

**AGENDA
CITY COUNCIL
WORK SESSION
CITY OF WYOMING, MINNESOTA
MAY 19, 2026
5:30 PM**

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF A QUORUM:

NEW BUSINESS:

1. To discuss Midcontinent Franchise Agreement

ADJOURN



Request for Council Action

Date: May 14, 2026

Presented to: Mayor Iverson and City Council Members

Presented by: Robb Linwood, City Administrator

Department: Administration

Reference: Midcontinent Communications Franchise Agreement – Work Session

Method: New Business

Background Information:

Staff and legal counsel have been working throughout 2025 and 2026 on the renewal of the franchise agreement with Midcontinent Communications. Franchise agreements establish the terms and conditions for cable providers to utilize public right of way infrastructure and provide cable related services within the community. These agreements are typically negotiated on a long term basis, generally every ten years.

The purpose of this work session is to provide the City Council with an overview of the proposed agreement and review several notable provisions within the draft agreement. Topics will include franchise fee provisions, right of way and operational requirements, public access channel provisions, technical standards, and other regulatory requirements.

As part of the franchise agreement process, a public hearing will be required prior to formal adoption of the agreement by council. Staff anticipates bringing the agreement forward for a future public hearing at a regular council meeting following completion of the review process.



CITY OF WYOMING

P.O. Box 188, 26885 Forest Blvd., Wyoming, MN 55092
Phone: 651-462-0575 Fax: 651-462-0576

AN ORDINANCE GRANTING A FRANCHISE TO MIDCONTINENT COMMUNICATIONS TO OPERATE AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM IN THE CITY OF WYOMING, MINNESOTA; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THIS ORDINANCE.

The City of Wyoming ("City") ordains:

FINDINGS

In the review of the application of Midcontinent Communications, ("Grantee"), and as a result of a public hearing, the City makes the following findings:

- 1.) The existing cable franchise was executed on April 20, 2010 by and between the City and US Cable of Coastal-Texas L.P., and transferred to Grantee from US Cable of Coastal-Texas L.P. pursuant to the assignment executed on September 20, 2011, by Resolution No. 11-09-49.
- 2.) Grantee has preserved its right to renew the existing franchise by providing notice to the City of its intent to renew pursuant to 47 U.S.C. § 546.
- 3.) The City and Grantee wish to renew the existing franchise subject to the terms and conditions of this ordinance.
- 4.) 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;
- 5.) Grantee's plans for 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; and
- 6.) The Franchise granted to Grantee is nonexclusive and complies with the existing applicable Minnesota Statutes, federal laws, and regulations.

SECTION 1.

SHORT TITLE AND DEFINITIONS

- 1.) Short Title. This Cable Communications Ordinance shall be known and cited as the Midco Cable Franchise.
- 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 and the plural shall include the singular. The words "shall" and "will" are always mandatory and not merely directory. The word "may" is directory and discretionary and not mandatory.

(a) “Access Channels” means any Channel or portion of a Channel utilized for PEG programming.

(b) “Affiliated company” or “Affiliate” means a person, company, corporation, or other entity in which the utility has an affiliated interest as defined under Minn. Stat. § 216B.48, subdivision 1.

(c) “Applicable Laws” means any law, statute, charter, ordinance, rule, regulation, code, license, certificate, franchise, permit, writ, ruling, award, executive order, directive, requirement, injunction (whether temporary, preliminary, or permanent), judgment, decree, or other order issued, executed, entered, or deemed applicable by any governmental authority of competent jurisdiction.

(d) “Basic Cable Service” or “Basic Service” means any service tier which includes the lawful retransmission of local television broadcast signals, noncommercial educational television, and any public, educational, and governmental access programming required by the Franchise to be carried on the basic service tier. Basic Cable Service as defined herein shall not be inconsistent with 47 U.S.C. § 543(b)(7) or its requirements.

(e) “Cable Programming Service” means any Video Programming provided over a Cable System, regardless of service tier, including installation or rental of equipment used for the receipt of such Video Programming, other than:

- (1) Video Programming carried on the Basic Service Tier;
- (2) Video Programming offered on a pay-per-channel or pay-per-program basis; or
- (3) A combination of multiple channels of pay-per-channel or pay-per-program Video Programming offered on a multiplexed or time-shifted basis so long as the combined service:
 - a. consists of commonly-identified Video Programming; and
 - b. is not bundled with any regulated tier of service.

Cable Programming Service as defined herein shall not be inconsistent with the definition as set forth in 47 U.S.C. §543(l)(2) and 47 C.F.R. 76.901(b) (1993).

(f) “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 or use of such Video Programming or other programming service.

(g) “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.
- (h) “Channel” means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel as defined by the FCC by regulation, as set forth in Applicable Law, currently 47 U.S.C. § 522(4).
- (i) “City” means the City of Wyoming, Minnesota, or the lawful successor, transferee, or assignee thereof.
- (j) “Converter” means an electronic device, including digital transport adapters, which converts signals to a frequency not susceptible to interference within the television receiver of a Subscriber, and by an appropriate Channel selector also permits a Subscriber to view all signals included in the Basic Cable Service tier delivered at designated converter dial locations.
- (k) “Drop” means the cable that connects the ground block on the Subscriber's residence, building, or institution to the nearest feeder cable of the System.
- (l) “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.
- (m) “FCC” means the Federal Communications Commission and any legally appointed, designated, or elected agent or successor.
- (n) “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 the City, 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 or an MVPD System.
- (o) “Grantee” is Midcontinent Communications, its agents and employees, lawful successors, transferees, or assignees.

(p) “Gross Revenue” means any and all revenues directly or indirectly received by the Grantee or any Affiliate, from or in connection with the operation of the Cable System to provide Cable Services within the municipal boundaries of the City. The term “Gross Revenues” shall be construed broadly to include, by way of example but not limitation, all revenues, without regard for residential and commercial customers, derived from the provision of Cable Services, (including but not limited to pay or premium Cable Services, pay-per-view, pay-per-event, video-on-demand, and Pay Television), guides, all Cable Service fees and surcharges, (including but not limited to late fees, convenience fees, technology fees, administrative fees, Installation, configuration, connection, disconnection, change-in service, additional outlet, and reconnection fees, upgrade and downgrade fees, HD fees, broadcast fees, regional sports fees, home tech support fees, bill pay fees, and account hold/snow-bird fees), any fees or charges from the sale, lease, rental, or servicing of any Converter, Lockout Device, digital video recorder, remote control, and Cable Service equipment, home shopping revenue (including commissions and revenue sharing), advertising revenue, pole attachment/over-lashing rent, tower rent, and any revenues or fees for network capacity and for Channels designated for commercial/leased access use and shall be allocated on a pro rata basis using total Cable Service Subscribers within the City. Gross Revenue shall not include fees for the sale, leasing, or servicing of equipment, network capacity and facilities rent for the provision of non-cable services (voice or data services), refundable deposits, actual bad debt write-offs (except for any revenues received or portions subsequently collected), investment income, unaffiliated third-party advertising sales agency fees, any fees itemized and passed through as a result of Franchise imposed requirements, or any taxes, fees or assessments of general applicability imposed or assessed by any Governmental Authority. A Franchise fee is not such a tax, fee or assessment. Gross Revenues shall not include any PEG Fees billed to or collected from Subscribers.

Grantee shall calculate revenues to be included in Gross Revenues using GAAP methodology and shall allocate revenue on a pro rata basis when comparing the bundled service price and its components to the sum of the most recent published rate card rate for the components, except it is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value. This calculation shall be applied to every bundled service package containing Cable Service from which Grantee receives or derives revenues in the City and must be updated within sixty (60) days of any rate change date for cable and/or noncable services is implemented for a service package containing Cable Service or the date any rate change is implemented for any service included in a service package that contains Cable Service. The City reserves its right to review and to challenge Grantee’s calculations

(q) “Headend” means the electronic control center of a cable communications system, which includes antennas, preamplifiers, frequency converters, demodulators, modulators and other related equipment which receives, amplifies, filters and converts incoming signals to cable system channels.

(r) “Installation” means the connection of the System from feeder cable to the point of connection, including Standard Installations and custom installations.

