

July 11, 2017

RESUME

DISCUSSION OF PROCESS FOR COMCAST FRANCHISE RENEWAL**Background**

On February 7, 1995, Prince George County, VA fully entered into a Community Antenna Television Franchise Agreement via ordinance with Tele-Media Company of Hopewell/Prince George and its successors (now Comcast). The subject agreement expires February 6, 2020. On May 3, 2017, Comcast notified the County of the formal renewal procedure possible under federal law. Staff is recommending initiation of the formal process through Section 626 of the Cable Communications Policy Act of 1984 before August 6, 2017.

Status of current agreement

Upon review, an outstanding item was determined per the current agreement on page 7, section 13. The Prince George County rescue squad main building (emergency crew) was to be connected for free with one (1) cable television drop. Such installation and monthly television service shall be at no cost to the County or rescue squad. On June 26, 2015 per email to Julie Krake, Comcast Project Manager, County staff requested fulfillment of this item.

On June 28, 2017 (two years later), County staff received the following email from Nathan Daugherty, Comcast manager for Government & Regulatory Affairs:

"As I mentioned when we saw each other at the county's IDA meeting on June 16, Comcast is actively moving forward with this build. The workflow includes producing an updated site survey and design, acquiring any necessary permits, and completing the construction itself. I will update you when I have a concrete date for construction."

The County may NOT require cable television operators to deploy broadband service in unserved or underserved areas of the County. Cable television franchises may pertain only to cable-related services and facilities. *FCC 06-180*

Some items for consideration in potential new franchise agreement

Example of items Prince George County could request during the renewal process:

- 1) Public channel to televise government meetings
- 2) Agree to capital expansion of Comcast television services in designated areas by defined time periods
- 3) Free television service to government and educational buildings
- 4) Customer service improvements to local office
- 5) Regulate and set rates for basic tier service and equipment since no competition in area
- 6) Review any franchise fees allowable under state and federal law

The four options moving forward in the process:

- 1) Formal Process (per federal law)
- 2) Informal Process (per federal law)
- 3) Ordinance Cable Franchise (Chesterfield County – example of ordinance)
- 4) Allow the agreement to expire (Albemarle County – no franchise agreement)

Formal Process

Either party may initiate the formal process by delivering a notice to the other party, no later than 30 months (August 6, 2017) before the expiration of the franchise.

Public Law 98-549 - Cable Communications Policy Act of 1984

Section 626 Renewal (c)(1)

“Upon submittal by a cable operator of a proposal to the franchising authority for the renewal of a franchise, the franchising authority shall provide prompt public notice of such proposal and, during the 4-month period which begins on the completion of any proceedings under subsection (a), renew the franchise or, issue a preliminary assessment that the franchise should not be renewed and, at the request of the operator or on its own initiative, commence an administrative proceeding, after providing prompt public notice of such proceeding, in accordance with paragraph (2) to consider whether:

(A) the cable operator has substantially complied with the material terms of the existing franchise and with applicable law;

(B) the quality of the operator's service, including signal quality, response to consumer complaints, and billing practices, but without regard to the mix, quality, or level of cable services or other services provided over the system, has been reasonable in light of community needs;

(C) the operator has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in the operator's proposal;

(D) the operator's proposal is reasonable to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.

Steps in the formal process:

Step 1: The County conducts a proceeding to determine the community's needs and interests and to evaluate the operator's past performance.

Step 2: The County issues a “Request for Renewal Proposal.

Step 3: The operator submits a proposal.

Step 4: After evaluating the proposal, the County either accepts the proposal or issues a preliminary denial.

Step 5: If the preliminary denial was issued, the operator may request an administrative hearing, at which it can introduce evidence and cross-examine witnesses.

Step 6: At the completion of the administrative hearing, the County issues a written decision affirming or rejecting the preliminary denial.

Step 7: If the County's decision affirms the preliminary denial, the operator may appeal in federal court.

Applicable Federal Law

47 U.S.C. §541(b)(1)

Except to the extent provided in paragraph (2) and subsection (f), a cable operator may not provide cable service without a franchise.

47 U.S.C. §541(a)(4)

In awarding a franchise, the franchising authority—

(A) shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the franchise area;

(B) may require adequate assurance that the cable operator will provide adequate public, educational, and governmental access channel capacity, facilities, or financial support; and

(C) may require adequate assurance that the cable operator has the financial, technical, or legal qualifications to provide cable service.

Applicable State Law

The Virginia General Assembly passed HB 568 in 2006, which standardized the taxes and fees paid by cable providers across the Commonwealth. Title 58.1, chapter 6.2 of the Virginia Code eliminated franchise fees for all cable operators effective January 1, 2007. The Virginia Communications Sales and Use Tax is now collected by the Commonwealth and, by formula, distributes to the County a percentage of the overall tax.



May 3, 2017

Mr. Percy Ashcraft
County Administrator
PO Box 68
Prince George, Virginia 23875

Subject: FRANCHISE RENEWAL.

