

ORDINANCE NO. 90- 4

AN ORDINANCE PERTAINING TO A FRANCHISE TO INTEGRATED TELECOMMUNICATIONS CORP., A DELAWARE CORPORATION, TO BUILD, CONSTRUCT, INSTALL, MAINTAIN, OWN, ACQUIRE, EQUIP, AND OPERATE A CABLE TELEVISION SYSTEM, INCLUDING BUT NOT LIMITED TO, A COMMUNITY ANTENNA TELEVISION SYSTEM WITHIN THE CORPORATE LIMITS OF CALHOUN COUNTY, FLORIDA.

BE IT ORDAINED BY THE COUNTY COMMISSIONERS OF CALHOUN COUNTY, FLORIDA:

WHEREAS, the County of Calhoun, in the State of Florida, (hereinafter referred to as "County"), desires to grant to Integrated Telecommunications Corp., a Delaware Corporation, (hereinafter referred to as "Operator"), a franchise to build, construct, install, maintain, own, acquire, equip, and operate a cable television system, including but not limited to, a community antenna television system ("CATV") within the corporate limits of County and to grant to Operator such additional rights and authority as are reasonably necessary for operating such system.

WHEREAS, Operator desires to accept a community antenna television system franchise from County, and wishes to provide CATV to persons, firms, organizations and corporations living or located within or near the County.

WHEREAS, whereby County has granted to Operator the right and authority to construct, install, maintain and operate a CATV system and to provide CATV service to such persons, firms, organizations and corporations as desire such service.

AND WHEREAS, County and Operator intends this Franchise Agreement to establish the respective rights, authority, responsibilities and duties of each party with regard to the exercise of such CATV system.

NOW, THEREFORE, for and in consideration of One (\$1.00) Dollar in hand paid, receipt of which is hereby acknowledged, County does grant to Operator the right and authority to construct and operate a CATV system in accordance with the terms and conditions contained herein:

SECTION 1. Non Exclusive Franchise Term. The franchise shall be non-exclusive. This applies to the franchise insofar as it confers on Operator the right to build, construct, install, maintain, own, acquire, equip and operate a community antenna television system (CATV), shall be non-exclusive.

SECTION 2. Term of Franchise. The right and authority granted by this franchise shall last for a term of fifteen (15) years with an automatic ten (10) year renewal, provided all the terms and condition have been met, from the effective date of the Ordinance and the execution of this Agreement. Operator will proceed with the construction, if applicable, of its CATV system on such schedule and in such geographic location within the County as it determines feasible and nothing contained in this section shall be construed as requiring otherwise so long as Operator complies with the terms and conditions of this Agreement.

SECTION 3. Right of Revocation. The County shall have the right to rescind or revoke the rights herein granted upon any substantial violation by Operator of any of the obligations and requirements contained herein after written notice by the County to Operator and continuation of such violation, failure or default.

(a) such written notice to Operator shall specify precisely the manner in which Operator is in violation, failure or default with respect to the Franchise.

(b) The notice given by the County shall give Operator a specified, reasonable amount of time within which to correct the violation, failure or default, but in no event shall the time period be less than sixty (60) days from the date of receipt of the notice to Operator.

(c) Operator shall have the right to demand that prior to any rescission or revocation of the rights granted herein, County shall hold a public hearing regarding any alleged violation that forms the basis for such rescission or

revocation at which time Operator shall have the right to respond to such allegations and to provide County evidence on its own behalf.

SECTION 4. Franchise Fee. In consideration of the permission granted it, Operator agrees to pay over to County 5% of its gross basic subscriber receipts received from the monthly fees charged for services to subscribers, within the limits of the County. Payments pursuant to this Section shall be made by Operator within thirty (30) days after the end of each applicable calendar year of service. Operator shall keep full, true, accurate, and current account books reflecting revenue collected in the County under this ordinance, which books and records shall be available for inspection and copying by the County. The above fees shall be paid to the County for the privilege of using the streets and roads of the County for the operation of the CATV system and for the cost of supervision and regulation by the County.

SECTION 5. Rates. The rates to be charged by Operator or any subsidiary affiliate or assignee thereof to each unit ("unit" shall include, but not be limited to, any apartment, house, or other dwelling occupied by a single family, or a room division, or department of a structure occupied office, store or other place of business) will be furnished for information purposes to County by Operator prior to commencement of service. Cable services available may include:

(a) Basic service which shall include the major commercial networks (refer to cable television proposal for services to be offered. This proposal should be attached to this Franchise Agreement and made a part thereof).

