(F)13C

## Continued from Page 12C

Grantee has submitted an initial rate schedule which is incorporated herein by ference and made a part hereof as Exhibit B.

reference and made a part hereof as Exhibit B.

b. Services Offered
Grantice has submitted initial channel lineup, which is incorporated herein by
reference and made a part hereof as Exhibit C. The basic CATV service shall consist
of five (5) tiers as follows:
Tier I - Saali include Channels 2 through 22
Tier II - Saali include Channels 2 through 22
Tier II - Saali include Channels 2 through 13
Tier IV - Saali include Channels 2 through 13
Tier IV - Saali include Channels 2 through 13 puts telerat reception capability
Tier V - Saali include Channels 2 through 13 puts interactive capability
Grantee shall activate Tiers II in and III on or before the time the first subscriber
installation is made. Tiers IV and V shall be activated as soon as the necessive
installation is made. Tiers IV and V shall be activated as soon as the necessary
hardware and software has been developed, tested and is generally available from
manufacturers, which date has been promised by Metrovision equipment manufacturers to be not later than the fourth quarter of 1982.
Nothing shall probibli Grantee from changing or adding to the channel iturup as
available service change, providing the number of channels available on each tier of
service shall not change whithout the permission of the City Connect.

available services change, provingue on emotive the City Consoli.

granice shall construct a modern state-of-the-art CATV system. The subscriberatoristic shall construct a modern state-of-the-art CATV system. The subscriberatoristic shall be adult achief told MIZ with 112 channel capacity. 56 channels of service shall be activated immediately on the first cable and the remaining 56 channels will be activated as soon as minety percent (1995) of the channels on the first cable are being programmed. The state of the state

equipped local origination studio to be conveniently located within the communities. Createe will further provide a fully equipped local origination mobile van to facilitate remote programming. To facilitate the development of access programming. Grantee shall provide one (1) access studio, conveniently located within the communities. Grantee will further provide the (10) packages of portable access requipment, commonly known as portupated for use in public access programming. Grantee will further provide to the developing educational institutions in the area brandeasts equipment for their use in developing educational programming. An access van will also be provided to facilitate mobility and remote programming. An access van will also be provided to facilitate mobility and remote programming. An access van will also be provided to facilitate mobility and remote programming. Or a continuing semiannual basis, two percent (2%) of groot revenues to the communities to be administered by the agency designated by the clies of Farmolism of the communities of the continuity of the clies of Farmolism of the continuity of the Crantee or other interested user group, and continuity of the continuity of the Crantee or other interested user group, and continuity of the continuity of the continuity of the Crantee or other interested user group, or a continuity of the continuity of the Crantee or other interested user group or a continuity of the continuity of the Crantee or other interested user group and continuity of the continuity of the Crantee or other interested user group of the continuity of the continuity of the Crantee or other interested user group or any access channel to enable the other of the Crantee of the Citities of Se

Cities. Whenever any of the access channels, in the opinion of the Cities, has become futilized, the Grantee shall have six (6) months in which to make a new chan-available for the same purpose provided, however, that the channel expansion in dated by this paragraph shall not exceed the channel capacity of the system.

SECTION 12 USE OF STREETS

All transmission and distribution structures, lines, and equipment erected by the 
Grantee within the City shall be so located as to cause minimum interference with 
the rights and reasonable convenience of property owners who adjoin any of the said

the right and reasonable convenience of property owners who adjoin any of the said the right and reasonable convenience of property owners who adjoin any of the said line case of disturbance of any street easement or paved area or other property the first cash and the grant of the control on a before the work involving such disturbance was done.

If at any time during the period of the franchise the City shall lawfully elect to alter or change the grade of any street, the Grantee, upon reasonable notice by the City, shall remove, relay, and relocate its poles, wires, cables, underground conduits, and the control of the control o

ve. In all sections of the City where the cables, wires, or other like facilities of any ablic utility is placed underground, the Grantee shall place its cables, wires, or other

In an security of the charge and the Grantee shall place its cables, wires, or other like facilities underground.

At the expiration of the term for which the franchise is granted, or upon its termination and cancellation, as provided for herein, the City shall have the right to require the Grantee to remove at its own expense all portions of the cable television system from all streets within the City.