- (s) “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 System.
- (t) “Multichannel Video Program Distributor” or “MVPD” means a person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, an Open Video Services provider, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming.
- (u) “Open Video Services or OVS” means any video programming Services provided to any person by a Person certified by the FCC to operate an Open Video System pursuant to Section 47 U.S.C. 573, as may be amended, regardless of the facilities used.
- (v) “Pay Television” means the delivery over the System of pay-per-channel or pay-per-program audio-visual signals to Subscribers for a fee or charge, in addition to the charge for Basic Cable Service or Cable Programming Services.
- (w) “Person” is any person, firm, partnership, association, corporation, company, or other legal entity.
- (x) “Standard Installation” means any installation which can be completed using a Drop of one hundred fifty (150) feet or less, measured in straight line distance (i.e. as the crow flies) to the Subscriber's connection point, and not measured in linear feet. When providing any non-standard installation, Grantee shall only bill the marginal costs or expenses that are in addition to providing a Standard Installation.
- (y) “Street” means the surface of, and the space above and below, any public street, road, highway, freeway, lane, alley, path, court, sidewalk, parkway, or driveway, or any dedicated rights-of-way for travel purposes or utility easement now or hereafter held by City.
- (z) “Subscriber” means any Person who lawfully receives Cable Service.
- (aa) “Video Programming” means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

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 or an MVPD System to provide Cable Service or Video Programming, including OVS, in the City without a Franchise in the form of this Franchise authorizing the same, unless applicable federal or State law prohibits the City's enforcement of such a requirement.

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 now opened and all extensions thereof, and additions thereto in City, poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary and pertinent for the maintenance and operation in City of a Cable System as herein defined. Except, however, that no Street shall be used by Grantee if the City, in its sole discretion, determines that such use is inconsistent with the terms, conditions, or provisions by which such Street was created or dedicated, or presently used.

(b) This Franchise shall be nonexclusive, and City reserves the right to grant a similar use of said Streets to any Person at any time during the period of this Franchise, provided, however, that any additional Franchise shall include the same substantive terms and conditions as this Franchise.

(c) Grantee's rights under this Franchise are subject to the police powers of the City to adopt and enforce ordinances necessary to the health, safety, and welfare of the public. Grantee shall comply with all applicable general laws and ordinances enacted or amended by the City pursuant to its police powers throughout the duration of this Franchise.

(d) Grantee will comply with the standards for franchises under Minnesota laws and regulations. Grantee and City shall conform the terms of this Franchise to state laws and rules regarding Cable Systems, Cable Services, and franchise agreements not later than one year after they become effective and to conform to federal laws and regulations regarding cable as they become effective.

(e) Grantee will maintain its property so as not to interfere with the usual and customary trade, traffic, or travel upon the Streets and public places of the City or endanger the life or property of any person. Grantee shall not cause any obstruction to a Street without first obtaining the requisite permit from the City.

(f) Grantee shall construct, operate, and maintain the System subject to the supervision of all the authorities of the City and others who have jurisdiction in such matters and in strict compliance with all laws, ordinances, departmental rules and regulations affecting the System.

4.) Franchise Term.

(a) This Franchise shall be in effect for a period of ten (10) years and will expire on April 20, 2035, unless renewed, revoked, or terminated sooner as herein provided.

(b) All Franchises granted or renewed after the date of this Franchise shall have the same substantive terms and conditions as this Franchise in order that one MVPD not be granted a competitive advantage over another. Nothing in this provision shall be constructed in such a way as to limit the City's authority to enter into other Franchises.

(c) In the event a MVPD commences operation without a Franchise or is granted a Franchise or permit to operate by the City, the terms and conditions of which do not comply with this Franchise, Grantee shall notify the City of the specific provisions causing the inequity (in addition to any rights it may have to modify its Franchise under state or federal law), terminate the Franchise and remove its Facilities or reduce the term of this Franchise in its sole discretion. The City and the Grantee shall work together in good faith to develop Franchise modifications which address any competitive inequity, and the City shall adopt those modifications within one-hundred twenty (120) days after receiving notice from Grantee or require modifications to the agreements with the other MVPD. A MVPD is not an entity that provides direct broadcast satellite services for purposes of this Section. Notwithstanding any provisions of this Section to the contrary, if the City does not possess authority under Applicable Laws to require a Franchise from any Person, the provisions of this Section shall not apply.

- 5.) Previous Franchises. Upon acceptance by Grantee as required by Section 9 herein, this Franchise shall supersede and replace any previous Franchise, ordinance, or agreement granting a Franchise to Grantee to own, operate and maintain a Cable System within City, and for the avoidance of doubt, that Grantee's obligation to pay the City for any and all monies, including, but not limited to Franchise fees, that are unpaid or have been withheld by Grantee, any Affiliate, or any respective vendor under any previous Franchise, ordinance, or agreement shall continue to be owed to the City under the adoption of his Franchise, along with the City's rights regarding audit, calculation, and payment of the same.
- 6.) 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, except that Grantee shall not, by action or omission, adopt any rules, regulations, terms, conditions, or behave in any ways that are inconsistent with this Franchise, the requirements of Minn. Stat. § 238.034, subd. 1, or any duties or obligations under any Applicable Laws.
- 7.) 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 within existing City boundaries, 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 twenty (20) Dwelling Units per street 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 but shall not exceed 180 days following annexation or issuance of certificates of occupancy for the Dwelling Unit.

- 8.) 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 to the City Administrator, as the 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 Wyoming
Attn: City Administrator
26885 Forest Blvd
Wyoming, MN 55092

If to Grantee:

Midcontinent Communications
Attn: Legal - General Counsel
4020 W Cayman Street
Sioux Falls, SD 57107

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

- 9.) Public, Educational and Government (PEG) Access.
- (a) Grantee shall provide to each of its Subscribers who receive all or any part of the Cable Services offered on the System, reception of two specially designated noncommercial Access Channels for PEG with programming and policies to be determined in City's discretion. The Access Channels required in this section must be capable of supporting high-definition programming ("HD"). HD shall be a signal delivered by Grantee to Subscribers in a resolution that is the resolution received by Grantee from the City or better, up to the highest resolution used for the delivery of the primary signals of local broadcast station.
- (b) Grantee shall, upon City request for these Access Channels, provide all reasonable and necessary capital investment transmission infrastructure and equipment capable of high-definition quality programming, at no cost to the City in order to deliver the Access Channels, production of programming and playback of prerecorded programming, and equipment to record programs at remote locations with battery operated portable equipment, or development of an institutional network in whole or in part. Any and all costs associated with any modification of any Access Channels or signals after the Access Channels / signals leave the City's designated playback facilities, or any designated playback center

authorized by the City shall be borne entirely by Grantee. Grantee shall not cause any programming to override PEG programming on any Access Channels, except by written permission from the City, with the exception of emergency alert signals.

- (c) Additional PEG Access Channels above and beyond the aforementioned two Access Channels shall be made available in a manner consistent with Applicable Law; provided, however, that Grantee shall determine the channel location of any additional PEG Channel(s).
- (d) If Channels are selected through a menu system, the Access Channels shall be displayed as prominently as commercial programming choices offered by Grantee.
- (e) Within eight (8) hours of a written or e-mailed request from City to the Grantee identifying a technical problem with any Access Channels and requesting assistance, Grantee will provide technical assistance or diagnostic services to determine whether or not a problem with a PEG signal is the result of matters for which Grantee is responsible and if so, Grantee will take prompt corrective action. If the problem persists and there is a dispute about the cause, then the parties shall meet with engineering representation from Grantee and the City in order to determine the course of action to remedy the problem.
- (f) If changes in the technology used by the Grantee require additional equipment for reception of Access Channels by the City, the Grantee shall make such equipment available free of charge and at no cost to the City. Similarly, in the event Grantee makes any change in the Cable System and related equipment and facilities or in its signal delivery technology, including, without limitation, relocation of Grantee's headend, which requires the City to obtain new equipment in order to be compatible with such change for purposes of transport and delivery of the Access Channels, Grantee shall, at its own expense and free of charge to City or its designated entities, purchase such equipment for the City as may be necessary to facilitate the cablecasting of the Access Channels in accordance with the requirements of the Franchise.
- (g) Grantee shall provide free of charge throughout the term of this Franchise, Installation of one (1) Drop and one (1) cable outlet, if necessary, and Basic Cable Service and the next highest penetrated level of Cable Service generally available to all Subscribers (as of the Effective Date referred to as Expanded Basic Cable Service), unless City requests in writing to receive a different level of Cable Service or no Cable Service, excluding Pay Television, video-on-demand and pay-per-view (to the extent offered), without charge to the institutions identified on Exhibit B attached hereto and made a part hereof, and such other public institutions subsequently designated by the City within three (3) months of the effective date. This requirement shall include any digital tier of Cable Service Grantee may offer, along with Grantee's analog cable programming on any Cable Service. Additional System Drops and/or outlets in any of the locations identified on Exhibit B will be installed by Grantee at the lowest actual cost of Grantee's

time and material. Alternatively, the City or said institutions may add outlets at their own expense, as long as such Installation meets Grantee's technical standards and approval which shall not be unreasonably withheld. The City and Grantee expressly acknowledge and agree, that pursuant to the FCC's 621 order issued August 2, 2019, as currently interpreted but subject to future changes, interpretations, and superseding laws or regulations, the marginal cost of all in-kind services provided required under Section 9(h) to be provided by Grantee to City may be deducted from any Franchise Fee paid by Grantee to City.

