ORDINANCE NO. 18-06

AN ORDINANCE GRANTING FALCON COMMUNITY VENTURES I, LIMITED PARTNERSHIP, LOCALLY KNOWN AND REFERRED TO HEREIN AS CHARTER COMMUNICATIONS, A NONEXCLUSIVE FRANCHISE TO PROVIDE, CABLE SERVICES TO THE CITY OF ASTORIA, THE INHABITANTS THEREOF AND OTHERS, SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED IN THE ORDINANCE; AND PROVIDING FOR THE REPEAL OF THE EXISTING FRANCHISE AGREEMENT DATED FEBRUARY 1, 2001.

THE CITY OF ASTORIA DOES ORDAIN AS FOLLOWS:

SECTION 1. <u>**Grant of Franchise**</u>. The City of Astoria ("City" or Grantor") hereby grants to Falcon Community Ventures I, Limited Partnership, locally known and referred to herein as Charter Communications ("Charter" or "Grantee") a nonexclusive franchise to erect, construct, operate and maintain in, upon, along, across, above, over and under Rights of Way, poles, wires, cable, underground conduits, manholes, and other conductors and fixtures necessary for the maintenance and provision of a Cable System. This Franchise neither authorizes nor restricts telecommunications or other non-cable services. Charter shall make Cable Service distributed over the Cable System available to every residence within the Service Area where it currently provides Cable Service. Charter shall have the right, but not the obligation, to extend the Cable System into any other portion of the City, including annexed areas. The Cable Service will be provided at Charter's published rate for standard installations if such residence is located within one hundred twenty five (125) feet of Charter's feeder cable.

SECTION 2. <u>Definitions</u>.

"Cable Service" has the meaning set forth in 47 U.S.C. § 522, specifically: (A) the one-way transmission to subscribers of: (i) video programming, or (ii) other programming service; and (B) subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

Cable System" has the meaning set forth in 47 U.S.C. § 522, specifically: a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community, but such tem does not include (A) a facility that serves only to retransmit the television signals of 1 or more television broadcast stations; (B) a facility that serves subscribers without using any public right-of-way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of subchapter II of Title 47, U.S.C., Chapter 5, except that such facility shall be considered a cable system (other than for purposes of 47 U.S.C. § 541(c)) to the extent such facility is used in the transmission of video programming directly to subscribers, unless the extent of such use is solely to provide interactive on-demand services; (D) an open video system that complies with 47 U.S.C. § 573; or (E) any facilities of any electric utility used solely for operating its electric utility system.

"FCC" shall mean the Federal Communications Commission and any successor governmental entity thereto.

"Gross Revenue" means any revenue, as determined in accordance with generally accepted accounting principles, received by Charter from the operation of the Cable System to provide Cable Services in the Service Area, provided, however, that such phrase shall not include: (1) any taxes, fees or assessments collected by Charter from Subscribers for pass-through to a government agency, including any sales or utility taxes; (2) unrecovered bad debt; (3) credits, refunds and deposits paid to Subscribers; and (4) any exclusions available under applicable State law.

"Person" shall mean an individual, partnership, association, organization, corporation, trust or governmental entity.

"Rights of Way" mean the present and future streets, sidewalks, bridges, alleys, easements and other public ways dedicated for compatible uses now or hereafter held by the City, which shall entitle Charter to the use thereof for the purpose of installing, operating, repairing and maintaining the Cable System.

"Service Area" shall mean the geographic boundaries of the City and shall include any additions thereto by annexation or other legal means, subject to the exception in Section 8 (annexation) hereto.

"State" shall mean the State of Oregon.

"Subscriber" shall mean any Person lawfully receiving Cable Service from Charter.

SECTION 3. <u>Term</u>. The term of this Franchise shall commence on the date of acceptance by Charter as set forth in Section 4 below for ten (10) years or unless lawfully revoked pursuant to Section 20 herein.

SECTION 4. <u>Acceptance by Charter</u>. Within sixty (60) days after the passage of this ordinance by the City, Charter shall file an unqualified written acceptance thereof, with the City Recorder, otherwise the ordinance and the rights granted herein shall be null and void.

SECTION 5. <u>Non-Exclusive Franchise</u>. Any right to use and occupy the Rights of Way shall be nonexclusive and the City reserves the right to use the Rights of Way for itself and to grant others the right to use its Rights of Way.

