

PUBLIC HEARING 12/21/2017 @ 7:00 PM

FRANCHISE AGREEMENT

This Franchise Agreement (“**Franchise**”) is between the Town of Lysander, New York hereinafter referred to as the “Grantor” and Time Warner cable Northeast LLC, locally known as CHARTER COMMUNICATIONS, hereinafter referred to as the “Grantee.”

WHEREAS, in a full public proceeding affording due process to all parties, Grantor considered and found adequate and feasible Grantee’s plans for constructing and operating the cable television system, and Grantor considered and determined that the financial condition, character, legal and technical ability of the Grantee are sufficient to provide services, facilities and equipment necessary to meet the future cable-related needs of the community, and

WHEREAS, the Grantor finds that the Grantee has substantially complied with the material terms of the current Franchise under applicable laws, that this Franchise complies with New York Public Service Commission’s (“NYPSC”) franchise standards under Title 16, Chapter VIII, Part 895 of the Official Compilation of Codes, Rules and Regulations of the State of New York, and that the grant of a nonexclusive franchise to Grantee is consistent with the public interest; and

WHEREAS, the Grantor and Grantee have complied with all federal and State-mandated procedural and substantive requirements pertinent to this franchise renewal; and

WHEREAS, Grantor desires to enter into this Franchise with the Grantee for the construction and operation of a cable system on the terms set forth herein;

NOW, THEREFORE, the Grantor and Grantee agree as follows:

SECTION 1
Definition of Terms

1.1 Terms. For the purpose of this franchise the following terms, phrases, words and their derivations shall have the meaning ascribed to them in the Cable Communications Policy Act of 1984, as amended from time to time (the “Cable Act”), unless otherwise defined herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word “shall” is mandatory and “may” is permissive. Words not defined shall be given their common and ordinary meaning.

- A. “Cable System,” “Cable Service,” and “Basic Cable Service” shall be defined as set forth in the Cable Act.
- B. “Board” shall mean the governing body of the Grantor.
- C. “Cable Act” shall mean the Cable Communication Policy Act of 1984, as amended, 47 U.S.C. §§ 521, et. seq.

- D. "Channel" shall mean a portion of the electromagnetic frequency spectrum which is used in a cable system and which is capable of delivering a television channel.
- E. "Equipment" shall mean any poles, wires, cable, antennae, underground conduits, manholes, and other conductors, fixtures, equipment and other facilities used for the maintenance and operation of physical facilities located in the Streets, including the Cable System.
- F. "FCC" shall mean the Federal Communications Commission and any successor governmental entity thereto.
- G. "Franchise" shall mean the non-exclusive rights granted pursuant to this Franchise to construct operate and maintain a Cable System along the public ways within all or a specified area in the Franchise Area.
- H. "Franchise Area" shall mean the geographic boundaries of the Grantor.
- I. "Gross Revenue" means any revenue, as determined in accordance with generally accepted accounting principles, received by the Grantee from the operation of the Cable System to provide Cable Services in the Franchise Area, provided, however, that such phrase shall not include: (1) any taxes, fees or assessments collected by the Grantee from Subscribers for pass-through to a government agency, including, without limitation, any state or federal regulatory fees, the franchise fee, or any sales or utility taxes; (2) unrecovered bad debt; (3) credits, refunds and deposits paid to Subscribers; (4) any exclusions available under applicable State law; and (5) any PEG (as defined in Section 13.2 hereof) recovered from Subscribers.
- J. "PEG Access Site" shall mean the existing public, educational and governmental access origination point at PACBTV, located at 8 Mechanic Street, Baldwinsville, New York.
- K. "Person" shall mean an individual, partnership, association, organization, corporation, trust or governmental entity.
- L. "Service Area" shall mean the area described in subsection 6.1 herein.
- M. "Standard Installation" shall mean installations to residences and buildings that are located up to 150 feet from Grantee's existing distribution system.
- N. "State" shall mean the State of New York.
- O. "Street" shall include each of the following located within the Franchise Area: public streets, roadways, highways, bridges, land paths, boulevards, avenues, lanes, alleys, sidewalks, circles, drives, easements, rights of way and similar public ways and extensions and additions thereto, including but not limited to public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses now or hereafter held by the Grantor in the Franchise Area,

which shall entitle the Grantee to the use thereof for the purpose of installing, operating, extending, repairing and maintaining the Cable System.