- (h) Grantee shall be responsible for the costs of extension to subsequently designated governmental or educational institutions reasonably designated and controlled by the City or school district for the first five hundred (500) feet as measured from Grantee's nearest active plant. The institution shall pay the actual cost of such additional Drop or extension beyond five hundred (500) feet.
- (i) Dedicated Return Lines for PEG. Grantee shall, upon City's written request, provide and maintain, free of charge, throughout the life of this Franchise dedicated data transmission return lines and associated equipment to allow a cable modem connection allowing upload speeds of 50 Mbps or faster that are in place as of the effective date of this Franchise or will be in place upon City request for Access Channels in order to enable the distribution of Access Channel programming to Grantee's Subscribers.
- (j) Additional two-way capability allowing for live transmission of PEG programming upstream to Grantee's headend shall be provided upon written request by the City to the public buildings listed in Exhibit C. Grantee shall provide equipment and technical services to activate and equip each existing or requested site with two-way capability, but shall have no obligation to provide additional replacement equipment after the initial equipment is provided, except as otherwise provided in this Franchise. The City shall ensure PEG Access Channels and signals leaving the playback facilities are in compliance with applicable FCC technical standards. The City shall retain title to all PEG equipment and facilities purchased or otherwise acquired. The City shall be solely responsible for the origination, switching and encoding of Access Channels, except that Grantee shall provide the City with the capability using technology compatible with the Cable System to transmit programming at the same or better level of technical quality and reliability as Cable Service provided by Grantee on the Cable System. Grantee shall have no responsibility for the production or technical formatting of PEG content beyond the point of signal pickup, but shall ensure no significant deterioration from the point of signal pickup to the point of reception to Subscriber and will monitor the technical quality of Access Channels and inform the City of technical matters affecting the Access Channels.
- (k) The City has the right to add a PEG fee after activation of an Access Channel or at any time during this Franchise, to be used by City in its sole discretion consistent with federal law. If deemed necessary by the City for the activation of any Access

Channels, Grantee and the City shall enter a separate agreement establishing the terms and conditions for such cable modem service or other means and System extension if required as mutually agreed upon at the below listed locations in Exhibit C. The parties agree that the purpose of such agreement shall be to facilitate live PEG programming from such locations to avoid the need for the installation of costly infrastructure to accomplish the same purpose using capital dollars. The parties further agree that any periodic costs associated with the System extension or provision of such cable modem equipment and cable modem service to facilitate live PEG programming may be paid for by the City out of the PEG Fee and such use of the PEG Fee for this purpose shall not be deducted from or credited or offset against the Franchise Fee.

- (l) Any PEG Fee is not intended to represent part of the Franchise Fee and is intended to fall within one (1) or more of the exceptions in 47 U.S.C. § 542. The PEG Fee may be categorized, itemized, and passed through to Subscribers as permissible, in accordance with 47 U.S.C. § 542 or other Applicable Laws. Grantee shall pay the PEG Fee to the City quarterly at the same time as the payment of Franchise Fees under this Franchise. Grantee agrees that it will not offset or reduce its payment of past, present or future Franchise Fees required as a result of its obligation to remit the PEG Fee.

SECTION 3. CONSTRUCTION STANDARDS

1.) Construction Codes and Permits.

(a) Grantee shall obtain all required permits from City before commencing any construction, repair, replacement, relocation, operation, maintenance, reconstruction, removal, upgrade, or extension of the System, including the opening or disturbance of any Street, or excavating private or public property within City or obstructing the same. Grantee shall specifically adhere to the requirements stated in Chapter 30 of the City Code. The City may deny any permit request or revoke any permit issued for failure to meet the requirements and conditions of City Code or this Franchise, or when otherwise deemed necessary to protect the health, safety, and welfare or when necessary to protect the right-of-way and the use thereof. The City may pursue against Grantee any remedy available at law or equity if Grantee fails to obtain any required permit.

(b) The City shall impose no permit fees upon Grantee so long as Grantee has (1) obtained all permits required by the City for any work for which a permit is required by this Franchise, prior franchise agreements, and City Code, (2) complied with all requirements in City Code, and (3) paid to the City all amounts required under this Franchise and prior franchise agreements. If Grantee is not in compliance with this section, then the City may charge fees for permits until Grantee establishes compliance herein. Any permit fee paid by Grantee shall not be refundable.

(c) The City shall have the right, upon reasonable notice and during normal business hours, to inspect all construction or installation work affecting any Street or private or public property performed pursuant to the Franchise. The City may conduct such inspections or tests as it reasonably deems necessary to ensure compliance with the terms

of the Franchise and applicable provisions of local, state, and federal laws and regulations. Any such inspections or tests shall be conducted in a manner that minimizes disruption to Grantee's operations. Costs of inspections or tests shall be borne by the Grantee. If the inspection is conducted after the applicable permit has been closed then such costs shall be borne by City, except if noncompliance is found, or where such inspections are required due to a complaint or safety concern.

(d) All wires, conduits, cables, and other property and facilities of the Cable System or of Grantee shall be constructed and installed in an orderly and professional manner in accordance with the City Code and all Applicable Laws and requirements of the City Engineer or Public Works. All wires, conduits, and cables shall be installed, where possible, parallel with electric and telephone lines. Multiple cable configurations shall be arranged in parallel and bundled with due respect for engineering considerations.

(e) Grantee shall register with, and report to, the City in accordance with Chapter 30, Article V, Section 30-112 through 30-115 of the City Code and perform its work in accordance with Chapter 30, Article V of the City Code. All construction practices shall be in accordance with all applicable sections of the Occupational Safety and Health Act of 1970, as amended, as well as all state and local codes where applicable.

(f) All installation of any electronic equipment shall be durable and installed in accordance with the provisions of the National Electrical and Safety Code and National Electrical Code at the time of installation.

(g) Antennas and their supporting structures (tower) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other applicable state or local codes and regulations.

(h) All of Grantee's plant and equipment, including but not limited to the antenna site, headend and distribution system, tower, house connections, structures, poles, wire, cable, coaxial cable, fixtures and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with FCC technical standards and any applicable City Codes.

(i) Grantee shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage, injury, or nuisance to the public.

(j) Nothing in this Franchise shall be deemed a waiver of the normal permit requirements made of all persons working within a City Street or right-of-way, other than those expressly identified in Section 3(1)(b).

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, patching, replacement, relocation, operation, maintenance, reconstruction of the System shall be promptly and fully restored by Grantee, at its expense and with commercially reasonable efforts, to a condition as good as that prevailing prior to Grantee's work consistent with Chapter 30,

Article V, Section 30-120 of the City Code and warranted for a period of one (1) year following written acceptance by the City. Nothing in this Franchise shall be construed to give Grantee the authority to enter upon or work on private property in areas not encumbered with public easements without the permission of the property owner.

3.) Conditions on Street Use.

(a) Changes to Streets. If at any time during the period of this Franchise, City or other public entity shall undertake any improvement, or otherwise elects to alter, or change the grade or location of any Street, alley, utility easement, or other public way, or to sell or vacate any right of way or utility easement, or to construct or reconstruct any water lines, sanitary or storm sewers, watercourses, drainage ditches, conduits, playgrounds, traffic control devices or other public improvements, the Grantee shall, at its own cost and expense, upon reasonable notice by City, remove and relocate any affected portions of its System as directed by the City or public entity, including but not limited to poles, wires, cables, conduits, manholes and other fixtures of the System. If City reimburses other occupants of the Street, Grantee shall be likewise reimbursed. Grantee shall be responsible for any costs, damages, and liabilities arising from the impact of its System on the City or any third-party or work performed by Grantee on its System or relating to Streets.

(b) Temporary Movement of Facilities. In the event it is necessary temporarily to move or remove any portion of Grantee's System, including wires, cables, poles, wires, conduits, manholes, fixtures, or other facilities placed pursuant to this Franchise, in order to lawfully move a large object, vehicle, building or other structure over, across, or through the Streets of the City, upon not less than ten (10) days' notice by the City to Grantee, Grantee shall move at the expense and prepayment of the Person requesting the temporary removal such of his facilities as may be required to facilitate such movements. Any service disruption provisions of this Franchise shall not apply in the event that the removal of Grantee's wires, cables, poles, wires, conduits, manholes, or other facilities results in temporary service disruptions under this provision.