Dear Mr. Ashcraft:

We at Comcast appreciate the opportunity to serve the citizens of Prince George County. It is our credo that *we will deliver a superior experience to our customers every day. Our products will be the best and we will offer the most customer-friendly and reliable services in the market.* In living our credo, we look forward to providing broadband services to our customers in the County for many years to come. Therefore, we are taking this step to ensure the renewal of our franchise with you that expires February 06, 2020.

The Cable Communications Policy Act of 1984 ("the 1984 Cable Act") encourages franchisors and cable operators to reach renewal agreements at any time through an informal process of discussion. However, Section 626 of the 1984 Cable Act also provides for commencement of a formal renewal procedure. To preserve our statutory rights to this formal procedure, this letter is our official notice to you invoking that provision.

This letter is not intended to introduce a new formality into our discussions, nor is that the intention of the 1984 Cable Act. In fact, we prefer to reach a mutually satisfactory agreement through informal negotiations, thus making many of the 1984 Cable Act's formal procedures unnecessary.

I will be happy to discuss this matter with you, or provide any additional information that you may require. My direct line is 434-238-0729. I look forward to meeting with you in the near future and to continuing a relationship that, we believe, benefits both the community and the residents of Prince George County.

Sincerely,

A handwritten signature in blue ink, appearing to read "N Daugherty", is positioned above the typed name.

Nathan Daugherty
Manager, Government Affairs

cc: Donna Rattley Washington, Beltway Division Vice President of Government Affairs
Michael Ruger, Senior Director of Government Affairs



FEB 23 2009

Comcast Cable
5401 Staples Mill Road
Richmond, VA 23228

February 23, 2009

John G. Kines, Jr
Administrator
County of Prince George
P.O. Box 68
Prince George VA 23875-0068

Dear Mr. Kines:

I am in receipt of your letter dated February 17, 2009 regarding your concerns about Comcast's payment of 2008 fees to the County and with the status of Comcast's cable franchise. I would be happy to address those issues.

With regard to the payment of franchise fees, please be advised that the Virginia General Assembly passed HB 568 in 2006, which simplified and standardized the taxes and fees paid by telecommunications and cable providers across the Commonwealth. The changes, which are codified in Title 58.1 chapter 6.2 of the Virginia Code, eliminated franchise fees for all cable operators effective January 1, 2007 and replaced them with the Virginia Communications Sales and Use Tax. The tax is collected monthly by communications providers, including cable operators like Comcast, from customers and remitted to the State. The State aggregates the collections from all providers (including cable, telephone and satellite companies) and makes monthly payments to each locality using a formula that reflects the county's percentage of the overall tax. Therefore, Comcast was not required to make any franchise fee payments in 2008 and instead made the required Communications Tax payments.

Your letter also addresses the validity of Comcast's franchise with Prince George County. Comcast is the successor in interest to the franchise agreement that was granted to Tele-Media Company in 1995 for a 25 year term. That franchise agreement was effective on February 7, 1995 and expires on February 6, 2020. Under federal law, as the successor to the Tele-Media franchise agreement, Comcast has a valid cable television franchise with the County through that date.

If you have any further questions please do not hesitate to contact me at (804) 915-5459 or contact our government relations director, Ken Dye at (804) 915-5302.

Sincerely,

A handwritten signature in black ink that reads "Henry Pearl".

Henry Pearl
Area Vice President, Operations

Expires
Feb 6, 2020

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO TELE-MEDIA COMPANY OF HOPEWELL/PRINCE GEORGE AND ITS SUCCESSORS AND ASSIGNS TO OPERATE AND MAINTAIN A COMMUNITY TELEVISION SYSTEM; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF FRANCHISE; PROVIDING FOR THE COUNTY REGULATION OF THE COMMUNITY TELEVISION SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.

BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF PRINCE GEORGE COUNTY, VIRGINIA, THAT

1. SHORT TITLE. This ordinance shall be known and may be cited the "Community Antenna Television Franchise Ordinance" (Ordinance).

2. DEFINITIONS. For the purpose of this Ordinance the following terms, phrases, words, and their derivations shall have the meaning given herein. Terms or art not otherwise defined herein, whether capitalized or not, shall have the meanings ascribed to them in the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"). 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 always mandatory and not merely directory.

- 2-1 "County" is the unincorporated portion of the County of Prince George, Virginia
- 2-2 "Grantee" is Tele-Media Company of Hopewell/Prince George, or any person or entity who succeeds Tele-Media Company of Hopewell/Prince George as Grantee hereunder in accordance with the provisions of this franchise
- 2-3 County Administrator is the County Administrator of Prince George County, Virginia
- 2-4 "Board of Supervisors" is the Board of Supervisors of Prince George County, Virginia
- 2-5 "Person" is any person, firm, partnership, association, corporation, company or organization of any kind
- 2-6 "Community Antenna Television System," hereinafter referred to as "CATV System" or "System", means a system of coaxial cables or other electrical conductors and equipment used or to be used primarily to receive television or radio signals directly or indirectly off-the-air and transmit them to subscribers for a fee
- 2-7 "Annual Gross Operating Revenues" means any and all compensation and other consideration derived directly by Grantee from subscribers in the County for regularly furnished Basic CATV service, and shall not include ~~revenues derived from per channel charges, per program charges, leased channel revenues, advertising revenues or taxes on services furnished by Grantee imposed directly~~

