

"AN ORDINANCE OF THE CITY OF LOOKOUT MOUNTAIN, GEORGIA, GRANTING TO CHATTANOOGA CABLE TV COMPANY, ITS SUCCESSORS, LESSEES AND ASSIGNS A FRANCHISE FOR THE TERM OF FIFTEEN (15) YEARS, THE RIGHT, AUTHORITY, POWER, PRIVILEGE AND PERMISSION TO ESTABLISH, CONSTRUCT, ACQUIRE, MAINTAIN AND OPERATE A CLOSED CIRCUIT ELECTRONIC SIGNAL TRANSMISSION SYSTEM WITHIN THE CITY OF LOOKOUT MOUNTAIN AND TO RENDER, FURNISH AND SELL CLOSED CIRCUIT SIGNAL TRANSMISSION SERVICE WITHIN THE CITY OF LOOKOUT MOUNTAIN, AND TO USE AND OCCUPY THE STREET AND OTHER PUBLIC WAYS AND PLACES OF THE CITY OF LOOKOUT MOUNTAIN FOR SUCH CLOSED CIRCUIT SIGNAL TRANSMISSION SYSTEM, AND PROVIDING FOR PAYMENT TO THE CITY OF LOOKOUT MOUNTAIN, BASED ON GROSS RECEIPTS DERIVED BY THE GRANTEE FOR FURNISHING CLOSED CIRCUIT ELECTRONIC SIGNAL TRANSMISSION SERVICE."

BE IT ORDAINED BY THE MAYOR AND COUNCILMEN OF THE CITY OF LOOKOUT MOUNTAIN, GEORGIA, as follows:

SECTION 1. Short Title. This Ordinance shall be known and may be cited as the "Community Antenna Television Company Franchise Ordinance."

SECTION 2. Definitions. For the purposes of this Ordinance, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

(a) "City" is the City of Lookout Mountain, Georgia.

(b) "Council" is the Mayor and Councilmen of the City of Lookout Mountain, Georgia.

(c) "Community antenna television system", hereinafter referred to as "CATV System" or "system", means a system of coaxial cables or other electrical conductors and equipment used or to be used primarily to receive television or radio signals directly or indirectly off-the-air and transmit them to subscribers for a fee.

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

(e) "Grantee" is Chattanooga Cable TV Company, or anyone who succeeds it in accordance with the provisions of this Franchise.

(f) "Television" shall mean a system for transmission of audio signals and visual images by means of electrical impulses.

SECTION 3. Grant of Authority

(a) There is hereby granted by the City to the Grantee the right and privilege to construct, erect, operate and maintain, in, upon, along, across, above, over and under the streets, alleys and public ways now laid out or dedicated, and all extensions thereof, and additions thereto, in the

City, poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation in the City of a CATV System for the interception, sale and/or distribution of television and radio signals, except that the City reserves the right to exclude those streets which should not be used for this purpose.

(b) The right to use and occupy said streets, alleys, and public ways for the purposes herein set forth shall not be exclusive.

(c) This franchise has been issued after a full examination by the City of the legal, character, financial, technical and other qualifications of the Grantee. This review of the qualifications of the Grantee was pursuant to a full public proceeding, affording due process and in accordance with applicable statutes.

SECTION 4. Compliance with Applicable Laws and Ordinances. 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 provide in connection therewith.

SECTION 5. Territorial Area Involved. This Franchise relates to the present territorial limits of the City and to any area henceforth added thereto during the term of this Franchise or any renewal or extension thereof.

SECTION 6. Liability and Indemnification.

(a) The Grantee shall pay and by its acceptance of this Franchise the Grantee specifically agrees that it will pay all damages and penalties which the City may legally be required to pay as a result of granting this Franchise. These damages or penalties shall include, but shall not be limited to, damages arising out of copyright infringements and all other damages arising out of the installation, operation, or maintenance of the CATV System authorized herein, whether or not any act or omission complained of is authorized, allowed, or prohibited by this Franchise.

(b) The Grantee shall pay and by its acceptance of this Franchise specifically agrees that it will pay all expenses incurred by the City in defending itself with regard to all damages and penalties mentioned in subsection (a) above or in the alternative shall provide the City with such defense at Grantee's expense. These expenses shall include all out-of-pocket expenses, such as attorneys fees, and shall also include the reasonable value of any necessary services rendered by the City Attorney or his assistants or any employees of the City.