(c) Requests of Private Parties. Whenever an operator is requested or required by a private party, including any utility not affiliated with the city, to remove, relay and relocate any portion of the System, including its poles, wires, cables, conduits and other fixtures, the requesting party shall provide 30 days advance written notice. If such removal, relaying or relocation is required within a subdivision of the city where all utility facilities and those of other services, including those of the operator, are present, the entities requesting such changes may decide among themselves who is to bear the cost of removing, relocating or relaying the operator's facilities, provided that the city shall not be liable to an operator for such costs. An operator may require the payment of a reasonable predetermined cost for the requested removal, relaying or relocation prior to commencing work.

(d) Tree Trimming. 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; provided, however, that the City may require that Grantee provide up to five (5)

days advanced notice to City and also that all trimming shall be done under the supervision and direction of the City.

(e) Public Work. Nothing in this Franchise shall be construed to prevent City of other public entity from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any Street; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or undertaking any other public work.

(f) Reasonable Care. 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 while performing work connected with grading, regrading, or changing the line of a street or public place or with the construction or reconstruction of a sewer or water system.

4.) Undergrounding of Cable.

(a) Grantee shall not install poles in any areas of City where other utility lines are generally placed underground, Grantee shall construct and install its cables, wires, and other facilities underground, which shall be performed according to City requirements and Grantee shall use conduit or its functional equivalent to the greatest extent possible for undergrounding, except for Drops from pedestals to Subscribers' homes and for cable on other private property where the owner requests that conduit not be used. Cable and conduit shall be utilized, which meets the highest industry standards for electronic performance and resistance to interference or damage from environmental factors Grantee shall use its best efforts, in cooperation with other utility companies and service providers, use common trenches for underground construction.

(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.

(c) Grantee shall place underground all of its transmission lines which are located or are to be located above or within the Streets of the City in the following cases: (i) All other existing utilities are required to be placed underground by statute, resolution, policy, or other Applicable Law; (ii) Grantee is unable to get pole clearance; (iii) Underground easements are obtained from developers of new residential areas; or (iv) Residents notify Grantee that they prefer underground installation of facilities (such undergrounding to be provided at cost paid by benefitted residents);

(d) If a resident prefers Grantee's underground installation of its facilities pursuant to Section 4(c)(iv) above, Grantee shall consult with the City on the design of the underground facilities, in accordance with City Code and Applicable Law. When residents receiving underground service or who will be receiving underground service will be affected by proposed construction or alteration, Grantee shall provide such notice as set forth in the permit or in City Code of the same to such affected residents.

- (e) Grantee shall not engage in open trenching and shall install cable underground by directional bore or vibrating plow or other comparable technology. Open trenching shall only be allowed when Grantee demonstrates that soil conditions are not conducive to the other approaches outlined in this Franchise and only after consultation and approval by the City.
 - (f) Grantee's equipment, such as pedestals, amplifiers and power supplies, which normally are placed above ground, may continue to be placed in above-ground enclosures; provided, however, the City does not waive its right of review and approval of any above-ground or underground locations, subject to Applicable Laws.
- 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.) Use Poles and Facilities.
- (a) Grantee shall, where possible in the case of above ground lines, make use of existing poles and other existing facilities available to Grantee.
 - (b) Grantee's use of any City poles, over-lashing of wires, cables, shared use of underground conduits, or other City owned facilities shall require Grantee to execute a pole attachment or similar agreement in a form acceptable to the City in its sole judgment, which acceptance may be withheld for any reason or no reason.
 - (c) Grantee shall not erect, for any reason, any pole on or along any Street in an existing aerial utility system without the advance written approval of the City. Grantee shall exercise its commercially reasonable efforts to negotiate the lease of pole space and facilities from the existing pole owners for all aerial construction.
- 7.) Use of Grantee Facilities. The City shall, at its own expense, have the right to install and maintain upon the poles and within the underground pipes and conduits owned by Grantee, any wires and fixtures desired by the City to the extent and under such terms and conditions as are mutually agreed upon by City and Grantee.

SECTION 4. SYSTEM PROVISIONS

- 1.) Operation and Maintenance of System. The Grantee shall render effective service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. If the System is incapable of transmitting Cable Service to a Subscriber in a quality and format purchased by the Subscriber, Grantee shall, at its sole cost, perform the technical work necessary, including replacing all Drops and/or associated passive equipment necessary as needed, for the System to transmit Cable Service to the Subscriber in the quality and format purchased by the Subscriber.
- 2.) Technical Standards. The System shall comply, at minimum, with the technical standards promulgated by the FCC found in Title 47, Section 76.601 to 76.617, as may be amended or

modified from time to time. The results of tests required by the FCC shall be provided to the City within ten days of any such request. Grantee will provide the City with comprehensive technical information about the Systems including the System capacity and technical design, which shall not be lower than the System capacity and design at the time of the Franchise was initially granted. Technical standards shall be provided on Exhibit A herein.

3.) Emergency Alert Capability. At all times during the term of this Franchise, Grantee shall provide and maintain an Emergency Alert System (EAS) consistent with applicable Federal law and regulations including 47 C.F.R., Part 11, and any Minnesota State Emergency Alert System requirements.

4.) Standby Power. Grantee shall provide standby power generating capacity at the Cable System control center and at all hubs. Grantee shall maintain standby power system supplies, rated at least at two (2) hours' duration, throughout the trunk and distribution networks. In addition, Grantee shall have in place throughout the Franchise term a plan, and all resources necessary for implementation of the plan, for dealing with outages of more than two (2) hours

5.) System Upgrades. Grantee will strive to upgrade the Cable System to align with future upgrades performed by Grantee in adjacent areas when such improvements are financially feasible and operationally practicable. Any such work on the Cable System will be subject to Grantee construction schedules and priorities.

6.) Special Tests. Any tests relating to the System resulting from Subscriber complaints or otherwise requested or required by the City shall be performed at Grantee's cost.

7.) Periodic Inspection. The City and Grantee shall, at the request of the City, undertake an inspection of the System to ascertain the System performance at randomly selected Subscriber drops at points mutually agreed upon by the parties. The request for such an inspection will be made on the basis of demonstrative non-compliance with technical requirements of this Franchise (see Exhibit A) received or other evidence indicating an unresolved controversy or problem.

(a) The City shall give written notice to Grantee of the City's intention to undertake an inspection of the System and the name of that Person who will participate for the City.

(b) Grantee shall, within two (2) days of receipt of the City notice, select one Person who will participate for Grantee and so notify the City.

(c) The representatives of the City and Grantee shall, within three (3) days of the selection of the Grantee representative, select a third representative who need not be trained in cable television technology.

(d) Within ten (10) days after the appointment of all representatives, the representatives shall commence an inspection of the System in accordance with the following procedures:

(1) The representatives shall commence the inspection of the System at the headend by viewing all programmed Channels or a representative portion thereof and, by a decision of the majority, assign a rating of one (1) to five (5) for each Channel of programming.

(2) The representatives shall then view the System performance at Subscriber drops mutually agreed upon by the parties. The representatives shall view all or a representative portion of the programmed Channel at each location and, by a decision of the majority, assign a rating of one (1) to five (5) for each Channel of programming so viewed.

(3) In assigning a rating for each Channel of programming so viewed, the representatives shall use the following scale:

- 1 -- Poor picture, unusable
- 2 -- Fair picture, degradation a problem
- 3 -- Good picture, degradation noticeable
- 4 -- Very good picture, small amount of impairment noticeable
- 5 -- Excellent picture, no visible impairment

8.) Technical Report. The representatives shall prepare and submit to the City and Grantee a written report of its findings and any appropriate recommendation. To the extent the System complies with the FCC's Technical Standards, no further action shall be required.

9.) Report to City. Upon request of the City, Grantee shall report to the City, at a regular or specially scheduled meeting of the City, what steps are being taken to correct deficiencies noted in the report or why corrective measures are not necessary. Notwithstanding anything to the contrary, the City may use the report submitted by the representatives as a basis for ordering special testing of the system pursuant to the Signal Quality Section herein. To the extent the System complies with the FCC's Technical Standards, no further action or testing shall be required. Any tests may be witnessed by the City upon its request. Grantee shall complete corrective actions, report to the City the corrective actions so taken, and repeat the entire test for the locations where corrective actions were taken. Grantee shall bear the costs and expenses of all such testing.

SECTION 5. SERVICES PROVISIONS

1.) Mandatory Service Continuity. It shall be the right of all Subscribers to receive all available services insofar as their financial and other obligations to Grantee are honored. In the event that, Grantee shall make its best effort to ensure that all Subscribers receive continuous uninterrupted service, regardless of the circumstances, during the term of the Franchise, including but not limited to Grantee election to overbuild, rebuild, modify, or sell the System, or the City revokes or fails to renew the Franchise. In the event of expiration, purchase, lease purchase, condemnation, acquisition, taking over or holding of plant and equipment, sale, lease, or other transfer to any other Person, including any other grantee of a cable communications franchise, the current Grantee shall cooperate fully to operate the System in accordance with the terms and conditions of this Franchise for a temporary period sufficient in length to maintain

continuity of service to all Subscribers. Nothing in this section shall be construed as creating or implying a service level agreement, performance guarantee, or enforceable standard beyond the obligations expressly stated herein.