- on any subscriber or user by any town, county, state or other governmental unit and collected by Grantee for such governmental unit.
- 2-8 FCC shall mean the Federal Communications Commission
- 2-9 Residential Subscriber (Subscriber) shall mean a purchaser in good standing of any service that a Grantee delivers to any Home provided that that service is not utilized in connection with a business, trade or profession.
- 2-10 Home is any single family dwelling unit whether a house, apartment, trailer or rented room.
- 2-11 Local Government Occupied Buildings are those buildings owned in whole or in part by Prince George County, Virginia or occupied in whole or part by County officials in furtherance of County government objectives and shall include without limiting the generality of the foregoing all volunteer fire and/or rescue companies located within the County.
- 2-12 Signals shall mean and refer to all frequencies provided by or permitted to be inserted by a Grantee on the System operated by such Grantee.
- 2-13 Streets shall mean all public streets, alleys, public rights of way now laid out or dedicated within the County.
- 2-14 1992 Cable Act is the Cable Television Consumer Protection & Competition Act of 1992 amending the Communications Act of 1934 (the "1992 Cable Act").

SECTION 3. GRANT OF AUTHORITY. There is hereby granted by the County to Grantee 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 the County, on poles, wires, cable, underground conduits, manholes, and other television conductors, and fixtures, and to use poles, wires, cables and other facilities of persons, providing consent is obtained from such persons, necessary for the maintenance and operation in the County a community television system for the interception, sale and distribution of television and radio signals.

- 3-1 Non-exclusive Grant. The right to use and occupy said streets, alleys, public ways and places, or the ~~facilities of other places for the purposes herein set forth~~ shall be non-exclusive, and the County 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 the Franchise.

3-2 No franchise granted hereunder shall limit Grantee to serving only one portion of the County, it being the intent of this Ordinance to allow Grantee to construct, operate and maintain a CATV system to all unserved portions of the County to which they desire to extend such service, subject only to the requirements of this Ordinance.

SECTION 4. RATES. The County specifically retains all rights to regulate the rates for the provision of cable service subject to the provisions of relevant Federal and State legislation.

SECTION 5. COMPANY LIABILITY - INDEMNIFICATION. It is expressly understood and agreed by and between Grantee and the County that Grantee shall, and does by its acceptance of this Ordinance specifically agree to save the County harmless from all losses sustained by the County on account of any suit, judgement, execution, claim or demand whatsoever resulting from the granting of this Franchise. The above shall include, but shall not be limited to damages arising out of copyright infringement and all other damages arising out of the installation, operation or maintenance of the CATV system authorized herein, whether or not any act or omission complained of is authorized, allowed, or prohibited by this Franchise.

5-1 Grantee, by its acceptance of this Ordinance, specifically agrees that it shall maintain throughout the term of its Franchise, liability insurance, insuring the County and the Grantee against all claims or damages in the minimum amounts of at least:

- (1) \$1,000,000 for bodily injury or death to any one person, and \$1,000,000 for bodily injury or death resulting from any one accident.
- (2) \$1,000,000 for property damages resulting from any one accident.
- (3) All of the foregoing insurance contracts shall be issued and maintained by companies authorized to do business in the Commonwealth of Virginia and acceptable to the County and said contracts shall provide for thirty (30) days written notice of any cancellation to both the County and the Grantee herein.

SECTION 6. COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES. Grantee shall, at all times during the life of its franchise, be subject to all lawful exercises of the police power by the County and to such reasonable regulation as the County, State or Federal Government shall hereafter provide. Any lawful modification resulting from amendment of Cable Operational Rules and Technical Standards Part 76 of the Rules and Regulations of the FCC shall be incorporated into this Ordinance on the date such modifications become obligatory under federal regulations, or in the event no obligatory date is established, within one year of adoption, or at the time of the renewal of the terms of its Franchise, which ever occurs first.

SECTION 7. TERRITORIAL AREA INVOLVED. This Ordinance relates to the present unincorporated areas of the County.

7-1 Except as provided in Section 7-2 of this Ordinance, Grantee shall provide service to all Persons requesting such within the County, contiguous to Grantee's existing System, as long as it is economically feasible to do so. As used herein "economically feasible" shall mean that there are at least 15 occupied homes per linear mile and shall be based upon a measurement taken from the outermost extremity of the potential extension area back through and measured along the shortest path of available streets, alleys, public right of ways and public places now laid out or dedicated for such, inclusive of limited access and private easements.