(b) a selection of movie channels

Nothing contained in this Section shall be construed to constitute a regulation of rates or programming by County or an acquiescence in such regulations by Operator. County and Operator acknowledge that such regulation of rates and

programming is contrary to the provisions of the Cable Communications Policy Act of 1984, Section 623.

SECTION 6. Indemnity. Operator shall indemnify, hold harmless and defend County at all times during the term of this franchise from and against all claims for injury to or death of any person or any damage to any property caused by Operator, its officers, agents or employees which may arise in the construction, erection, operation or maintenance of its property, or arising out of the exercise of any right or privilege granted under the franchise.

SECTION 7. Insurance. At all times during the term of the franchise, Operator will, at its own expense, maintain in force, a certificate of insurance with an insurance company approved by the Florida Insurance Commissioner, the policy or policies to be in form satisfactory to the Solicitor of County. Said policy or policies shall be for the purpose of indemnifying, defending, and saving harmless County from and against liability for loss or damages for bodily injury, death or property damage, occasioned by the activities of Operator under the franchise. Minimum liability limits under the policy or policies are to be Five Hundred Thousand (\$500,000.00) Dollars for personal injury or death of any one person, and One Million (\$1,000,000.00) Dollars for personal injury or death of two or more persons in any occurrence, and One Hundred thousand (\$100,000.00) Dollars for damage to property resulting from any one occurrence.

SECTION 8. Pole Use. Except when absolutely necessary to serve a subscriber and not simply because it shall be more convenient, economical or profitable for Operator to so operate, Operator shall not erect or authorize or permit others to erect any poles or other facilities within the streets of County for the conduct of its CATV system, but shall use the existing poles and other equipment of the County or utilities with facilities in the County. To that end, Operator shall

enter into agreements with utility companies with facilities within the Town for the joint use of the poles and equipment and shall enter into agreements with said utilities concerning the installation, maintenance, replacing or repairing of the poles, lines and equipment required by Operator on or along the streets, alleys, public places and public ways.

SECTION 9. Additional Facilities. In the event it is absolutely necessary, pursuant to section 9, to erect new poles or facilities, County, to the extent it is able to do so, grants Operator a right-of-way for the erection and maintenance of utility poles, and suspension of lines, or burial or maintenance of underground ducts and cables with all the appurtenances thereto, over, along and under the highways, alleys, streets, public grounds and public places of County as may be necessary for the construction of a CATV system. Such erection, suspension, burial or maintenance shall be subject to such reasonable regulations as County may provide by ordinance. Such erection, suspension, burial, or maintenance shall not result in any unreasonable interference with the public's or the Municipality's proper use of any such highway, alley, street, public ground or public place, nor shall Operator's use thereof interfere with the rights and necessary convenience of the public or the County.

SECTION 10. Construction. Nothing contained herein shall require Operator to provide CATV service to all residents of the County who wish to subscribe to such service. However, during the term of this franchise, Operator shall, to the extent it is economically feasible, make every effort to extend service to residents of the County who wish to subscribe to such service. It is the common goal of Operator and County to make CATV service available to all residents who wish such service as soon as it becomes commercially and economically feasible.

SECTION 11. Underground Facilities in New Development.

During the term of this Franchise Agreement, and any renewal thereof, County shall, upon the request from Operator, supply to Operator relevant information regarding the approval by the governing body of County of any subdivision or land development plan in which underground utilities are to be installed. Operator shall have the option, at its sole discretion, of installing underground cable facilities in conjunction with the installation of all other utilities, in said subdivision or development. Nothing contained in this section shall be construed as requiring cable facility installation by Operator, except where required by the property owner or where applicable laws or regulations require.

SECTION 12. Tree Trimming.

Operator shall have the authority to trim trees on and overhanging the streets, alleys, public places and public ways of County, at its own expense, so as to prevent the branches of such trees from coming into contact with the wires, cable or other facilities of Operator. Operator shall be responsible for the removal from public and private property of debris from such trimming.

SECTION 13. Pavement and Street Construction.

In the event that Operator shall disturb any pavement, street, surface, sidewalks, driveways, or other surface in the natural topography, Operator shall, at its sole expense, restore and replace such places or things so disturbed in as good condition as existed prior to the commencement of such work.