- P. "Subscriber" shall mean any Person billed for lawfully receiving Cable Service from the Grantee.

SECTION 2 **Grant of Franchise**

2.1 Grant. The Grantor hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to erect, construct, extend, operate and maintain in, upon, along, across, above, over and under the Streets, now in existence and as may be created or established during its terms, all Equipment, including the Cable System. Nothing in this Franchise shall be construed to prohibit the Grantee from offering any service over its Cable System that is not prohibited by federal, State or local law.

2.2 Term. The Franchise and the rights, privileges and authority hereby granted shall be for an initial term *of ten (10) years*, commencing on the Effective Date of this Franchise as set forth in Section 15.13.

2.3 Police Powers. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance necessary to the safety, health, and welfare of the public, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. This Franchise is a contract and except as to those changes which are the result of the Grantor's lawful exercise of its general police power, the Grantor may not take any unilateral action which materially changes the explicit mutual promises in this contract.

2.4 Restoration of Municipal Property. Any municipal property damaged or destroyed by Grantee shall be promptly repaired or replaced by the Grantee and restored to a condition that is reasonably comparable to its preexisting condition.

2.5 Cable System Franchise Required. No Cable System shall be allowed to occupy or use the streets or public rights-of-way of the Franchise Area or be allowed to operate without a Cable System Franchise.

SECTION 3 **Franchise Renewal**

3.1 Procedures for Renewal. The Grantor and the Grantee agree that any proceedings undertaken by the Grantor that relate to the renewal of the Grantee's Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, or any such successor statute.

SECTION 4
Indemnification and Insurance

4.1 Indemnification. The Grantee shall, by acceptance of the Franchise granted herein, defend the Grantor, its officers, boards, commissions, agents, and employees for all claims for injury to any Person or property caused by the negligence of Grantee in the construction or operation of the Cable System and in the event of a determination of liability shall indemnify and hold Grantor, its officers, boards, commissions, agents, and employees harmless from any and all liabilities, claims, demands, or judgments growing out of any injury to any Person or property as a result of the negligence of Grantee arising out of the construction, repair, extension, maintenance, operation or removal of its wires, poles or other equipment of any kind or character used in connection with the operation of the Cable System, provided that the Grantor shall give the Grantee written notice of its obligation to indemnify the Grantor within fifteen (15) days of receipt of a claim or action pursuant to this section. In the event any such claim arises, the Grantor shall tender the defense thereof to the Grantee and the Grantee shall have the right to defend, settle or compromise any claims arising hereunder and the Grantor shall cooperate fully herein. If the Grantor determined in good faith that its interests cannot be represented by the Grantee, the Grantee shall be excused from any obligation to represent the Grantor. Notwithstanding the foregoing, the Grantee shall not be obligated to indemnify the Grantor for any damages, liability or claims resulting from the willful misconduct or negligence of the Grantor or for the Grantor's use of the Cable System, including any PEG channels.

4.2 Insurance.

A. The Grantee shall maintain throughout the term of the Franchise insurance in amounts at least 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 Grantor 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. The Grantee shall furnish the Grantor with current certificates of insurance evidencing such coverage upon request.

- D. Insurance shall be issued on a primary, non-contributory basis and shall be provided by a company licensed to do business in the State of New York with a rating by Best of not less than A-.

SECTION 5 **Service Obligations**

5.1 No Discrimination. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers, Channel users, or general citizens on the basis of race, color, religion, national origin, age or sex.

5.2 Privacy. The Grantee shall fully comply with the privacy rights of Subscribers as contained in Cable Act Section 631 (47 U.S.C. § 551).

SECTION 6 **Service Availability**

6.1 Service Area. The Grantee shall make Cable Service distributed over the Cable System available to every residence within the Franchise Area where there is a minimum density of at least twenty (20) residences per linear strand mile of aerial cable as measured from Grantee's closest technologically feasible tie-in point that is actively delivering Cable Service as of the date of such request for service (the "Service Area"). The Cable Service will be provided at Grantee's published rate for standard installations if such a residence is a Standard Installation. Notwithstanding the foregoing, the Grantee shall have the right, but not the obligation, to extend the Cable System into any portion of the Franchise Area where another operator is providing Cable Service, or into any annexed area which is not contiguous to the Service Area. Grantee shall not be obligated to provide service to any area where it is financially or technically infeasible to do so. Grantee at its discretion may make Cable Service available to businesses within the Service Area.

