NOTICE OF PUBLIC HEARING ON PROPOSED CABLE TELEVISION FRANCHISE ORDINANCE

Notice is hereby given that pursuant to the provisions of K.S.A. 12-2007, the Governing Body of the City of Edna will hold a public hearing on the 12th day of June, 2014 at 7:30 PM at the City Hall in the City of Edna, Kansas to hear any comments, objections, or suggested changes that may be made in respect to a proposed ordinance of the City of Edna, Kansas granting a non-exclusive cable television franchise.

The proposed ordinance is as follows:

ORDINANCE NO. 458

AN ORDINANCE OF THE CITY OF EDNA, KANSAS GRANTS TO CRAW-KAN TELEPHONE COOPERATIVE, ITS SUCCESSORS, LESSEES AND ASSIGNS, FOR A TERM OF TEN (10) YEARS, THE NON-EXCLUSIVE RIGHT, AUTHORITY, POWER AND FRANCHISE TO ESTABLISH, CONSTRUCT, ACQUIRE, MAINTAIN AND OPERATE A COMMUNITY ANTENNAE AND CLOSED-CIRCUIT ELECTRONIC SYSTEM WITHIN THE CITY OF EDNA, KANSAS, TO RENDER, FURNISH AND SELL COMMUNITY ANTENNAE AND CLOSED-CIRCUIT ELECTRONIC SERVICE THEREFROM WITHIN THE CITY OF EDNA, AND ENVIRONS THEREOF, AND TO USE AND OCCUPY THE STREETS AND OTHER PUBLIC PLACES OF THE CITY OF EDNA, FOR SUCH COMMUNITY ANTENNAE AND CLOSED-CIRCUIT ELECTRONIC SYSTEM.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EDNA, LABETTE COUNTY, KANSAS, GRANTEE, AS FOLLOWS:

Section 1. After a full, open and public hearing, upon prior notice and the opportunity to all interested parties to be heard, and after review of the qualifications of Craw-Kan Telephone Cooperative and after determining that Craw-Kan Telephone Cooperative is legally qualified, adequately financed, and technically competent to provide community television services (hereinafter "Cable Television Services or Systems") to the City of Edna, Kansas, and after determining that the construction agreements of Craw-Kan Telephone Cooperative are adequate and feasible, there is hereby granted to Craw-Kan Telephone Cooperative, a corporation duly authorized to do business in the State of Kansas (hereinafter called the "Grantee"), and to the Grantee's successors, lessees, and assigns, for the full term of ten (10) years from the date hereof, the non-exclusive right, authority, power and franchise to

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establish, construct, acquire, maintain and operate a Cable Television System with the City of Edna, Kansas (hereinafter called the "City") to render, furnish and sell Cable Television Services from such system to the inhabitants of the City and its environs, and to use and occupy the streets and other public places within the corporate limits of the City as the same now exist or may hereafter exist for its Cable Television System, including the right to enter and construct, erect, locate, relocate, repair and rebuild in, on, under, along, over and across the streets, alleys, avenues, parkways, lanes, bridges, easements, rights of way, and other public places of the City, all cables, amplifiers, conduits, and other facilities owned, leased, or otherwise used by the Grantee for the furnishing of Cable Television services within the City and environs thereof during the continuance of the franchise hereby granted.

Section 2. Any pavements, sidewalks, or curbing taken up or any and all excavations made by the Grantee shall be done under the supervision and direction of the governing body of the City under the permits issued for work by the proper officials of the City and shall be made and done in such manner as to give the least inconvenience to the inhabitants of the City and the public generally, and all such pavements, sidewalks, curbing, and excavations shall be replaced and repaired in as good condition as before, with all convenient speed, by and at the expense of the Grantee, which shall at all times make and keep full and complete plats, maps, and records showing the exact location of its facilities located within the public ways of the City. The Grantee shall not place fixtures where the same will interfere with any gas, electric or telephone fixtures, water hydrants or mains, and all fixtures placed in any street shall be placed at the outer edge of the sidewalk and inside the curb line, and those placed in alleys shall be placed close to the line of the lot abutting on said alley, and then in such a manner as not to interfere with the usual travel on said streets, alleys and public ways.

Section 3. It is expressly understood and agreed by and between the Grantee and the City that the Grantee shall save the City harmless from all loss sustained by the City on account of any suit, judgment, execution, claim or demand whatsoever, resulting from negligence on the part of the Grantee in the construction, operation or maintenance of its system in the City, and Grantee shall cause to be defended at its own expense all actions that may be commenced against

the City by reason of the construction and/or operation of such system. The Grantee shall carry public liability and property damage insurance in the sum of \$300,000 Dollars for each individual, \$500,000 Dollars for each accident, and \$100,000 Dollars for property damage, with the City named as an additional insured, said insurance to be carried with an insurance company with a recognized national rating acceptable to the City.