# SECTION 13. INDEMNIFICATION AND INSURANCE

SECTION 13. NDEMNIFICATION AND INSURANCE

i. It shall be expressly understood and agreed by and between the City and any
Grantee hereunder that the Grantee shall save the City and its agents and employees
thermless from and against all claims, dramages, losses, and expenses, hotelding attorney's fees sustained by the City on account of any suit, judgment, execution, claim or
demand whatsover arising out of but to limited to copyright infringements and all
other damages arising out of the installation, operation or maintenance of the cable
system authorized herein, whether or not any act or omission complianted of is authorized, allowed or prohibited by this ordinance and any franchise granted bereunder.

under.

b. The Grantee shall maintain and by its acceptance of the franchise, specifically agrees that it will maintain throughout the terms of this franchise, all inclusive comprehensive general liability insurance, naming the City, its agents, employees, officers, and commissions, as an additional insured, and said policy shall insure the City and those bettetiore named, together with the Grantee in the rhindman amount

of:

(1) Workman's Compensation: as required by all applicable Federal, State, Maritime or other laws:

(2) Grante's Liability: each occurrence \$5,000.000.

(3) All Inclusive Compreheasive General Liability: including but not limited to such items as libel, slander, defamation, civil rights, each occurrence \$4,000,000 and aggregate \$8,000,000, and body injury: each occurrence \$4,000,000, property damage each accident, \$1,000,000, and aggregate, \$4,000,000.

\$6,00,000.
(i) Comprehensive Astomobile Liability: including non-ownership and hired car coverage as well as owned vehicles with minimuch limits as follows: Bodily injury for each occurrence \$6,000,000; Property damage for

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e. All insurance powers are made that this insurance policy may not be cancelled by the insurer not and agreed that this insurance policy may not be cancelled by the insurer nor the intention not to renew be stated by the insurer until thirty (30) days after receipt by the city, by registered mail, of written notice of such intention to cancel or not to renew.

1

Such microtion to cancer or no, to renew.

SECTION 14. LETTER 07 CREDIT

a. Within thirty (30) days after the award of this franchise, the Grantee-shall deposit with the (10) an irrevocable bank letter of credit from a financial institution institution in the amount of 435,000. The form and content of such letter of credit shall be supervised by the City Attorney. The letter of credit shall be used to larance the content of the content o

provided there is no lapse in coverage and thirty (30) days advance notice is first, when the City. In the City, the The letter of credit shall be maintained at \$45,000 during the entire term of this ranchise, even if amounts have to be withdrawn pursuant to middivision a. or c. of this section. Provided, however, that the amount of the letter of credit may be adjusted in the sold elaceration of the City Council upon thirty (30) days notice to Grantee.

e. If the Grantee falls to pay to the City any compensation within the time first benefit or, falls, after ten (10) days notice to pay to the City any tarse then and unpaid, or falls to repay the City within ten (10) days any damages, costs or expenses which

the City is compelled to pay by reason of any act or default of the Grantee in connection with this franchise, or, falls, after three (3) days notice of such failure by the City to comply with any provision of this franchise which the City reasonably determines can be remedied by demand on the letter of credit, the City may immediately request payment of the amount and thereof, with interest and any penallite, from the letter of credit. Upon such request for payment, the City shall notify the Grantee of the amount and date thereof.

d. The rights reserved to City, whether reserved by this franchise or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall affect any other right the City may have.

law, and no action, proceeding or exercise of a Fight with respect to such setter of credit shall affect than other the City may have.

SECTION 15. CONSTRUCTION BOND

A Within thirty (30) days after the award of this franchise, the Grantee shall obtain and maintain at its cost and expense, and file with the City Ciert, a corporate surely boad from a company approved by the City and subtracted to bushness in the State of Michigan, and found acceptable by the City Attorney, in the amount of Five Hundred Thousand Dollars (800,000) to guarantee the timely construction and foul activation of the CATV system, and considered the Control of the Catter of the Control of the Catter of the

SECTION 16. SERVICE STANDARDS

The Grantee shall put, teep, and maintain all parts of the system in good condition throughout the entire franchise period.

Upon termination of service to any subscriber, the Grantee shall promptly remove all its facilities and equipment from the premises of such subscriber upon his request. 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

to preserve and the property of the property o

SECTION 17. CONTINUITY OF SERVICE MANDATORY

a. It shall be the right of all subscribers to continue receiving service insofar as
their financial and other obligations to the Grantee servine or the formate elects to overbuild, rebuild, nodify, or sell the system, or the City gives
notice of intent to terminate or fails to renew this franchise, the Grantee shall act so
as to insare that all subscribers receive continuous, uninterrupted service regardless

of the circumstances.

