and render efficient service to its customers so long as this franchise is effective without cancellation by Town or Company and shall, during such period, abide by finally adjudicated rules and regulations of the Federal Communication Commission or other governmental body having jurisdiction pertaining to the operation of CATV systems generally.

The Company shall set the rates for services it renders subscribers which rates shall be reasonable and subject to review by the Town Council. Such rates shall be nondiscriminatory as set out in Section 8, above.

Section 10. NOTICE OF INTERRUPTION OF SERVICE. Whenever it is necessary to shut down or interrupt service to the public in order to make repairs, adjustments or installations, the Company shall do so at such time as will cause the least amount of inconvenience to its customers and, unless an emergency exists, it shall give reasonable notice thereof to its subscribers.

Section 11. COMPANY RULES. The Company shall have the authority to promulgate such rules, regulations, terms, and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this franchise and to assure an uninterrupted service to each and all its customers, which rules and regulations, however, shall not be in conflict with any of the terms and conditions of this franchise or of the rules and regulations of the Town or of any public agency or commission having any jurisdiction over the subject matter of this franchise or the Company.

Section 12. APPROVAL OF PLANS NECESSARY BEFORE CONSTRUCTION OF SYSTEM. Prior to commencement of any construction or erection of the system or any part, or any extension or relocation thereof, covered by this franchise, the Company shall submit adequate plans, specifications and pertinent information in respect thereto to the Town for its inspection and approval, and no work shall be commenced until the written approval thereof is first obtained. Such approval shall be unreasonably be withheld.

Section 13. USE OF EXISTING AND HEREAFTER ERECTED UTILITY POLES. The Company, where feasible, shall use the poles now or hereafter erected belonging to the Town or in which the Town has an interest. The right, extent and manner of use of those poles shall be prescribed by the Mayor or his delegate. The Company agrees to pay to the Town annual rental of \$2.00 per pole for each calendar year or part thereof during which it uses such pole. Such rental shall be subject to review and adjustment, if necessary, to reflect changes in actual costs attributable to maintenance of said poles and the Company's proportional share thereof based on actual space used.

Section 14. UNDERGROUND INSTALLATION. The Mayor areas where there are no available poles for use by the Company in the construction, operation, and maintenance of its system and in areas where electric wires and cables are no or hereafter laid underground, or in areas where poles exist and the Company options to utilize underground facilities, the wires and cables of the Community Antenna Television System must be installed and maintained or removed and installed and maintained underground, at no expense to the Town and in full compliance with any and all ordinances and other laws and regulations now or hereafter in effect and relating thereto.

Section 15. LOCATION DISTRIBUTION SYSTEM -- MINIMUM INTERFERENCE WITH USE BY PUBLIC. All transmission and distribution lines, structures, and equipment erected by the Company within the Town shall be so located as to cause minimum interference with the proper use of streets, alleys, and other public ways and places by the Town and the public and the rights or reasonable convenience of property owners who adjoin any of the said public ways and places.

Section 16. DISTURBANCE OF STREETS -- PRIVATE IMPROVEMENTS -- DUTY TO REPAIR. In case of any disturbance of pavement, sidewalk, driveway, or other surfacing or public or private improvements thereto or contained therein, the Company shall, at its own expense and in a manner approved by the Town Inspector, replace and restore all paving, sidewalk, driveway or surface of any street or alley disturbed and all public or private improvements thereto or contained therein in as good condition as before said work was commenced.

Section 17. COMPANY'S DUTIES TO MOVE AND RELOCATE POLES, ETC., UPON ALTERATION AND CHANGE OF GRADE OF STREETS AND CHANGES IN OTHER PUBLIC BUILDINGS AND PLACE. In the event that at any time during the period of this franchise the Town shall elect to change, alter, move, or construct any new public structures or places or to alter or change the grade of any street, alley, or other public way, the Company, upon reasonable notice by the Town, shall remove and relocate its poles, wires, cables underground conduits, manholes, and other fixtures and facilities at its own expense; provided the Company shall not be required to alter, relocate, etc, without the Town requiring all other wired services or utilities in any area being required to perform likewise and simultaneously.

Section 18. LOCATION OF POLES, CABLES, ETC. -- APPROVAL BY THE TOWN. All poles, cables, wires, antennas, conduits, customer connection, appliances, and appurtenances shall be constructed and erected in a neat and workmanlike manner, and shall be of such height and occupy such position and be located and be of such kind and material as shown in the Company's plans and approved by the Town as hereinabove provided.

Section 19. MOVING OF BUILDINGS -- COMPANY'S DUTY TO RAISE OR LOWER LINES. The Company shall, on the request of any person holding a building moving permit issued by the Town, temporarily raise or lower its wires to permit the moving of buildings. The expense of such temporary removal, raising, or lowering of wires shall be paid by the person requesting the same, and the Company shall have the authority to require such payment in advance. The Company shall be given not less than forty-eight hours advance notice to arrange for such temporary wire changes.