SECTION 6. <u>City Regulatory Authority</u>. This Franchise is a contract and neither party may take any unilateral action which materially changes the explicit mutual promises in this contract. Any changes to this Franchise must be made in writing signed by the Grantee and the City. Notwithstanding the foregoing, Charter agrees to comply with the terms of any generally applicable and nondiscriminatory local ordinance necessary to the safety, health, and welfare of the public which is lawfully adopted pursuant to the City's general police power.

SECTION 7. Indemnification. The City shall in no way be liable or responsible for any loss or damage to property or any injury to, or death, of any person that is caused by the construction, operation or maintenance by Charter of its Cable System. Charter shall indemnify, defend and hold the City harmless from and against claims, demands, liens and all liability or damage of whatsoever kind arising from Charter's use of the Rights of Way within the City, and shall pay the costs of defense for any claim, demand or lien brought thereunder, provided that the City shall give Charter written notice of its obligation to indemnify the City within ten (10) days of receipt of a claim or action pursuant to this section. Notwithstanding any provision hereof to the contrary, Charter shall not be obligated to indemnify, defend or hold the City harmless to the extent any claim, demand or lien arises out of or in connection with any negligent or willful act or failure to act of the City or any of its officers or employees, or from the City's use of the Cable System, including any PEG channels.

SECTION 8. <u>Annexation</u>. Upon the annexation of any territory to the City, the City shall promptly provide notice to Charter. The provisions of this Franchise shall extend to the annexed territory, subject to Section 1 and the conditions set forth below. The City shall also notify Charter in writing of all new street address assignments or changes within the City. Any identified Subscriber addresses shall be included in Grantee's franchise fee calculations within ninety (90) days after receipt of the annexation notice, which shall include the addresses that will be moved into the City in an Excel format or in a format that will allow Charter to change its billing system. If the annexation notice does not include the addresses in the franchise fee calculations within ninety (90) days after receives the identified Subscriber addresses as set forth above. All notices due under this section shall be sent to the addresses set forth in Section 22. In any audit of franchise fees due under this Franchise, Charter shall not be liable for franchise fees on annexed areas unless and until Charter has received notification and information that meets the standards set forth in this section.

SECTION 9. Planning, Design, Construction and Installation of Company Facilities.

9.1. Compliance with Codes. All construction practices and installation of equipment shall be done in accordance with all applicable sections of the National Electric Safety Code.

9.2. Construction Standards and Requirements. All of Charter's plant and equipment, including but not limited to the antenna site, head end and distribution system, towers, house connections, structures, poles, wire, cable, coaxial cable, fixtures and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices and performed by experienced maintenance and construction personnel.

9.3. Safety. Charter shall at all times employ ordinary care and shall use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage.

9.4. Network Technical Requirements. The Cable System shall be designed, constructed and operated so as to meet those technical standards adopted by the FCC relating to Cable Systems contained in part 76 of the FCC's rules and regulations as may be amended from time to time, regardless of the transmission technology utilized.

9.5. General Conditions. Charter shall utilize existing poles, conduits and other facilities whenever technically and economically feasible, and shall not construct or install any new, different, or additional poles, conduits, or other facilities on public property without obtaining all legally required permits of the City.

9.6. Location of Facilities. Unless otherwise agreed to in writing, Charter shall, at its own expense, locate all new facilities underground within the district described in the Code of Astoria §9.215. In other neighborhoods where existing utilities are located underground in City rights-of-way, new facilities shall be located underground if commercially reasonable to do so.

9.7. Construction Codes and Permits. Charter shall obtain all legally required permits before commencing any work requiring a permit, including the opening or disturbance of any Rights of Way within the City. The City shall cooperate with Charter in granting any permits required, providing such grant and subsequent construction by Charter shall not unduly interfere with the use of such Rights of Way.

9.8. System Construction. All transmission lines, equipment and structures shall be so installed and located as to cause minimum interference with the rights and reasonable convenience of property owners and at all times shall be kept and maintained in a safe, adequate and substantial condition, and in good order and repair. Charter shall, at all times, employ ordinary care and use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public. Suitable barricades, flags, lights, flares or other devices shall be used at such times and places as are reasonably required for the safety of all members of the public. Any poles or other fixtures placed in any public way by Charter shall be placed in such a manner as not to interfere with the usual travel on such public way.

