

AN ORDINANCE GRANTING THE LIBERTY TELEVISION, INC.,)
AN OREGON CORPORATION, A FRANCHISE TO STRETCH WIRE)
AND CABLE AND APPURTENANT STRUCTURE OVER AND UNDER)
THE STREETS AND ALLEYS OF THE CITY OF LEBANON AND)
TO MAINTAIN AND USE THE SAME AS A COAXIAL CABLE)
DISTRIBUTION SYSTEM FOR TELEVISION DISTRIBUTION)
TO SUBSCRIBERS' RESIDENCES AND TO BUSINESS AND)
PUBLIC ESTABLISHMENTS FOR 20 YEARS, AND PROVIDING)
FOR THE REGULATING OF THE SERVICES AND RATES)
ESTABLISHED BY THE GRANTEE FOR THE INSTALLATION)
AND FURNISHING OF SUCH SERVICE.)

ORDINANCE BILL 4

For 1966

ORDINANCE NO. 1206

THE PEOPLE OF THE CITY OF LEBANON DO ORDAIN AS FOLLOWS:

Section 1: GRANTING CLAUSE. The City of Lebanon, hereinafter called City, does hereby grant to the LIBERTY TELEVISION, INC., an Oregon corporation, hereinafter called the grantee, for a period of 20 years, (beginning with the effective date of this Ordinance) a non-exclusive right, privilege and authority and franchise to operate in, over, upon and under the streets and alleys, and public highways of the City of Lebanon, and to stretch wires and cables on poles or underground or on other fixtures on all streets and alleys and to erect other appurtenances and to maintain and use the same as a coaxial cable subscription system for television signal distribution to subscribers' homes and to business establishments within the City.

Section 2: DURATION. The rights privileges and franchise herein granted shall cease and terminate twenty (20) years after the effective date of this Ordinance.

Section 3: NON-EXCLUSIVE. The rights, privileges and franchise herein granted shall not be deemed exclusive and the right is hereby reserved to the City to grant to any other persons, companies, corporations or associations similar rights.

Section 4: PLAN-CONSTRUCTION. All work, erections, erection of poles and appliances and laying of wires and the operation and maintenance of the grantee's system shall be done in compliance with the applicable laws, rules, regulations, ordinances or orders which may, during the continuance of this franchise, be adopted from time to time by the City, county, state and/or Federal governments.

Any act done by any contractor, subcontractor or by the grantee or by any agent of the grantee shall, for the purpose of this franchise be deemed to be the act of the grantee, and all initial construction authorized herein shall be done only in accordance with a plan or design submitted to and approved by the City Council.

Section 5: STANDARDS OF CONSTRUCTION. All poles, cables, wires, antennas or other appurtenances shall be constructed and erected in a workmanlike manner.

All construction hereby authorized shall conform to the requirements of the National Electric Code of the State of Oregon and the City.

Section 6: CITY'S RIGHTS AND JURISDICTION. Nothing in this Ordinance shall be construed to prevent the City from sewerage, planking, bridging, grading, altering, or otherwise improving any of the streets of the City. This Ordinance shall further not be so construed as to deprive the City of any rights and privileges which it has now or which may be conferred upon it to regulate the use and control of streets. The City shall further have, at all times, the right to make use of the poles of said grantee for wires, cables, or conductors for any and all city-owned wires system, provided that such use does not conflict with grantee's prior occupancy.

In the event any of the grantee's poles, cables, wires or other appurtenances interfere with any future use that the City desires to make of its streets or alleys, the grantee shall, at its own expense, promptly re-locate such poles, cables, wires or other appurtenances upon being notified to do so. Whenever the grantee shall disturb any of the streets for the purpose aforesaid, it shall restore the same to good order and condition as soon as practicable without unnecessary delay, and failing to do so, the City shall have the right to fix a reasonable time limit within which such repairs and restoration of street shall be completed, and upon failure of such repairs being made by said corporation, the said City may (in addition to any other rights or remedies it has herein) cause such repairs to be made at the expense of the said grantee.

Section 7: REMOVAL OF CABLE. Whenever any person has obtained permission of the proper city officials to use any of the streets of said City for the purpose of moving any building, the said grantee, upon reasonable notice from such person and his agreeing to pay the actual costs thereof, shall raise or remove any and all of the said wires or cables which may obstruct the moving of such building so as to allow the unobstructed passage of the same; and in the case of the failure of the said grantee to comply with the terms of this section, the superintendent of streets, or other proper officer of the said City, shall be, and is hereby, authorized to remove said wires at the expense of the grantee.

Neither the City nor any of its employees shall be held liable for the consequence of any act done in connection with the moving of said building or rearrangement of wires or for the cost of rearranging the wires.

Section 8: CITY NON-LIABILITY. In case it shall be necessary to cut or remove any of the said wires, cables or other appurtenances or equipment of the said grantee in order to get fire ladders or other apparatus to a building during a city conflagration or emergency, the said City shall not be liable for any damage done to such wires, cables, conductors or equipment.

Section 9: INDEMNIFICATION and INSURANCE. Grantee shall indemnify and save the City free and harmless from any and all liability, loss, cost, damage or expense from accident or damage, either to itself or to persons or property of others which may occur by reason of the exercise of the rights and privileges herein granted; and shall, for the purpose of carrying out the provisions of this section, and prior to commencing construction of any kind, have in full force and effect, and file evidence thereto with the City Recorder, a good and sufficient policy (or policies) covering bodily injury with limits of \$200,000 personal injury each person, \$500,000 personal injury each accident and property damage with limits of \$50,000 each accident and \$100,000 aggregate with said policy (or policies) to be executed by an insurance company (or companies) authorized and qualified to do business in the State of Oregon and conditioned to indemnify and save harmless the City from and against any and all claims, actions, suits, liability loss, cost, expense or damage of any kind or description which may accrue to or be suffered by the City or by anyone by reason of the erection, construction, reconstruction, relocation, replacing, readjustment,

repair, maintenance or operation of the coaxial cable and appurtenances thereto, or by reason of anything that has been done or may be done by the grantee hereunder which may in anywise cause liability by reason thereof.

