

ORDINANCE NO. 43

AN ORDINANCE GRANTING UNTO CATV GENERAL CORPORATION, A MARYLAND CORPORATION, AND SUCCESSORS AND ASSIGNS FOR A TERM OF TEN (10) YEARS, THE RIGHT, AUTHORITY AND POWER TO CONSTRUCT, MAINTAIN AND OPERATE A COMMUNITY ANTENNA TELEVISION SYSTEM WITHIN THE TOWN OF LEONARDTOWN, MARYLAND.

WHEREAS the Town of Leonardtown, Maryland hereinafter referred to as the "Town", desires high-quality reception of television signals, and

WHEREAS CATV General Corporation, hereinafter referred to as the "Company", desires to conduct a CATV business and to provide related services in the Town, and

WHEREAS the contemplated CATV system will, in whole or in part, be located in, upon, along, across, above, over and under streets, alleys and public ways of Leonardtown and generally within the corporate limits of the Town,

NOW, THEREFORE, be it resolved that:

Section 1.

The Company is hereby granted the exclusive right and privilege for ten years to erect buildings, to construct, maintain and operate, in the present and future, towers, cable and related equipment for the interception and distribution of television, radio and other signals and to sell services related thereto to the Town and the inhabitants thereof.

This Franchise shall be automatically renewed for one additional period of ten years unless the Company shall be notified in writing by the Town that it does not intend to renew the Franchise, said notification to be given no later than one year before the termination of this Franchise.

The territorial area covered by this Franchise consists of the present territorial limits of the Town and any area henceforth added thereto during the term of this Franchise.

Section 2.

The Company shall have the right to construct CATV distribution facilities in, upon, along, across, above, over and under the streets, alleys, and public ways of the Town. The Company shall have the right to enter into appropriate agreements with telephone and power companies and other suppliers of public utilities and services for the purpose of attaching distribution cables and associated equipment to poles or towers or through underground conduits and trenches provided by such companies.

Section 3.

All transmission and distribution structures, lines, 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, and to cause minimum interference with the rights and reasonable convenience of property owners who join any of the said streets, alleys or other public ways and places.

In case of disturbance of any street, sidewalk, alley, public way or paved area, the Company shall, at its own cost and expense and in a manner approved by the Town, replace and restore such street, sidewalk, alley, public way or paved area within 30 days in as good a condition as before the work involving such disturbance was done.

If at any time during the period of this Franchise the Town shall lawfully elect to alter or change the grade of any street, sidewalk, alley or other public way, the Company, upon reasonable notice by the Town, shall remove, relay and relocate its poles, wires, cables, underground conduits, manholes and other fixtures at its own expense.

Any poles or other fixtures placed in any public way by the Company shall be placed in such manner as not to interfere with the usual travel on such public way.

The Company shall, on the request of any person holding a building permit issued by the Town, temporarily raise or lower its wires to permit the moving of the buildings. The expense of such temporary removal or 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 two weeks of advance notice to arrange for such temporary wire changes.

The Company shall have the authority to trim trees upon and overhanging streets, alleys, sidewalks, and public ways and places of the Town so as to prevent the branches of such trees from coming in contact with the wires and cables of the Company, except that at the option of the Town, such trimming may be done by it or under its supervision and direction at the expense of the Company.

In all sections of the Town where the cables, wires or other like facilities of public utilities are or hereafter placed underground, the Company shall place its cables, wires or other like facilities underground to the maximum extent that existing technology reasonably permits the Company to do so. In addition, the Company shall remove its overhead cables, wires or other like facilities and replace them with underground facilities when other utilities are required to do so within the Town.

#### Section 4.

The Company shall be subject to all ordinances in force or that may be hereafter enacted.

#### Section 5.

The Company shall hold the Town harmless from any and all claims or damages as a result of this Franchise, including damages arising out of the construction, maintenance, and operations of the CATV system authorized herein.

Effective from the date of adoption of this Franchise by the Town and the Company, the Company shall insure the Town and the Company with regard to all damages mentioned above in the minimum amounts of: \$100,000 for bodily injury or death to any one person, \$300,000 for bodily injury or death resulting from any one accident, and \$25,000 for property damage resulting from any one accident. Said insurance is to be provided by a recognized company authorized to do business in Maryland.