In the event of a change of franchise, or in the event a new operator acquires the system, the Grantee shall cooperate with the City, new franchisee or operator in maintaining continuity of service to all subscribers. During such period, Grantee shall be entitled to the revenues for any period during which it operates the system, and shall be entitled to reasonable costs for its services when it no longer operates.

and shall be entitled to reasonance coas to its service.

b. In the event Grantee fails to operate the system for four (4) consecutive days without prior approval of the City or without just cause, the City may, at its option, operate the system or designate an operator until such time as Grantee restores service under conditions acceptable to the City or a permanent operator is selected. If the City is required to Infilli this obligation for the Grantee, the Grantee shall reimburse the City for all reasonable costs or damages in excess of revenues from the system received by the City that are the result of the Grantee's failure to permanent operators.

SECTION 18. COMPLAINT PROCEDURE

The City Manager or the City Manager's designee is specified by the City as having primary responsibility for the continuing administration of the franchise and implementation of compliant procedures.

primary responsionly for use constituting assummatization of the franchise and emphasization of complaint procedures.

The Grantee shall maintain a central office within the franchise areas of Farmingmaintain and the shall maintain a contral office within the franchise areas of Farmingincluding Saturative mornings, have a publicly listed elephone, and be so operated
that complaints and requests for repairs or adjustments may be received on a tweny-four (24) hour basis.

The Grantee shall maintain a repair and maintenance crew capable of responding
to subscriber complaints or request. For service within forty-eight (46) hours after
receipt of the complaint or request. For charge shall the day of the complaint or request. For charge shall the
y subscriber. The Grantee may charge for service calls to the subscriber home that
are not the result of cable failure upon approval of a rate and equitable procedure by
the City.

are not the result of cable failure upon approval of a rate and equitable procedure by the City.

The Crantee shall establish procedures for receiving, acting upon, and resolving subscriber complaints to the satisfaction of the City Manager's office. The Grantee shall furnish a notice of such procedures to each subscriber at the time of initial subscription to the system.

The Company shall keep near the state of the City Manager's office. The disposition of said one service reports and date thereof. This log shall be made available for periodic lange-cition by representatives of the City Manager's office. All service complaint entries shall be kept on tile for a period of three Glyssers.

When there have been similar complaints made or when there exists other entered the complete of the City Manager state doubt on the reliability or quality of cable service, the City Manager shall have the right and authority to complet the Grantee to test, analyse, and report on the performance of the system. Such report shall be delivered to the City Manager and shall heided the following information: the nature of the complaints which precipitated the special tests, what system component was tested, the equipment used, and procedures employed in said testing, the resolute of the city of the city of the special tests, what system component was tested, the equipment used, and procedures employed in said testing, the resolute of such tests, and the method in which said complaints were resolved.

testing, the results of such tests, and the metatoo in wince save compenses re-resolved.

The City Manager may require that tests and analyses shall be supervised by a professional engineer not on the permanent said of the Grantee. The aforesaid engi-neer should sign all records of the special tests and forward to the City shaulege may be to be taken by the City.

The City's right under this section, shall be limited to requiring tests, analyses, and reports covering specific subjects and characteristics based on said complaints or other evidence when and under such circumstances as the City has reasonable grounds to believe that the complaints or other evidence requires that tests be per-formed to protect the public against substandard cable service.

# SECTION 19. AVAILABILITY OF BOOKS AND RECORDS Contes shall fully concerate in making available at reasonable times, and the City

Grantee shall fully cooperate in making available at reasonable times, and the fully Manager or his designee shall have the right to inspect the books, records, maps, plans and other like materials of the Grantee applicable to the CATV system, at any time during normal business tours; provided where volume and convenience necessi-tate, Grantee may require inspection to take place on Grantee premises.

## SECTION 20. OTHER PETITIONS AND APPLICATIONS

Copies of all petition, applications, communications and reports submitted by the Grantee to the Federal Communications Commission, Securities and Exchange Com-mission, or any other (ederal or state regulatory commission or agency) always justice diction in respect to any matters affecting cache television operations authorized pursuant to the franchise, shall be previded simultaneously to the City.

pursuant to the franchise, shall be provided simultaneously to the City.