15 homes per linear mile

7-2 Grantee shall be entitled to recover from each Person desiring to become a Subscriber, whose Home is contiguous to Grantee's existing System, in those instances where the economically feasible requirements of Section 7-1 of this Ordinance are not met, the direct, total cost of that portion of combined trunk and feeder line extension which exceeds one hundred fifty feet and shall be based upon a measurement taken from the outermost extremity of the line extension area back through and measured along the shortest path of available streets, alleys, public ways and public places now laid out or dedicated for such, inclusive of all limited access and private easements, and including any existing System contiguous thereto from which an extension can be made. Each Person along the extension area shall share on a pro-rata footage basis the direct total cost of constructing the line extension pursuant to the following payment plan: 1/3 thereof to be paid prior to Grantee's ordering all required line extension materials, 1/3 thereof to be paid upon delivery of all required line extension materials

and prior to Grantee's commencing construction of the line extension and the final 1/3 thereof to be paid prior to Grantee's connecting each person to the System as a Residential Subscriber. Each Person not initially contributing to the direct total cost of the line extension pursuant to the payment plan specified in this section or in the instance of each additional Home constructed and occupied along the line extension or in the instance of a Home in existence and not occupied at the time of construction of the line extension, shall prior to Grantee's connecting such Person to Grantee's System as a Residential Subscriber reimburse each Person who made the initial payment pursuant to the payment plan specified in this section on a pro-rata footage basis.

- 7-3 Each person contributing toward the direct total cost of the line extension agrees to waive all ownership interest in the line extension. All equipment and components of the line extension, including but not limited to cable wire, electronics and pedestals shall at all times remain the exclusive property of the Grantee.
- 7-4 Grantee shall install a CATV service drop line to Residential Subscribers of a Home requesting such. The cost of the service line installation will be at the rate specified in Grantee's prevailing schedule of Installation Charges.

SECTION 8. APPLICATION TO FCC. Grantee shall, within sixty (60) days from the date of the acceptance of its Franchise, make proper application to the FCC for all permits, licenses or approvals required by law for the construction and operation of a CATV system and shall promptly and diligently pursue the granting of all applicable FCC permits.

SECTION 9. OPERATION AND MAINTENANCE OF SYSTEM. Grantee shall operate its Cable System as required by the FCC's Rules and Regulations, including any and all minimum standards, and updates thereof, prescribed by the FCC pursuant to the provisions of Section 16 of the 1992 Cable Act (amending Section 624 (e) of the Communications Act of 1934), and, pending the FCC's adoption of the aforereferenced standards, shall ensure compliance with all provision of FCC Rule Section 76.605 (Technical Standards), and any ~~amendments thereto, throughout all parts of the County to which it~~ provides service.

Grantee shall render efficient service, respond to Subscriber service problems and correct malfunctions as promptly as possible, and, under normal circumstances, shall respond immediately to service outages involving more than one Subscriber in a localized service area and shall respond to service outages involving an individual Subscriber only by the end of the business day next following receipt of notice of such outage, taking into consideration safety and force majeure circumstances.

Grantee shall maintain a local business office or agent which Subscribers may telephone during regular business hours without incurring added toll charges so that CATV maintenance service shall be promptly available. Grantee shall maintain an emergency maintenance phone available to all Subscribers on a toll-free basis.

Grantee shall comply with customer service standards established by the FCC pursuant to Section 8 of the "1992 Cable Act" (amending Section 632 of the Communications Act of 1934) upon adoption by the FCC of such standards

SECTION 10. RULES AND REGULATIONS GOVERNING OPERATION. Grantee shall render its service in accordance with the rules and regulations as specified herein, in the County now applicable to their operation, or such rules and regulations as may be hereafter promulgated by the County or by any public regulatory agency of the State of Virginia or the United States.

SECTION 11. COMPLIANCE WITH THE CABLE ACT AND THE RULES AND REGULATIONS OF FEDERAL COMMUNICATIONS COMMISSION. Grantee and the County shall, at all times, comply in all material respects with the provisions of the "1992 Cable Act" and the Rules and Regulations promulgated by the FCC, as the same may be amended from time to time, with respect to the operation of the System. This obligation shall include adherence in all material aspects by Grantee to the Rules and Regulations of the FCC with respect to technical and engineering specifications involved in the construction of CATV systems and signal carriage therein and adherence in all material respects by the County with the obligations applicable to a "franchising authority" under the "1992 Cable Act". In order to inform the residents of the County as to the channel carriage and programming the System, Grantee will utilize local advertising.

SECTION 12. PROGRAM ALTERATION. All programs of broadcasting stations carried by Grantee shall be carried in their entirety as received, with announcements and advertisements and without additions.

SECTION 13. SERVICE TO LOCAL GOVERNMENT OCCUPIED BUILDINGS AND COUNTY SCHOOLS AND PUBLIC SCHOOLS. Upon request from the County Grantee shall install one (1) cable television service drop connecting one (1) television set for the reception of Basic Service, as such is currently and hereinafter defined, in each of the County's municipal owned buildings, fire department main building and rescue squad main building. Such installation and monthly service to one (1) television outlet shall be at no cost to the County, fire department and rescue squad. Installation of additional television sets will be billed to the County Administrator in accordance with Grantee's prevailing installation and monthly service charges or if custom work is required, at time and materials.

*rescue squad
never done.*

SECTION 14. EMERGENCY USE OF FACILITIES. In the case of any emergency or disaster, Grantee shall, upon request of the Board of Supervisors, make its facilities accessible to the County for use during such emergency or disaster period, provided such access is technically feasible, subject to such standards as the FCC may prescribe pursuant to Section 16 (b) of the 1992 Cable Act (amending Section 624 of the Communications Act of 1934 relating to emergency information).

SECTION 15. OTHER BUSINESS ACTIVITIES.

