

AN ORDINANCE GRANTING, ON TERM AND CONDITIONS, A LICENSE TO MICRO CABLE COMMUNICATIONS, INC., DBA VALLEY TELECASTING CO., ITS SUCCESSORS AND ASSIGNS, THE RIGHT AND AUTHORITY TO ESTABLISH, CONSTRUCT, OPERATE, AND MAINTAIN A CABLE TELEVISION ANTENNA SERVICE IN THE TOWN OF SAN LUIS.

BE IT ORDAINED BY THE TOWN COUNCIL OF SAN LUIS, ARIZONA, AS FOLLOWS:

The Town Council of San Luis does hereby amend the San Luis Code by adding Chapter 13 as follows:

CHAPTER 13 CABLE TELEVISION

Article 13-1 Cable Television

- 13-1-1 License
- 13-1-2 Right of Way
- 13-1-3 Television Service
- 13-1-4 Fees
- 13-1-5 Availability of Service
- 13-1-6 Bond
- 13-1-7 Business License
- 13-1-8 Insurance

Section 13-1-1 License

Pursuant to Arizona Revised Statutes 9-506, et. seq., Micro Cable Communications, Inc., dba Valley Telecasting Co., hereinafter referred to as Company, its successors and assigns, is hereby granted by San Luis a non-exclusive license for the use of the right of way upon, over, under, across, and along the street, alleys, and public grounds of San Luis, Arizona, for its use and the purpose, subject to the reasonable supervision of the Town Engineer of San Luis, of erecting, constructing, and maintaining all necessary, appropriate, or convenient poles, pole lines, posts, wires, coaxial cables, cross arms, braces, and all other useful fixtures and appurtenances, the same to be compatible with other rights of way and franchises heretofore granted to others, in order to properly construct, extend, maintain, and operate a television antenna service in the Town of San Luis to serve the inhabitants thereof for a period of Twenty-Five (25) years from the passage of this ordinance.

The Town Clerk is authorized to enter into a formal written Agreement with the Company whose terms are consistent with the provisions of this Ordinance.

Section 13-1-2 Right of Way

Said Company, its successors and assigns, shall so set and erect the poles, lines, cables, wires, and all other useful fixtures and appurtenances along said public ways so as not to interfere with the ordinary travel and desired use of said rights of way and shall, in a like manner, maintain such equipment during the term of this license.

### Section 13-1-3 Television Service

Said Company, its successors and assigns, shall have the right to furnish television antenna service consisting of the following:

The Company shall provide a minimum of fourteen (14) television signals plus a set top converter to its subscribers connected to said system of which one channel shall be set aside as local access or weather scan channel. The Company shall provide FM radio service to its customers at such time as such program material is available for distribution through its cable system.

In its respect, said Company will have, during the life of this license, the right to furnish said service to all public and private customers of San Luis and shall have the right to extend its distribution system to any addition or additions hereafter for the purpose of conducting its service to points beyond the corporate limits of the City.

### Section 13-1-4 Fees

The rights and privileges granted by this ordinance are on the further condition that said Company, its successors and assigns, shall pay a license fee to San Luis equal to THREE PERCENT (3%) of the gross receipts collected by said Company and derived within the limits of the Town as defined in the Agreement which is made part of this Ordinance. Said gross receipts shall not include costs which the Company pays such as any common carrier micro-wave toll charge, if any, or satellite charge paid by the Company in any of its programming which is included in the schedule which is made part of the Agreement. It is expressly understood that the percentage herein mentioned shall be computed only upon the regular periodical service charges collected for C.A.T.V. service to customers. In this respect, the Company agrees as follows:

- A. The Company license fee herein provided shall be paid quarterly; the payment will be made in advance for each quarter and if there is any credit or debit in any given quarter then it will be adjusted in each following quarter.
- B. To keep adequate records which shall be open to inspection by the Town for the purpose of verifying the correctness of the payments.
- C. To maintain public liability and property damage insurance coverage of not less than an amount to be approved by the Town of San Luis.
- D. To protect and save harmless the Town from all damage and loss arising from or by reason of the construction or operation of a radio and television antenna system of the Company.

- E. To conduct its operations in accordance with all lawful ordinances, rules, and regulations of the Town.
- F. To file with the Town and to keep current during the life of the license herein granted a statement setting forth the conditions of service, rates, and charges applicable to Company's customers.

Section 13-1-5 Availability of Service

Service under this license shall be provided by the Company and made available to the inhabitants of the Town within six (6) months from the day this license is granted.

Failure to provide radio and television antenna service as set out above under the terms of this license for seven (7) consecutive days at any time during the terms of the license and after service is initially commenced shall constitute a forfeiture of this license provided the company shall not be liable whatsoever for any failure or interruption of service caused by or proximately resulting from strike, riots, wars, acts of God, fire, falling aircraft or other objects, failure or reduction of power, failure of the microwave relay system transmitting the television signals to Company's distribution system, or any other cause beyond the control of the Company, or any law, ordinance, or regulation of civil or military restriction which prohibits the use and operation of the system by the Company for basic cable service.

Before the license herein granted shall become effective and binding upon the Company and the Town, the Company shall file a written acceptance of said license with the Town within ten (10) days after notice to the Company of the enactment of this ordinance and the City must accept and approve the fee and service schedule of the Company.

The Company may assign the license herein granted provided such assignee shall qualify by meeting the conditions imposed herein upon said Company.

Section 13-1-6 Bond

Before commencing any work under the provisions of the license herein granted, the Company shall file with the Town Clerk a performance bond in the sum of THIRTY THOUSAND DOLLARS (\$30,000.00) guaranteeing repair to any town property disturbed by Company during construction; further, the Company shall commence its work on construction on or before three (3) months from the date hereof; that it will, thereafter, prosecute its work with all reasonable diligence; and that the same will be completed within six (6) months from the date hereof.

Section 13-1-7 Business License

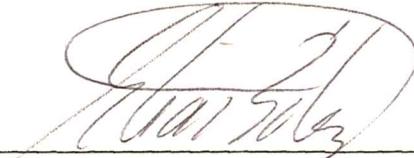
So long as the aforesaid license fee is paid to the Town of San

Luis by said Company, its successor or assigns, no other general business license fees shall be imposed upon the Company by said Town during the term herein provided. However, it is not intended by this section to eliminate or otherwise modify the Company's duty to pay building permit fees and other fees of like nature or advalorem taxes on its real or personal property in San Luis.

Section 13-1-8 Insurance

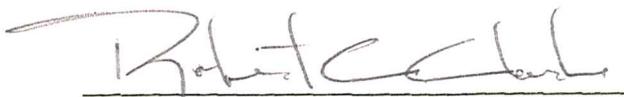
As further consideration as and for this license, said Company shall file its acceptance of the provisions of this ordinance with the Town Clerk of the Town of San Luis on or before the expiration of Ten (10) days from the final date hereon, and shall also file with the Town Clerk of San Luis its written agreement and proof of sufficient insurance to save harmless the Town of San Luis from all damages and loss from, or arising out of, the construction, operation, or maintenance of said system.

PASSED AND ADOPTED by the Common Council of the Town of San Luis, Arizona, this 25th day of May, 1983.

  
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MAYOR

ATTEST:

  
\_\_\_\_\_  
CLERK

  
\_\_\_\_\_  
TOWN ATTORNEY