(c) The Grantee shall maintain, and by its acceptance of this Franchise specifically agrees that it will maintain throughout the terms of this Franchise liability insurance insuring the City and the Grantee with regard to all damages mentioned in sub-paragraph (a) above in the minimum amounts of:

\$500,000 for bodily injury or death to any one person, within the limit, however, of \$1,000,000 to all persons for bodily injury or death resulting from any one accident; and

\$500,000 for property damages resulting from any one accident; and

\$500,000 for the infringement of copyrights; and

\$250,000 for all other types of liability

(d) The Grantee shall begin construction hereunder in the City of Lookout Mountain within one (1) year after receiving Federal Communications Commission certification and shall make service available to all residents who request such service within three (3) years after receiving Federal Communications Commission certification.

(e) The insurance policy obtained by the Grantee in compliance with this section must be approved by the City Attorney and such insurance policy, shall be filed and maintained with the City Clerk during the term of this Franchise.

SECTION 7. Color TV. The facilities used by the Grantee shall be capable of distributing color TV signals, and when the signals the Grantee distributes are received in color they shall be distributed in color where technically feasible.

SECTION 8. Signal Quality Requirements. The Grantee will undertake to:

(a) Produce a picture, whether in black and white or in color, that is undistorted, free from ghost images, and accompanied with proper sound on typical standard production TV sets in good repair, and as good as the state of the art allows;

(b) Transmit signals of adequate strength to produce good pictures with good sound at all outlets without causing cross-modulation in the cables or interfering with other electrical or electronic systems;

(c) Limit failures to a minimum by locating and correcting malfunctions promptly;

(d) Demonstrate by instruments and otherwise to subscribers that a signal of adequate strength and quality is being delivered.

In no event, however, shall the signal quality requirements imposed upon the Grantee hereunder exceed or vary in any material respect from the signal quality requirements imposed by applicable rules and regulations of the Federal Communications Commission.

SECTION 9. Operation and Maintenance of System.

(a) The Grantee shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Such interruptions insofar as possible shall be preceded by notice and shall occur during periods of minimum use of the system.

(b) The Grantee shall maintain an office or agent in the Metropolitan Chattanooga area for purposes of resolving all complaints regarding cable television operations and handling requests for repairs or adjustments.

(c) The City and the Grantee shall adopt reasonable procedures for the investigation and resolution of all

complaints regarding cable television operations and for the handling of requests for repairs or adjustments.

(d) Notice of the procedures for reporting and resolving complaints and handling requests for repairs or adjustments shall be made available to each subscriber at the time of initial subscription to the CATV System.

SECTION 10. Channel Capacity and Carriage of Signals. The Grantee shall furnish to its subscribers a system capable of providing a minimum of twelve (12) channels, and shall maintain such additional channels as the Federal Communications Commission may at any future time require. In accordance with the rules and regulations of the Federal Communications Commission, the Grantee shall maintain at least one (1) specially designated channel for local government and other uses, and may provide such additional channels as it may deem feasible and practical, so long as this does not conflict with the rules and regulations of the Federal Communications Commission and other public service programs already scheduled. All Federal Communications Commission rules and regulations shall be complied with regarding the carriage of television broadcast signals and of the programming of any existing or future television broadcasting station which covers, or which by amplification of signals can cover, the City of Chattanooga, Tennessee, in its principal broadcasting area, together with all channels carrying educational television signals authorized for such area. In no event, however, shall the signal carriage, minimum channel capacity, and access channels requirements imposed upon the Grantee hereunder exceed or vary from in any material respect the signal carriage, minimum channel capacity, and access channels requirements imposed by applicable rules and regulations of the Federal Communications Commission.

SECTION 11. Program Alteration. Programs of broadcasting stations carried by the Grantee shall be carried in their entirety as received, with announcements and advertisements and without additions.

SECTION 12. Service to Schools and Municipal Buildings. The Grantee shall provide basic cable service to one central location at public schools upon request by the City and at no cost to it or to the public school system. The Grantee shall provide similar services without cost to all municipal buildings; provided, however, that the cable shall pass such schools or buildings and provided further that the Grantee's obligation to provide free service shall be limited to one television receiver at each such location. The Grantee is authorized to charge for additional receiver in accordance with the schedule of charges set out herein and for any unusual or extraordinary costs or expenses incurred by Grantee in providing installation or services under this Section 12.