9.9. Construction and Restoration. When Charter, or any person acting on its behalf, does any work in or affecting any rights-of-way, it shall, at its own expense, comply with applicable federal, state and local laws, codes, ordinances, rules and regulations.

9.10. Relocation of Utility Facilities. Charter shall, at no cost to the City, temporarily or permanently remove, relocate, change or alter the position of any utility facility within a right-of-way, including relocation of aerial facilities underground, when requested to do so in writing by the City for public safety or public convenience.

Nothing herein shall be deemed to preclude Charter, subject to OAR 860-022-0046 or other applicable agreement, franchise, law or regulation, from requiring reimbursement or compensation from a third party whose project is the reason for relocating utilities.

The City shall provide written notice of the time by which Charter must remove, relocate, change, alter or underground its facilities. Prior to providing such notice, the Director shall meet with Charter to establish a reasonable timeline for such action. If Charter fails to remove, relocate, alter or underground any utility facility as requested by the City and by the reasonable date established by the City, Charter shall pay costs to remove, relocate, alter or underground the Charter facilities that were subject of the notice. Upon receipt of a detailed invoice from the City,

Charter shall reimburse the City for the costs of said removal, relocation, alteration or undergrounding that the City incurred within thirty (30) days.

9.11. Performance Monitoring. Charter shall test the Cable System consistent with the FCC regulations.

SECTION 10. <u>Vegetation Management</u>. Charter Communications or its contractor may prune all trees and vegetation which overhang the Rights of Way, whether such trees or vegetation originate within or outside the Rights of Way, to prevent the branches or limbs or other part of such trees or vegetation from interfering with Charter Communication's Utility Facilities. Such pruning shall comply with the *American National Standard for Tree Care Operation (ANSI A300)* and branches with a diameter greater than two inches shall be pruned under the direction of an arborist certified with the International Society of Arboriculture. A growth inhibitor treatment may be used for trees and vegetation species that are fast-growing and problematic. Nothing contained in this Section shall prevent Charter Communications when necessary and with the approval of the owner of the property on which they may be located, from cutting down and removing any trees which overhang streets.

SECTION 11. Compensation.

11.1. In consideration of the rights, privileges, and franchise hereby granted, Charter shall pay to the City, five percent (5%) of the annual Gross Revenue. Payment of the fee due the City shall be made on a quarterly basis, within forty-five (45) days of the close of each calendar quarter and transmitted by electronic funds transfer to a bank account designated by the City. The payment period and the collection of the franchise fees that are to be paid to the City pursuant to the Franchise shall commence sixty (60) days after the Effective Date of the Franchise. In the event of a dispute, the City, if it so requests, shall be furnished a statement of said payment, reflecting the Gross Revenues and the applicable charges. Upon thirty (30) days written notice to Grantee, the Grantor shall have the right to audit the books and records of Grantee to determine whether Grantee has paid the franchise fees owed. If there is a dispute as to whether a particular item of revenue is within the scope of the term "Gross Revenues" and Grantee withholds revenue records on the ground that the revenues are not subject to the franchise fee, Grantee agrees that it will provide a certified statement describing the nature of the revenues contained in the records withheld. Said audit shall be conducted no more often than annually, and the audit period shall not be any greater than the previous three (3) years. The audit shall not last longer than six (6) months. Any undisputed additional amounts due to the Grantor as a result of the audit shall be paid within sixty (60) days following written notice to Grantee by the Grantor, which notice shall include a copy of the audit findings. All amounts due under this Section 11 shall be subject to review by the City, and Charter shall provide books and records for the specific purpose of determining the Gross Revenues of Charter and the accuracy of amounts paid as franchise fees to the City, provided that any audit or review must be commenced not later than thirty-six (36) months after the date on which franchise fees were due. Any undisputed additional amounts due to the City as a result of the audit shall be paid within sixty (60) days following written notice to Charter by the City, which notice shall include a copy of the audit findings. If the Grantor's audit discloses an underpayment of Franchise Fees by ten (10) percent or more, Grantee shall reimburse the Grantor for the cost of the audit up to three thousand dollars (\$3,000) within sixty (60) days of the Grantor's written demand for the same.