- (a) Grantee hereunder shall not engage in the business of selling, repairing, or installing television receivers, radio receivers or accessories for such receivers within the County during the term of its Franchise.
- (b) This Ordinance authorizes only the operation of a CATV system as provided for herein, and does not take the place of any other franchise, license, or permit which might be required by Grantee.

SECTION 16. PROMULGATION OF RULES. 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 the proper operation of the CATV System, and to assure an uninterrupted service to each and all of its Subscribers. Provided, however, that such rules, regulations, terms and conditions shall not violate provisions hereof or the laws of the State of Virginia or of the United States.

SECTION 17. SAFETY REQUIREMENTS.

- (a) Grantee shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisance to the public.
- (b) Grantee shall install and maintain its wires, cables, fixtures, and other equipment in accordance with the requirements of the National Electric Code, and in such manner that they will not interfere with any installation to the County or of a public utility serving the County.
- (c) All structures, and all lines, equipment and connections in, over, under and upon streets, sidewalks, alleys, and public ways and places of the County, where ever situated or located, shall at all times be kept and maintained in a safe, suitable, substantial condition, and in good order and repair.

Coax on ground

SECTION 18. CONDITIONS OF STREET OCCUPANCY.

- 18-1 Use. All transmission and distribution structures, lines and equipment erected by Grantee or used in other poles or facilities within the County shall be so located as to cause minimum interference with the proper use of streets, alleys and other public ways and places to cause minimum interference with the rights of reasonable convenience of property owners who adjoin any of the said streets, alleys, or other public ways and places.
- 18-2 Restoration. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, Grantee shall, at its own cost and expense and in a manner approved by the County Administrator or his duly appointed agent, replace and restore all paving, sidewalk, driveway or surface of any street or alley disturbed in as good conditions as before said work was commenced.
- 18-3 Relocation. In the event that at any time during the period of Grantee's Franchise the State or County shall lawfully elect to alter, or change the grade of any street, alley or other public way, or to alter, change, or install public utilities, Grantee, upon reasonable notice by the State or County, shall remove, relay, and relocate its poles, wires, cables, and underground conduits, manholes and other fixtures at its own expense.

- 18-4 Placement of Fixture. Grantee shall not place poles or other fixtures where the same will interfere with any gas, electric or telephone fixture, water hydrant, or water and sewer mains, and all such poles or other fixtures placed in any street or otherwise shall be placed within the dedicated easements for such and then in such a manner as not to interfere with the usual travel on said streets, alleys and public ways, all to be approved by the County Administrator, or his duly appointed agent or said County and in accordance with existing County policy.
- 18-5 Temporary Removal of Wire for Building Moving. Grantee shall, on the request of any person holding a building moving permit issued by the County, temporarily raise or lower its wires to permit the moving of buildings. The expense of such temporary removal, raising or lowering of wires shall be paid by the person requesting the same, and shall not exceed the actual costs of the Grantee. Grantee shall have the authority to require such payment in advance. Grantee shall be given no less than three (3) days advance notice to arrange for such temporary wire changes.
- 18-6 Tree Trimming. Grantee shall have the authority to trim trees upon an overhanging street, alleys, sidewalks and public places of the County so as to prevent the branches of such trees from coming in contact with the wires and cables of the County and at Grantee's expense.

SECTION 19. PREFERENTIAL OR DISCRIMINATORY PRACTICES PROHIBITED. Grantee shall not, as to rates, charges, service facilities, rules, regulations or in any other respect, make or grant any preference or advantage, provided nothing in this Ordinance shall be deemed to prohibit the establishment of a graduated scale of charges for bulk billed multiple installations at the same time or within the same building, nor shall it be deemed to prohibit the Grantee from providing free basic service to County schools, or local government occupied buildings.

SECTION 20. REMOVAL OF FACILITIES UPON REQUEST. Upon termination of service to any subscriber, Grantee shall promptly remove all its facilities and equipment from the premises of such Subscriber upon request of the Subscriber.

SECTION 21. COUNTY RIGHT IN FRANCHISE.

- 21-1 County Rules. The right is hereby reserved by the County to adopt, in addition to the provisions herein contained and existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of the police power, provided that such regulations, by ordinance, or otherwise, shall be reasonable, and not in conflict with the rights herein granted and shall not be in conflict with the laws of the State of Virginia or of the United States.
- 21-2 Use of System by County. The County shall have the right during the life of Grantee's Franchise to install and maintain free of charge upon the poles of Grantee any wire and pole fixtures necessary for a police or fire alarm system so long as such wires and pole fixtures do not interfere with the CATV operation of Grantee and are installed in accordance with the requirements of the National Electric Code.
- 21-3 Supervision and Inspection. The County shall have the right to supervise all construction or installation work performed subject to the provisions of this Ordinance and to make such inspections as it shall find necessary to insure compliance with governing ordinances.
- 21-4 Procedure after Expiration of Franchise. At the end of the Franchise term, the County shall have the right to determine whether Grantee shall continue to operate and maintain its System pending the decision of the County as to the granting of another Franchise for its future maintenance and operation of such System.

