

ORDINANCE NO. 516

AN ORDINANCE GRANTING A CABLE FRANCHISE TO RED RIVER COMMUNICATIONS TO CONSTRUCT AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM IN THE CITY OF BRECKENRIDGE; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS

The City Council of the City of Breckenridge ordains:

STATEMENT OF INTENT AND PURPOSE

The City intends, by the adoption of this Franchise, to bring about the development of a competitive Cable Communications System. Such a development can contribute significantly to the communication needs and desires of many. Further, the City may achieve better utilization and improvement of public services with the development and operation of a competitive Cable Communication System.

FINDINGS

In the review of the franchise application of Red River Rural Telephone Association dba Red River Communications ("Grantee") and accompanying documents, and, as a result of a public hearing, the City Council makes the following findings:

1. The Grantee's technical ability, financial condition, legal qualifications, and character were considered and approved in a full public proceeding after due notice and a reasonable opportunity to be heard;
2. Grantee's plans for constructing, upgrading, and operating the System were considered and found adequate and feasible in a full public proceeding after due notice and a reasonable opportunity to be heard;
3. The Franchise granted to Grantee by the City complies with the existing applicable Minnesota Statutes and federal laws and regulations; and
4. This Franchise is the result of informal cable franchise contract negotiations between the City and Grantee and is freely entered into by both parties.

SECTION 1.

SHORT TITLE AND DEFINITIONS

1. Short Title. This Franchise Ordinance shall be known and cited as the Red River Cable Communications Ordinance.
2. Definitions. For the purposes of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory. The word "may" is directory and discretionary and not mandatory.
 - a. "Cable Service" means the one-way transmission to Subscribers of Video

Programming, or other programming service, and Subscriber interaction; if any, which is required for the selection of such Video Programming or other programming service.

- b. "Cable System" or "System" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within a community, but such term does not include:
1. A facility that serves only to retransmit the television signals of one or more television broadcast stations;
 2. A facility that serves Subscribers without using any public right-of way;
 3. A facility of a common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. § 201 et seq., except that such facility shall be considered a Cable System (other than for purposes of 47 U.S.C. § 541(c) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services);
 4. An open video system that complies with 47 U.S.C. § 653; or
 5. Any facilities of any electric utility used solely for operating its electric utility systems.

This definition of Cable System shall include a "cable communications system" as that term is defined in Minnesota Statutes.

- c. "City" means City of Breckenridge, a municipal corporation, in the State of Minnesota, acting by and through its City Council.
- d. "City Council" means the Breckenridge, Minnesota City Council.
- e. "Drop" means the cable that connects the ground block on the Subscriber's residence to the nearest feeder cable of the System.
- f. "Dwelling Unit" means a single unit providing complete, independent, living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.
- g. "FCC" means the Federal Communications Commission and any legally appointed, designated, or elected agent or successor.
- h. "Franchise" means an initial authorization, or renewal thereof (including a renewal of an authorization which has been granted subject to 47 U.S.C. § 546) issued by a franchising authority, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, which authorizes the construction or operation of a Cable System.
- i. "Grantee" is Red River Rural Telephone Association and its agents and employees, lawful successors, transferees, and assignees.
- j. "Gross Revenue" means all revenue received from the provision of Cable Service

by the Grantee from the operation of its System within City. Gross Revenue includes, but is not limited to, all service tiers of Cable Service subscriptions, pay-per-view, on-demand, all Cable Service fees, and all other video fees, advertising and home shopping revenue, installation fees and equipment rental fees, leased access, sales of programming guides and franchise fees. Gross Revenue shall not include refundable deposits, bad debt, or investment income.

- k. "Installation" means the connection of the System from feeder cable to the point of connection, including Standard Installations and custom installations.
- l. "Lockout Device" means an optional mechanical or electrical accessory to a Subscriber's terminal which inhibits the viewing of a certain program, certain channel, or certain channels provided by way of the Cable Communication System.
- m. "Person" is any person, firm, partnership, association, corporation, company, or other legal entity.
- n. "Standard Installation" means any residential installation which can be completed using a Drop of one hundred fifty (150) feet or less.
- o. "Street" means the surface of, and the space above and below, any public street, road, highway, freeway, lane, alley, path, court, sidewalk, parkway, or drive, or any easement or right-of-way now or hereafter held by City.
- p. "Subscriber" means any Person who lawfully receives Cable Television Service.

SECTION 2.