11.2. The franchise fee shall be in addition to taxes of general applicability owed to the City by Charter that are not included as franchise fees under Federal law. Franchise fees may be passed through to Subscribers as a line item on Subscriber bills or otherwise as Charter chooses, consistent with Federal law.

11.3. Upon thirty (30) days written request, but no more than once per year, Charter shall provide a report to the City Council consisting of the following: (a) Summary of Charter's activities during the previous year, including current program offerings, any operational changes, or improvements to services within the City; (b) Planned changes for the current year, including any operational changes or improvements to property or structures related to services within the City; (c) Charter's Gross Revenue for the previous year.

11.4. In the event that any Franchise payment or recomputed payment is not made on or before the dates specified herein, Grantee shall pay an interest charge, computed from such due date, at the annual rate of one percent (1%) over the prime interest rate. The period of limitation for recovery of any franchise fee payable hereunder shall be three (3) years from the date on which payment by the Grantee was due.

SECTION 12. Customer Service.

12.1. Grantee shall comply with the customer service standards set forth in Section 76.309 of the FCC's Rules and Regulations, as such may be amended from time

12.2. It shall be the right of all Subscribers to continue receiving Cable Service insofar as their financial and other obligations to the Charter are honored.

SECTION 13. <u>Cable Programming</u>

13.1. Programming Services: Charter shall offer to all Customers broad categories of programming.

13.2. Access to Service: Charter shall comply at all times with all applicable Federal and state laws and regulations relating to nondiscrimination. Charter shall not deny service, deny access, or otherwise discriminate against Subscribers, Channel users, or general citizens in the City of Astoria on the basis of age, disability, race, religion, color, national origin, sex, sexual orientation, or gender identity/expression. However, nothing in this Section prevents Charter from phasing in new services, at new rates and charges, or from engaging in reasonable promotional activities.

SECTION 14. <u>Community Programming</u>. At the request of the City, and upon sixty (60) days prior written notice to Charter, Charter shall provide one channel on the Cable System for use by the City for non-commercial, video programming for public, education and government ("PEG") access programming. The PEG channel may be placed on any tier of service available to subscribers. The City may utilize the PEG channel as follows: the City shall provide original programming on the channel(s) with first run or first re-run programming to occupy seventy percent (70%) of the hours between 11 am and 11pm for any twelve consecutive week period. In the event the programming levels set forth herein are not maintained or if the City does not adequately use the channel, Charter reserves the right to have the channel returned to Charter for Charter's use. Charter shall provide City with sixty (60) days prior written notice informing City

when programming levels set forth herein are not being maintained. Charter reserves the right to utilize the PEG channel only after City has been notified and City has not cured within sixty (60) days from receipt of said notice. In the event that Charter exercises its right to utilize the PEG channel after the sixty (60) day cure period elapses, Charter shall notify its Customers of its intention to utilize the PEG channel by providing Customers with a thirty (30) day prior written notice. In addition, Charter may use the designated channel during those hours that the City is not using the channel. The City shall indemnify, save and hold harmless Charter from and against any and all liability resulting from the City's use of the aforementioned PEG channel whether City operates the PEG channel from City's facilities, a third party's facilities, or from Charter's facilities. Charter has the option to air the PEG channel in analog, digital or other format. Charter shall not be responsible for operating and managing the PEG channel including approving any PEG programming and/or for obtaining releases from programmers for any PEG programming. City reserves the right to permit a third party to operate and manage the PEG channel on the City's behalf. The PEG channel shall not be used for commercial purposes, such as leasing capacity, advertising or any use whatsoever that may generate revenue for the City or compete with current or future services provided by Charter.

SECTION 15. <u>Renewal</u>. Any proceedings undertaken related to the renewal of this franchise shall be governed by and comply with the provisions of Section 626 of the Cable Communication Policy Act of 1984, as amended, 47 U.S.C. §§ 521, et. seq. or any such successor statute.

SECTION 16. <u>No Waiver</u>. Neither City nor Charter shall be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents, upon any one or more occasions to insist upon or to seek compliance with any such terms and conditions.

SECTION 17. <u>**Transfer of Franchise.**</u> The Franchise granted hereunder shall not be assigned, other than by operation of law or to an entity controlling, controlled by, or under common control with Charter, without the prior consent of the City, such consent not to be unreasonably withheld or delayed. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of Charter in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for transfer, the City shall notify Charter in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee.

