

**SHAMRCOI TOWNSHIP
AITKIN COUNTY
Ordinance No. 2024-01**

CABLE TELEVISION FRANCHISE

AN ORDINANCE GRANTING A RENEWED FRANCHISE TO SAVAGE COMMUNICATIONS, INC. OF MINNESOTA TO CONSTRUCT AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE TOWN OF SHAMROCK; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS

The Town Board of the Town of Shamrock ordains:

STATEMENT OF INTENT AND PURPOSE

The Town intends, by the adoption of this Franchise, to bring about the continued development and operation of a Cable Communications System. Such a development can contribute significantly to the communication needs and desires of the Town and its residents and achieve better utilization and improvement of public services with the development and operation of a Cable Communication System.

Past studies and experience by the Town have led to a Cable Communications System which, in the judgment of the Board, is best suited to the Town. This has resulted in the preparation and adoption of this Franchise.

FINDINGS

In the review of the Renewal Proposal and application of Savage Communications, Inc. (“the Grantee”), and as a result of a public hearing, the Town Board makes the following findings:

1. The Grantee’s technical ability, financial condition, legal qualifications, and character were considered and approved in a full public proceeding after due notice and a reasonable opportunity to be heard;
2. The Grantee’s plans for constructing, upgrading, and operating the System were considered and found adequate and feasible in a full public proceeding after due notice and a reasonable opportunity to be heard;
3. The Franchise granted to the Grantee by the Town complies with applicable federal and state laws, rules, and regulations; and
4. The Franchise granted to the Grantee is nonexclusive.

**SECTION 1.
SHORT TITLE AND DEFINITIONS**

1.1. Short Title. This Franchise Ordinance shall be known and cited as the Cable Communications Ordinance.

1.2. Definitions. For the purposes of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words in the singular number include the plural number. The word “shall” is mandatory. The word “may” is directory and discretionary.

- a. “Basic Cable Service” means any service tier which includes the lawful retransmission of local television broadcast signals required by the franchise to be carried on the basic tier. Basic Cable Service as defined herein shall not be inconsistent with federal and state laws, rules, and regulations.
- b. “Cable Communications System” or “System” means a system of antennas, cables, wires, lines, towers, conductors, converters, equipment, and facilities located in the Town and designed and constructed for the purpose of producing, receiving, transmitting, amplifying, or distributing audio, video, and other forms of electronic signals in the Town. System as defined herein shall not be inconsistent with the definition set forth in federal and state laws, rules, and regulations.
- c. “Cable Programming Service” means any video programming provided over a cable system, regardless of service tier, including installation or rental of equipment used for the receipt of video programming, other than:
 - (1) video programming carried on the “basic service tier,” as defined by federal laws, rules, and regulations;
 - (2) video programming offered on a pay-per-channel or pay-per-program basis; and
 - (3) a combination of multiple channels of pay-per-channel or pay-per-program video programming offered on a multiplexed or time-shifted basis so long as the combined service:
 - (a) consists of commonly-identified video programming; and
 - (b) is not bundled with any regulated tier of service.
- d. “Cable Communications Service” means the provision of television reception, communications, and entertainment services regulated pursuant to Minnesota Statutes, Chapter 238 or as otherwise provided by this Franchise Ordinance, and

distributing the same over a Cable Communications System. This definition shall not include telephone services regulated pursuant to Minnesota Statutes, Chapter 237.