Section 20. FRANCHISE NOT LIMITATION ON TOWN'S USE OF STREET AND POLES. This franchise and rights and privileges herein granted to the Company and to its assigns and successors in interest shall never be construed or interpreted so as to prevent or limit in any way the Town from sewerage, grading, improving, repairing, or altering any of its streets or alleys in or upon which the poles, wires, or conduits, of the Company shall be placed nor prevent the Town from placing additional poles or moving, relocating, or changing any poles now existing or that may hereafter exist.

Section 21. PREFERENTIAL OR DISCRIMINATORY PRACTICES PROHIBITED. The Company shall not, as to rates, charges, services facilities, rules, regulations, or in any other respect, make or grant any preference or advantage to any person, nor subject any person to any prejudice or disadvantage. No graduated scale of charges shall be adopted.

Section 22. PROHIBITION AGAINST ENGAGING IN TELEVISION SALES AND REPAIR BUSINESS.

During the time that this franchise is in effect within the Town of Ruston, the Company shall not itself, nor through any other person, either directly or indirectly engage in the business of lending, leasing, furnishing, selling, servicing, repairing, or maintaining receiving equipment and devices that are customarily owned by the customer, such as televisions, etc., except such devices as are customarily and usually owned, furnished or leased by the CATV operators to its subscribers.

Section 23. SERVICE BY COMPANY. The Company will provide broadcast television and FM radio signals and such other audio-visual serves as it may elect, in compliance with federal laws and regulations and will meet or exceed all technical performance standards imposed by the regulations of the Federal Communications Commission.

Section 24. MAINTENANCE OF BUSINESS OFFICE BY COMPANY. The Company shall establish, keep, maintain, and conduct in the City of Tacoma an office for the transaction of its business with its customers in the Town of Ruston and where all bills for services rendered to such customers may be paid.

Section 25. INSOLVENCY OR BANKRUPTCY OF THE COMPANY. In the event the Company or its successors in interest should be adjudged bankrupt or insolvent or assignment be made for the benefit of creditors, either voluntarily or involuntarily, then and in that event this franchise, as to the said bankrupt or insolvent Company or its successors in interest, shall be terminated and shall not be assignable by any process of law, and it shall not pass under the control of disposition of any trustee or receiver or assignee, all at the option of the Town Council.

Section 26. USE OF THE SYSTEM BY THE TOWN AND OTHER PUBLIC AGENCIES. The Company will, at no charge, provide a drop terminal at Police, Fire, Civil Defense, and such other town municipal buildings now or as hereafter may be designated by resolution of the Town Council; PROVIDED, HOWEVER, that in the event any such buildings or facilities are more than 100 feet from said operating system of the Company, this requirement as to that particular building or facility shall not apply.

The Company further, at no charge, will provide a drop terminal at each public, private, or parochial school or facility, subject to the same provisions and exemptions as hereinabove set forth in this section.

Within the limitations of this franchise, as above set forth in subsection (5), Section 2, any other service or facilities furnished by the Company shall be upon such terms and conditions as may be mutually agreed upon between the parties hereto.

Section 28. SUPERVISION AND INSPECTION BY THE TOWN. The Town shall have the right to make such inspections of the construction of installation or maintenance work in connection with said system as it shall find necessary to insure compliance with all ordinances and rules and regulations now in effect or that may hereafter become effective.

The Town reserves the general right to see that the system of the Company is constructed and maintained in a safe condition, and if an unsafe condition is found to exist, to order the Company, in writing, to make the necessary repairs and alterations specified therein forthwith; and if the Company shall fail to make such repairs and alterations, the Town may make them or have them made and collect all costs and expenses thereof from the Company.

Section 29. PROCEDURE AFTER TERMINATION OR REVOCATION. Upon the revocation of this franchise by the Council under Section 35 of this Ordinance or at the end of the term of this franchise, the Town shall have the right to determine whether the Company shall continue to operate and maintain its distributing system.

Section 30. LITIGATION -- VENUE. The Town shall have the right to institute or to intervene as a party in any action in any court of competent jurisdiction seeking mandamus, injunctive, or other relief to compel compliance with any provision of this ordinance or of any rule, regulations, or order adopted thereunder, or to restrain or otherwise prevent or prohibit any illegal or unauthorized conduct in connection therewith. The venue of all such acts or proceedings as above provided for and set forth shall be in the Superior Court of Pierce County, Washington.

Section 31. FRANCHISE PAYMENT -- GROSS EARNINGS. The Company shall pay to the Town for the privilege of operating and maintaining a Community Antenna Television System in the Town a sum equal to three percent of the gross subscriber revenues (including all forms of consideration such as initial lump sum payments) taken in and received by the Company from the operation of such system in the Town payable on or before the 15th day of March of each year for the preceding year.

Section 32. FRANCHISE PAYMENTS TO EXEMPTIONS FROM OTHER TAXES. The payment by the Company of the gross income tax and pole rental above provided for shall not be construed nor interpreted as exempting the Company from the payment of any and all other taxes, including business and occupation tax, that said Company is now subject to under existing law or against any other taxes or amendments to existing taxes that may hereafter be lawfully enacted and assessed against it.