6.2 Subscriber Charges for Extensions of the Cable System. No Subscriber shall be refused service arbitrarily. However, if an area does not meet the density requirements of Section 6.1 above, the Grantee shall only be required to extend the Cable System to Subscribers in that area if the Subscribers are willing to share the capital costs of extending the Cable System in accordance with the applicable provisions Section 895.5 of the regulations of the NYPSC. The Grantee may require that payment of the capital contribution in aid of construction borne by such potential Subscribers be paid in advance. Subscribers shall also be responsible for any standard/non-standard installation charges to extend the Cable System from the tap to the residence.

6.3 Abandonment of Service. Grantee shall not abandon any Cable Service or portion thereof without the Grantor's written consent.

6.4 New Development Underground. In cases of new construction or property development where utilities are to be placed underground, the Grantor agrees to require as a condition of issuing a permit for open trenching to any developer or property owner that such developer or property owner give Grantee at least thirty (30) days prior written notice of such construction or development, and of the particular dates on which open trenching will be

available for Grantee's installation of conduit, pedestals and/or vaults, and laterals to be provided at Grantee's expense. Grantee shall also provide specifications as needed for trenching. Costs of trenching and easements required to bring service to the development shall be borne by the developer or property owner; except that if Grantee fails to install its conduit, pedestals and/or vaults, and laterals within fifteen (15) working days of the date the trenches are available, as designated in the written notice given by the developer or property owner, then should the trenches be closed after the five day period, the cost of new trenching is to be borne by Grantee.

6.5 Annexation. The Grantor shall promptly provide written notice to the Grantee of its annexation of any territory which is being provided Cable Service by the Grantee or its affiliates. Such annexed area will be subject to the provisions of this Franchise upon sixty (60) days' written notice from the Grantor, subject to the conditions set forth below and Section 6.1 above. The Grantor shall also notify Grantee in writing of all new street address assignments or changes within the Franchise Area. Grantee shall within ninety (90) days after receipt of the annexation notice, pay the Grantor franchise fees on revenue received from the operation of the Cable System to provide Cable Services in any area annexed by the Grantor if the Grantor has provided a written annexation notice that includes the addresses that will be moved into the Franchise Area in an Excel format or in a format that will allow Grantee to change its billing system. If the annexation notice does not include the addresses that will be moved into the Franchise Area, Grantee shall pay franchise fees within ninety (90) days after it receives the annexed addresses as set forth above. All notices due under this section shall be sent by certified mail, return receipt requested to the addresses set forth in Section 15.7 with a copy to the Director of Government Affairs. In any audit of franchise fees due under this Franchise, Grantee shall not be liable for franchise fees on annexed areas unless and until Grantee has received notification and information that meets the standards set forth in this section.

SECTION 7

Construction and Technical Standards

7.1 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.

7.2 Construction Standards and Requirements. Grantee shall construct and maintain its Equipment using materials of good and durable quality and shall ensure that all work involved in the construction, installation, maintenance, and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

7.3 Safety. The Grantee 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, injury, or nuisance to the public.

7.4 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. The Cable System shall provide for a minimum Channel capacity of at least seventy-seven (77) Channels.

SECTION 8
Conditions on Street Occupancy

8.1 General Conditions. Grantee shall have the right to utilize existing poles, conduits and other facilities whenever possible, and shall not construct or install any new, different, or additional poles, conduits, or other facilities on public property provided Grantee is able to access existing poles, conduits, or other facilities on reasonable terms and conditions. Poles erected by the Grantee, if any, shall be subject to any generally applicable and non-discriminatory regulation by Grantor.

8.2 Underground Construction. The facilities of the Grantee shall be installed underground in those Service Areas where existing telephone and electric services are both underground at the time of system construction. In areas where either telephone or electric utility facilities are installed aerially at the time of system construction, the Grantee may install its facilities aerially with the understanding that at such time as the existing aerial facilities are required to be placed underground by the Grantor, the Grantee shall likewise place its facilities underground. In the event Grantor or any agency thereof directly or indirectly reimburses any utility for the placement of cable underground or the movement of cable, Grantee shall be similarly reimbursed.