SECTION 13. Emergency Use of Facilities. In the case of any emergency or disaster, the Grantee shall, upon request of the Mayor, make available its facilities to the City for emergency use during the emergency or disaster period.

SECTION 14. Other Business Activities. Neither the Grantee hereunder nor any of its employees shall engage in the business of selling, repairing, or installing television receivers, radio receivers or accessories for such receivers within the City during the term of this Franchise.

SECTION 15. Safety Requirements.

(a) The Grantee shall at all times employ ordinary

care and shall install and maintain in use 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 wires, cables, fixtures and other equipment in accordance with the requirements of the National Electrical Safety Code, and the National Electrical Code and in such manner that they will not interfere with any installations of the City or of a public utility serving the City.

(c) All structures and all lines, equipment and connections in, over, under and upon the streets, sidewalks, alleys and public ways or places of the City, wherever situated or located, shall at all times be kept and maintained in a safe, suitable, substantial condition, and in good order and repair.

(d) The Grantee shall maintain a force of one or more area agents or employees at all times and shall have sufficient employees to provide safe, adequate, and prompt service for its facilities.

SECTION 16. New Developments. It shall be the policy of the City liberally 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 more effectively, efficiently or economically to serve its customers.

SECTION 17. Conditions on Street Occupancy.

(a) All transmissions and distribution structures, lines, and equipment erected by the Grantee within the City 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.

(b) In case of disturbance of any street, sidewalk, alley, public way, or paved area, the Grantee shall, at its own cost and expense and in a manner approved by the City Engineer, replace and restore such street, sidewalk, alley, public way, or paved area in as good a condition as before the work involving such disturbance was done.

(c) If at any time during the period of this Franchise the City shall lawfully elect to alter or change the grade of any street, sidewalk, alley, or other public way, the Grantee, upon notice by the City, shall immediately remove, adjust or relocate its poles, wires, cables, underground conduits, manholes, and other fixtures, as may be necessary, at its own expense.

(d) Any poles or other fixture placed in any public way by the licensee shall be placed in such manner as not to interfere with the usual travel on such public way, or other utilities.

(e) The Grantee shall, on the request of any person holding a building moving permit issued by the City, temporarily raise or lower its wires to permit the moving of

buildings. The expense of such temporary removal or raising or lowering of wires 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 changes.

(f) The Grantee shall have the authority to trim trees upon and overhanging streets, alleys and sidewalks of the City in such manner so as not to impair the natural beauty of said City and so as to prevent the branches of such trees from coming in contact with the wires and cables of the Grantee.

(g) In all sections of the City where the cables, wires or other like facilities of public utilities are placed underground, the Grantee shall place its cables, wires or other like facilities underground to the maximum extent that existing technology reasonably permits the Grantee to do so without undue or prohibitive cost.

SECTION 18. Preferential or Discriminatory Practices Prohibited. The Grantee shall not, as to rates, charges, service, service facilities, rules, regulations, or in any other respect, make or grant any undue preference or advantage to any person, nor subject any person to prejudice or disadvantage, except that Grantee may conduct sales promotion campaigns and may grant reduced installation charges during such campaigns and to promote good will and promote sales the Grantee may grant concessions on service charges to persons engaged in television sales or repair business.

SECTION 19. Removal of Facilities Upon Request. Upon termination of service to any subscriber, the Grantee shall promptly remove its dropline from the premises of such subscriber upon his request and at his expense.

SECTION 20. Change of Control of Grantee. Prior approval of the Council shall be required where ownership or control of more than 30% of the right to control of Grantee is acquired by a person or group of persons acting in concert, none of whom already owns or controls 30% or more of such right of control, singularly or collectively, directly or indirectly. By its acceptance of this Franchise the Grantee specifically grants and agrees that any such acquisition occurring without prior approval of the Council shall constitute a violation of this Franchise by the Grantee.

SECTION 21. City Rights in Franchise.

(a) The right is hereby reserved to the City to adopt, in addition to the provisions contained herein and in existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of the police power; provided that such regulations, by ordinance or otherwise, shall be reasonable and not in conflict with the rights herein granted.

(b) The City shall have the right to inspect such books, records, maps, plans, income tax returns, and other like materials of the Grantee as are material and relevant with respect to this Franchise during normal business hours; provided, however, that the City shall give the Grantee at least forty-eight (48) hours notice of its intention to

exercise such right of inspection, and provided that under no circumstances shall the City have the right to remove any of the Grantee's books, records, maps, plans, income tax returns, or other materials from the Grantee's premises without the prior consent of the Grantee.

(c) The City shall have the right to reasonably supervise all construction of installation work performed subject to the provisions of this Franchise and make such inspections as it shall find necessary to insure compliance with the terms of this Franchise and other pertinent provisions of law.

(d) After the expiration of the term for which this Franchise is granted, and of any renewal or extension thereof, or after its termination and cancellation, as provided for herein, the City shall have the right to determine whether the Grantee shall continue to operate and maintain the CATV System pending the decision of the City as to the future maintenance and operation of such system.

SECTION 22. Maps, Plats and Lists.

(a) The Grantee shall file with the Mayor if he so requests, true and accurate maps or plats of the existing system.

SECTION 23. Payment to the City. In accordance with the rules and regulations of the Federal Communications Commission, the Grantee shall pay to the City as a franchise fee during each calendar year during existence of the franchise or any renewal or extension thereof a sum of money which, when added to the amount of all taxes, license fees and other charges or impositions paid to the City by Grantee relative to its business or its property, whether payable as lessee or otherwise, excepting ad valorem taxes, shall aggregate three percent (3%) of the Grantee's gross basic monthly subscriber revenues per year as such term is defined by the Federal Communications Commission and applicable rules and regulations from cable television operations in the City. Payment shall be made annually within ninety (90) days of the close of Grantee's fiscal year and shall be accompanied by certified statement of gross basic monthly subscriber revenue derived by the Grantee from the operation of the system. Said statement to be certified by same.

SECTION 24. Forfeiture of Franchise.

(a) In addition to all other rights and powers pertaining to the City by virtue of this Franchise or otherwise, the City reserves the right to terminate and cancel this Franchise and all rights and privileges of the Grantee hereunder in the event that the Grantee:

(1) Violates any material provisions of this Franchise or any reasonable and valid rule, order, or determination of the Council made pursuant to this Franchise, and fails to correct such violation within a period of ninety (90) days after written notice from the City to correct such default or non-compliance;

(2) Becomes insolvent, unable or unwilling to pay its debts, or is adjudged a bankrupt;

(3) Attempts to dispose of any of the facilities or property of its CATV business in violation of this Franchise;

(4) Attempts to evade any of the material provisions of this Franchise or practices any fraud or deceit upon the City; or

(5) Fails to comply with the provisions of Section 6(d) hereof.

(b) Such termination and cancellation shall be by ordinance duly adopted after thirty (30) days notice to the Grantee and shall in no way affect any of the City's rights under this Franchise or any provision of law. Before this Franchise may be terminated and cancelled under this Section, the Grantee must be provided with an opportunity to be heard before the Council and to cure or correct any default, violation, non-compliance or other event causing forfeiture hereunder.

SECTION 25. City's Right of Intervention. The Grantee agrees not to oppose intervention by the City at the City's expense in any suit or proceeding to which the Grantee is a party.

SECTION 26. Further Agreement by Grantee. The Grantee agrees to abide by all provisions of this Franchise.

SECTION 27. Duration and Acceptance of Franchise.

(a) 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 fifteen (15) years from date, with the option on the part of the Grantee of a renewal period of reasonable duration, provided that within thirty (30) days after the date of the passage of this ordinance the Grantee shall file with the Council its unconditional acceptance of this Franchise and promise to comply with and abide by all its provisions, terms and conditions. Such acceptance and promise shall be in writing duly executed and sworn to, by or on behalf of the Grantee before a notary public or other officer authorized by law to administer oaths.

(b) Should the Grantee fail to comply with subsection (a) above, it shall acquire no rights, privileges, or authority under this Franchise whatever.

SECTION 28. Erection, Removal and Common User of Poles.

(a) No poles or other wire-holding structures shall be erected by the Grantee without prior approval of the Council with regard to location, height, type and any other pertinent aspect, which approval shall not be unreasonably withheld. However, no location of any pole or wire-holding structure of the Grantee shall be a vested interest and such poles or structures shall be removed or modified by the Grantee at its own expense whenever the Council reasonably determines that the public convenience would be enhanced thereby.

SECTION 29. Rates.

(a) Rates charged by the Grantee for services hereunder shall be fair and reasonable and no higher than necessary to meet all costs of service including a fair return on the assets and properties devoted to such services.