SECTION 21. FIGAL REPORTS

The Grantee shall fine annually with the Office of the City Clork, no later than one certified financial report spilicable to the Grantee's fiscal year, a copy of a certified financial report spilicable to the GAT's yetens serving Farmington. Farmington Hills, and Novi [including an income statement applicable to its operations during the preceding twelve (12) month period, a balance sheet, and as tatement of its proporties devoted to CAT's system operations, by categories, giving its investment in such properties on the basis of original cost, less applicable depreciation. These reports shall be prepared in accordance with generally accepted accounting principles and shall be certified by an indepondent description.

shall request.

SECTION 22. FORFEITURE AND TERMINATION

a. In addition to all other rights and powers retained by the City under this franchise or totherwise, the City reserves the right to forfelf and terminate the franchise and all rights and privileges of the Grantee bereamder in the event of a substantial breach of continues. A substantial breach of learness and incision, but shall not be limited and the continues of the franchise for the continues of the franchise or practices any franch or devel upon the city of the continues of the franchise or practices any franchise of the continues of the continues of the continues of the continues of the franchise or practices any franchise of the continues of the franchise or practices any franchise of the continues of the franchise or practices any franchise of the continues of the franchise or practices any franchise of the continues of the franchise of the continues of the continues of the franchise of the continues of the franchise of the continues of the contin

vided under the franchise;

(5) Fallure to provide the types of services promised herein;

(6) Fallure to restore service after ninety-six (99) consecutive hours of interrupted service, except when approved of such interruption is obtained from the City, or

(7) Material misrepresentation of fact in the application for or negotiation of the

franchise.

Franchise be foregoing shall not constitute a major breach if the violation occurs but it is without fault of the Grantee or occurs as result of circumstances beyond its control. Grantee shall not be excused by mere economic hardship nor by misfeasance or

malleasance of its shareholders, directors, officers, or employees.

c. The City may make a written demand that the Grantee comply with any such provision, rule, order, or determination under or pursuant to this franchise. If the violation continues for a period of hirty (30) days following such written such written proved that the corrective action has been used the state of expeditional pursued, the first City shall cause to be served upon Grantee, at least twenty (40) days prior to the date of such a Council meeting, a written notice of itent to request such termination and the time and place of the meeting, Public notice shall be given of the meeting and issue which the Council is to consider.

d. The City Council shall hat and consider the issue and shall heart any person interested therein, and shall determine in its discretion, whether or not any violation by the Grantee was the fault of a first the council that the council may by resolution, declare that the franchies of the Grantee shall be forfield and terminated unless there is compliance within such period as the City Council may fix, such period not to be less than sixty (60) days, provided no opportunity for compliance need be granted for frend or misrepresentation.

1. The issue of forfeiture and termination shall automatically be placed upon the Council agends at the expiration of the time set by it for compliance. The Council may fast for the compliance of the compliance of the standard of the compliance of the council may fast for the council agends at the expiration of the time set by it for compliance the fast failed to achieve compliance or may further extend the period, it is discretion.

## SECTION 23 PENALTIES

SECTION 23. PENALTIES
For the violation of any of the following provisions of this franchise, penalties shall be chargeable to the letter of credit as follows:

be chargeable to the letter of credit as follows:

the Council specifically approves the delay by motion or resolution, due to the occurrence of conditions beyond Grantee's control, Grantee shall pay Two Hunderde Fitiy Dullars (1250 00) per day for each day, or part thereof, the deficiency continues.

b. For failure to provide data, documents, reports, information or to cooperate with City during an application process or CATV system review, Grantee shall pay try Dullars (1360) piper day, or part thereof, each violation occurs or continues.

c. For failure to test, analyse and report on the performance of the system review, Grantee shall pay the Martines of the system review, Grantee shall pay to City Two Hundred Dullars (1200 00) per day of the continues of the system review, and the standard of the system review, and the standard of the system review of the system review of the system of th

SECTION 24. RIGHTS OF INDIVIDUALS

a. Grantee shall not deny service, deny access, or otherwise discriminate against
subscribere, shanned users, or general citizens on the basis of race, color, religion,
national origin, or sex. Grantee shall comply at all times with all other applicable
federal, state and local laws and regulations, and all executive and administrative
orders relating to nondiscrimination which are bereby incorporated and made part of
this ordinance by reference.