GRANT OF AUTHORITY AND GENERAL PROVISIONS

1. Franchise Required. It shall be unlawful for any Person to construct, operate, or maintain a Cable System in City unless such Person or the Person for whom such action is being taken shall have first obtained and shall currently hold a valid cable franchise. It shall also be unlawful for any Person to provide Cable Service in City unless such Person shall have first obtained and shall currently hold a valid cable franchise.
2. Grant of Franchise. This Franchise is granted pursuant to the terms and conditions contained herein.
3. Grant of Nonexclusive Authority.
 - a. The Grantee shall have the right and privilege to construct, erect, operate, and maintain, in, upon, along, across, above, over and under the Streets, alleys, public ways and public places now laid out or dedicated and all extensions thereof, and additions thereto in City, poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation in City of a Cable System to provide Cable Service as herein defined.

- b. This Franchise shall be nonexclusive, and City reserves the right to grant a similar use of said Streets, alleys, public ways, and places, to any Person at any time during the period of this Franchise, provided, however, that any additional cable franchise grants shall be pursuant to the requirement of Minnesota Statutes Section §238.08, Subd. 1.
4. Franchise Term. This Franchise shall be in effect for a period of fifteen (15) years from the date of acceptance by Grantee, unless renewed, revoked, or terminated sooner as herein provided.
5. Rules of Grantee. The Grantee shall have the authority to promulgate such rules, regulations, terms, and conditions governing the conduct of its business as shall be reasonably necessary to enable said Grantee to exercise its rights and perform its obligation under this Franchise.
6. Territorial Area Involved. This Franchise is granted for the corporate boundaries of City, as it exists from time to time. In the event of annexation by City, or as development occurs, any new territory shall become part of the area covered, provided, however, that Grantee shall not be required to extend service beyond its present System boundaries unless there is a minimum of forty (40) homes per cable mile as measured from the last fiber node or terminating amplifier. Access to Cable Service shall not be denied to any group of potential residential cable Subscribers because of the Income of the residents of the area in which such group resides. Grantee shall be given a reasonable period of time to construct and activate cable plant to service annexed or newly developed areas.
7. Written Notice. All notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to any officer of Grantee or City's Administrator of this Franchise or forty-eight (48) hours after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

If to City:
City of Breckenridge
Attn: City Administrator
420 Nebraska Ave
Breckenridge, MN 56520

If to Grantee:
Red River Communications
510 Broadway
PO Box 136
Abercrombie, ND 58001

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

8. Drops to Public Buildings. Grantee shall install, upon City's request, a Drop and wiring to the point of demarcation to the following buildings at no cost to the City: Family Community Center, Fire Halls (north and south side), Senior Center, City Hall, Public Works Department building, Electric Department building, Aquatic Center (50-50 cost split), Water Treatment Plant,

and all public and private elementary and secondary schools. Grantee shall provide at no cost to the City installation of a Drop to all current and future City-owned buildings, excluding hospitals, nursing homes, or apartments. Said building must be located in the City within one hundred fifty (150) feet of the System as determined by the City. Upon request, Grantee shall, at no cost to the City, provide the "Basic Cable Service" (including the "Red River Basic") tier, or its subsequent equivalent tier, of cable service and necessary reception equipment to all outlets at all government-owned buildings, public and private schools and public libraries located in the City.

No redistribution of the free Basic Cable Service provided pursuant to this Section shall be allowed. All buildings receiving a complimentary Drop may add outlets at its own expense, as long as such installation meets Grantee's standards. Nothing herein shall be construed as requiring Grantee to extend the System to serve additional institutions as may be designated by City. Barring delays in performance due to weather, Grantee shall have one (1) month from the date of City's request to complete construction of the Drop and outlet.

9. Compliance with Applicable Law. Grantee shall at all times during the term of this Franchise comply with all applicable federal, state, and local laws, statutes, rules, regulations, ordinances, judgments, and similar, including, without limitation, Minn. Stat. Ch. 238 (Cable Communications) and 47 U.S.C. §§ 521 *et seq.* (Cable Communications).

SECTION 3.

CONSTRUCTION STANDARDS

1. Construction Codes and Permits.

- a. Grantee shall obtain all required permits from City before commencing any construction upgrade or extension of the System, including the opening or disturbance of any Street, or private or public property within City.
- b. The City shall have the right to inspect all construction or installation work performed pursuant to the provisions of the Franchise and to make such tests at its own expense as it shall find necessary to ensure compliance with the terms of the Franchise and applicable provisions of local, state, and federal law.

