

AN ORDINANCE TO BE ENTITLED:

AN ORDINANCE GRANTING TO COSMIC COMMUNICATIONS, INCORPORATED THE RIGHT TO ERECT, MAINTAIN AND OPERATE TRANSMISSION AND DISTRIBUTION FACILITIES AND ADDITIONS THERETO, IN, OVER, ALONG, ACROSS AND UPON THE STREETS, LANES, AVENUES, ALLEYS, BRIDGES, HIGHWAYS AND OTHER PUBLIC PLACES IN THE TOWN OF CINCO BAYOU, FLORIDA AND SUBSEQUENT ADDITIONS THERETO, FOR THE PURPOSE OF TRANSMISSION BY CABLE AND DISTRIBUTION OF TELEVISION IMPULSES AND TELEVISION ENERGY TO THE INHABITANTS OF SAID TOWN FOR A PERIOD OF SIX YEARS, AND PRESCRIBING CERTAIN TERMS AND CONDITIONS UNDER WHICH SAID CORPORATION IS TO OPERATE, ESTABLISHING A THREE PERCENT (3%) FRANCHISE FEE AND A PROCEDURE FOR RESOLVING SUBSCRIBER COMPLAINTS, PROVIDING THAT THE GRANTEE SHALL POST A TWO THOUSAND DOLLAR (\$2,000.00) BOND FOR PAYMENT OF LIQUIDATED DAMAGES TO THE TOWN AND PROVIDING FOR AN EFFECTIVE DATE, INCORPORATING FEDERAL COMMUNICATIONS COMMISSION REGULATIONS, ESTABLISHING RATES AND RATE MAKING PROCEDURE, AND PROVIDING FOR AN EFFECTIVE DATE THEREOF.

BE IT ORDAINED by the Town Council of Cinco Bayou, Florida, as follows:

Section 1. Franchise Granted:

In consideration of the faithful performance and observance of the conditions and reservations hereinafter specified the right, privilege and authority is hereby granted to Cosmic Communications, Incorporated of Valparaiso, Florida, hereinafter referred to as the "Grantee", to erect, maintain and operate television transmission and distribution facilities and additions thereto in, over, along, across and upon the streets, lanes, avenues, sidewalks, alleys, bridges and other public places in the Town of Cinco Bayou, Florida, and subsequent additions thereto, for the purpose of transmission and distribution of coaxial cable and associated appurtenances, television impulses and television energy, both community antenna and closed circuit, F. M. music system and background music system, in accordance with the laws and regulations of the United States of America and the State of Florida, now in existence and hereinafter to be enacted for a period of six years from and after September 17th, 1984, subject to the conditions hereof.

Section 2. Television Defined:

Whenever used in this ordinance, the word "Television" shall mean a system for simultaneous transmission of audio signals and transient visual images by means of electrical impulses.

Section 3. Poles for Distribution System:

The poles used for the Grantee's distribution system shall be those erected and maintained by the Central Telephone Company and the Gulf Power Company when

and where practical provided mutually satisfactory rental agreements can be entered into with the said Central Telephone Company and Gulf Power Company. In the event the additional poles need be erected, they will be erected in such manner and in such places approved and specified by the Town.

Section 4. Location, Construction and Maintenance of System:

The Grantee's transmission and distribution system, poles, wires and appurtenances shall be located, directed and maintained so as not to endanger or interfere with the lines, persons, or to interfere with any improvements the Town may deem proper to make or to hinder unnecessarily or obstruct the free use of the streets, alleys, bridges, or other public property. Construction and maintenance of the transmission distribution system, including housing connections, shall be in accordance with the provision of the National Electric Safety Code prepared by the National Bureau of Standards and the National Board of Fire Underwriters and such applicable ordinances and regulations of the Town of Cinco Bayou, Florida, effecting electrical installations which may be presently in effect or may be enacted by the Town Council of the Town of Cinco Bayou, Florida.

Section 5. Damages During Construction of System:

All streets and sidewalks and other Town or public property that may be damaged in the construction of said system and its lines shall be properly repaired by said Grantee, at its own expense, and to the satisfaction of the governing body of the Town of Cinco Bayou, Florida, provided further, however, that if such repairs are not properly made by the Grantee herein, that the Town of Cinco Bayou, Florida, after reasonable notice to the Grantee, may make such repairs as it may deem necessary and charge the same to the Grantee.

Section 6. Corporation to Hold City Harmless for Damages Resulting from Negligence:

The said corporation shall hold the said Town of Cinco Bayou, Florida, safe and harmless from all damages, or claims of damages, arising from reason of the negligence in constructing or maintaining or operation of said coaxial cable system.

Section 7. Term of Franchise, Termination by Town:

The right, privilege and franchise hereby granted is granted for a period

of six (6) years from and after September 17th, 1984, and shall cease and terminate at the expiration of such time and at the end of said period. The Town of Cinco Bayou, Florida, shall have the right, upon finding that such service has not been reasonably furnished to the public, upon hearing, and after notice to Grantee, its successors, heirs or assigns to cancel or terminate this franchise.

Section 8. Grantee Not to Engage in Business of Selling or Repairing Televisions:

The Grantee shall not, in any manner or form, engage in the business of selling or repairing television sets nor shall it, nor its stockholders, agents or employees, solicit, refer, advertise for or in any way be interested in, connected with or associated themselves with any such company or firm that is in the business of selling, maintaining or repairing televisions.

Section 9. Use of Television System for Advertising by Grantee:

Grantee shall not use the television system for advertising except as to any channel installed by the corporation for local coverage, without consent of the Town, and only in conformance with such regulations that the Town shall impose.

Section 10. Franchise Fee Established:

The annual franchise fee will be payable to the Town of Cinco Bayou in an amount equal to three percent (3%) of the Grantee's gross subscriber revenues per year derived from regular cable television service (residential and commercial) in the Town. Such fees shall be due and payable annually on the anniversary date of this grant.

Section 11. Reference to Parties to Include Successors or Assigns:

Whenever, in this ordinance, either the Town of Cinco Bayou or the Grantee corporation is named or referred to, it shall be deemed to include the respective successor or successors or assigns of either and all rights, privilege and obligations herein conferred shall bind and inure to the benefit of said successor or successors or assigns of said Town or of the Grantee.

Section 12. Grantee to Post Bond Amount:

Within thirty (30) days, after the effective date of this ordinance, the said Grantee shall post corporate or performance surety bond in the amount of

Two Thousand Dollars (\$2,000.00) with the Town of Cinco Bayou. The sum of which shall be to bond the Grantee for payment thereof to the Town as and for liquidated damages in the event the Grantee shall fail to have operational television service within twelve (12) months from the effective date of this ordinance provided, however, the Town may extend the period for good cause.

Section 13. Duty of Grantee to Furnish Services and Comply With Operational Dates and Minimum Fees:

That as a further consideration for the granting of the franchise herein, the Grantee, its successors, heirs and assigns, agree to furnish the television service and comply with the operational dates and minimal rates as set forth in their application which is hereby made a part of this ordinance and has been filed with the Town Council.

Section 14. Restrictions on Stock Ownership by Town Officials:

No active, elected or appointed official of the Town of Cinco Bayou, Florida, shall be allowed to be a stockholder from time of effective date of this ordinance.

Section 15. Transferability:

Cinco Bayou, Florida hereby consents that Cosmic Communications, Incorporated may transfer the franchise to anyone it selects.

Section 16. Disposition by Grantee of Complaints:

The Grantee shall maintain a technically qualified staff to investigate and resolve all complaints regarding the quality of service, equipment malfunction, etc. as expeditiously as reasonably possible after receipt of subscriber complaints regarding to cable television operations. Grantee shall investigate such complaints and resolve them to the extent reasonably possible and agents of the franchisee shall be available, in the Town, for such purposes. Complaints shall be handled from Grantee's office, through its dispatcher, to its radio equipped vehicle during normal working hours and through its answering service after normal working hours, Saturdays, Sundays and holidays. The Town Clerk of the Town shall have primary responsibility for the continuing administration of the franchise, on behalf of the Town and of the reasonable implementation of the foregoing complaint procedures. Notice of the foregoing will be given by the Grantee to each new subscriber at the time of initial regular subscription to

the cable system.

Section 17. Grantee Shall Comply With All Federal, State and Municipal Laws, Rules and Regulations:

Any modifications or revisions of Section 76.31 of the Rules of Federal Communications Commission resulting from amendments by said commission shall be incorporated into the franchise, as amended, within one (1) year of adoption of the modification or at the time of renewal of the franchise, as amended, which-ever occurs first.

Section 18. Procedure for Increase of Rates:

The rates for regular subscriber service which may be charged by Grantee are as hereinafter set forth. No increases in such rate for regular service shall be made except as authorized by the Council, after a public proceeding affording due process, and such authorization shall not be unreasonably withheld. Any application for a rate increase shall be acted upon within sixty (60) days after submission thereof and consent shall be deemed given if the Council has not acted within said time. Rates for regular subscriber services shall be just, reasonable and adequate and shall, at all times, be maintained consistent with Grantee's increased capital and operating costs including, without limitation, increased costs due to inflation, and shall not exceed the rates in effect by the City of Fort Walton Beach, Florida. The following rate chart shall be in effect for Cinco Bayou, Florida franchise:

Residential Subscribers

<u>Description</u>	<u>Aerial</u>	<u>Underground</u>
Initial Installation (standard install 150')	\$20.00	\$25.00
Initial Installation (non-standard, 150' +)	Cost +	Cost +
Monthly Service Charge (first outlet)	9.00	9.00
Installation of Each Additional Outlet	12.50	12.50
Monthly Service Each Additional Outlet	1.50	1.50
Reconnect Fee (if service suspended)	10.00	10.00
Reactivate Existing Drop (previous customer)	10.00	10.00
Relocate Outlet	12.50	12.50

Commercial Subscribers

Installation and monthly service are negotiable between Grantee and subscriber.

Section 19. Severability:

Should any section, clause or provision of this ordinance be declared invalid by court of record, the same shall not effect the validity of the ordinance as a whole or in part thereof, other than the part declared invalid.

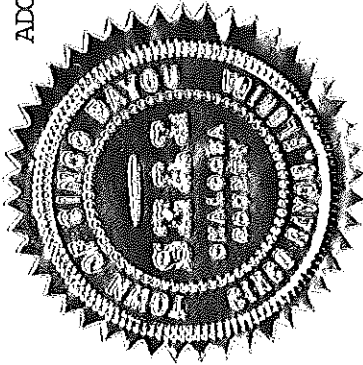
Section 20. Effective Date:

This ordinance shall take effect immediately upon its passage and approval by the Mayor.

Section 21. Acceptance by Grantee:

The Grantee, its successors or assigns shall, within ten (10) days after the effective date of this ordinance, file a written acceptance of the franchise, as submitted, with the Town Clerk, failing which, the rights and privileges granted by this ordinance shall terminate.

ADOPTED this 17th day of SEPTEMBER, 1984.



APPROVED:

Robert J. Henry
MAYOR PRO TEM

ATTEST:

Quinn B. Buckner
TOWN CLERK