2.) 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 and maintain adequate trained staffing to (i) respond to Subscriber calls, (ii) schedule, (iii) provide service calls in accordance with this Franchise, and (iv) promptly resolve billing disputes and other matters.

3.) Subscriber Service Line. Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis. Under normal operating conditions, the Subscriber will receive a busy signal less than three (3) percent of the time.

4.) Service Requests. Subject to reasonable delays beyond Grantee's control, Grantee shall respond to Subscriber complaints or requests, and provide service and repair of the same, within 24 hours after Subscriber has made such complaint or request. Subscriber requests for maintenance or repairs received prior to 2:00 p.m., Monday through Friday, shall be performed the same day whenever possible. Subscriber requests for maintenance or repairs received after 2:00 p.m. shall be performed within twenty-four (24) hours of the request.

5.) Service Interruptions and Billing Credits. Grantee shall render efficient service, make repairs promptly and interrupt service only for good cause and for the shortest time possible. Such interruptions, insofar as possible, shall be preceded by notice and shall occur during periods of minimum use of the System. If a Subscriber's Cable Service is interrupted or discontinued, without cause, for twenty-four (24) or more consecutive hours, Grantee shall, upon request of Subscriber, credit such Subscriber pro-rata for such interruption on a calendar day basis and for this purpose each month will be assumed to have thirty (30) days.

6.) Service Logs. Grantee shall respond and perform any services for repairs, adjustment, configuration, replacement, installation, re-installation, and removal at its own cost. Grantee shall maintain a written log of complaints, the response, and the disposition must be made available for inspection by the City.

7.) 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.

8.) Subscriber Service Information. Grantee shall at all times maintain a website containing a rate card and schedule setting forth current rates and charges to be made to subscribers for basic cable service, each available Cable Service tier, the Channel lineups for any Cable Service and the rates/charges/fees for each tier, including installation charges, equipment rental charges, the length and terms of residential Subscriber contracts, procedure for investigation and resolution of

complaints, and billing practices and procedure. Grantee shall provide this information to the City upon request.

**SECTION 6.
OPERATION AND ADMINISTRATION PROVISIONS**

- 1.) Indemnification of City.
 - (a) Grantee shall at its sole cost and expense, fully indemnify, defend, and hold harmless City, its officers, boards, committees, commissions, elected officials, employees and agents, from and against all claims, suits, actions, liabilities, damages, and penalties arising as a result of this Franchise, including the exercise of the Franchise, the procedures for granting this Franchise, and granting this Franchise. Damages and penalties shall include, but shall not be limited to, damages arising out of personal injury, right of privacy, trespass or takings, property damage, advertising injury, copyright infringement, defamation, antitrust, errors and omissions, theft, fire, and all other damages arising out of Grantee's acts or omissions under this Franchise and/or the activities of Grantee, its subcontractor, employees, and agents hereunder, whether or not any act or omission complained of is authorized, allowed, or prohibited by this Franchise. Grantee shall be solely responsible for and shall indemnify, defend, and hold the City harmless from and against any and all matters relative to payment of Grantee's employees, including compliance with Social Security and withholdings. Indemnification shall include, but not be limited to, reasonable expert, attorney, and consultant fees and costs. Nothing herein shall be deemed to prevent the City, its officers, or its employees from participating in the defense of any litigation by their own counsel at such parties' expense. Such participation shall not under any circumstances relieve Grantee from its duty of defense against any claims or liability or of paying any judgment entered against the City, its officers, or its employees. The City shall give the Grantee written notice of its obligation to indemnify within ten (10) business days of receipt of a claim or action pursuant to this subsection.
 - (b) The indemnification obligations of Grantee set forth in this Franchise are not limited in any way by the amount or type of damages or compensation payable by or for Grantee under Workers' Compensation, disability or other employee benefit acts, acceptance of insurance certificates required under this Franchise, or the terms, applicability or limitations of any insurance held by Grantee.
 - (c) City does not, and shall not, waive any rights against Grantee which it may have by reason of the indemnification provided for in this Franchise, because of the acceptance by City, or the deposit with City by Grantee, of any of the insurance policies described in this Franchise.
 - (d) The indemnification of City by Grantee provided for in this Franchise shall apply to all damages and claims for damages of any kind suffered by reason of any of

the Grantee's operations referred to in this Franchise, regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

- (e) Nothing in this Franchise relieves a Person from liability arising out of the negligent performance of work connected with grading, regarding, or changing the line of a Street or with the construction or reconstruction of a sewer or water system that causes actual damage to Grantee's facilities subject to this Franchise so long as Grantee has marked the locations of its facilities and provided City with accurate and up-to-date as-built location maps of its facilities throughout the City.
- 2.) Insurance. Grantee shall at all times maintain in full force and effect at its sole expense, a comprehensive commercial general liability insurance policy, including additional policies or riders for contractual liability coverage, advertising injury, all autos automotive coverage, and errors & omissions coverage, which shall name the City as an additional named insured, include a waiver of subrogation against the City, require that the City be notified not less than thirty (30) days prior to any expiration or cancellation of coverage, and be primary and noncontributory.

The policies of insurance shall be in types and the sums of not less than:

Commercial General Liability One Million Dollars (\$1,000,000) for personal injury or death of any one Person and Two Million Dollars (\$2,000,000) for personal injury or death of two or more Persons in any one occurrence, One Million Dollars (\$1,000,000) for personal or advertising injury, One Million Dollars (\$1,000,000) for property damage to any one Person and Two Million Dollars (\$2,000,000) for property damage resulting from any one act or occurrence, and One Million Dollars (\$1,000,000) of professional liability coverage for errors and omissions. Nothing herein shall reduce or limit Grantee's obligations under this Franchise. Nothing prevents or discourages Grantee from obtaining insurance coverage in types or amounts that exceed the minimum requirements of this Section 6 and Grantee's failure to do so is solely its decision.

3.) Franchise Fee.

- (a) Grantee will pay City a franchise fee in the amount of five (5%) percent of Grantee's annual Gross Revenues. The foregoing payment shall be compensation for use of Streets and other public property. The amount is in accordance with FCC rules and regulations. If any such law, regulation or valid rule increases the five percent (5%) Franchise Fee ceiling established by the Cable Act, then the City shall have the right to (but shall not be required to) increase the Franchise Fee accordingly, provided such increase is for purposes not inconsistent with Applicable Law.
- (b) The franchise fee shall be computed at the end of each month. Payments shall be made within thirty (30) days of the end of each month, and shall include a brief report showing the basis for the computation in form and substance substantially

the same as Exhibit D attached hereto and executed by an authorized representative with capacity and authority to execute the same.

- (c) In the event that payment is not made by Grantee on the due date then a late fee of \$500 plus interest shall accrue on the amount past due at the annual rate of twelve percent (12%).
 - (d) No acceptance of any payment shall be construed as an accord that the amount paid is in fact, the correct amount, nor shall such acceptance of payment be construed as a release of any claim which the City may have for further or additional sums payable under the provisions of this Franchise. Neither current nor previously paid Franchise Fees shall be subtracted from the Gross Revenue amount upon which Franchise Fees are calculated and due for any period, unless otherwise required by Applicable Law.
 - (e) Nothing in this Franchise shall be construed to limit any authority of the City to impose any tax, fee, or assessment of general applicability. The Franchise Fee payments required by this Franchise shall be in addition to any and all taxes or fees of general applicability. Grantee shall not have or make any claim for any deduction or other credit of all or any part of the amount of said Franchise Fee payments from or against any of said taxes or fees of general applicability, except as expressly permitted by Applicable Law. Grantee shall not apply nor seek to apply all or any part of the amount of said Franchise Fee payments as a deduction or other credit from or against any of said taxes or fees of general applicability, except as expressly permitted by Applicable Law. Nor shall Grantee apply or seek to apply all or any part of the amount of any of said taxes or fees of general applicability as a deduction or other credit from or against any of its franchise fee obligations, except as expressly permitted by law.
- 4.) Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate with regard to rates and charges, or in any other manner against Subscribers, programmers 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 the City laws, and all executive and administrative orders relating to non-discrimination. Nevertheless, Grantee shall be permitted to establish (i) discounted rates and charges for providing Cable Service to low-income, handicapped, or low-income elderly Subscribers, (ii) promotional rates, and (iii) bulk rate and package discount pricing.
- 5.) Open Books and Records. Grantee must provide the City with a report no later than January 31 of the following year, which shall include a certification by Grantee to City as to the accuracy of the Gross Revenues and calculations by which Gross Revenues are derived in the immediately preceding fiscal year. This certification shall be signed by an officer of the Grantee. This certification shall be used to determine the exact amount of payments due the City and to correct any overpayments or underpayments by Grantee. This report may be included within, or separate from, the Annual Report. The City shall also have the right to inspect all books, records, maps, plans, financial statements, service

complaint logs, performance test results, record of requests for service and other like materials of Grantee which are reasonably necessary to monitor compliance with the terms of this Franchise upon five (5) days notice and shall be sent electronically in a format readily accessible to the City with its current equipment and software.

- 6.) Communications with Regulatory Agencies. Upon written request from the City, Grantee shall provide copies of all petitions, applications, communications and reports submitted by Grantee or on behalf of or relating to Grantee to the FCC, securities and Exchange Commission or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters affecting the System authorized pursuant to this Franchise shall also be submitted simultaneously to the City. Copies of responses from the regulatory agencies to Grantee shall likewise be furnished to the City within fifteen (15) days of receipt of the response if requested by City.
- 7.) Annual Report. At least once per year, Grantee shall file with the City a copy of the following information regarding the System.
 - (a) A description of the Basic Service then being offered at the end of the preceding fiscal year together with a description of any changes made in Basic Service during the reported year. Such information shall remain confidential if permitted by state law.
 - (b) A current copy of the Subscriber service information required in accordance with this Franchise.
 - (c) A compilation summarizing the complaints received during the reported year, by category, the resolution of those complaints and a discussion of any unresolved complaints.
 - (d) A certification of the Gross Revenues for the preceding year either prepared and signed by an independent certified public accountant or prepared by a certified public accountant employed by Grantee and signed by an officer of Grantee.
 - (e) Such other information as may be mutually agreed upon by City and Grantee.
- 8.) Operations Report. Grantee shall submit upon request to the City no more than once per year a written Operations Report containing the following information:
 - (a) Any new service planned.
 - (b) The results of System performance tests conducted within the previous twelve (12) months and in accordance with Section 4.
 - (c) Such other information as Grantee deems relevant.
- 9.) Additional Reports. Grantee shall prepare and furnish to the City, at the times and in the form mutually agreed to by the parties, such additional reports with respect to its

operation, affairs, transactions or property, which Grantee and City agree are reasonably necessary for the administration and enforcement of this Franchise.

- 10.) Maps. Grantee shall provide to the City and maintain on file with the City at all times a current maps or drawings to scale and certifying the “as-built” locations of all the System and all equipment installed within the City in accordance with Chapter 30, Article 30, Section 30-130 of the City Code.
- 11.) Audit. The City and its agents and representatives shall have the authority, during normal business hours, to arrange for and conduct an inspection of the books and records of Grantee for the purpose of verifying Gross Revenue and the payment of Franchise Fees, which shall be subject to audit and recomputation; acceptance by the City of any payment shall not be construed as an accord that the amount paid is in fact the correct amount.
 - (a) Grantee shall be given five business (5) days prior written notice of the audit request, the description of and purpose for the inspection and description, to the best of the City's ability, of the books, records, documents it wants to audit reasonably related to the calculation and payment of franchise fees, (or maintained by an Affiliate or a third party contractor/vendor on behalf of Grantee.) Grantee and any downstream parties must also adhere to the requirements of Minn. Stat. § 16C.05. If Grantee does not maintain a physical location within 10 miles of the City boundary, then such information shall be provided to City electronically in an format readily accessible with software currently used by the City.
 - (b) If an audit or review discloses an overpayment or underpayment of Franchise Fees, the City shall notify Grantee of such overpayment or underpayment. The City’s audit or review expenses shall be borne by the City unless the audit or review determines that the payment to the City should be increased by more than five percent (5%) in the audited/reviewed period, in which case the costs of the audit/review shall be borne by Grantee, up to a cap of \$25,000 as a cost incidental to the enforcement of the Franchise. Any additional amounts due to the City as a result of the audit or review shall be paid to the City within thirty (30) days following written notice to Grantee by the City of the underpayment, which notice shall include a copy of the audit/review report. If the recomputation results in additional revenue to be paid to the City, such amount shall be subject to a twelve percent (12%) annual interest charge.
 - (c) Grantee shall have thirty (30) days to respond fully and completely to any written request for data, documents and records issued by the City, unless an extension of time is granted by the City in writing. Grantee may request an extension of the thirty (30) days deadline applicable to a written request for data, information, and documents no later than ten (10) days after the date of such request. Every request for an extension of time shall describe, in detail, the reasons the extension is necessary. The City may, in its sole discretion, grant or deny an extension request, and shall act reasonably in making such a determination based on the scope and

complexity of the information request at issue and the facts cited by Grantee in its written extension request.

- (d) Upon request, Grantee agrees to meet with a representative of the City to review its methodology of record-keeping, financial reporting, computing Franchise Fee obligations, and other procedures the understanding of which the City deems necessary for understanding the meaning of reports and records.

**SECTION 7.
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 7.2(b) herein, it is determined that Grantee has violated any material provision of this Franchise, attempts to evade any requirement of this Franchise, or practices fraud or deceit upon the City.
- 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 thirty (30) 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 occur after passage of the 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 sooner expires.
 - (e) Upon City satisfaction of correction by Grantee of the violation upon which said notice was given, the initial notice shall become void.
- 3.) Sale or Transfer of Franchise.
 - (a) No sale, transfer, or assignment of this Franchise or sale or transfer of stock so as to create a new controlling interest under Minn. Stat. § 238.083, shall be permitted unless or until the parties to the sale, transfer, fundamental corporate change, or change in controlling interest file a written request with the City for its approval and the City grants such written approval, which approval must not be unreasonably withheld and expressly conditioned that the sale or transfer is completed pursuant to Minn. Stat. §238.083. The

term “controlling interest” as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised. 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 indebtedness.

(b) Grantee shall notify City in writing of any foreclosure or any other judicial sale of all or a substantial part of the property and assets comprising the Cable System of the Grantee or upon the termination of any lease or interest covering all or a substantial part of said property and assets. Such notification shall be considered by City as notice that a change in control or ownership of the Franchise has taken place and the provisions under this section governing the consent of City to such change in control or ownership shall apply.

(c) For the purpose of determining whether it shall consent to such change, transfer or acquisition of control, City may inquire into the qualifications of the prospective transferee or controlling party, and Grantee shall assist City in any such inquiry. In seeking City's consent to any change of ownership or control, Grantee shall have the responsibility of insuring that the transferee completes an application in form and substance reasonably satisfactory to City, which application shall include the information required under this Franchise and Applicable Laws. The transferee shall be required to establish to the satisfaction of the City that it possesses the legal, technical, and financial qualifications to operate and maintain the System and comply with all Franchise requirements for the remainder of the term of this Franchise. If, after considering the legal, financial, character, and technical qualities of the transferee and determining that they are satisfactory, the City finds that such transfer is acceptable, the City shall permit such transfer and assignment of the rights and obligations of this Franchise as may be in the public interest. The City consent to such transfer shall not be unreasonably denied.

(d) The entity acquiring any portion of the System through foreclosure or judicial sale shall also submit a plan for such operation of the System within thirty (30) days of assuming such control that will ensure continued service and compliance with all Franchise requirements during the term the entity or its designee exercises control over the System. The entity or its designee shall not exercise control over the System for a period exceeding one (1) year unless extended by the City in its discretion and during said period of time it shall have the right to petition the City to transfer the Franchise to another Grantee.

(e) City shall have the right of first refusal to purchase the System, in whole or in part, in the event any other entity seeks to obtain ownership or control over the System in whole or in part or in the event the Grantee receives a bona fide offer to purchase the System from any Person. Bona fide offer as used in this section means a written offer which has been accepted by Grantee, subject to the City's rights under this Franchise. The price to be paid by the City shall be the amount provided for in the bona fide offer, including the same terms and conditions as the bona fide offer. The City shall notify Grantee of its decision to purchase within ninety (90) days of the City's receipt from

Grantee of a copy of the written bona fide offer and such other relevant and pertinent information as the City shall deem appropriate.

(f) Consistent with Section 627 of the Cable Act and all other Applicable Laws, at the expiration, cancellation, revocation, or termination of this Franchise, the City shall have the option to purchase, condemn, or otherwise acquire and hold the Cable System.

4.) System Removal and Abandonment.