2. Repair of Streets and Property. Any and all Streets or public property or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance, or reconstruction of the System shall be promptly and fully restored by Grantee, at its expense, to a condition as good as that prevailing prior to Grantee's work.

3. Conditions on Street Use.

- a. If at any time during the period of this Franchise City shall elect to alter or change the grade or location of any Street, alley or other public way, the Grantee shall, at its own expense, upon reasonable notice by City, remove and relocate its poles, wires, cables, conduits, manholes and other fixtures of the System, and in each instance comply with the standards and specifications of City. If City reimburses other occupants of the Street, Grantee shall be likewise reimbursed.

- b. The Grantee shall, on request of any Person holding a moving permit issued by City, temporarily move its wires or fixtures to permit the moving of buildings with the expense of such temporary removal to be paid by the Person requesting the same, and the Grantee shall be given not less than ten (10) days advance notice to arrange for such temporary changes. Grantee may, in its discretion, require pre-payment of such expenses.
- c. The Grantee shall have the authority to trim any trees upon and overhanging the Streets, alleys, sidewalks, or public easements of City so as to prevent the branches of such trees from coming in contact with the wires and cables of the Grantee.
- d. Nothing contained in this Franchise shall relieve any Person from liability arising out of the failure to exercise reasonable care to avoid injuring Grantee's facilities.

4. Undergrounding of Cable.

- a. In all areas of City where all other utility lines are placed underground, Grantee shall construct and install its cables, wires, and other facilities underground.
- b. In any area of City where one or more public utilities are aerial, Grantee may construct and install its cables, wires, and other facilities from the same pole with the consent of the owner of the pole.

5. Safety Requirements. The Grantee shall at all times employ ordinary and reasonable care and shall install and maintain in use nothing less than commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public.

6. Reasonable Build-Out of the Entire City. Grantee acknowledges that it must expend a significant amount of financial and administrative resources to construct its Cable System in the City. Further, Grantee acknowledges that there is no promise of revenue from Cable Service to offset these costs. The Parties agree that the following is a reasonable build-out schedule, taking into consideration the requirements of Minnesota state law.

- a. Within one (1) year of the effective date of this Franchise, Grantee shall be capable of serving a minimum of twenty-five percent (25%) of the Dwelling Units in the City, provided, however, that Grantee shall use its best efforts to complete such deployment within a shorter period of time. Nothing in this Franchise shall restrict Grantee from serving additional Dwelling Units within the Cable with Cable Service.
- b. Within two (2) years of the effective date of this Franchise, Grantee shall be capable of serving a minimum of fifty percent (50%) of the Dwelling Units in the City, provided, however, that Grantee shall use its best efforts to complete such deployment within a shorter period of time. Nothing in this Franchise shall restrict Grantee from serving additional Dwelling Units within the Cable with Cable Service.
- c. Within three (3) years of the effective date of this Franchise, Grantee shall be capable of serving a minimum of seventy-five percent (75%) of the Dwelling Units

in the City, provided, however, that Grantee shall use its best efforts to complete such deployment within a shorter period of time. Nothing in this Franchise shall restrict Grantee from serving additional Dwelling Units within the Cable with Cable Service.

- d. Within four (4) years of the effective date of this Franchise, Grantee shall be capable of serving a minimum of one hundred percent (100%) of the Dwelling Units in the City, provided, however, that Grantee shall use its best efforts to complete such deployment within a shorter period of time. Nothing in this Franchise shall restrict Grantee from serving additional Dwelling Units within the Cable with Cable Service.
- e. Within five (5) years of the effective date of this Franchise, Grantee shall be capable of serving substantially all Dwelling Units and multiple dwelling units in the City, provided, however, that Grantee shall use its best efforts to complete such deployment within a shorter period of time. Nothing in this Franchise shall restrict Grantee from serving additional Dwelling Units within the Cable with Cable Service.
- f. Upon the City's request, Grantee shall meet with the City Administrator or their designee to present information acceptable to the City (and to the City's reasonable satisfaction) showing the number of Dwelling Units that Grantee is then capable of serving with Cable Service and the number of Dwelling Units that Grantee is actually serving with Cable Service. In order to permit the City to monitor and enforce the provisions of this Section 3.6 and other provisions of this Franchise, the Grantee shall, upon reasonable demand and to the City's reasonable satisfaction, promptly provide to the City maps and other documentation showing exactly where within the City the Grantee is currently providing Cable Service.
- g. Grantee is prohibited from denying access to Cable Service to any group of potential residential cable subscribers because of the income of the residents of the local area in which such group resides. Grantee shall not discriminate among subscribers and potential subscribers to Cable Service.

SECTION 4.

DESIGN PROVISIONS

1. Operation and Maintenance of System. The Grantee shall construct, operate, and maintain a state-of-the-art Cable System and render effective service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Such interruption, to the extent feasible, shall be preceded by notice in accordance with Section 2.8 herein and shall occur during periods of minimum use of the System.
2. Technical Standards. The technical standards used in the operation of the System shall comply, at minimum, with the technical standards promulgated by the FCC relating to cable communications systems pursuant to the Federal Communications Commission's rules and regulations and found in Title 47, Section 76.601 to 76.617, as may be amended or modified from time to time.

3. Lockout Device. Upon the request of a Subscriber, Grantee shall provide by sale or lease a Lockout Device.

SECTION 5.

SERVICES PROVISIONS

1. Subscriber Inquiry and Complaint Procedures. Grantee shall have a publicly listed toll-free telephone number and be operated so as to receive Subscriber complaints and requests on a twenty-four (24) hour-a-day, seven (7) days-a-week basis.
2. Refund Policy. In the event a Subscriber established or terminates service and receives less than a full month's service, Grantee shall prorate the monthly rate on the basis of the number of days in the period for which service was rendered to the number of days in the billing.

SECTION 6.

PUBLIC, EDUCATIONAL AND GOVERNMENT ACCESS PROVISIONS

1. Public, Educational and Government Access.
 - a. City or its designee is hereby designated to operate, administer, promote, and manage access (public, education, and government programming) (hereinafter "PEG access") to the cable system established pursuant to this Section 6 for public noncommercial, noncompetitive uses. Grantee shall have no responsibility whatsoever for PEG access except as expressly stated in this Section 6.
 - b. Grantee shall provide to each of its Subscribers who receive all, or part of, the total services offered on the System, reception on at least one (1) specially designated access channel for the City's use. The City shall have the sole discretion in designating the use of the access channel for public, educational, or government programming or a combination thereof. During those hours that the specially designated access channel is not being used by the City, or its designee, the Grantee shall lease time to commercial or noncommercial users on a first-come, first-served, nondiscriminatory basis if the demand for that time arises. The Grantee may also use the specially designated access channel for local origination during those hours when the access channel is not in use by the City or its designee, or commercial or noncommercial users who have leased time. The spectrum must be used for the first specially designated access channel required in the section. Grantee shall designate the channel locations of any other access channels. The City receives a PEG feed from the City of Wahpeton via Midcontinent Communications. Grantee shall cooperate with Midcontinent Communications to obtain the City of Wahpeton PEG feed at Grantee's sole cost. Grantee agrees to provide said PEG feed in the same technological format as provided from the City of Wahpeton, unless otherwise mutually agreed upon by the Parties.
 - c. Upon request by the City, Grantee shall provide one additional access channel for use by the City as a government access channel, and a transmission signal path between Grantee's headend and City Hall allowing the City to adequately program and monitor programming on the access channel for distribution over

the Cable System. Grantee shall be responsible for all equipment on its side of the demarcation point at City's access channel origination.

- d. Whenever the PEG Channels are in use during eighty percent (80%) of the weekdays, Monday to Friday, for eighty percent (80%) of the time for any consecutive three (3) hour period for six (6) weeks running, and there is demand for use of an additional channel for the same purpose, the Grantee shall then have six (6) months in which to provide a new PEG Channel for the same purpose, provided that provision of the additional channel or channels must not require the Cable System to install converters.

2. Charges for Use. Channel time and playback of prerecorded programming on the specially designated access channel must be provided without charge to the general public, except that personnel, equipment and production costs may be assessed for live studio presentations exceeding five (5) minutes in length. Charges for production costs must be consistent with the goal of affording the public a low-cost means of television access.

Grantee agrees that financial support for PEG access arising from or relating to the obligations set forth in this Section shall in no way modify or otherwise affect Grantee's obligations to pay Franchise Fees to City. Grantee agrees that the provisions set forth in this Section shall not be offset or otherwise credited in any way against any Franchise Fee payments under this Franchise Agreement.

3. Access Rules.

- a. City shall implement rules for use of any specially designated access channels. The initial access rules and any amendments thereto shall be maintained on file with City and available for public inspection during normal business hours.
- b. Prior to the cablecast of any program on any PEG access channel established herein, City shall require any Person who requests access (public, education, and government) to the System to provide written certification in a form and substance acceptable to Grantee and City which releases, indemnifies, and holds harmless City, Grantee and their respective employees, offices, agents, and assigns from any liability, cost, damages and expenses, including reasonable expenses for legal fees, arising or connected in any way with said program.

SECTION 7.

OPERATION AND ADMINISTRATION PROVISIONS

1. Franchise Fee.

- a. Grantee shall pay City an annual franchise fee in the amount of Five percent (5%) of Grantee's annual Gross Revenues. The franchise fee shall be in addition to any and all taxes or other levies or assessments which are now or hereafter required to be paid by businesses in general by any law of the City, the State or the United States including, without limitation, sales, use and other taxes, business license fees or other payments. Payment of the franchise fee under this Franchise shall not exempt Grantee from the payment of any other license fee,

permit fee, tax or charge on the business, occupation, property, or income of Grantee that may be lawfully imposed by the City. Any other license fees, taxes or charges shall be of general applicability in nature and shall not be levied against Grantee solely because of its status as a cable operator.

- b. The franchise fee shall be payable monthly. The payment shall be made within thirty (30) days of the end of each of Grantee's fiscal month, together with a brief report, acceptable to the City, showing the basis for the computation.

2. Indemnification of City.

- a. City, its officers, boards, committees, commissions, elected officials, employees, and agents shall not be liable for any loss or damage to any real or personal property of any Person, or for any injury to or death of any Person, arising out of or in connection with the construction, operation, maintenance, repair, or removal of, or other action or event with respect to the System.
- b. Grantee shall indemnify, defend, and hold harmless City, its officers, boards, committees, commissions, elected officials, employees, and agents, from and against all liability, damages, and penalties which they may legally be required to pay as a result of the exercise of the Franchise, except claims because of PEG programming or, the City's operation, administration, promotion or management of the PEG access channel(s) or any use of Internet Services in public institutions.
- c. Nothing in this Franchise relieves a Person from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Street or public place or with the construction or reconstruction of a sewer or water system.
- d. In order for City to assert its rights to be indemnified, defended, and held harmless, City must with respect to each claim:
 - 1. Promptly notify Grantee in writing of any claim or legal proceeding which gives rise to such right;
 - 2. Afford Grantee the opportunity to participate in and fully control any compromise, settlement or other resolution or disposition of any claim or proceeding; and fully cooperate with reasonable requests of Grantee, at Grantee's expense, in its participation in, and control, compromise, settlement or resolution or other disposition of such claim or proceeding subject to paragraph two (2) above.

3. Insurance.

- a. As a part of the indemnification provided in Section 7.2, but without limiting the foregoing, Grantee shall file with its acceptance of this Franchise, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy, including contractual liability coverage, in protection of City in its capacity as such. The combined policies of insurance

shall be in the sum of not less than One Million Dollars (\$1,000,000) for personal injury or death of any one Person, and Three Million Dollars (\$3,000,000) for personal injury or death of two or more Persons in any one occurrence, Three Hundred Thousand Dollars (\$300,000) for property damage to any one Person and One Million Dollars (\$1,000,000) for property damage resulting from any one act or occurrence.

- b. The policy or policies of insurance shall be maintained by Grantee in full force and effect during the entire term of the Franchise. Each policy of insurance shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or otherwise, and whether at the request of Grantee or for other reasons, except after thirty (30) days' advance written notice have been provided to City.

SECTION 8.

REVOCATION, ABANDONMENT, AND SALE OR TRANSFER

1. City's Right to Revoke. In addition to all other rights which City has pursuant to law or equity, City reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, if after the hearing required by Section 8.2(b) herein, it is determined that Grantee has violated any material provision of this Franchise.
2. Procedures for Revocation.
 - a. City shall provide Grantee with written notice of a cause for revocation and the intent to revoke and shall allow Grantee sixty (60) days subsequent to receipt of the notice in which to correct the violation or to provide adequate assurance of performance in compliance with the Franchise. Together with the notice required herein, City shall provide Grantee with written findings of fact which are the basis of the revocation.
 - b. Grantee shall be provided the right to a public hearing affording due process before the City Council prior to revocation, which public hearing shall follow the sixty (60) day notice provided in paragraph (a) above. City shall provide Grantee with written notice of its decision together with written findings of fact supplementing said decision.
 - c. After the public hearing and upon written determination by City to revoke the Franchise, Grantee may appeal said decision with an appropriate state or federal court or agency.
 - d. During the appeal period, the Franchise shall remain in full force and effect unless the term thereof expires sooner.
 - e. Upon satisfactory correction by Grantee of the violation upon which said notice was given, the initial notice shall become void.
3. Abandonment of Service. Grantee may not abandon the System or any portion thereof without having first given three (3) months written notice to City.
4. Sale or Transfer of Franchise. No sale or transfer of this Franchise shall take place without the written approval of the City, which approval shall not be unreasonably withheld. All of the rights, privileges, obligations, duties, and liabilities created by this Franchise shall pass to and be binding upon the successor or assign of Grantee. Said approval shall not be required

where Grantee grants a security interest in its Franchise and assets to secure an indebtedness. Grantee shall reimburse the City its costs, including its attorney's fees.

SECTION 9.

PROTECTION OF INDIVIDUAL RIGHTS

1. Discriminatory Practices Prohibited. Grantee shall not deny service or access, or otherwise discriminate against Subscribers or general citizens on the basis of race, color, religion, national origin, sex, or age. Grantee shall comply at all times with all other applicable federal, state, and city laws, and all executive and administrative orders relating to nondiscrimination.
2. Subscriber Privacy. Grantee shall comply with the terms of 47 U.S.C. § 551 relating to the protection of Subscriber privacy.

SECTION 10.

UNAUTHORIZED CONNECTIONS AND MODIFICATIONS

1. Unauthorized Connections or Modifications Prohibited. It shall be unlawful for any firm, Person, group, company, corporation, or governmental body or agency, without the express consent of the Grantee, to make or possess, or assist anybody in making or possessing, any connection, extension, or division, whether physically, acoustically, inductively, electronically, or otherwise, with or to any segment of the System.
2. Removal or Destruction Prohibited. It shall be unlawful for any firm, Person, group, company, corporation, or government body or agency to willfully interfere, tamper, remove, obstruct, or damage, or assist thereof, any part or segment of the System for any purpose whatsoever.
3. Penalty. Any firm, Person, group, company, corporation or government body or agency found guilty of violating this Section may be fined not less than Twenty Dollars (\$20.00) and the costs of the action nor more than Five Hundred Dollars (\$500.00) and the costs of the action for each and every subsequent offense. Each continuing day of the violation shall be considered a separate occurrence.

SECTION 11.

MISCELLANEOUS PROVISIONS

1. Franchise Renewal. Any renewal of this Franchise shall be done in accordance with applicable federal, state, and local laws and regulations.
2. Amendment of Franchise Ordinance. Grantee and City may agree, from time to time, to amend this Franchise. Such written amendments may be made at any time if City and Grantee agree that such an amendment will be in the public interest or if such an amendment is required due to changes in federal, state, or local laws. City shall act pursuant to local law pertaining to the ordinance amendment process.

SECTION 12.

PUBLICATION, EFFECTIVE DATE AND ACCEPTANCE

1. Publication, Effective Date. This Franchise shall be published in accordance with applicable Minnesota law. The effective date of this Franchise shall be the date of acceptance by Grantee in accordance with the provisions of Section 12.2.

2. Acceptance.

- a. Grantee shall accept this Franchise by executing same. Such acceptance by the Grantee shall be deemed the grant of this Franchise for all purposes.
- b. Upon acceptance of this Franchise, Grantee shall be bound by all the terms and conditions contained herein.
- c. Grantee shall accept this Franchise in the following manner:
 - 1. This Franchise will be properly executed and acknowledged by Grantee and delivered to City.
 - 2. With its acceptance, Grantee shall also deliver any insurance certificates required herein that have not previously been delivered.

CITY OF BRECKENRIDGE

RUSSELL WILSON, Mayor

ATTEST:

RENAE SMITH, City Administrator

ACCEPTED: This Franchise is accepted, and we agree to be bound by its terms and conditions.

RED RIVER RURAL TELEPHONE
ASSOCIATION

DATE: _____

By: _____
Its: _____

First Reading: 04-19-2021
Posted after 1st reading: 04-20-21
Second Reading: _____
Adopted & Passed: _____
Published: _____
Posted after published: _____