Section 33. RECORDS AND REPORTS. The Company shall keep adequate records and accounts of its operations, and the Town shall have access, at all reasonable hours, to the Company's plans, contracts, and engineering, accounting, and other necessary records relating to the construction, extension, and operation of the Company which are relevant to this Franchise. The Company shall file with the Town Clerk the following records and reports:

- (1) Company Rules and Regulations. Copies of such rules, regulations, terms, and conditions adopted by the Company for the conduct of its business relevant thereto.
- (2) Gross Revenue. An annual summary report showing gross revenues received by the Company from its operations within the Town during the preceding year and such other information as the Town shall request with respect to properties and expense related to the Company's service within the Town relevant thereto.

Section 34. ASSIGNMENT OR TRANSFER OF INTEREST. The Company shall not sell or transfer its system or plant to another or transfer or assign this franchise or any rights hereunder to another unless permission is obtained by the Town Council.

Section 35. DEFAULT -- FORFEITURE PROVISIONS. Upon the failure of the Company or its successors in interest to comply with any of the terms, provisions, restrictions or limitations contained in any future charge of the Town within sixty (60) days after service of written notice to company with the same has been made and served, by order of the Town Council, upon such grantee, unless a shorter time is elsewhere specified herein, said Council shall be authorized upon behalf of the Town to declare by ordinance an immediate forfeiture of this franchise as to such grantee, and said Council may in such case declare and enforce such forfeiture. This remedy shall be in addition to all other rights and remedies of the Town as elsewhere provided herein.

Section 36. COMPANY PAYS COST OF PUBLICATION. The Company shall assume all costs of the publication of this ordinance.

Section 37. EFFECTIVE DATE OF FRANCHISE. This ordinance shall not be passed until at least fourteen days after its introduction nor become effective until thirty days after publication thereof and shall be subject to all of the provisions and conditions contained in the Town's Charter or as it may hereafter be amended.

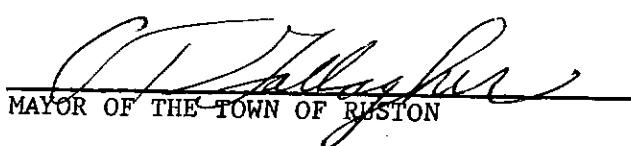
Section 38. ACCEPTANCE OF FRANCHISE BY COMPANY. The Company, its successors or assigns, shall be deemed to have forfeited and abandoned all rights and privileges to the franchise conferred by this ordinance unless the Company, its successors or assigns, shall within thirty days after the effective date of this ordinance, file in the office of the Town Clerk a written acceptance of the rights and privileges hereby conferred subject to the terms, conditions, stipulations, and obligations herein contained and in case of its failure so to do, this ordinance shall be null and void and of no force or effect whatsoever.

Section 39. RATED. It is the intent of the parties that any discrepancy between the franchise payment set forth in § 31 and the franchise payment made to the City of Tacoma under City of Tacoma Ordinance No. 10905 or any amendment thereof or successor ordinance thereto, shall inure to the benefit of the subscribers to the Company's service in Ruston. So long as such a discrepancy exists, the Company shall maintain a reduced rate to its Ruston subscribers which will return to it no more gross revenue than would have been received by it if the franchise payments in Ruston and Tacoma were identical.

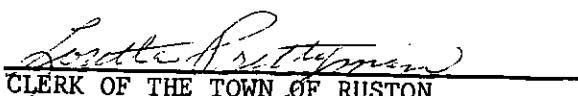
Section 40. SEVERABILITY CLAUSE. If any part or parts of this ordinance are for any reason held to be invalid, such decision shall not effect the validity of the remaining portions of this ordinance.

Section 41. This franchise shall be subject to all laws and regulations of the United States of America and the State of Washington, and to Part 76 of the Rules and Regulations of the Federal Communications Commission.

PASSED BY THE COUNCIL this 5th day of November, 1979.


MAYOR OF THE TOWN OF RUSTON

ATTEST:


CLERK OF THE TOWN OF RUSTON

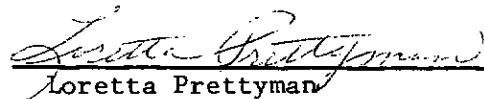
STATE OF WASHINGTON,)
COUNTY OF PIERCE) ss.
TOWN OF RUSTON)

I, LORETTA PRETTYMAN, Clerk of the Town of Ruston, do hereby certify, that the foregoing is a true and correct copy of Ordinance No. 708 of the Town Entitled:

AN ORDINANCE GRANTING TO TELEPROPTER CORPORATION, A CORPORATION, THE NONEXCLUSIVE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, OPERATE, AND MAINTAIN A CABLE TELEVISION SYSTEM FOR TELEVISION AND OTHER ELECTRONIC SIGNAL DISTRIBUTION THROUGHOUT THE TOWN OF RUSTON, WASHINGTON, AND PROVIDING AND IMPOSING PROVISIONS, CONDITIONS, AND REGULATION RELATING THERETO.

passed by the Council of said Town on the 5th day of November, 1979, and that on the 8th day of November, 1979, said Ordinance was by me duly posted according to law, there being no newspaper in said Town.

DATED this 8th day of November, 1979.



Loretta Prettyman