(a) Grantee may not abandon the Cable System or any portion thereof without having first given three (3) months written notice to the City of its intent to abandon. Grantee may not abandon the Cable System or any portion thereof without compensating the City for damages resulting from the abandonment, including any costs incurred in response to the notice or abandonment of the System, which includes but is not limited to the opening of Streets, removal of the System, and the City's administrative, legal, and consulting costs.

(b) In the event that the use of the System within the City or a portion thereof is discontinued for a continuous period of twelve (12) months, Grantee shall be deemed to have abandoned that property.

(c) City, upon such terms as City may impose, may give Grantee written permission to abandon, without removing, any System facility or equipment laid, directly constructed, operated, or maintained pursuant to this Franchise. Unless such permission is granted, the Grantee shall remove all abandoned facilities and equipment upon receipt of written notice from City and shall restore any affected Street consistent with this Franchise and Applicable Laws. In removing any portion of the System, Grantee shall refill, at its own expense, any excavation made by or on behalf of Grantee and shall leave all Streets and other public ways and places in as good condition as that prevailing prior to such removal without materially interfering with any electrical or telephone cable or other utility wires, conduits, cables, strands, poles, attachments, or pieces of infrastructure. City shall have the right to inspect and approve the condition of the Streets, public ways, public places, cables, wires, attachments and poles prior to and after removal. The liability, indemnity, and insurance provisions of this Franchise and any Financial Security provided for in this Franchise shall continue in full force and effect during the period of removal and until full compliance by Grantee with the terms and conditions of this section.

(d) Upon abandonment of any Franchise property in place, the Grantee, if required by the City, shall submit to City a bill of sale and/or other an instrument, satisfactory in form and content to the City, transferring to the City the ownership of the Franchise property abandoned. Nothing prohibits the City from requiring a payment from Grantee to abandon the System in place.

(e) At the expiration or termination of the term for which this Franchise is granted, or upon its earlier revocation or termination, as provided for herein, in any such case

without renewal, extension or transfer, the City shall have the right to require Grantee to remove, at its own expense, all portions of the Cable System from all Streets and public ways within the City within a reasonable period of time, which shall not be less than one hundred eighty (180) days.

(f) Notwithstanding anything to the contrary set forth in this Franchise, the Grantee may, with the written consent of the City, abandon any underground Franchise property in place so long as it does not materially interfere with the use of the Street or public rights-of-way in which such property is located or with the use thereof by any public utility or other cable operator.

(g) Nothing herein shall require the removal of any portion of the System lawfully used to provide non-Cable Services in the City.

5.) Financial Security.

(a) The City shall in its sole and absolute discretion have the option, exercised by City resolution at any time during this Franchise, to require Grantee to obtain and maintain irrevocable and evergreen financial security in the form of a performance bond, security deposit, certificate of deposit, letter of credit, or other form as may be approved by the City in an aggregate amount not less than \$75,000, to compensate for damages resulting from Grantee's nonperformance of its obligations under this Franchise, which includes removal of the System (the "Financial Security"). The City shall have the right to unilaterally draw upon the Financial Security to exercise its rights under this Franchise.

(b) Security Letter. The Financial Security shall include, as a component of the Financial Security and not in addition thereto, a minimum of \$20,000 in the form of an irrevocable and evergreen letter of credit from a financial institution acceptable to the City (the "Security Letter"). Failure to post the Security Letter shall constitute a material violation of this Franchise. The Security Letter will serve as security for the performance of all Grantee's obligations under the Franchise and compliance with all orders, permits, and directions of the City and the payment by Grantee of any claim, liens, costs, expenses and taxes due the City which arise by reason of the construction, operation or maintenance of the Cable System. The obligation to establish the Security Letter required by this paragraph is unconditional in the event the City requires the Financial Security. The City shall in its sole and absolute discretion have the option, exercised by City resolution at any time during this Franchise, to require Grantee to provide the Security Letter as all or a portion of the Financial Security. If Grantee fails to establish the Security Letter as required, the City may take whatever action is appropriate to require the establishment of that Security Letter and may recover its costs, reasonable attorneys' fees, and an additional penalty of Five Thousand Dollars (\$5,000) in that action.

(c) Withdrawal of Funds. The Security Letter shall permit the City to withdraw funds upon demand (sight draft). Grantee shall not use the Security Letter for other purposes and shall not assign, pledge or otherwise use this Security Letter as security for any other purpose. If the amount of the Security Letter is not enough to secure the performance of

the obligations, then the City must resort to the Financial Security or other enforcement mechanisms. Grantee shall restore the Security Letter to its full amount within five (5) business days after any draw by the City.

(d) Withdrawal of Funds to Pay Taxes. If Grantee fails to pay to the City any taxes due and unpaid; or fails to repay to the City, any damages, costs or expenses which the City shall be compelled to pay by reason of any act or default of the Grantee in connection with this Franchise; or fails, after thirty (30) days' notice of such failure by the City to comply with any provision of the Franchise which the City reasonably determines can be remedied by an expenditure of the Security Letter or Financial Security, the City may then draw from the same. Payments are not Franchise Fees as defined in this Franchise.

6.) Liquidated Damages. In addition to recovery of any monies owed by Grantee to City or damages to City as a result of any acts or omissions by Grantee under this Franchise, City may charge to and collect from Grantee or from the Security Letter and other Financial Security the following liquidated damages:

(a) For failure to provide data, documents, reports or information or to cooperate with City during an application process or system review or as otherwise provided herein, the liquidated damage shall be One Hundred Fifty and No/100 Dollars (\$150) per day for each day, or part thereof, such failure occurs or continues.

(b) For failure to comply with construction, operation or maintenance standards the liquidated damage shall be Three Hundred Fifty and No/100 Dollars (\$350) per day for each day, or part thereof, such failure occurs or continues.

(c) For failure to provide the services Grantee has proposed including, but not limited to, the implementation and the utilization of the Access Channels and the maintenance and/or replacement of the equipment and other facilities, the liquidated damage shall be One Hundred Fifty and No/100 Dollars (\$150) per day for each day, or part thereof, such failure occurs or continues.

(d) For failure to comply with any of the provisions of this Franchise, or other City ordinance related to Franchise operations for which a penalty is not otherwise specifically provided pursuant to this subparagraph (d), the liquidated damage shall be One Hundred Fifty and No/100 Dollars (\$150) per day for each day, or part thereof, such failure occurs or continues.

Each violation of any provision of this Franchise shall be considered a separate violation for which separate liquidated damages can be imposed.

7.) Procedure for Draw on Financial Security. The parties shall follow the procedure set forth in this Franchise regarding any withdrawal from the Security Letter or Financial Security.

(a) Grantee's Right to Pay Prior to Draw. Grantee shall have the opportunity to make prompt payment of any amount owed or any assessed liquidated damages and if Grantee

fails to promptly remit payment to the City, the City may resort to a draw from the Financial Security in accordance with the terms of this Franchise.

- (b) Use of Financial Security. City may draw on said Financial Security for the partial or whole amount thereof and hold the proceeds, without interest, and use the proceeds to pay costs incurred by City in performing and paying for any or all of the obligations, duties and responsibilities of Grantee under this Franchise that are not performed or paid for by Grantee pursuant hereto, including attorneys' fees incurred by the City in so performing and paying. The drawing on the Financial Security by City, and use of the money so obtained for payment or performance of the obligations, duties and responsibilities of Grantee which are in default, shall not be a waiver or release of such violation.
- (c) Collection of Funds Not Exclusive Remedy. The collection by City of any damages or monies from the Financial Security shall not affect any other right or remedy available to City, nor shall any act, or failure to act, by City pursuant to the Financial Security, be deemed a waiver of any right of City pursuant to this Franchise or otherwise. Notwithstanding this Section, however, should the City elect to impose liquidated damages, that remedy shall remain the City's exclusive remedy for ninety (90) days.
- 8.) Failure to Enforce. Grantee shall not be relieved of any of its obligations to comply promptly with any provision of the Franchise by reason of any failure of the City to enforce prompt compliance. The failure to enforce or act upon any violation of this Franchise shall not be a waiver of any rights to enforce or act upon that violation or any subsequent violation of this Franchise or Applicable Law.
- 9.) Violations by Grantee. Whenever City finds that Grantee has violated one (1) or more terms, conditions, or provisions of this Franchise, a written notice shall be given to Grantee informing it of such violation. At any time after thirty (30) days (or such longer reasonable time which, in the sole determination of City, is necessary to cure the alleged violation) following local receipt of notice, provided Grantee remains in violation of one (1) or more terms, conditions or provisions of this Franchise, in the opinion of City, City may draw from the Financial Security all penalties and other monies due City from the date of the local receipt of notice. Nothing herein is intended to modify the standard of review applicable to the City's determination.
- 10.) Dispute of Violation. Upon receipt of the violation notice from the City, the Grantee may, within thirty (30) days of such receipt, notify City in writing that there is a dispute as to whether a violation or failure has in fact occurred. Such written notice by Grantee to City shall specify with particularity the matters disputed by Grantee. Such notice by Grantee shall toll the accrual of all penalties under this Franchise and the timeframe allowed for cure until the City issues a decision following a hearing under the process in this Franchise. If Grantee does not dispute the alleged violation set forth in the violation notice, Grantee shall have thirty (30) days from the receipt of the violation notice to cure the alleged default before the City may impose damages as set forth herein.
- 11.) Hearing. City shall hear Grantee's dispute within sixty (60) days and render a final decision within sixty (60) days thereafter. Upon the determination of City that:

- (a) no violation has taken place then City shall refund to Grantee, without interest, all monies drawn from the Financial Security by reason of the alleged violation, or
- (b) a violation has taken place then City shall retain all monies drawn from the Financial Security by reason of the alleged violation, and collect interest and costs accruing from the date of the alleged violation.