Section 6.

The Company shall provide a "Basic Service" consisting of the signals from a minimum of eleven (11) broadcast channels. These shall include:

		<u>Call Letters</u>	<u>Type Station</u>
Baltimore, Md.	2	WMAR	CBS
	11	WBAL	NBC
	13	WJZ	ABC
	45	WBFF	Indep.
Washington, D.C.	4	WRC	NBC
	5	WTTG	Indep.
	7	WJLA	ABC
	9		CBS
	20	WDCA	Indep.
	26	WETA	ETV
Annapolis, Md.	22		ETV
Satellite		ESPN	

The Company has the option of providing a Premium TV movie service (either Showtime or an equivalent). The Premium TV service will be an optional service offered to "Basic Service" subscribers.

Section 7.

The Company shall maintain an office within the corporate limits of the Town.

Said office shall be open during usual business hours, have a listed telephone, and be so operated that complaints and requests for repairs or adjustments may be received at any reasonable time. The Company shall provide maintenance service sufficient to attend to these complaints and requests within a reasonable period of time. The Company shall promptly attempt to resolve service complaints (normally within one (1) day of their receipt) and shall maintain "emergency" service during nights and weekends.

Section 8.

The Company shall furnish one free "Basic Service" connection for each 100 students or fraction thereof to public and private school locations within the Town for educational purposes upon request by the Town and at no cost to the Town or to the school system. The Company shall furnish upon request of the Town Commissioners one free connection each to the Police and Fire departments and to the Office of the Town Commissioners.

Section 9.

Grantee shall not discriminate or give any undue preferences or advantage to similarly situated persons in respect to the following rates and charges:

First Cable Outlet:

Installation for Standard Connection.....	\$ 15.00
Monthly Service.....	6.75

Additional Cable Outlets or FM Connections:

Installation.....	Time and Material, not to exceed 15.00
Monthly Service - one additional outlet.....	1.25
- two or more additional outlets.....	2.00

A "connection" shall be construed to mean an above-ground entrance into any private residence, apartment house, multi-family dwelling or place of business, entering the building in a manner similar to the above-ground provision of electric or telephone services. In the event that the distance from the cable tap to the building exceeds 150 feet, or if the Company should be requested to provide other than the usual above-ground entrance, the Company shall negotiate with the subscriber to provide such service at a reasonable connection charge.

The Company shall charge not more than \$5.00 for the moving of connection taps, terminal blocks or associated fixtures over short distances at the request of a subscriber and not more than \$5.00 for any simple re-connection of service previously established and disconnected.

Section 10.

The Company shall not increase any of the maximum rates and charges referred to in Section 9 of this Franchise unless the Company shall have first obtained approval from the Town after a full, open and public hearing held within the corporate limits of the Town of which public notice in a newspaper of local circulation shall have been given at least fourteen (14) days in advance; provided that:

- (a) prior approval of the Town need not be obtained for any increase in maximum rates and charges resulting from an increase in taxes or license charges imposed on cable television facilities, operations or income. The Company shall provide justification for any such increase to the Town at least thirty (30) days prior to its implementation.
- (b) prior approval of the Town need not be obtained for any increase in maximum rates and charges, providing that such increase does not exceed five percent (5%), or one half of the cost of living index for the previous twelve (12) months, whichever is less, in any twelve (12) month period. The Town shall be given notice of any such increase at least thirty (30) days prior to its implementation. The Company further agrees that prior to implementation of any such increase, a public hearing as described in paragraph one of this section will be held for the purpose of explanation of the increase to Leonardtown subscribers.

Section 11.

The Company voluntarily agrees not to engage, within the area served by the CATV system to be constructed under this Franchise, in the retail sale, service, rental, leasing or repair of home TV receivers and from engaging in the sale of parts for such receivers.

Section 12.

The Franchise rights and privileges herein described shall not be assignable without the consent of the Town.

Section 13.

In the event that any section or part of this Franchise shall be held invalid, such invalidity shall not affect the remaining sections or portions of the Franchise.

Section 14.

It is agreed that the Town shall receive from the Company three percent (3%) of the total gross yearly revenue received from subscribers residing in Leonardtown, and that the books and records of CATV General Corporation will be open for inspection by the Town at all times, subject to one weeks notice by the Town of its intention to inspect.