SECTION 22. PAYMENT TO THE COUNTY. Grantee shall pay to the County annually the amount equal to three percent (3%) or a higher percentage, but not to exceed the 5% limit as provided in Sec. 14 of the "1992 Cable Act", of the Annual Gross Operating Revenues during the year for the use of the streets and other facilities of the County in operation of the CATV system and for municipal supervision thereof. Such fee shall be paid not later than one hundred fifteen (115) days after the close of the Grantee's fiscal year.

SECTION 23. RECORDS AND REPORTS. The County shall have access during normal business hours to all of the Grantee's plans, contracts, and engineering, accounting, financial, statistical, customer and service records relating to the property and operation of Grantee and to all other records required to be kept hereunder; provided that nothing contained herein shall be construed to allow the County or any other person(s) access to any personally identifiable information concerning any Subscriber.

23-1 Company Rules and Regulations. Grantee shall have the right to adopt reasonable rules, regulations, terms and conditions governing the conduct of its business. Copies of such rules, regulations, terms and conditions adopted by the Grantee for the conduct of its business shall be available to Subscribers and to the County.

23-2 Gross Revenue. Grantee shall file an annual summary report showing gross revenue received by the Grantee from its operations with the County during the preceding year and such other information as the County shall request and such other properties and expenses related to the Grantee's services within the County.

SECTION 24. TERM OF FRANCHISE. The Franchise and rights granted hereunder shall take effect and be in force from and after the final passage thereof, as provided by law and upon filing of acceptance and all other instruments required herein by Grantee with the Board of Supervisors, and shall continue in force and effect for a term of twenty five (25) years.

SECTION 25. TRANSFER OF FRANCHISE. Grantee shall not sell or transfer its CATV System, nor transfer any rights under a Franchise to another person without prior written approval by the Board of Supervisors and such approval shall not be unreasonably withheld. No sale or transfer shall thereafter be effective until the vendee, assignee or lessee has filed in the office of the County Administrator an instrument, duly executed, reciting the fact of such sale, assignment or lease.

SECTION 26. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is not 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 hereof.

SECTION 27. PENALTIES. Any violation by Grantee, its vendee, lessee or successor, of the provisions of this Franchise or any material portions thereof, or the failure promptly to perform any of the provisions thereof, shall be cause for the forfeiture of this Franchise and all rights hereunder to the County after written notice to Grantee and continuation of such violation, failure or default.

SECTION 28. SIGNAL QUALITY REQUIREMENTS: SERVICE TO BE PROVIDED.

- (1) Grantee shall engineer, install, maintain, operate and equip the System herein provided so as to meet the technical standard of the FCC and the 1992 Cable Act.
- (2) The signals distributed by Grantee shall be the best possible signals available under the circumstances existing at the time and shall provide the best possible quality reception to each Subscriber.
- (3) Grantee shall demonstrate by instruments and otherwise to the Board of Supervisors that a signal of adequate strength and quality is being delivered.
- (4) The following channels shall be available through the Community Antenna Television System, subject to the provisions of Section 4 and Section 5 of the 1992 Cable Act and any subsequent enactment governing channel carriage:

TELE-MEDIA COMPANY OF HOPEWELL/PRINCE GEORGE
 Service in Hopewell/Prince George County
 Channel Line-Up

<u>Basic Lifeline (\$12.70)</u>	
Ch.#	
2	Local Advertising/PPV
3	WGN, Chicago, IND Ch.9
4	QVC
5	WTVR, Richmond, CBS Ch.6
6	WZXX, Ashland, IND, Ch.65
7	WRLH, Richmond, IND Ch.35
8	WCVE, Richmond, PBS Ch.23
9	WRIC, Richmond, ABC Ch.8
10	WTBS, Atlanta, IND Ch.17
11	WCVW, Richmond, PBS, Ch.57
12	WNOR, New York, IND Ch.9
13	WWBT, Richmond, NBC Ch.12
14	Prevue Guide
15	TBN
17	C-SPAN
<u>Tier I (\$13.55)</u>	
20	HTS
22	MTV
24	Nickelodeon
25	The Discovery Channel
26	CNN - Headline News
27	The Weather Channel
28	VH-1
29	Lifetime
30	TNT
31	USA
32	A&E
33	CNN
34	BET
35	TNN
36	ESPN
37	SCI FI
<u>Premium Services</u>	
16	Disney \$ 8.95
18	The Movie Channel \$11.50
19	Showtime \$11.50
21	HBO \$11.50
23	Cinemax \$11.50

SECTION 29. FRANCHISE REVOCATION.

(a) Whenever Grantee shall refuse, neglect or willfully fail to construct, operate or maintain its cable television system or to provide service to its Subscribers in substantial accordance with the terms of this Ordinance and any agreement representing the grant of a Franchisee, or any applicable rule or regulation, or materially breaches its Franchise Agreement, or practices any fraud or deceit upon the County or its Subscribers within the County or if such Franchisee becomes insolvent, as adjudged by a court of competent jurisdiction, or is unwilling or unable to pay its uncontested debts, or is adjudged bankrupt, or seeks relief under the bankruptcy laws, then the Franchise may be revoked.