Section 4. The Grantee shall have the authority to promulgate such rules, regulations, terms and conditions of its business as shall be reasonably necessary to enable the Grantee to exercise its rights and perform its services to each and all of its customers. The Grantee shall have the right and power to fix, charge, collect and receive reasonable rates for Cable Television Services furnished within the corporate limits of the City, subject to Section 10 hereafter.

Section 5. The City reserves the right of reasonable regulation of the erection, construction or installation of any facilities by the Grantee and to reasonably designate where such facilities are to be placed within the public ways and places.

Section 6. The Grantee shall, on the request of any person holding a building moving permit issued by the City temporarily raise or lower its wires or cables to permit the moving of buildings. The expense of such temporary removal, and of raising or lowering of wires or cables, shall be paid by the person requesting the same, and the Grantee shall have the authority to require such payment in advance. The Grantee shall be given not less than forty-eight (48) hours advance notice to arrange for such temporary wire or cable changes.

Section 7. In the event that at any time during the period of this franchise the City shall lawfully elect to alter, or change the grade of, any street, alley or other public way, the Grantee, upon reasonable notice by the City, shall remove, relay and relocate its poles, wires, cables, underground conduits, manholes and other fixtures at Grantee's expense.

Section 8. The Grantee shall, at all times during the life of this franchise, be subject to all lawful exercise of the police power by the City, and to such reasonable regulation as the City shall hereafter by resolution or ordinance provide.

Section 9. In consideration for the rights, privileges and franchise hereby granted, and as compensation to the City for the use of its public ways and places by the Grantee, and in

lieu of all occupation and license taxes, the Grantee shall, on or before the 31st day of January and the 31st day of July of each year in which this franchise is effective, pay to the City a sum equal to

Five percent (5%) of the gross receipts, from the sale of basic community antennae and closed-circuit electronic services within the then existing corporate limits of the City for the preceding six (6) month period ending on the 31st day of December and the 30th day of June, respectively. The term "gross receipts" as applied to sales of basic community antennae and closed-circuit electronic service, as used in this section, shall include basic service (excluding there from sales of pay television services of the Grantee, installation and reconnection charges, additional outlet charges, equipment sales and sales of program guides) sold for domestic or residential consumption, and basic service for commercial or industrial consumption; provided, however, there shall not be included basic service sold to educational institutions not operating for profit, churches and charitable institutions, as such users are defined and construed by the Internal Revenue Service under current revenue acts.

Section 10. The City reserves the right to regulate rates and charges imposed by Grantee to the extent permitted by any present or future CATV system regulatory law.

Section 11. Grantee shall provide subscriber service on the following basis:

A. Grantee shall:

- 1. Provide a toll-free telephone service, on a seven-day-a-week, 24-hour-a-day basis, capable of forwarding subscriber complaints to Grantee.
- 2. Respond to subscriber complaints within 36 hours after the customer calls in, except for acts of God.
- 3. In those cases where service is not restored within thirty-six (36) hours, except for acts of God, Grantee shall upon customer request refund or credit an appropriate portion of the monthly charge for tier of service which is unavailable to the subscriber.
- B. Grantee shall cooperate with the City to maintain appropriate subscriber complaint procedures.

Section 12. As an inducement to Grantee to continue to improve its systems and services offered at all times during the franchise period, the City hereby agrees to give Grantee the first opportunity to negotiate a renewal of this franchise agreement with the City after the expiration of the initial franchise period herein stated. Assuming Grantee's operation under this franchise agreement has been satisfactory, and after compliance with applicable rules and regulations of the Federal Communications Commission, the Governing Body shall give favorable consideration to renewal of this franchise agreement by Grantee, if Grantee so requests and provides evidence that it can and will provide facilities and services at least equal to other prospective franchisees offering similar services and facilities.

Section 13. This franchise and the rights, privileges, and authority hereby granted shall take effect and be in force from and after final passage hereof, as provided by law, and shall continue in force and effect for a term of ten (10) years.

Section 14. It shall be the policy of the City to amend this franchise, upon application of the Grantee, when necessary to enable the Grantee to take advantage of any developments in the field of transmission of television and radio signals which will afford it an opportunity to more effectively, efficiently or economically serve its customers, and to enable the Grantee to conform to the rules and regulations of the Federal Communications Commission as they may be amended from time to time.

Section 15. Upon termination of service to any subscriber, the Grantee shall promptly remove all its facilities and equipment from the premises of such subscriber.

Section 16. All ordinances and parts of ordinances in conflict herewith are hereby subordinated as of the effective date of this ordinance.

Section 17. All provisions of this ordinance shall be binding upon the Grantee and all successors, lessees and assigns of the Grantee whether expressly stated herein or not, and all the rights, authorities, powers, grants, and privileges secured by this ordinance to the Grantee shall be held to inure to the benefit of the Grantee and all successors, lessees, and assigns of the Grantee.

Passed and approved this 12th day of June 2014.

EDNA, KANSAS

Mayor

Attest:

Craig R. Wilbert General Manager Craw-Kan Telephone Cooperative, Inc.