Section 10: COMPENSATION. The grantee shall pay to the City, not later than the 10th day of February each year, an amount equal to the hereinafter set forth percentage of the gross income received in service rendered in the City for which any part of the rights exercised under this franchise are used, to-wit:

Three percent (3%) of the gross revenues of the grantee during the term of this franchise.

This annual payment shall be based on the gross income of the previous calendar year. There shall not be included in gross income those sums received by grantee for installation, construction or connection work. All payments made hereunder by the grantee to the City shall be offset credited against any other license, or excise or privileges taxes imposed by the City against grantee.

The grantee shall keep proper books of account and records covering the business, customers, and financial transactions of the company, which shall at all reasonable times be available to and open to inspection by the City or its agents for all purposes pertinent to the matters covered in this franchise.

Section 11: ACCEPTANCE. Grantee shall, within thirty days after the effective date of this Ordinance, file with the City Recorder written acceptance of this franchise and the terms imposed.

Section 12: CITY REGULATION OF RATES And CHARGES. Said grantee shall have the right to charge and collect reasonable compensation from all persons and corporations to whom said electronic transmission service shall be furnished (including installation charges), subject to the rules and regulations of the legally constituted regulatory bodies of the City, county, state or Federal governments. The charges made for a subscriber's service, installation and connection work, shall be subject to review by the Council. The proposed rate schedule of service, installation or connection charges shall not become

effective without the prior approval of the City Council. In reviewing proposed rate schedules, the Council, among other things, shall consider the desirability of a rate which will provide a fair and reasonable return to the grantee.

Section 13: STANDARDS and SERVICE. Grantee agrees to render a reasonably good quality picture and services to its customers, judged on the then current standards of the art and industry as the same may develop and improve during the term of this franchise; and to carry all existing Oregon stations within 100 miles of Lebanon, and in accordance with F.C.C. rules. After the commencement of service and operation of the system, grantee shall furnish the said service to every applicant in the city limits within 30 days after the making of the application and tendering of the installation charge by said applicant, *HOWEVER A REASONABLE ADDITIONAL ALLOWANCE WOULD BE GRANTED IN CASES OF ANNEXATION CREATING REMOTE CONNECTIONS.*

Section 14: DEFAULT and FORFEITURE. The grantee shall at all times fully and faithfully perform all the terms, provisions, and conditions of this franchise and grant and furnish efficient service hereunder and maintain its property in good order and repair throughout the entire term thereof, and upon any default by the grantee or upon the failure of the grantee to comply with any of the rules, regulations, or orders of the City, and the continuance of the default or failure for a period of thirty days, the City may cancel, terminate and forfeit this grant and franchise and all other rights of the grantee hereunder, and in case of said cancellation, termination or forfeiture, the grantee shall have 120 days to remove all of its wires, cables, or other appurtenances from said streets and alleys and any not so removed within said time shall become the property of the City, outright and free of any claim, right, title or interest of the grantee.

Section 15: FREE SERVICE. The grantee shall furnish without charge to the City, at a place designated (within the corporate limits of the City) by the City, ONE (1) outlet that is equivalent to the service the grantee shall be furnishing to private residences.

Section 16: COMMENCEMENT OF CONSTRUCTION and OPERATION. The rights and privileges hereby granted shall cease and terminate and this Ordinance shall be of no further force and effect unless the grantee complies with the provisions of Section 4 of this Ordinance and starts actual construction in accordance with said plan within 90 days from the effective date of this Ordinance, and

commences the rendering of service and operation of the system in keeping with the intention of this franchise within 360 days from the effective date of this Ordinance.

Section 17: OPTION TO PURCHASE. At the expiration of the term of this franchise, the City, at its election, may purchase and take over to itself the entire property of the Grantee situated in or under the streets and public places of the City, at the fair value of the physical property of grantee as determined by a board of arbitrators, one appointed by the City, one appointed by the grantee, and the third by the two first so appointed. The City and the grantee shall each pay for the services of the arbitrator appointed by it; and each shall pay one half of the cost of the services of the third arbitrator; and of any other costs of conducting the arbitration, except that the fees of any witnesses called by either party shall be paid by the party calling the witness.

Section 18: NON-ASSIGNABLE. The rights, privileges and franchise herein granted shall not be sublet or assigned without the consent of the City of Lebanon expressed by Resolution or Ordinance duly passed.

Section 19: SEPARABILITY. 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 or constitutionality of the remaining portions thereof.

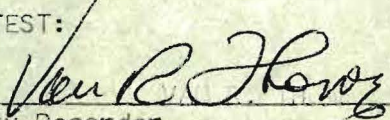
Section 20: OPTION TO PURCHASE. If the grantee proposes to sell or assign to a third party its rights, privileges and franchise herein granted and the property composing the transmission system in the City, or the entire system of which the City installation is an integral part, it shall first offer the same to the City at the "fair value" to be determined as provided in Section 17 above, and after such determination the City shall have 120 days to accept or reject said offer.

Passed by the Council and approved by the Mayor this 5th day of APRIL, 1966.

MAYOR



ATTEST:


City Recorder