**SECTION 8.
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. This Franchise represents the entire agreement between the City and Grantee. 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.
- 3.) Subscriber Privacy. Grantee shall comply with the terms of 47 U.S.C. § 551 relating to the protection of Subscriber privacy and Minn. Stat. § 238.084, subd. 1(s).
 - (a) Grantee shall comply with the following: No signals including signals of a Class IV Channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. The request for permission must be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. Such written permission shall be for a limited period of time not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such permission. The permission shall be revocable at any time by the Subscriber without penalty of any kind whatsoever.
 - (b) No information or data obtained by monitoring transmission of a signal from a Subscriber terminal, including but not limited to lists of the names and addresses of Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to Grantee or its agents for Grantee's business use, and also to the Subscriber subject of that information, unless Grantee has received specific, affirmative, and express written permission from the Subscriber to make such data available. The request for permission and any renewal thereof must be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. Such written permission shall be for a limited period of time not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to

provide or renew such permission. The permission shall be revocable at any time by the Subscriber without penalty of any kind whatsoever.

(c) Written permission from the Subscriber shall not be required for the conducting of system wide or individually addressed electronic sweeps for the purpose of verifying System integrity or monitoring for the purpose of billing. Confidentiality of such information shall be subject to the provision set forth in subparagraph (b) of this section.

4.) Grantee Identification. Grantee shall provide all customer service technicians and all other Grantee employees entering private property with appropriate picture identification so that Grantee employees may be easily identified by the property owners and Subscribers.

5.) Rights Reserved to City. In addition to any rights specifically reserved to the City by this Franchise, the City reserves to itself every right and power to which is required to be reserved by this Franchise. Further, the City reserves all of its rights to regulate any other services to the extent not prohibited by Applicable Law, and no provision herein shall be construed to limit or give up any right to regulate.

6.) Tort Limits. Nothing in this Franchise shall constitute a waiver or limitation of any immunity or limitation on liability to which the City is entitled under Minnesota Statutes, Chapter 466 or otherwise under Applicable Laws.

7.) Captions. The paragraph captions and headings in this Franchise are for convenience and reference purposes only and shall not affect in any way the meaning of interpretation of this Franchise.

8.) Compliance. If any Applicable Law shall require or permit Grantee to perform any service or act or shall prohibit Grantee from performing any service or act which may be in conflict with the terms of this Franchise, then as soon as possible following knowledge thereof, Grantee shall notify the City of the point of conflict believed to exist between such law or regulation.

9.) Severability. If any term, condition or provision of this Franchise or the application thereof to any Person or circumstances shall, to any extent, be held to be invalid or unenforceable, the remainder hereof and the application of such term, condition or provision to persons or circumstances other than those as to whom it shall be held invalid or unenforceable shall not be affected thereby, and this Franchise and all the terms, provisions and conditions hereof shall, in all other respects, continue to be effective and to be complied with. In the event that such law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision which had been held invalid or modified is no longer in conflict with the law, rules and regulations then in effect, said provision shall thereupon return to full force and effect and shall thereafter be binding on Grantee and the City.

Payment of Unpaid Franchise Fees. Grantee shall, within ten (10) days after the effective date of this Franchise, make full payment to the City of any and all monies, including but not limited to Franchise fees, that are unpaid or have been withheld by Grantee, any Affiliate, or any respective

vendor under any previous Franchise, ordinance, or agreement. Failure to do so shall be a material breach of this Franchise.

**SECTION 9.
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 9.2.

- 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 and execution by Grantee is an acknowledgment that all promises, offers, representations, obligations, and inducements contained in Grantee's proposal or herein were freely and voluntarily made to City by Grantee and will be honored.

 - (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 within thirty (30) days following approval by the City.

 - (2) With its acceptance, Grantee shall also deliver the financial security and insurance certificates required herein. Failure to provide such requirements may result in rescission of this Franchise.

Passed and adopted this ____ day of _____, 2026.

ATTEST:

CITY OF WYOMING, MINNESOTA

Robb Linwood, City Administrator

Lisa Iverson, Mayor

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

MIDCONTINENT COMMUNICATIONS
By: Midcontinent Communications Investor, LLC
Its: Managing Partner

Dated: _____

Patrick McCann
Sr. Vice President of Legal and General Counsel

EXHIBIT A

1. The System is designed, constructed, routinely inspected, and maintained to guarantee the system meets or exceeds the requirements of the most current additions of all applications for the National Electrical Code (NFPA 70) and the National Electrical Safety Code (ANSI C2) in effect at the time of construction.
2. General Requirements. Grantee shall comply with the FCC's technical standards. To the extent any of the provisions of this Exhibit A conflict with FCC technical standards as may be amended from time to time, the FCC standards shall prevail.
3. General Description. Grantee shall use equipment used in high quality, reliable, modern Cable Systems of similar design. The System shall provide Subscribers with a technically advanced and reliable system. The System shall operate at a minimum 860 MHz of bandwidth, capable of delivering a minimum of eighty (80) channels of programming. The System will be two-way active, and it will have a minimum available bandwidth range of 7-42 MHz. The design will provide the benefits of proven eighty (80) Channel electronics while positioning the System for expansion of bandwidth and Channel capacity as technology and future services develop.
4. Design. The design of the System is based upon a "fiber to the node" architecture with a minimum of three (3) fibers to each node site. This architecture delivers the signals by fiberoptics directly to each neighborhood. With a neighborhood group average of only five hundred (500) homes per node, the resulting System will have improved reliability while delivering a high quality picture. Grantee has placed fiber optic cables throughout the city, delivering the signals to an optical node placed in various geographic areas. There shall be no more than seven (7) active amplifiers in cascade from each node to the residential dwelling. The incorporation of stand-by power supplies, strategically placed throughout the System including all hubs, will further reduce the likelihood of Service Interruptions.
5. Technical Specifications. The System shall meet or exceed FCC requirements.

EXHIBIT B

Public Buildings Receiving or to Receive Cable Services

Facility Name	Address
Wyoming Police Department	7665 Wyoming Trail Wyoming, MN
Wyoming City Hall	26885 North Forest Blvd. Wyoming, MN
Wyoming City Building	26263 North Forest Blvd. Wyoming, MN

EXHIBIT C

Public Buildings With or to be Provided with Two-Way Capability

Grantee will cover the cost of materials, construction, and installation for the first 500' (measured from the nearest existing plant) to connect the following:

Facility Name	Address
Wyoming Elementary School	25701 Forest Blvd. North, Wyoming, MN
Wyoming Police Department	7665 Wyoming Trail, Wyoming, MN
Wyoming City Hall	26885 North Forest Blvd. Wyoming, MN
Wyoming City Building	26263 North Forest Blvd. Wyoming, MN

NOTE: The two-way capability required herein shall be satisfied by establishing a cable modem connection, or other at the foregoing sites allowing uploads speeds of 50 Mbps or faster, except as otherwise required by Applicable Laws. Alternatively, at Grantee's discretion and subject to feasibility, Grantee may provide such capabilities via dedicated fiber.

EXHIBIT D

Franchise Fee Payment Worksheet

Trade Secret/Confidential – To the Extent Permissible Under Applicable Law

Midcontinent Communications for the City of Wyoming, Minnesota

20____ [Month]	Number of Subscribers	Gross Revenue	5% Franchise Fee Amount	YTD Total
Basic Service				
Expanded Basic				
Premium Service				
Comprehensive Service				
Premium -				
Premium -				
Premium -				
Premium -				
Premium -				
Premium -				
Pay-Per-Channel				
Pay-Per-View				
Installation				
Guides				
Shopping Channels				
Advertising Sales				
Equipment Rental				
Administrative Fees				
Other Income				
Other				
TOTAL				

Verified and submitted on _____, 20____.

By: _____

Name: _____

Title: _____