8.3 Construction Codes and Permits. Grantee shall obtain all legally required permits before commencing any construction work the opening or disturbance of any Street within the Franchise Area, provided that such permit requirements are of general applicability and such permitting requirements are uniformly and consistently applied by the Grantor as to other public utility companies and other entities operating in the Franchise Area. The Grantor shall cooperate with the Grantee in granting any permits required, providing such grant and subsequent construction by the Grantee shall not unduly interfere with the use of such Streets.

8.4 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. The Grantee 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 the Grantee shall be placed in such a manner as not to interfere with the usual travel on such public way.

8.5 Restoration of Public Ways. Grantee shall, at its own expense, restore any damage or disturbance caused to the public way as a result of its operation, construction, or maintenance of the Cable System to a condition reasonably comparable to the condition of the Streets immediately prior to such damage or disturbance.

8.6 Tree Trimming. Grantee shall have the right to remove, trim, cut and keep clear of the Cable System, the trees in and along the Streets of the Grantor and except for incidental

trimming done by Grantee's employees in the course of performing their other duties, shall make good faith efforts to notify Grantor prior to engaging in any such activity.

8.7 Relocation for the Grantor. The Grantee shall, upon receipt of reasonable advance written notice, to be not less than ten (10) business days, protect, support, temporarily disconnect, relocate, or remove any property of Grantee when lawfully required by the Grantor pursuant to its police powers. Grantee shall be responsible for any costs associated with these obligations to the same extent all other users of the Grantor rights-of-way are responsible for the costs related to the relocation of their facilities.

8.8 Relocation for a Third Party. The Grantee shall, on the request of any Person holding a lawful permit issued by the Grantor, protect, support, raise, lower, temporarily disconnect, relocate in or remove from the Street as necessary any property of the Grantee, provided that the expense of such is paid by any such Person benefiting from the relocation and the Grantee is given reasonable advance written notice to prepare for such changes. The Grantee may require such payment in advance. For purposes of this subsection, "reasonable advance written notice" shall be no less than ten (10) business days in the event of a temporary relocation and no less than one hundred twenty (120) days for a permanent relocation.

8.9 Reimbursement of Costs. If funds are available to any Person using the Streets for the purpose of defraying the cost of any of the foregoing, the Grantor shall reimburse the Grantee in the same manner in which other Persons affected by the requirement are reimbursed. If the funds are controlled by another governmental entity, the Grantor shall make application for such funds on behalf of the Grantee.

8.10 Emergency Use. Grantee shall comply with 47 U.S.C. 544(g) and all regulations issued pursuant thereto with respect to an Emergency Alert System ("EAS"). If the Grantee provides an EAS, then the Grantor shall permit only appropriately trained and authorized Persons to operate the EAS equipment and shall take reasonable precautions to prevent any use of the Grantee's Cable System in any manner that results in inappropriate use thereof, or any loss or damage to the Cable System.

8.11 Inspection. Grantor shall have the right to inspect all construction or installation work in the Streets performed pursuant to the provisions of this Franchise.

8.12 Nothing in this Agreement shall be construed to prevent the Grantor from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any Street; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.

SECTION 9 **Service and Rates**

9.1 Phone Service. The Grantee shall maintain a toll-free telephone number and a phone service operated to receive complaints and requests for repairs or adjustments at any time.

9.2 Notification of Service Procedures. The Grantee shall furnish each Subscriber at the time service is installed, written instructions that clearly set forth information concerning the procedures for making inquiries or complaints, including the Grantee's name, address and local telephone number. Grantee shall give the Grantor thirty (30) days prior notice of any rate increases, Channel lineup or other substantive service changes.

9.3 Rate Regulation. The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law. If and when exercising rate regulation, the Grantor shall abide by the terms and conditions set forth by the FCC. Nothing herein shall be construed to limit the Grantee's ability to offer or provide bulk rate discounts or promotions.

9.4 Continuity of Service. It shall be the right of all Subscribers to continue receiving Cable Service insofar as their financial and other obligations to the Grantee are honored, and subject to Grantee's rights under Section 15.2 of this Franchise.

9.5 Parental Control Devices. Pursuant to Section 641 of the Cable Act, Grantee shall allow Subscribers the use of parental control devices.

9.6 Service to Public Buildings. Subject to applicable law, Grantee shall provide, without charge, Standard Installation and one outlet of basic Cable Service to the locations listed in Exhibit A hereto. The Cable Service provided pursuant to this Section 9.5 shall not be used for commercial purposes. The Grantor shall take reasonable precautions to prevent any inappropriate use or loss or damage to the Grantee's Cable System.