(b) In the event the County believes that grounds for revocation exist or have existed, it will notify Grantee in writing, setting forth the facts on which such belief is grounded. If, within thirty (30) days following such written notification, the Grantee has not furnished reasonably satisfactory evidence that corrective action has been taken or is being actively and expeditiously pursued, or that the alleged violations did not occur, or that the alleged violations, except those involving financial matters, were beyond Grantee's control, the County may call and give notice of a hearing to consider revocation of Grantee's Franchise. If the County, following such hearing, finds that grounds for revocation exist, it may thereupon by Ordinance duly adopted revoke for cause the Franchise granted to Grantee.

SECTION 30. NOTICE REQUIREMENTS FOR MATTERS AFFECTING EXISTING FRANCHISE. Every direction, notice or order to be served upon Grantee, shall be sent certified return receipt to the office designated by Grantee whose address shall be provided to the Board of Supervisors before the Grantee commences operation of his System. Every notice to be served upon the Board of Supervisors shall be delivered to the Prince George County Administrator, P.O. Box 68;6400 Courthouse Road, Prince George, VA 23875. The delivery of such notice shall be deemed to have been at the time of receipt.

SECTION 31. AMENDMENTS TO THIS ORDINANCE. At any time during the term of any Franchise granted pursuant to this Ordinance, the County or Grantee may propose amendments to this Franchise Ordinance by giving written notice of such proposed amendments to all other parties directly affected by such proposals and the County and Grantee shall within a reasonable time after such notice negotiate in good faith to agree on a mutually satisfactory amendment.

SECTION 32. ACCEPTANCE OF FRANCHISE. No Franchise shall be deemed as granted pursuant to this Ordinance unless such grant be approved by a Resolution adopted by the Board of Supervisors and within thirty (30) days after such approval the applicant therefore acknowledges, in a writing provided by the County, its acceptance of the provisions of this Ordinance.

SECTION 33. FORCE MAJEURE. Notwithstanding any provision to the contrary contained herein, neither the County nor any Grantee shall be held liable for, or suffer any penalty or detriment for, any failure to comply with any provision of this Ordinance or any franchise granted hereunder, if such failure to comply arises from any act of God or any other condition not within the reasonable control of such non-complying person.

ENACTED AND ORDAINED BY THE BOARD OF SUPERVISORS OF PRINCE GEORGE COUNTY, VIRGINIA, this 10th day of January, 1945.

PRINCE GEORGE COUNTY, VIRGINIA

William L. Williams
Chairman

W. L.

ATTEST:

[Signature]
Secretary



F-69

Board of Supervisors
County of Prince George
Prince George, Virginia

Ordinance

An ordinance adopted at a regular meeting of the Board of Supervisors, County of Prince George, held in the General District Courtroom at Prince George Court- house on the 25th day of October, 1983:

<u>Present:</u>	<u>Vote:</u>
E. W. Burrow, Chairman	Yea
H. W. Williams, Jr., Vice Chairman	Yea
Samuel L. Bland	Yea
Harry G. King	Yea
Henry D. Parker, Jr.	Yea

On motion of Mr. Williams, which carried unanimously, the following ordinance was adopted:

An Ordinance amendment to Chapter 5A entitled "Cable Television", Section 5A-1 entitled "Cable television operation; grant of franchise" by numbering the first paragraph as subsection (a) and adding a new subsection (b) for the purpose of including a franchise agreement with Sammons Communications of Virginia, Inc. for cable tele- vision service within the County of Prince George:

BE IT ORDAINED by the Board of Supervisors of the County of Prince George this 25th day of October, 1983 that Chapter 5A entitled "Cable Television" is hereby amended as follows:

1. Denote first paragraph as subsection (a).

2. Add a new subsection (b) as follows:

A franchise is hereby granted to Sammons Communications of Virginia, Inc. its successors and assigns, to own, operate and maintain a cable television system in Prince George County in accordance with terms and conditions set forth in an agreement dated October 25, 1983. Reference is made to said agreement for the terms and conditions of this franchise. (Ord. No. 0-83-10, 10-25-83)

Adopted October 25, 1983 and made effective upon its adoption.



OPG CLK 1178
OFFICE OF THE
COUNTY ADMINISTRATOR
JOHN G. KINGS, JR.

COUNTY OF PRINCE GEORGE

BOARD OF SUPERVISORS
SAMUEL L. BLAND
LAWRENCE L. COLEMAN
JOHN H. MINOR
HENRY D. PARKER, JR.
MARION B. WILLIAMS

February 3, 1995

Rec'd 2/7/95

Mr. Thomas A. Olsen
Assistant Vice-President
and General Manager
Telemedia Company of Hopewell/Prince George
2200 River Road
Prince George, VA 23875

Dear Mr. Olsen:

Enclosed herewith are the following documents:

- (1) Original of "Franchise Agreement, Tele-Media Company of Hopewell/Prince George with Prince George County"
- (1) Copy of ordinance adopted by the Prince George County Board of Supervisors at its January 10, 1995 meeting, known as "Community Antenna Television Franchise Ordinance"

Please execute and return the original "Franchise Agreement..." to the County Administrator's Office, P.O. Box 68, Prince George, VA 23875 after making a copy for your company. The ordinance copy is for your records. If you have any questions on this, please feel free to call me at (804) 733-2600.