If the City has not taken action on Charter's request for transfer within one hundred twenty (120) days after receiving such request, consent by Charter shall be deemed given.

SECTION 18. <u>Amendment</u>. This Franchise is a contract and neither party may take any unilateral action that materially changes the explicit mutual promises and covenants contained herein. Any changes, modifications or amendments to this Franchise must be made in writing, signed by the City and Charter.

SECTION 19. <u>Enforcement</u>.

19.1. Notice of Violation. If the City believes that Charter has not complied with the terms of the Franchise, the City shall first informally discuss the matter with Charter. If these discussions do not lead to resolution of the problem, the City shall notify Charter in writing of the exact nature of the alleged noncompliance (the "Violation Notice").

19.2. Charter's Right to Cure or Respond. Charter shall have thirty (30) days from receipt of the Violation Notice to (i) respond to the City, contesting the assertion of noncompliance, or (ii) to cure such default, or (iii) if, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the City of the steps being taken and the projected date that they will be completed.

19.3. Public Hearing. If Charter fails to respond to the Violation Notice received from the City, or if the default is not remedied within the cure period set forth above, the City shall schedule a public hearing if it intends to continue its investigation into the default. The City shall provide Charter at least twenty (20) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, notice of which shall be published by the Clerk of the City in a newspaper of general circulation. Charter shall have the right to present evidence and to question witnesses. The City shall determine if Charter has committed a violation and shall make written findings of fact relative to its determination. If a violation is found, Charter may petition for reconsideration before any competent tribunal having jurisdiction over such matters.

19.4. Enforcement. Subject to applicable federal and State law, in the event the City, after the hearing set forth in subsection 19.3 above, determines that Charter is in default of any provision of the Franchise, the City may:

- A. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or
- B. Commence an action at law for monetary damages or seek other equitable relief; or
- C. In the case of a substantial default of a material provision of the Franchise, seek to revoke the Franchise itself in accordance with subsection 20 below.

Charter shall not be required to pay any penalties unless ordered by a court of competent jurisdiction.

SECTION 20. Revocation

20.1. Prior to revocation or termination of the Franchise, the City shall give written notice to Charter of its intent to revoke the Franchise on the basis of a pattern of noncompliance by Charter, including one or more instances of substantial noncompliance with a material provision of the Franchise. The notice shall set forth the exact nature of the noncompliance. Charter shall have sixty (60) days from such notice to either object in writing and to state its reasons for such objection and provide any explanation or to cure the alleged noncompliance. If the City has not received a satisfactory response from Charter, it may then seek to revoke the Franchise at a

public hearing. Charter shall be given at least thirty (30) days prior written notice of such public hearing, specifying the time and place of such hearing and stating its intent to revoke the Franchise.

20.2. At the hearing, the City shall give Charter an opportunity to state its position on the matter, present evidence and question witnesses, after which it shall determine whether or not the Franchise shall be revoked. The public hearing shall be on the record and a written transcript shall be made available to Charter within ten (10) business days. The decision of the City shall be made in writing and shall be delivered to Charter. Charter may appeal such determination to an appropriate court, which shall have the power to review the decision of the City *de novo*. Charter may continue to operate the Cable System until all legal appeals procedures have been exhausted.

20.3. Notwithstanding the above provisions, Charter does not waive any of its rights under federal law or regulation with respect to revocation of its franchise.