(b) The Grantee will be operating a cable television system in the metropolitan area, which includes the cities of Chattanooga, Red Bank, East Ridge and the City of Lookout Mountain, with other cities to be added and rates will need to be uniform. Accordingly, the Grantee shall have the authority to adjust its rates so as to conform to the rates approved and being charged in the City of Chattanooga, Tennessee; provided, however, such adjustment shall be made only if the City is given written notice of any request for a rate adjustment filed by the Grantee with the City of Chattanooga, such notice to be given simultaneously with the filing of such request for a rate adjustment.

(c) When this Franchise takes effect, the Grantee shall have the authority to charge and collect amounts not in excess of the following schedule of rates, which shall remain in effect until changed or modified by the Grantee in accordance with the general standards set out in this Section:

SCHEDULE OF RATES

Standard Installation, Relocation, Reconnection of initial and additional outlet (located in residences, including single family dwellings, individual apartment units and individual condominium units)	\$15.00 each
Monthly Services (Residential) - One Set	7.50 each
Additional Outlet (Monthly)	1.50 each
FM Outlet (Monthly) with cable service	1.50 each
FM Outlet (Monthly) without cable service	7.50 each

Commercial Custom Installations shall be at a negotiated fee.

Commercial Monthly Services shall be at a negotiated fee.

(d) All monthly service fees are due and payable in advance, and a later charge, not to exceed ten percent (10%) of the delinquency, may be charged for any payment received after the due date.

(e) The Grantee shall be entitled to receive a reasonable security deposit or advance payment from any subscriber or potential subscriber to secure the payment of the rates described above. However, such security deposit or advance payment shall not exceed in any case two times the applicable monthly service-rate charge.

(f) The rates and charges described above do not include any sales or use taxes or any other taxes or charges which may be imposed upon the equipment and/or services provided by the Grantee. The Grantee shall have the right to increase any of the rates and charges described above by the amount of any such sales and use taxes or other taxes or charges imposed upon such equipment and/or services.

(g) The Grantee shall have the right to charge amounts in excess of the rates and charges set forth above to cover such additional costs as it may incur in performing custom or unusual installation or other services hereunder.

SECTION 30. Subscriber Refunds on Termination of Service. If any subscriber of the Grantee terminates service because of the Grantee's failure to render service to such subscriber of a type and quality provided for herein within thirty (30) days from tap-in, the Grantee shall refund to such subscriber the tap-in charge paid by him.

SECTION 31. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance, is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 32. Force Majeure. Any and all obligations of Grantee hereunder shall be waived or delayed to the extent that Grantee is unable to carry out the same due to labor troubles, fires, ice, floods, explosion or other casualties or accidents, or to inability to obtain necessary supplies or materials or satisfactory substitutes by principal manufacturers of quality equipment used in installation and/or construction of the System, or to Acts of God or National Defense of this County, or to the delay by the utility companies of clearance of space for the Grantee's cable, or to any other cause, happening, event or occurrence (whether or not of the same general character as those specifically enumerated) beyond Grantee's reasonable control.

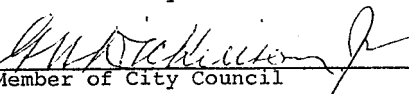
SECTION 33. Part of Code of Ordinance. It is the intention of the Council of the City that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City and the Sections of this Ordinance may be renumbered to accomplish such intention.

SECTION 34. Effective Date. This Ordinance shall be effective ten (10) days after its adoption and approval by at least three (3) members of the Council of the City after two (2) readings at least one (1) week apart.

APPROVED on first reading on April 21, 1977.



Member of City Council




Member of City Council



Member of City Council

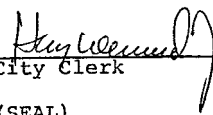
Member of City Council

Member of City Council



Vice Mayor of Lookout Mountain,
Georgia

ATTEST:

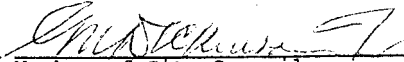


City Clerk

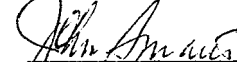
(SEAL)

APPROVED and adopted on second reading on May 19,
1977.


Member of City Council


Member of City Council

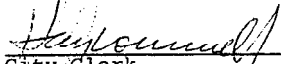

Member of City Council


Member of City Council


Member of City Council


Mayor of Lookout Mountain,
Georgia

ATTEST:


City Clerk

(SEAL)