orders relating to nondiscrimination which are hereby incorporated and made part of this ordinance by reference.

b. Grantee shall strictly abhere to the equal employment opportunity requirements of federal, state and local regulations, and as amended from time to time.

c. No signals shall be transmitted from a subscriber terminal for purposes of monitoring individual viewing pattern or practices without the express written permission of the subscriber. The provides of the subscriber is subscriber to the subscriber of the subscriber of the subscriber of the subscriber is subscriber. The providence of the subscriber is subscribed any time by the subscriber without penalty of any kind whatoever. Such authorization is required for each type or classification of the vary cable communications activity planned, provided, however, that the Grantee shall be entitled to conduct systemside or individually addressed sweeps, for the purpose of verificing system strength of the subscriber involved, sell, or otherwise make available to any party.

(1) lists of the names and addresses of such subscribers, or (2) any list which identifies the individually without perior the subscriber.

## SECTION 25. PURCHASE OF CATV SYSTEM BY CITY

SECTION 25. PURCHASE OF CATV SYSTEM BY CITY

a. Rights to Purchise
pursuant to
proteins of this collision control of the control of the franchise pursuant to
proteins of this collision of the franchise term, city
shall have be right, directly or as an intermediary, to purchase the CATV system.
b. Franchise Valuation

The value of the franchise shall be the aggregate of the replacement value of tangble assets and the going concern value of the ranchised CATV system. "Replacement value is defined as the cost of building a new and equally sized system
sing the latest technology and current costs less an allowance for the age and
condition of the present system. The "going concern value" shall mean the benefits
at attach to the business as a result of its location in the CRJ, Grantee's reputation
among franchise subscribers or potential subscribers for dependability and quality
scribers or acquisition of other circumstance resulting in probable retension of old subscribers or acquisition of much privilege or expectancy arising to Grantee out of the
relight to transact business under the franchise, and particularly no value shall be
allowed for any increase in value arising out of any expectation of CATV system
revenues beyond the forfeiture and termination date or expiration date, whichever is
c. Date of Valuation

The work for any increases the value arising out of any expectation of CATV system revenues beyond the forfeiture and termination date or expiration date, whichever is sconer.

C. Date of Valuation

The date of valuation shall be no earlier than the day following the date of expiration of the control of t

or abused its discretion.

(g) In the event a court of competent jurisdiction determines the board has committed fraud; exceeded its authority or abused its discretion, it may order the arbitration procedure repeated and issue findings, orders and directions, with costs of suit to be awarded to the prevailing party;
(N) Cost of arbitration shall be borned equally unless the board finds the offer of the City or the demand of Grantee was uncreasonable, in which case, cost may be apportioned so that less or none of the costs may be borne by one parts.

SECTION AS PERFORMANCE EVALUATION SESSIONS

a. The City and the Grantee shall hold scheduled performance evaluation sessions within thirty (3) days of the third, sirth, nithe, and treith anniversary dates of the Grantee's award of the franchise and as may be required by federal and state law. All such evaluation sessions shall be open to the public.
b. Special evaluation sessions may be held at any time during the term of the franchise at the request of the City or the Grantee.
c. All evaluation sessions shall be open to the public and announced in a newspaper of general circulation in accordance with legal notice. Grantee shall notify its subscribers of all evaluation sessions by announcement on at least two (3) channels of its system between the hours of 7:00 pm. and 8:00 pm. for five (5) consecutive days preceding each session.
d. Topice which hours of 7:00 pm. and 8:00 pm. for five (5) consecutive days preceding each session.
d. Topice which hours of 7:00 pm. discussed at any scheduled or special evaluation session.

preceding each session.

d. Topics which may be discussed at any scheduled or special evaluation session may include, but not be limited to, service rate structures (transhise fees penalties, free or discounted services application of new technologies, system performance, services provided, programming offered customer complaints, privacy amendments to this ordinance's judicial and PCC rulings the extraction policies, and Grantee or

City rules.

e. Members of the general public may add topics either by working through the negotiating parties or by presenting a petition. If such a petition bears the valid stignature of fifty (50) or more residents of the City, the proposed topic or topics shall be added to the list of topics to be discussed at the evaluation session.

SECTION 27. NEW DEVELOPMENTS

The Grantee shall upgrade its facilities, equipment, and service so that its system is as advanced as the current state of technology will allow. The Grantee shall install

Please turn to Page 14C