SECTION 21. Discontinuance and Removal of the System: To the extent not inconsistent with applicable law or to the extent that the Grantee has no separate authority to occupy the rights-of-way, upon the revocation of this Franchise, either (a) by mutual agreement of City and Charter, (b) by Charter's acquiescence, or (c) by a final order of a court which Charter either does not appeal or from which there is no further right of appeal, then the following shall occur: Charter shall at the direction of City cease the provision of Cable Services and shall remove its Cable System, including all supporting structures, poles, transmission and distribution portions of the system and other appurtenances, fixtures or property from the streets and Public Ways, in, over, under, along, or through which they are installed within six (6) months of the revocation, termination, or expiration except that (a) Charter may abandon its facilities in place with City's consent, and (b) Charter shall not remove underground facilities without City's consent in advance, which shall not be unreasonably withheld. Prior to any removal Charter shall notify City and persons owning property abutting Public Ways where removal will occur. Charter shall also restore any property, public or private, to the condition in which it existed prior to the installation, erection or construction of its Cable System, including any improvements made to such property subsequent to the construction of its Cable System. Restoration of streets and Municipal property, including, but not limited to, the Public Ways, shall be in accordance with the directions and specifications of City, and all applicable laws, ordinances and regulations, at Charter's sole expense. If such removal and restoration is not completed within six (6) months after the revocation, termination, or expiration, all of Charter's property remaining in the affected streets and Public Ways shall, at the option of City, be deemed abandoned and shall, at the option of City, become its property or City may obtain a court order compelling Charter to remove same. In the event Charter fails or refuses to remove its Cable System or to satisfactorily restore all areas to the condition in which they existed prior to the original construction of the Cable System, City, at its option, may perform such work and if such work is performed within four (4) years of the revocation, termination or expiration of this Franchise collect the costs thereof from Charter. At least thirty (30) days prior to commencing any construction, reconstruction, repair, extension or expansion of the cable system, if required by the City, Charter shall provide to the City a construction bond securing faithful performance by Charter of the work to be done for major construction, repair, extension or expansion projects affecting the Cable System. The bond shall be released upon final approval of Charter's construction work by the City.

SECTION 22. <u>Notices</u>. Unless otherwise specified herein, all notices, reports or demands from Charter to the City pursuant to or concerning this Franchise shall be delivered to the City Manager's Office, Astoria City Hall, 1095 Duane Street, Astoria, Oregon, 97103. Unless otherwise specified herein, all notices from the City to Charter pursuant to or concerning this Franchise shall be delivered to the Director, Government Relations, Charter, 222 NE Park Plaza Drive, #231, Vancouver, WA 98684, with an email copy to marion.jackson@charter.com, and with a copy to Vice President, Government Relations, Charter, 12405 Powerscourt Drive, St. Louis, MO 63131. Notices shall be in writing and shall be deemed to be sufficiently given upon delivery to a Person at the address set forth above, or by U.S. certified mail, return receipt requested, nationally or internationally recognized courier service such as Federal Express. The City and Charter shall notify the other party of any changes to this section.

SECTION 23. Force Majeure. Charter shall not be held in default under, or in noncompliance with the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of Charter to anticipate and control. This provision includes, but is not limited to, severe or unusual weather conditions, fire, flood, or other Acts of God, strikes, work delays caused by waiting for utility providers to service or monitor their utility poles to which Charter's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

SECTION 24. <u>Entire Agreement</u>. This Franchise and any Exhibits hereto constitute the entire agreement between City and Charter and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof.

SECTION 25. <u>Minor Violations</u>. Furthermore, the parties hereby agree that it is not the City's intention to subject Charter to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the City, or where strict performance would result in practical difficulties and hardship to Charter which outweighs the benefit to be derived by the City and/or Subscribers.

SECTION 26. <u>Action of Parties</u>. In any action by the City or Charter that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

SECTION 27. <u>Severability</u>. If any section, sentence, paragraph, term or provision hereof is for any reason determined to be illegal, invalid, or superseded by other lawful authority including any state or federal regulatory authority having jurisdiction thereof or unconstitutional, illegal or invalid by any court of common jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

SECTION 28. Insurance.

A. Charter shall maintain throughout the term of the Franchise insurance written on an occurrence basis, in amounts not less than the limitations on liability for local public bodies provided in ORS 30.272 and ORS 30.273, as follows:

Workers' Compensation	Statutory Limits
Commercial General Liability	\$1,000,000 per occurrence, Combined Single Limit (C.S.L.) \$2,000,000 General Aggregate
Auto Liability including coverage on all owned, non-owned hired autos	\$1,000,000 per occurrence C.S.L.
Umbrella Liability	\$5,000,000 per occurrence C.S.L.

- B. The City shall be added as an additional insured, arising out of work performed by Charter, to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.
- C. Charter shall furnish the City with current certificates of insurance evidencing such coverage upon request.

SECTION 29. <u>Records, Reports and Map</u>

29.1. Reports Required. Charter's schedule of charges for regular Subscriber service, its policy regarding the processing of Subscriber complaints, delinquent Subscriber disconnect and reconnect procedures and any other terms and conditions adopted as Charter's policy in connection with its Subscribers shall be filed with the City upon request.