- e. "Town" means the Town of Shamrock, in the State of Minnesota, acting by and through its Town Board.
- f. "Town Board" means the Shamrock Minnesota Town Board.
- g. "Class IV Cable Communications Channel" means a signaling path provided by a Cable Communications System to transmit signals of any type from a Subscriber terminal to another point in the System.
- h. "Converter" means an electronic device which converts signals to a frequency acceptable to a television receiver of a Subscriber and by an appropriate selector permits a Subscriber to view all Subscriber signals included in the service.
- i. "Drop" means the cable that connects the ground block on the Subscriber's residence to the nearest feeder cable of the System.
- j. "FCC" means the Federal Communications Commission and any legally appointed, designated or elected agent or successor.
- k. "Grantee" is Savage Communications, Inc. its agents and employees, lawful successors, transferees or assignees.
- l. "Installation" means the connection of the System from feeder cable to the point of connection, including Standard Installations and custom installations.
- m. "Lockout Device" means an optional mechanical or electrical accessory to a Subscriber's terminal which inhibits the viewing of a certain program, certain channel, or certain channels provided by way of the Cable Communication System.
- n. "Pay Television" means the delivery over the System of pay-per-channel or pay-per-program audiovisual signals to Subscribers for a fee or charge, in addition to the charge for Basic Cable Service or Cable Programming Services.
- o. "Person" is any person, firm, partnership, association, corporation, company, or other legal entity.
- p. "Standard Installation" means any residential installation which can be completed using a Drop of two hundred (200) feet or less.

- q. “Street” means the surface of, and the space above and below, any public street, road, highway, freeway, lane, alley, path, court, sidewalk, parkway, or drive, or any easement or right-of-way now or hereafter held by the Town.
- r. “Subscriber” means any Person who lawfully receives Cable Television Service. In the case of multiple office buildings or multiple dwelling units, the “Subscriber” means the lessee, tenant, or occupant.

SECTION 2.
GRANT OF AUTHORITY AND GENERAL PROVISIONS

2.1. Franchise Required. It shall be unlawful for any Person to construct, operate or maintain a Cable Communications System in the Town unless the Person or the Person for whom the action is being taken shall obtain and hold a valid Franchise Ordinance. It shall also be unlawful for any Person to provide Cable Television Service in the Town unless the Person shall obtain and hold a valid Franchise Ordinance. All Cable Communications Franchises granted by the Town shall contain the same substantive terms and conditions.

2.2. Grant of Franchise. This Franchise is granted pursuant to the terms and conditions contained herein.

2.3. Grant of Nonexclusive Authority.

- a. The Grantee shall have the right and privilege to construct, erect, operate, and maintain, in, upon, along, across, above, 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, poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation in the Town of a Cable Communications System as herein define. The Cable Communications System constructed and maintained by the Grantee or its agents shall not interfere with other uses of Streets. The Grantee shall make use of existing poles and other facilities available to the Grantee to the extent it is technically and economically feasible to do so.
- b. Notwithstanding the above grant to use Streets, no Street shall be used by the Grantee if the Town, in its sole opinion, determines that the use is inconsistent with the terms, conditions, or provisions by which the Street was created or dedicated, or with the present use of the Street.
- c. This Franchise shall be nonexclusive, and the Town reserves the right to grant a similar use of the Streets, alleys, public ways and places, to any Person at any time during the period of this Franchise; provided, however, that any additional Cable Franchise grants shall be under the same substantive terms and conditions as this Franchise.

- d. The Grantee shall have the authority to use the Town's easements, public rights-of-way, Streets and other conduits for the distribution of the Grantee's System. The Town may require all developers of future subdivisions to allow and accommodate the construction of the System as part of any provisions for utilities to serve the subdivisions.

2.4. Franchise Term. This Franchise shall be in effect for a period of ten (10) years from the date of acceptance by the Grantee, unless renewed, revoked or terminated sooner as herein provided.

2.5. Previous Franchises. Upon acceptance by the Grantee as required by Section 13 herein, this Franchise shall supersede and replace any previous Ordinance or Agreement granting Franchise to the Grantee to own, operate and maintain a Cable Communications System within the Town. Town Ordinance No. 2007-1 is hereby expressly repealed.

2.6. Compliance with Applicable Laws Resolutions and Ordinances. The Grantee shall at all times during the life of this Franchise be subject to all lawful exercise of the police power, statutory rights, and the right of eminent domain by the Town. This Franchise shall comply with the Minnesota franchise standards contained in Minnesota Statutes, Chapter 238.

2.7. Rules of the Grantee. The Grantee shall have the authority to promulgate rules, regulations, terms, and conditions governing the conduct of its business as shall be reasonably necessary to enable the Grantee to exercise its rights and perform its obligation under this Franchise and to assure uninterrupted service to each and all of its Subscribers; provided that these rules, regulations, terms and conditions shall not be in conflict with provisions of this Franchise or federal, state, or local laws, rules, or regulations.

2.8. Territorial Area Involved. This Franchise is granted for the corporate boundaries of the Town, as it exists from time to time. In the event of annexation by the Town, or as development occurs, any new territory shall become part of the area covered; provided, however, that the Grantee shall not be required to extend service beyond its present System boundaries unless there is a minimum of twenty-five (25) homes per cable mile as measured from the last fiber node or terminating amplifier. Access to cable service shall not be denied to any group of potential residential cable Subscribers because of the income of the residents of the area in which the group resides. The Grantee shall be given a reasonable period of time to construct and activate cable plant to service annexed or newly developed areas.

2.9. Written Notice. All notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to any officer of the Grantee or the Town's Administrator of this Franchise or forty-eight (48) hours after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

Grantee shall substantially comply with all state and local laws and building and zoning codes currently or hereafter applicable to construction, operation or maintenance of the System in the Town and give due consideration at all times to the aesthetics of the property.

- b. The Town shall have the right to inspect all construction or installation work performed pursuant to the provisions of the Franchise and to make these tests at its own expense as it shall find necessary to ensure compliance with the terms of the Franchise and applicable provisions of federal and state laws, rules, and regulations.

3.3. Repair of Streets and Property. Any and all Streets, public property, or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the System shall be promptly and fully restored by the Grantee, at its expense, to a condition as good as that prevailing prior to the Grantee's work, as approved by the Town in the case of Streets and other public property. If the Grantee shall fail to promptly perform the restoration required herein, the Town shall have the right to put the Streets, public, or private property back into good condition. The Town reserves its rights to pursue reimbursement for the restoration from the Grantee.

3.4. Conditions on Street Use.

- a. Nothing in this Franchise shall be construed to prevent the Town from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any Street; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.
- b. All System transmission and distribution structures, lines and equipment erected by the Grantee within the Town shall be located so as not to obstruct or interfere with the proper use of Streets, alleys, and other public ways and places, and to cause minimum interference with the rights of property owners who abut any of the Streets, alleys and other public ways and places, and not to interfere with existing public utility installations. The Grantee shall furnish to and file with the Town the maps, plats, and permanent records of the location and character of all facilities constructed, including underground facilities, and the Grantee shall file with the Town updates of these maps, plats, and permanent records annually if changes have been made in the System.
- c. If at any time during the period of this Franchise the Town shall elect to alter or change the grade or location of any Street, alley or other public way, the Grantee shall, at its own expense, upon reasonable notice by the Town, remove and relocate its poles, wires, cables, conduits, manholes and other fixtures of the System, and in each instance comply with the standards and specifications of the

Town. If the Town reimburses other occupants of the Street, the Grantee shall be likewise reimbursed.

- d. The Grantee shall not place poles, conduits, or other fixtures of the System above or below ground where they will interfere with any gas, electric, telephone, water, or other utility fixtures and all these poles, conduits, or other fixtures placed in any Street shall be so placed as to comply with all requirements of the Town.
- e. The Grantee shall, on request of any Person holding a moving permit issued by the Town, temporarily move its wires or fixtures to permit the moving of buildings with the expense of the temporary removal to be paid by the Person requesting the same, and the Grantee shall be given not less than ten (30) days advance notice to arrange for the temporary changes.
- f. The Grantee shall have the authority to trim any trees upon and overhanging the Streets, alleys, sidewalks, or public easements of the Town so as to prevent the branches of trees from coming in contact with the wires and cables of the Grantee.
- g. Nothing contained in this Franchise shall relieve any Person from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities.

3.5. Undergrounding of Cable.

- a. In all areas of the Town where all other utility lines are placed underground, the Grantee shall construct and install its cables, wires and other facilities underground. Amplifier boxes and pedestal mounted terminal boxes may be placed above ground if existing technology reasonably requires, but shall be of a size and design and shall be so located as not to be unsightly or unsafe.
- b. In any area of the Town where there are cables, wires, or similar facilities of a public utility or public utility district underground and at least one operable cable, wire or like facility of a public utility or public utility district suspended above the ground from poles, the Grantee may construct and install its cables, wires and other facilities from the same pole with the consent of the owner of the pole.
- c. The Grantee shall be granted access to any easements granted to a public utility, municipal utility or utility district in any areas annexed by the Town or new developments.

3.6. Erection, Removal and Joint Use of Poles. No poles, conduits, or other wire-holding structures shall be erected or installed by the Grantee without prior approval of the Town with regard to location, height, type and other pertinent aspects.

3.7. Safety Requirements.

- a. The Grantee shall at all times employ ordinary and reasonable care and shall install and maintain in use nothing less than commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public.
- b. The Grantee shall install and maintain its System wires, cables, fixtures and other equipment in substantial compliance with the requirements of the National Electric Safety Code and all FCC, state and local regulations, and in a manner that they will not interfere with any installations of the Town or of any public utility serving the Town.
- c. All System structures and all System lines, equipment and connections in, over, under and upon the Streets, sidewalks, alleys, and public ways and places of the Town, wherever situated or located, shall at all times be kept and maintained in good condition, order, and repair so that the same shall not menace or endanger the life or property of any Person.

3.6. Status of Existing Cable System. The Cable System as constructed as of the date of the passage and final adoption of this Franchise substantially complies with the material construction and design provisions of this Franchise.

SECTION 4. DESIGN PROVISIONS

4.1. Minimum Channel Capacity. The Grantee shall provide a System which utilizes at least 550 MHz equipment and which is capable of delivering a minimum of Seventy (70) analog Video or 300 digital QAM channels.

4.2. Internet Services. The Grantee shall provide a System which is capable of electronic mail (email) and other communications services, information services, the "Internet". The provisions of these services shall be subject only to compliance with applicable federal and state laws, rules, and regulations and further compliance with the terms of any agreement with the user of such services.

4.3. Operation and Maintenance of System. The Grantee shall render effective service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Any interruption, to the extent feasible, shall be preceded by notice in accordance with Section 2.9 of this Franchise and shall occur during periods of minimum use of the System.

4.4. Technical Standards. The technical standards used in the operation of the System shall comply, at minimum, with applicable rules, regulations, and technical standards promulgated by the FCC relating to cable communications systems. These rules, regulations, and technical standards are expressly incorporated herein by reference.

4.5. Special Testing. The Town may require special testing of a location or locations within the System if there is a particular matter of controversy or unresolved complaints pertaining to the location. Demand for special tests may be made on the basis of complaints received or other evidence indicating an unresolved controversy or noncompliance. These tests shall be limited to the particular matter in controversy or unresolved complaints. The Town shall endeavor to arrange its request for special testing so as to minimize hardship or inconvenience to the Grantee or to the Subscribers caused by testing. Before ordering special tests, the Grantee shall have thirty (30) days to correct problems or complaints upon which tests were ordered. The Town shall meet with the Grantee prior to requiring special tests to discuss the need for them and, if possible, visually inspect those locations which are the focus of concern. If, after the meetings and inspections, the Town wishes to commence special tests and the thirty (30) days have elapsed without correction of the matter in controversy or unresolved complaints, the tests shall be conducted by a qualified engineer selected by the Town. In the event that special testing is required by the Town to determine the source of technical difficulties, the cost of the testing shall be borne by the Grantee if the testing reveals the source of the technical difficulty to be within the Grantee's reasonable control. If the testing reveals the difficulties to be caused by factors beyond the Grantee's reasonable control, the cost of the test shall be borne by the Town.

4.6. FCC Reports. The results of tests required to be filed by the Grantee with the FCC shall also be copied to the Town, as required by federal and state laws, rules, and regulations.

4.7. Non-voice Return Capability. The Grantee is required to use cable having the technical capacity for nonvoice return communications.

4.8. Lockout Device. Upon the request of a Subscriber, the Grantee shall provide by sale or lease a Lockout Device.

SECTION 5. SERVICES PROVISIONS

5.1. Regulation of Service Rates.

- a. The Town may regulate rates for the provision of cable service, equipment, or any other communications service provided over the System to the extent allowed under federal and state laws, rules, and regulations.
- b. A list of the Grantee's current Subscriber rates and charges shall be maintained on file with the Town and shall be available for public inspection. The Grantee shall give the Town and Subscribers written notice of any change in a rate or charge no less than thirty (30) days prior to the effective date of the change.

5.2. Sales Procedures. The Grantee shall not exercise deceptive sales procedures when marketing its Cable Television Services within the Town. The Grantee shall have the right

to market its cable services door-to-door during reasonable hours consistent with local ordinances and regulation.

5.3. Subscriber Inquiry and Complaint Procedures.

- a. The Grantee shall have a publicly listed toll-free telephone number and be operated so as to receive Subscriber complaints and requests on a twenty-four (24) hour-a-day, seven (7) days-a-week basis.
- b. The Grantee shall maintain adequate numbers of telephone lines and personnel to respond in a timely manner to schedule service calls and answer Subscriber complaints or inquiries in a manner consistent with regulations adopted by the FCC.
- c. Subscriber requests for repairs shall be performed, to the extent possible, within twenty-four (24) hours of the request unless conditions beyond the control of the Grantee prevent performance.
- d. Subject to the privacy provisions of state and federal law, the Town and the Grantee shall prepare and maintain written records of all complaints made to them and the resolution of the complaints, including the date of the resolution. These written records shall be on file at the office of the Grantee.

5.4. Refund Policy. In the event a Subscriber establishes or terminates service and receives less than a full month's service, the Grantee shall prorate the monthly rate on the basis of the number of days in the period for which service was rendered to the number of days in the billing.

**SECTION 6.
OPERATION AND ADMINISTRATION PROVISIONS**

6.1. Access to Records. The Town shall have the right to inspect, upon reasonable notice, at any time during normal business hours, those records maintained by the Grantee which relate to System operations and to Gross Revenues, subject to the privacy provisions of state and federal ("Cable Act").

6.2. Reports to be Filed with the Town. The Grantee shall prepare and furnish to the Town, at the times and in the form prescribed, reports with respect to the operations, affairs, transactions or property, as they relate to the System, which the Grantee and the Town may agree upon.

**SECTION 7.
GENERAL FINANCIAL AND INSURANCE PROVISIONS**

7.1. Indemnification of the Town.

- a. The Town, its officers, boards, committees, commissions, elected officials, employees, and agents shall not be liable for any loss or damage to any real or personal property of any Person, or for any injury to or death of any Person, arising out of or in connection with the construction, operation, maintenance, repair, or removal of, or other action or event with respect to the System.
- b. The Grantee shall indemnify, defend, and hold harmless the Town, its officers, boards, committees, commissions, elected officials, employees, and agents, from and against all liability, damages, and penalties which they may legally be required to pay as a result of the exercise of the franchise, except claims because of the Town's own programming.
- c. Nothing in this Franchise relieves a Person from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Street or public place or with the construction or reconstruction of a sewer or water system.
- d. In order for the Town to assert its rights to be indemnified, defended, and held harmless, the Town must with respect to each claim:
 - (1) promptly notify the Grantee in writing of any claim or legal proceeding which gives rise to the right;
 - (2) afford the Grantee the opportunity to participate in and fully control any compromise, settlement or other resolution or disposition of any claim or proceeding; and
 - (3) fully cooperate with reasonable requests of the Grantee in its participation in, and control, compromise, settlement, or resolution or other disposition of the claim or proceeding subject to Section 8.2(d)(2).

7.3 Insurance.

- a. The Grantee shall maintain in full force and effect, at its own cost and expense, during the term of this Franchise, comprehensive general liability insurance in the minimum amount of \$1,000,000 general liability insurance, with a \$3,000,000 umbrella policy.
- b. The insurance shall be with a company acceptable to the Town and shall otherwise be in form and substance acceptable to the Town. The Grantee shall

provide evidence of insurance at the time of acceptance of this Franchise. The above minimum insurance amount may be changed from time to time by the Grantee as mutually agreed with the Town. The Grantee shall immediately give notice to the Town of any threatened or pending litigation affecting this insurance.

SECTION 8.

SALE, ABANDONMENT, TRANSFER AND REVOCATION OF FRANCHISE

8.1. The Town's Right to Revoke.

- a. In addition to all other rights which the Town has pursuant to law or equity, the Town reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, if after the hearing required by Section 9.2(b), it is determined that:
 - (1) the Grantee has violated any material provision of this Franchise;
 - (2) the Grantee has attempted to evade any of the material provisions of the Franchise; or
 - (3) the Grantee has practiced fraud or deceit upon the Town or subscriber.
- b. The Town may revoke this Franchise without the hearing required by Section 9.2(b) herein if the Grantee is adjudged a bankrupt.

8.2. Procedures for Revocation.

- a. The Town shall provide the Grantee with written notice of a cause for revocation and the intent to revoke and shall allow the Grantee sixty (60) days subsequent to receipt of the notice in which to correct the violation or to provide adequate assurance of performance in compliance with the Franchise. Together with the notice required herein, the Town shall provide the Grantee with written findings of fact which are the basis of the revocation.
- b. The Grantee shall be provided the right to a public hearing affording due process before the Town Board prior to revocation, which public hearing shall follow the sixty (60) day notice provided in paragraph (A) above. The Town shall provide the Grantee with written notice of its decision together with written findings of fact supplementing the decision.
- c. After the public hearing and upon written determination by the Town to revoke the Franchise, the Grantee may appeal the decision to any state or federal court or agency with jurisdiction.

- d. During the appeal period, the Franchise shall remain in full force and effect unless the term of the Franchise sooner expires.
- e. Upon satisfactory correction by the Grantee of the violation upon which the notice was given, as determined in the Town's sole discretion, the initial notice shall become void.

8.3. Abandonment of Service. The Grantee may not abandon the System or any portion thereof without having first given three (3) months written notice to the Town. The Grantee may not abandon the System or any portion thereof without compensating the Town for damages resulting from the abandonment.

8.4. Sale or Transfer of Franchise.

- a. No sale, transfer, or "fundamental corporate change", as defined in Minnesota Statutes, Section 23 8.083, of this Franchise shall take place until the parties to the sale, transfer, or fundamental corporate change files a written request with the Town for its approval; provided, however, that the approval shall not be required where the Grantee grants a security interest in its Franchise or assets to secure an indebtedness.
- b. The Town shall have thirty (30) days from the time of the request to reply in writing and indicate approval of the request or its determination that a public hearing is necessary due to potential adverse affect on the Grantee's Subscribers resulting from the sale or transfer. The approval or determination shall be expressed by Town Board resolution within thirty (30) days of receipt of the request, or the request shall be deemed approved as a matter of law.
- c. If a public hearing is deemed necessary pursuant to Section 9.4(b), the hearing shall be commenced within thirty (30) days of the determination, and notice of any hearing shall be given in accordance with local law or fourteen (14) days prior to the hearing by publishing notice thereof once in a newspaper of general circulation in the Town. The notice shall contain the date, time and place of the hearing and shall briefly state the substance of the action to be considered by the Town. The hearing may be continued only with the Grantee's written consent.
- d. Within thirty (30) days after the closing of the public hearing, the Town shall approve or deny in writing the sale or transfer request. The Town shall set forth in writing with particularity its reason(s) for denying approval. The Town shall not unreasonably withhold its approval.
- e. Any sale or transfer of stock in the Grantee so as to create a new controlling interest in the System shall be subject to the requirements of this Section 9.05. The term "controlling interest" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

- f. In no event shall a transfer or assignment of ownership or control be approved without the transferee assuming in writing Grantee's rights and obligations under this Franchise.
- g. In the event of any proposed sale or assignment pursuant to paragraph (A.) of this Section the Town shall have the right of first refusal of any bona fide offer to purchase the System. Bona fide offer, as used in this Section, means an offer received by the Grantee which it intends to accept subject to the Town's rights under this Section. This written offer must be conveyed to the Town along with the Grantee's written acceptance of the offer contingent upon the rights of the Town provided for in this Section.
- h. The Town shall be deemed to have waived its rights under this Section in the following circumstances:
 - (1) if it does not indicate to the Grantee in writing, within 30 days of notice of a proposed sale or assignment, its intention to exercise its right of purchase; or
 - (2) it approves the assignment or sale of the Franchise as provided within this Section.

**SECTION 9.
PROTECTION OF INDIVIDUAL RIGHTS**

9.1. Discriminatory Practices Prohibited. The Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers on the basis of race, color, religion, national origin, sex, or age, except as permitted by federal, state, and local laws, rules, and regulations.

9.2. Subscriber Privacy.

- a. No signals, including signals of a Class IV Channel, may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. The request for the permission shall be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. The written permission shall be for a limited period of time not to exceed one (1) year which shall be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew the authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. The permission shall be required for each type or classification of Class IV Channel activity planned for the purpose of monitoring individual viewing patterns or practices.

- b. No information or data obtained by monitoring transmission of a signal from a Subscriber terminal, or any other means, including but not limited to lists of the names and addresses of Subscribers or any lists that identify the viewing habits of Subscribers, shall be sold or otherwise made available to any party other than to the Grantee and its employees for internal business use, and also to the Subscriber who is subject of that information, unless the Grantee has received specific written authorization from the Subscriber to make the data available.
- b. Written permission from the Subscriber shall not be required for the purposes of conducting of System wide or individually addressed electronic sweeps, verifying System integrity, or monitoring for the purpose of billing. Confidentiality of the information shall be subject to the provision set forth in Section 10.2(b).

**SECTION 10.
UNAUTHORIZED CONNECTIONS AND MODIFICATIONS**

10.1. Unauthorized Connections or Modifications Prohibited. It shall be unlawful for any firm, Person, group, company, corporation, or governmental body or agency, without the express consent of the Grantee, to make or possess, or assist anybody in making or possessing, any connection, extension, or division, whether physically, acoustically, inductively, electronically or otherwise, with or to any segment of the System.

10.2. Removal or Destruction Prohibited. It shall be unlawful for any firm, Person, group, company, corporation, or government body or agency to willfully interfere, tamper, remove, obstruct, or damage, or assist thereof, any part or segment of the System for any purpose whatsoever.

10.3. Criminal Penalties. Any person in violation of any of the provisions in this ordinance will be guilty of a misdemeanor. Each day on which such violation continues will constitute a separate offense.

10.4. Civil Enforcement. This ordinance may be enforced by mandamus, injunction, or any other appropriate remedy, in addition to any criminal penalties imposed hereunder.

**SECTION 11.
MISCELLANEOUS PROVISIONS**

11.1. Franchise Renewal. Any renewal of this Franchise shall be done in accordance with applicable federal and state, laws, rules, and regulations.

11.2. Amendment of Franchise Ordinance. The Grantee and the Town may agree, from time to time, to amend this Franchise. The written amendments may be made subsequent to a review session pursuant to Section 11.6 or at any other time if the Town and the Grantee agree that such an amendment will be in the public interest or if such an amendment is required due to

changes in federal, state, or local laws. The Town shall act pursuant to local law pertaining to the ordinance amendment process.

11.3. Compliance with Federal, State, and Local Laws.

- a. If any federal or state law, rule, or regulation shall require or permit the Town or the Grantee to perform any service or act or shall prohibit the Town or the Grantee from performing any service or act which may be in conflict with the terms of this Franchise, then as soon as possible following knowledge thereof, either party shall notify the other of the point in conflict believed to exist between the law or regulation. The Grantee and the Town shall conform to state laws and rules regarding cable communications not later than one year after they become effective, unless otherwise stated, and conform to federal laws and regulations regarding cable as they become effective.
- b. If any term, condition, or provision of this Franchise or the application thereof to any Person or circumstance shall, to any extent, be held to be invalid or unenforceable, the remainder hereof and the application of the term, condition, or provision to Persons or circumstances other than those as to whom it shall be held invalid or unenforceable shall not be affected thereby, and this Franchise and all the terms, provisions and conditions hereof shall, in all other respects, continue to be effective and complied with, provided the loss of the invalid or unenforceable clause does not substantially alter the agreement between the parties. In the event the law, rule, or regulation is subsequently repealed, rescinded, amended, or otherwise changed so that the provision which had been held invalid or modified is no longer in conflict with the law, rules, and regulations then in effect, the provision shall thereupon return to full force and effect and shall thereafter be binding on the Grantee and the Town.

11.4. Nonenforcement by the Town. The Grantee shall not be relieved of its obligations to comply with any of the provisions of this Franchise by reason of any failure or delay of the Town to enforce prompt compliance. Any waiver by the Town of a breach or violation of any provision of this Franchise shall not operate as or be construed to be a waiver of any subsequent breach or violation.

11.5. Administration of Franchise. The Town Clerk shall have continuing regulatory jurisdiction and supervision over the System and the Grantee's operation under the Franchise. The Town may issue reasonable rules and regulations concerning the construction, operation and maintenance of the System as are consistent with the provisions of the Franchise and law.

11.6. Periodic Evaluation. The field of cable communications is rapidly changing and may see many regulatory, technical, financial, marketing, and legal changes during the term of this Franchise. Therefore, in order to provide for a maximum degree of flexibility in this

Franchise, and to help achieve a continued advanced and modern System, the following evaluation provisions shall apply:

- a. The Town may require an evaluation session ten (10) years from the Effective Date of this Franchise and upon thirty days written notice to the Grantee.
- b. All evaluation sessions shall be open to the public and notice of sessions published in the same way as a legal notice.
- c. Topics which may be discussed at any evaluation session may include, but are not limited to, application of new technologies, System performance, programming offered, access channels, facilities and support, municipal uses of cable, customer complaints, amendments to this Franchise, judicial rulings, FCC rulings, line extension policies and any other topics the Town and the Grantee deem relevant.
- d. As a result of a periodic review or evaluation session, the Town and the Grantee may develop changes and modifications to the terms and conditions of the Franchise as are mutually agreed upon.

11.7. Rights Cumulative. All rights and remedies given to the Town by this Franchise shall be in addition to and cumulative with any and all other rights and remedies, existing or implied, now or hereafter available to the Town, at law or in equity, and these rights and remedies shall not be exclusive, but each and every right and remedy specifically given by this Franchise or otherwise existing or given may be exercised from time to time and as often and in the order as may be deemed expedient by the Town and the exercise of one or more rights or remedies shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy.

SECTION 12.

PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXHIBITS

12.1. Publication: Effective Date. This Franchise shall be published in accordance with applicable Minnesota law. The effective date of this Franchise shall be the date of acceptance by the Grantee in accordance with the provisions of Section 13.2.

12.2. Acceptance.

- a. The Grantee shall accept this Franchise within sixty (60) days of its enactment by the Town Board, unless the time for acceptance is extended by the Town. This acceptance by the Grantee shall be deemed the grant of this Franchise for all purposes.
- b. Upon acceptance of this Franchise, the Grantee shall be bound by all the terms and conditions contained herein.

c. The Grantee shall accept this Franchise by properly executing, and acknowledging, and delivering it to the Town.

Passed and adopted this 10th day of December 2024.

ATTEST:

By: [Signature]

Its President

By Candace Kral

Its Town Clerk

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

Savage Communications, Inc.

Dated: 12-18-24

By [Signature]

Its: President