Sincerely,

Nancy E. Adams
Administrative Secretary

Encls.

RECEIVED FEB 10 1995

RECEIVED FEB 09 1995

*Jan
12/9/95*

*1) cc: ACY
2) file:
Prince
George
franchise
file*

TELE-MEDIA COMPANY
- MEMORANDUM -

TO: ERV, RKL
FROM: TAU/*AD*
DATE: February 8, 1995
RE: Prince George County Franchise

Enclosed for your records is a copy of the fully executed Franchise Agreement effective February 7, 1995 and a copy of the enabling Ordinance adopted by the Prince George Board of Supervisors on January 10, 1995.

TAO:smg

Enclosures:

cc: File

FRANCHISE AGREEMENT
Tele-Media Company of Hopewell/Prince George
with Prince George County

For, and in consideration of the provisions and conditions herein contained and the mutual benefits derived herefrom, the County of Prince George, Virginia, hereinafter known as the County, acting through its duly elected Board of Supervisors pursuant to Title 15.1, Section 23.1 of the Code of Virginia of 1950, as amended, and Tele-Media Company of Hopewell/Prince George, hereinafter known as the Company, do hereby enter into this agreement.

I. Franchise Grant.

The County does hereby grant unto the Company, its successors and assigns, a non-exclusive Franchise to erect, operate and maintain poles, cables, and all other electrical equipment, structures, or fixtures necessary and incidental to the construction, operation and maintenance of a Cable Television System over, upon, and across the streets, alleys, sidewalks, and other places of the County, and to use for such aforesaid purpose the property of other companies upon such arrangements and conditions as the Company and such other companies may agree, and to utilize such Cable Television System so constructed, operated and maintained to provide Cable Service for the use of the residents and citizens of said County, and for the persons, firms and corporations doing business therein, in accordance with and limited to the provisions of this Agreement and the Ordinance of the County known as the "Community Antenna Television Franchise Ordinance" (the "Ordinance"), and any duly enacted amendments thereto, for a period of twenty-five (25) years, commencing on the date of the Company's execution of this Agreement below.

II. Franchise Acceptance.

Pursuant to Section 32 of the Ordinance, the Company does hereby accept the Franchise granted herein by the County and agrees to erect, operate, and maintain a Cable Television System within the Service area and to provide Cable Service in accordance with this Agreement and as defined by the provisions and limitations of the aforesaid Ordinance, and any duly enacted amendments thereto.

III. Incorporation by Reference.

The above-cited Ordinance including the Definitions set forth or referenced therein and Exhibit A Prince George County Franchise Renewal Line Extensions are hereby incorporated herein and made a part hereof as if fully set forth herein, and the County and the Company do hereby agree to be bound by the terms, conditions, and provisions set forth therein and to be bound by the terms, conditions, and provisions of any duly enacted amendment thereto.

IN WITNESS WHEREOF, the parties have caused their respective authorized representatives to place their hands and seals to this Agreement, to be effective as of the latter-most date of its execution below.

COUNTY OF PRINCE GEORGE, VIRGINIA

Date: 2-2-95

By: Marion B. Williams
Chairman, Prince George County
Board of Supervisors

ATTEST:

[Signature]
County Administrator

TELE-MEDIA COMPANY OF
HOPEWELL/PRINCE GEORGE
By: Tele-Media Holding Corporation,
as General Partner

Date: 2/7/95

By: Thomas A. Olsen
Assistant Vice President
and General Manager

ATTEST:

Robert H. Jewell System Administrator (SEAL)

[Signature]

Prince George County
Franchise Renewal Line Extensions

<u>Year</u>	<u>Activity</u>	<u>Project #</u>	<u># Miles</u>	<u># Homes Passed</u>
1	a. Fielding, engineering, modeling of fiber optics backbone. Construction and activation of sections of fiber optic backbone.	096-001-25	TBD	TBD
	b. Construction of Warwick Hills	13	6.85 =====	124 ====
2	a. Completion of fiber optics backbone	096-001-25	TBD	TBD
	b. Construction of:			
	Lydia Lane	2	.20	5
	Hunters Ridge	3	1.15	23
	Moody Road	6	1.88	28
	Old Stage Road	7	6.60	129
	Heritage Road	8	3.60	63
			13.43 =====	248 =====
3	Construction of Carson	15	9.64 =====	256 =====
4	Construction of Disputanta	12	11.5 =====	212 =====
5	Construction of Burrowsville	9	11.5 =====	169 =====
6	Construction of:			
	Rt. 641	5	5.80	98
	Ruffin Road	16	.95	18
			6.75 =====	116 =====

<u>Year</u>	<u>Activity</u>	<u>Project #</u>	<u># Miles</u>	<u># Homes Passed</u>
7	Construction of:			
	Rt. 156	14	7.10	120
	Quaker Road	10	2.70	45
	Red Gate	11	.75	18
			<u>10.55</u>	<u>183</u>
			=====	=====
	TOTAL CONSTRUCTION		70.22	1308
			=====	=====