The franchise payment will be payable on October 31st of each year for the previous twelve (12) month period ending October 1st.

Section 15.

If the Company shall fail to perform any of the agreements herein by it to be performed or to make any payments herein provided for within ninety (90) days after having been given written notice by the Town to so perform or to make such payment, the Town may by giving the Company written notice cancel and terminate this Franchise and contract.

Section 16.

This Ordinance, when passed by the Town and made effective in the manner prescribed by law, if accepted by the Company by signed acceptance prior to Nov. 20, 1980, shall have the force and effect of a contract binding upon the Company and the Town.

Introduced, read and adopted by the Commissioners of Leonardtown, Maryland, on the 10<sup>th</sup> day of November, 1980.

J. Harry Norris, III  
J. Harry Norris, III, President

Raymond H. Hall  
Raymond H. Hall

Robert G. Mattingly  
Robert G. Mattingly

ATTEST:

Betty Russell  
Betty Russell

Ruscilla Ann Varner

Robert C. Wathen  
Robert C. Wathen

Accepted by the Company this 26<sup>th</sup> day of November 1980.

ATTEST:

Donald R. Ford

CATV General Corporation

Charles E. Sampson  
Charles E. Sampson, President

CONSENT TO ASSIGNMENT

This Consent to Assignment, made this 10th day of November, 1986, by the Town of Leonardtown, Maryland.

WHEREAS, purusant to Ordinance No. 43 (the "Ordinance") adopted November 10, 1980, the Commissioners of Leonardtown, Maryland (the "Town") granted to CATV General Corporation the right to operate a cable television system serving Leonardtown, Maryland; and,

WHEREAS, CATV General Corporation subsequently assigned its right under the Ordinance to operate the cable television system serving Leonardtown, Maryland, to CATV Leonardtown, Inc.; and,

WHEREAS, CATV Leonardtown, Inc., was subsequently acquired by Simmons Communications, in June, 1983; and,

WHEREAS, Simmons Communications, Inc., is presently in the process of being acquired by Simmons Communications Company, a partnership controlled by Steven J. Simmons; and,

WHEREAS, Simmons Communications, Inc., has represented to the Town that, ". . . there will be no change in control or management of the Cable T.V. service we provide to your community . . . it will continue to rest with Steve Simmons. Only the name and financial structure will change."; and,

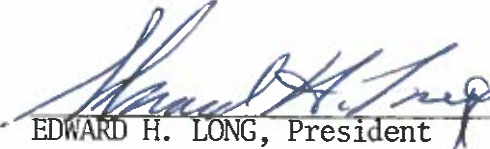
WHEREAS, Simmons Communications, Inc., has agreed to assign all of its rights under the Ordinance to Simmons Communications Company; and,

WHEREAS, the Town desires to grant its consent to the foregoing Assignment.

NOW, THEREFORE, this Consent witnesseth that for and in consideration of the premises, other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town does hereby consent, pursuant to the provisions of Section 12 of the Ordinance to the assignment of Simmons

Communications, Inc.'s right in the foregoing Ordinance to Simmons Communications Company.

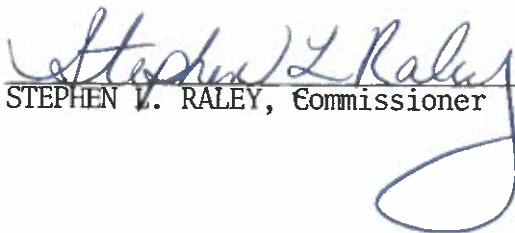
COMMISSIONERS OF LEONARDTOWN,  
MARYLAND

  
EDWARD H. LONG, President


  
J. MAGUIRE MATTINGLY, Jr., Vice  
President

  
DANIEL W. BURRIS, Commissioner

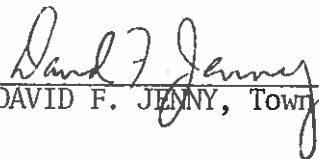
\_\_\_\_\_  
DANIEL W. MUCHOW, Commissioner

  
STEPHEN V. RALEY, Commissioner

ATTEST:

  
MARILYN G. ENWRIGHT, Town Secretary

Approved as to legal form and sufficiency:

  
DAVID F. JENNY, Town Attorney