SECTION 14. Alteration of Street Grade.

If at any time during the period of this franchise, County shall alter or change the grade of any street, alley or other way or place, Operator shall, upon ten (10) days notice from County, remove, relay and relocate its cable facilities at Operator's expense.

SECTION 15. Raising/Lowering of Facilities.

Operator shall, upon request of the County, temporarily raise, lower or remove its lines in order to facilitate the moving of buildings

or machinery or in other like circumstances. The costs of such raising, lowering or removal shall be borne by the requesting party and collected by Operator, except when the raising, lowering, or removal of lines is expressly for government purpose.

SECTION 16. Operation and Maintenance. Operator shall render efficient and prompt service, make repairs promptly and interrupt service only for good cause and for the shortest possible time. Failures of the system shall be limited with Operator locating and correcting malfunctions promptly, but in no event longer than 24 hours after notice, (excluding major weather-related or other disaster conditions that make impossible such 24 hour limitation). Any planned interruptions, where possible, shall be preceded by notice to subscribers and shall occur during periods of minimum use of the cable system. Operator shall maintain its facilities and service in keeping with technical progress. Installation and maintenance shall be in accordance with good engineering practices.

SECTION 17. Noninterference with Nonsubscribers. Operator shall provide facilities and service to meet the needs of its subscribers, and shall operate and maintain its cable system so as not to interfere with those residents and inhabitants of the County who may not be subscribers.

SECTION 18. Subscriber-owned Antennas. Operator shall not, as a condition of serving any subscriber, request or require that any subscriber remove any television antenna from the subscriber's premises. In the event that any subscriber wants to maintain access to self-owned antenna service, as well as subscribe to Operator services, such equipment and/or apparatus as is required to facilitate this option shall be the subscriber's sole and personal responsibility.

SECTION 19. Franchise Assignability. Operator shall have the right to assign this franchise, provided the County has received written notification of the assignment along with the

Assignees acknowledgement that it will be bound by all the terms and conditions of the existing franchise agreement.

SECTION 20. Superseding of Preempting Acts. Whenever any law of the State of Florida or of the Federal Government or any regulation of any agency of the State of Federal Government shall be in conflict with and supersede any provision of this franchise, then for so long as such Federal or State law or regulation shall be in force and effect, such franchise provisions shall be suspended and be of no force or effect, and Operator shall not be required to comply with such franchise provisions.

Operator shall notify County of the existence and effective date of any such Federal or State law or regulation which shall supersede any provision of this franchise as soon as that shall come to the knowledge of Operator.

The Franchise Agreement shall be amended accordingly by the parties in writing whenever a Federal or State law or regulation makes any provisions of this Franchise Agreement obsolete or unlawful.

SECTION 21. Disposition of Property at Termination of Franchise. If, upon completion of the fifteen (15) year term or any subsequent renewal of this franchise, the County shall terminate or cease to renew this franchise, it is understood and agreed by the County that the operator may have the right to either sell the assets of the system to the successor or to remove the assets from the County. Any sale of assets may be negotiated solely between the operator and said successful bidder. Operator shall have exclusive right to determine whether to sell such facilities or to remove them from within the County within one hundred twenty (120) days from the date of the franchise with the successful bidder. Such option to sell or remove by Operator and obligation to purchase by the said successful bidder shall not be deemed applicable to nor inclusive of property and facilities which Operator owns and

operates within the County for the purposes of providing cable telecommunication services to others in the vicinity of but outside the incorporated limits of County.

SECTION 23. Cable Communications and Policy Act of 1984.

It is the intention of County and Operator that the terms and provisions of this Franchise Agreement be in compliance with the Cable Communications and Policy Act of 1984, and this Agreement shall be construed in conformity with that Act.

SECTION 24. Signal Transmission.

Signal transmission shall be of adequate strength to produce good pictures with good sound at all outlets without causing cross-modulation in the cables or interfering with regular broadcast or receiving signals of television, radio, or other signals, or other electrical or electronic systems or equipment.

SECTION 25. Technical Standards.

Operator's construction and maintenance of the transmission and distribution system, including house connections, shall be in accordance with the provisions of the National Electrical Safety Code prepared by the National Bureau of Standards, the National Electrical Code of the National Board of Fire Underwriters and such applicable ordinance and regulations of the County and affecting Operator's installation or operations.

SECTION 26. Business Office.

Operator shall maintain a business and/or service office located in Jackson County. The hours of such office shall be open during reasonable and usual business hours, shall have a listed telephone or telephones, and be so operated that complaints, requests for repairs or adjustments, and conduct of normal business can be received by Operator at any time. In the event that Operator does not have a business office within local exchange vicinity or County residents, it will provide for service and other calls to be made at no charge to resident-subscribers.

SECTION 27. Nondeliverance of Service.

Operator agrees that should service to any individual subscribers be cut off

for any reason other than nonpayment of bills, for a period of not longer than one (1) day from date customer contacts Operator to inform Operator that customer does not have service, said subscriber shall not be charged for the lack of service, said subscriber shall not be charged for the lack of service, said voiding of charges to be calculated on a prorata daily basis.

SECTION 28. Changes in Regulations/Law. It is the understanding of the Grantee and the County that at the present time there is pending before the FCC or any other regulatory authority, legislation, rules, procedures, bills or enactments which would substantially broaden the Franchise Authority's right, remedies, controls, power and authority. If and in the event such rules and regulations are enacted then in that event as the same supercede this ordinance each of the parties agree the same will be modified.

SECTION 29. Free Service. Operator agrees to provide free basic service to the Franchise Authority's Office Building, Fire Station, Police Station, and Public School.

SECTION 30. Validity of Franchise. If any section, sentence, clause or phrase of this franchise is for any reason held illegal, invalid, or unconstitutional, such invalidity shall not affect the validity of the ordinance passed by County, or any of the remaining portions of this Franchise Agreement.

SECTION 31. Effective Date. This Agreement shall take effect upon the enactment and approval of an ordinance granting Operator the right and authority provided for herein, and upon the execution of this Franchise Agreement by County and Operator. The execution of this agreement shall be construed to be the approval by the County of the ordinance granting Operator the right and authority provided for herein. County warrants that procedures for properly enacting such an ordinance have been duly followed. Such execution by Operator and County

shall constitute acceptance of the terms and conditions of this franchise and ordinance as provided for by agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 7th. day of August, 1990.

THE COUNTY COMMISSIONERS
OF CALHOUN COUNTY, FLORIDA

BY: Donnell Whitfield
DONNELL WHITFIELD, CHAIRMAN

ATTEST:

Willie D. Wise
WILLIE D. WISE, CLERK

NOTICE OF INTENTION TO CONSIDER ADOPTION OF ORDINANCE

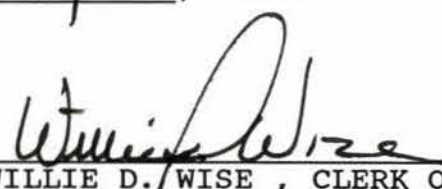
NOTICE IS HEREBY GIVEN TO WHOM IT MAY CONCERN that on Aug. 7, 1990 at 5:00 P.M., in the Calhoun County Courthouse, Blountstown, Florida, the Board of County Commissioners of Calhoun County, Florida intends to consider adoption of the following Ordinance:

ORDINANCE NO. 90-4

AN ORDINANCE PERTAINING TO A FRANCHISE TO INTEGRATED TELECOMMUNICATIONS CORP., A DELEWARE CORPORATION, TO BUILD CONSTRUCT, INSTALL, MAINTAIN, OWN, ACQUIRE, EQUIP, AND OPERATE A CABLE TELEVISION SYSTEM, INCLUDING BUT NOT LIMITED TO, A COMMUNITY ANTENNA TELEVISION SYSTEM WITHIN THE CORPORATE LIMITS OF THE COUNTY.

Copies of the proposed ordinance may be inspected at the office of the Clerk of the Circuit Court of Calhoun County, Florida, located within the City of Blountstown, Florida during regular scheduled working hours. Interested parties may appear at the meeting and be heard with respect to the proposed ordinance.

This Notice is dated in Blountstown, Calhoun County, Florida, this 3rd day of July, 1990.


WILLIE D. WISE, CLERK OF CIRCUIT COURT OF CALHOUN COUNTY, FLORIDA, AND EX OFFICIO CLERK OF THE BOARD OF COUNTY COMMISSIONERS OF CALHOUN COUNTY, FLORIDA

(SEAL)