SECTION 10 **Franchise Fee**

10.1 Amount of Fee. Grantee shall pay to the Grantor an annual franchise fee in an amount equal to three and one half percent (3.5 %) of the annual Gross Revenue. Franchise fees may be passed through to Subscribers as a line item on Subscriber bills or otherwise as Grantee chooses, consistent with federal law. The amount of franchise fee and the method of calculation shall be equal when compared to the amount or method of calculation of the franchise fee in any other cable franchise or authorization to provide video service granted by Grantor. In the event any other cable franchise or authorization to provide video service provides for a lesser franchise fee than this Franchise, Grantee's obligation to pay a franchise fee under this Section 10.1 shall be reduced by an equivalent amount.

10.2 Payment of Fee. Payment of the fee due the Grantor shall be made on a quarterly basis, within forty-five (45) days of the close of each calendar quarter. The payment period and the collection of the franchise fees that are to be paid to the Grantor pursuant to the Franchise shall commence sixty (60) days after the Effective Date of the Franchise as set forth in Section 15.13. In the event of a dispute, the Grantor, if it so requests, shall be furnished a statement of said payment, reflecting the Gross Revenues and the applicable charges.

10.3 Bundled Services. If Grantee charges a combined or "bundled" rate for a package of bundled services which includes Cable Services subject to the franchise fee, the franchise fee shall be imposed on the portion of the bundled charge applicable to the Cable Services subject to

the franchise fee as reflected in the books and records of Grantee, subject to any applicable laws and regulations. Grantee shall maintain its records and attribute its revenues to Cable Services consistent with GAAP and Grantee shall not make such attribution in order to avoid franchise fees.

10.4 Accord and Satisfaction. No acceptance of any payment by the Grantor shall be construed as a release or as an accord and satisfaction of any claim the Grantor may have for additional sums payable as a franchise fee under this Franchise.

10.5 Limitation on Recovery. The period of limitation for recovery of any franchise fee payable hereunder shall be six (6) years from the date on which payment by the Grantee was due.

SECTION 11 **Transfer of Franchise**

11.1 Franchise Transfer. Grantee shall provide at least sixty days' notice to Grantor prior to completion of a transaction that results in the sale, transfer, or assignment of the Franchise. 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 the Grantee, without the prior consent of the Grantor, 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 the Grantee in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for review covered by this Section, the Grantor shall notify the Grantee in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee. If the Grantor has not taken action on the Grantee's request for transfer within one hundred twenty (120) days after receiving such request, consent by the Grantor shall be deemed given.

SECTION 12 **Records**

12.1 Inspection of Records. Grantee shall permit any duly authorized representative of the Grantor, upon receipt of advance written notice, to examine during normal business hours and on a non-disruptive basis any and all of Grantee's records pertaining to Grantee's provision of Cable Service in the Franchise Area maintained by Grantee as is reasonably necessary to ensure Grantee's compliance with the material terms of the Franchise. Such notice shall specifically reference the subsection of the Franchise that is under review so that the Grantee may organize the necessary books and records for easy access by the Grantor. The Grantee shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years except for books and records showing the calculation of Gross Revenues and payment of Franchise Fees, which shall be kept for six (6) years. The Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act. The Grantor agrees to treat as confidential any books, records or maps that constitute proprietary or confidential information to the extent Grantee make the Grantor aware of such confidentiality. If the Grantor 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 Grantee in advance so that Grantee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of

competent jurisdiction, the Grantor agrees that, to the extent permitted by State and federal law, it shall deny access to any of Grantee's books and records marked confidential, as set forth above, to any Person.

SECTION 13
Public Education and Government (PEG) Access

13.1 PEG Access. Grantee shall make available channel capacity for non-commercial, video programming for public, educational and governmental ("PEG") access use in accordance with Section 895.4 of the NYPSC regulations and will comply with the minimum standards set forth therein. Such PEG channel capacity may be shared with other localities served by Grantee's cable system, and Grantor hereby authorizes Grantee to transmit PEG access programming authorized herein to such other localities. The tier of service on which such PEG channel(s) may be placed shall be determined by Grantee in accordance with applicable law.

13.2 PEG Support. Grantee shall provide to the Grantor a grant payable in ten (10) installments ("PEG Grant") in the total amount of TWENTY THOUSAND DOLLARS (\$20,000.00). The PEG Grant shall be apportioned across the Village of Baldwinsville, the Town of Van Buren, and the Town of Lysander by Subscriber count. Grantee shall pay the PEG Grant in ten (10) equal installments, with the first installment payable within sixty (60) days of the Effective Date ("First Installment"), and the remaining nine (9) installments being due and payable within sixty (60) days of the first (1st) through the ninth (9th) anniversary dates of the Effective Date. The Village of Baldwinsville, Town of Van Buren, and Town of Lysander have designated this PEG Grant as the aggregate funding to be used by these three municipalities in the support of their respective PEG Access programming and facilities. Such PEG Grant should be used for PEG Access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities. The Grantee agrees that it shall impose, at a minimum, the same total PEG financial obligation to the one contained in Section 13.2 in the Franchise Agreement of any other providers of Cable Services in the Franchise Area.

13.2.1 PEG Access Site. The Grantor shall, without charge to the Grantee, provide one upstream PEG Access Channel transmission connection between its video channel aggregation point and the PEG Access Site to permit the signal to be correctly routed from the PEG Access Site for distribution to Subscribers. The Grantor shall pay the cost of any facilities required to deliver the signals from the program origination point(s) to the PEG Access Interconnection Site and secure any third-party consent that may be necessary to acquire and transmit PEG Access Channel signals (including, without limitation, any consent that may be required with respect to third-party facilities, and/or equipment).

13.2.2 The Grantor shall provide to the Grantee at the PEG Access Site a suitable video signal and suitable audio signal for the Public Access Channel. Grantee, upon receipt of a suitable video and audio signal, shall provide, install and maintain in good working order the equipment necessary for transmitting the Public Access signal to its channel aggregation site for the further processing for distribution to Subscribers. Grantee's obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Grantee, of suitable required space, environmental conditions, electrical power supply, access,

pathway, and facilities and such cooperation of the Grantor as is reasonably necessary for Grantee to fulfill such obligations. Notwithstanding the foregoing, the Grantee shall not be obligated to provide the Grantor with any other cablecast equipment or facilities or personnel responsible for maintaining and operating such equipment and facilities or generating any such PEG programming, except as necessary to implement the Grantee's responsibilities as specified herein.

13.2.3 The PEG Access Site may be relocated once during the term of this Agreement as follows, (a) upon site selection, the Grantor shall request such relocation in writing, specifying the location for such relocated PEG Access Site at a site reasonably acceptable to the Grantee and within the boundaries of the Grantor, and (b) upon written notification to the Grantee that such relocated PEG Access Site is fully functional for transmitting programming, and subject to the successful completion of all required site preparation work by the Grantor and provisions of access to Grantee for equipment, installation and provisioning, Grantee shall, at its own expense and subject to the terms contained in Subsection 13.2.2, relocate the connection to such relocated PEG Access Site, and such site shall be operable within once hundred twenty (120) days after the Grantee receives written notification that the site is fully functional for transmitting programming. The Grantor shall pay the cost of all facilities required to deliver the signals from the program origination points to the relocated PEG Access Site and secure any third-party consent that may be necessary to acquire and transmit PEG Access Channel signals (including, without limitation, any consent that may be required with respect to third-party facilities, and/or equipment).

13.2.4 **Recovery of Costs:** To the extent permitted by federal law, the Grantee shall be allowed to recover the costs of the PEG Grant or any costs arising from the provision of PEG services from Subscribers and to include such costs as separately billed line item on each Subscriber's bill. Without limiting the forgoing, if allowed under state and federal laws, Grantee may externalize, line-item, or otherwise pass-through interconnection and any franchise-related costs to Subscribers.

13.3 Competitive Neutrality. Any PEG access channel designation requirements set forth in any other cable television franchise in the Town shall not be different than the channel designation requirements required under this franchise, and any provisions for PEG access facilities, equipment and support in such other franchise shall be competitively neutral when compared to this franchise.

SECTION 14 **Enforcement or Revocation**

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

14.2 Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the Violation Notice to (i) respond to the Grantor, 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 Grantor of the steps being taken and the projected date that they will be completed.

14.3 Public Hearing. If the Grantee fails to respond to the Violation Notice received from the Grantor, or if the default is not remedied within the cure period set forth above, the Board shall schedule a public hearing if it intends to continue its investigation into the default. The Grantor shall provide the Grantee 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 Grantor in a newspaper of general circulation within the Grantor in accordance with subsection 15.8 hereof. At the hearing, the Board shall give the Grantee 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 the Grantee within ten (10) business days. The decision of the Board shall be made in writing and shall be delivered to the Grantee. The Grantee may appeal such determination to an appropriate court, which shall have the power to review the decision of the Board *de novo*. The Grantee may continue to operate the Cable System until all legal appeals procedures have been exhausted.

14.4 Enforcement. Subject to applicable federal and State law, in the event the Grantor, after the hearing set forth in subsection 14.3 above, determines that the Grantee is in default of any provision of the Franchise, the Grantor 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 14.5 below.

14.5 Revocation.

- A. Prior to revocation or termination of the Franchise, the Grantor shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee, 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. The Grantee 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 Grantor has not received a satisfactory response from Grantee, it may then seek to revoke the Franchise at a public hearing. The Grantee 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. The public hearing shall be conducted in accordance with the requirements of Section 14.3 above.

- B. Notwithstanding the above provisions, the Grantee reserves all of its rights under federal law or regulation.
- C. Upon revocation of the Franchise, Grantee may remove the Cable System from the Streets of the Grantor, or abandon the Cable System in place.

SECTION 15 **Miscellaneous Provisions**

15.1 Compliance with Laws. Grantor and Grantee shall conform to all applicable state and federal laws and rules regarding cable television as they become effective. Grantee shall also conform with all generally applicable Grantor ordinances, resolutions, rules and regulations heretofore or hereafter adopted or established during the entire term of the Franchise. In the event of a conflict between Grantor ordinances, resolutions, rules or regulations and the provisions of this Franchise, the provisions of this Franchise shall govern.

15.1.1 Employment Practices. Grantee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, or sex.

15.2 Force Majeure. The Grantee 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 the Grantee 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 failure of utility providers to service, maintain or monitor their utility poles to which Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

15.3 Minor Violations. Furthermore, the parties hereby agree that it is not the Grantor's intention to subject the Grantee to 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 Franchise Area, or where strict performance would result in practical difficulties or hardship to the Grantee which outweighs the benefit to be derived by the Grantor and/or Subscribers.

15.4 Action of Parties. In any action by the Grantor or the Grantee 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.

15.5 Equal Protection. If any other provider of cable services or video services (without regard to the technology used to deliver such services) is lawfully authorized by the Grantor or

by any other State or federal governmental entity to provide such services using facilities located wholly or partly in the public rights-of-way of the Grantor, the Grantor shall ensure that the terms applicable to such other provider are no more favorable or less burdensome than those applicable to Grantee. If the authorization applicable to such other provider contains franchise fee, PEG, free service, right-of-way, or other terms imposing monetary or regulatory burdens that are more costly or less burdensome than the corresponding obligations imposed upon Grantee, Grantor shall, within thirty (30) days of a written request from Grantee, modify this Franchise to insure that the corresponding obligations applicable to Grantee are no more costly or burdensome than those imposed on the new competing provider. If the Grantor fails to make modifications consistent with this requirement, Grantee agrees not to enforce such corresponding obligations in this Franchise beyond the requirements imposed by the less costly or less burdensome obligations in such competing provider's authorization. As an alternative to the equal protection procedures set forth herein, the Grantee shall have the right and may choose to have this Franchise with the Grantor be deemed expired thirty (30) days after written notice to the Grantor. Nothing in this Franchise shall impair the right of the Grantee to terminate this Franchise and, at Grantee's option, negotiate a renewal or replacement franchise, license, consent, certificate or other authorization with any appropriate government entity. Nothing in this Section 15.5 shall be deemed a waiver of any remedies available to Grantee under federal, state or municipal law, including but not limited to Section 625 of the Cable Act, 47 U.S.C. § 545.

15.6 Change in Law. Notwithstanding any other provision in this Franchise, in the event any change to state or federal law occurring during the term of this Franchise eliminates the requirement for any person desiring to provide video service or Cable Service in the Franchise Area to obtain a franchise from the Grantor, then Grantee shall have the right to terminate this Franchise and operate the system under the terms and conditions established in applicable law. If Grantee chooses to terminate this Franchise pursuant to this provision, this Franchise shall be deemed to have expired by its terms on the effective date of any such change in law, whether or not such law allows existing franchise agreements to continue until the date of expiration provided in any existing franchise.

15.7 Notices. Unless otherwise provided by federal, State or local law, all notices pursuant to this Franchise shall be in writing and shall be deemed to be sufficiently given upon delivery to a Person at the address set forth below, or by U.S. certified mail, return receipt requested, nationally or internationally recognized courier service such as Federal Express or electronic mail communication to the designated electronic mail address provided below. Grantee shall provide thirty (30) days' written notice of any changes in rates, programming services or Channel positions using any reasonable written means. As set forth above, notice served upon the Grantor shall be delivered or sent to:

Grantor: Town of Lysander
Attn: Supervisor
8220 Loop Rd
Baldwinsville, NY 13027

Grantee: Charter Communication

Government Affairs
6005 Fair Lakes Rd
East Syracuse, NY 13057

Copy to: Charter Communications
Attn: Vice President, Government Affairs
12405 Powerscourt Drive
St. Louis, MO 63131

15.8 Public Notice. Minimum public notice of any public meeting relating to this Franchise or any such grant of additional franchises, licenses, consents, certificates, authorizations, or exemptions by the Grantor to any other Person(s) to provide Cable Services, video services, or other television services utilizing any system or technology requiring use of the public rights of way shall be by publication at least once in a newspaper of general circulation in the area at least ten (10) days prior to the meeting and a posting at the administrative buildings of the Grantor.

15.8.1 Grantor shall provide written notice to Grantee within ten (10) days of Grantor's receipt from any other Person(s) of an application or request for a franchise(s), license(s), consent(s), certificate(s), authorization(s), or exemption(s) to provide Cable Services, video services, or other television services utilizing any system or technology requiring use of the public rights of way. Any public hearings to consider such application or request shall have the same notice requirement as outlined in Paragraph 15.8 above.

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

15.10 Entire Agreement. This Franchise and any Exhibits hereto constitute the entire agreement between Grantee and the Grantor and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof.

15.11 Administration of Franchise. The Board, or such other person as may be designated and supervised by the Board, is responsible for the continuing administration of the Franchise. 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 Grantor and the Grantee. Any determination by the Grantor regarding the interpretation or enforcement of this Franchise shall be subject to de novo judicial review.

15.12 NYPSC Approval. This Franchise is subject to the approval of the NYPSC. Grantee shall file an application for such approval with the NYPSC within sixty (60) days after the date the Franchise is approved by Grantor and accepted by Grantee. Grantee shall also file any necessary notices with the FCC.

15.13 Effective Date. The Franchise granted herein will take effect and be in full force from the date of approval by the NYPSC (“Effective Date”) and shall expire 10 years from the Effective Date unless extended by the mutual 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.

15.14 No Third Party Beneficiaries. Nothing in this Franchise is intended to confer third-party beneficiary status on any person other than the parties to this Franchise to enforce the terms of this Franchise.

Considered and approved this ____ day of _____, 20_____.

Town of Lysander

Signature: _____

Name/Title: _____

Accepted this ____ day of _____, 20_____, subject to applicable federal, State and local law.

Time Warner Cable Northeast LLC, By Its
Manager, Charter Communications, Inc.

Signature: _____

Name/Title: _____

Date: _____

Exhibit A

Municipal Buildings to be Provided Free Cable Service

1. Town of Lysander, 8220 Loop Rd., Baldwinsville, NY 13027
2. Belgium Cold Springs Fire Dept. #1, 7920 River Rd., Baldwinsville, NY 13027
3. Belgium Cold Springs Fire Dept. #2, 8451 Loop Rd., Baldwinsville, NY 13027
4. Belgium Cold Springs Maintenance Building, 8435 Loop Rd., Baldwinsville, NY
5. Plainville Fire Dept. #1, 767 West Genesee Rd., Baldwinsville, NY 13027
6. Plainville Fire Dept. #2, 6808 Plainville Rd., Memphis, NY 13112
7. Plainville Fire Dept. #3, 2021 W. Genesee Rd., Baldwinsville, NY 13027
8. Seneca River Fire Dept., 3457 Hayes Rd., Baldwinsville, NY 13027
9. Palmer Elementary School, 7684 Hicks Rd., Baldwinsville, NY 13027
10. Town of Lysander Highway Dept., 2730 W. Entry Rd., Baldwinsville NY 13027
11. Highway Barn, 59 Elizabeth St., Baldwinsville, NY 13027