29.2. Records Required. Charter shall at all times maintain: A record of all written complaints received regarding interruptions or degradation of Cable Service, for one (1) year and a full and complete set of plans, records and strand maps showing the location of the Cable System.

29.3. Inspection of Records. Charter shall permit any duly authorized representative of the City, upon receipt of advance written notice, to examine during normal business hours and on a non-disruptive basis any and all of Charter's records maintained by Charter as is reasonably necessary to ensure Charter's compliance with the Franchise. Such notice shall specifically reference the subsection of the Franchise that is under review so that Charter may organize the necessary books and records for easy access by the City. Charter shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years, except for service complaints, which shall be kept for one (1) year as specified above. Charter shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act. The City agrees to treat as confidential any books, records or maps that constitute proprietary or confidential information to the extent Charter makes

the City aware of such confidentiality. If the City believes it must release any such confidential books or records in the course of enforcing this Franchise, or for any other reason, it shall advise Charter in advance so that Charter may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the City agrees that, to the extent permitted by State and federal law, it shall deny access to any of Charter's books and records marked confidential, as set forth above, to any Person.

SECTION 30. <u>Effective Date</u>. The Franchise granted herein will take effect and be in full force from such date of acceptance by Charter recorded on the signature page of this Franchise ("Effective Date"). This Franchise shall expire ten (10) years from the Effective Date unless extended in accordance with Section 3 of this Franchise or by the mutual agreement of the parties. If any fee or grant that is passed through to Subscribers is required by this Franchise, other than the franchise fee, such fee or grant shall go into effect sixty (60) days after the Effective Date of this Franchise.

SECTION 31. <u>Change of Law</u>. Should any change to State or Federal law, rules or regulations have the lawful effect of materially altering the terms and conditions under which an operator may provide cable service in the City, then Charter may request that the City modify this Franchise to ameliorate the negative effects of the change on Charter. If the parties cannot reach agreement on the above-referenced modification to the Franchise, then Charter may terminate this Franchise without further obligation to the City other than those set forth in Section 21 of this Franchise or the parties may agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

SECTION 32. <u>**Repeal.**</u> Upon the effective date of this ordinance, the existing franchise granted by the City to Charter, effective February 1, 2001, as extended by the City, shall be repealed.

SECTION 33. Franchise Requirements for Other Franchise Holders.

In the event that the City grants one (1) or more Franchise(s) or similar authorization(s), for the construction, operation and maintenance of any communication facility which shall offer services substantially equivalent to services offered by the Grantee it shall not make the grant on more favorable or less burdensome terms. If Grantee finds that the agreement(s) granting said other Franchise(s) contain provisions imposing lesser obligations on the Grantee(s) thereof than are imposed by the provisions of this Franchise, Grantee may petition City for a modification of this Franchise. The Grantee shall be entitled, with respect to said lesser obligations to such modification(s) of this Franchise as may be determined to be necessary to insure fair and equal treatment by this Franchise and said other agreements.

In the event that a non-franchised multichannel video programming distributor provides Cable Services to the residents of the City, Grantee shall have a right to request Franchise amendments that relieve the Grantee of regulatory burdens that create a competitive disadvantage to the Grantee. In requesting amendments, the Grantee shall file a petition seeking to amend the Franchise. Such petitions shall:

- 1. Indicate the presence of a non-Franchised competitor(s);
- 2. Identify the basis for Grantee's belief that certain provisions of the Franchise place Grantee at a competitive disadvantage; and
- 3. Identify the regulatory burdens to be remanded or repealed in order to eliminate the competitive disadvantage.

The City shall not unreasonably withhold granting the Grantee's petition and so amending the Franchise.

PASSED by the City Council of the City of Astoria, Oregon this 4th day of June 2018.

Arline La Mears MAYOR

ATTEST:

FINANCE DIRECTOR

ACCEPTED this local law.	day of _	, 2018, subject to applicable federal, State and
		Falcon Community Ventures I, Limited Partnership, 1/k/a Charter Communications
		By: Charter Communications VII, LLC its General Partner
		By: Charter Communications Inc., its Manager
		Signature:
		Name/Title:
		Date: