



ORDINANCE ACTION

TO: Huntsville Town Planning Commission

FROM: Huntsville Town Council

DATE: June 25, 2024

RE: Ordinance 2024-2-13C Franchise Amendments and Comcast

The Huntsville Town Council approved Ordinance 2024-2-13C Adopting a Franchise Agreement with Comcast on February 13, 2024. In this agreement Huntsville Town gives Comcast permission to construct and operate a franchise within the public rights-of-way in the Town. In exchange, Huntsville Town will negotiate and implement a franchise fee that will be deposited in the Town's General Fund. The changes will be reflected in the municipal code under section 8.9 Franchise Fees.

A handwritten signature in blue ink, appearing to read "Nikki Wolthuis", is written over a horizontal line. The signature is fluid and cursive.

Nikki Wolthuis, Clerk

**HUNTSVILLE TOWN
ORDINANCE 2024-2-13C**

FRANCHISE AMENDMENTS AND COMCAST

AN ORDINANCE ADOPTING CHAPTER 8.9 TO BE ENTITLED “FRANCHISE FEES”; ADOPTING THE FRANCHISE AGREEMENT WITH COMCAST; SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Huntsville Town (“Town” or “Franchiser”) is a municipal corporation, duly organized and existing under the laws of the State of Utah;

WHEREAS, Comcast (“Franchisee”) is a corporation that provides certain services as set forth in the Franchise Agreement;

WHEREAS, *Utah Code Annotated* §10-8-84 and §10-8-60 allow municipalities in the State of Utah to exercise certain police powers and nuisance abatement powers, including but not limited to providing for safety and preservation of health, promotion of prosperity, improve community well-being, peace and good order for the inhabitants of the Town;

WHEREAS, *Utah Code Annotated* §10-8-11 authorizes the Town to “regulate the use of streets, alleys, avenues, sidewalks, crosswalks, parks and public grounds, prevent and remove obstructions and encroachments thereon . . .”

WHEREAS, Franchisee desires to construct and operate a franchise within the public right-of-way within the Town who is the Franchiser;

WHEREAS, the public interest is served by the Franchise Agreement adopted and incorporated herein;

NOW, THEREFORE, be it ordained by the Town Council of Huntsville, Utah as follows:

Section 1: Adoption. Chapter 8.9 of the *Huntsville Town Municipal Code* is hereby adopted to read as follows:

**CHAPTER 8.9
FRANCHISE FEES**

8.9. Franchise Fees.

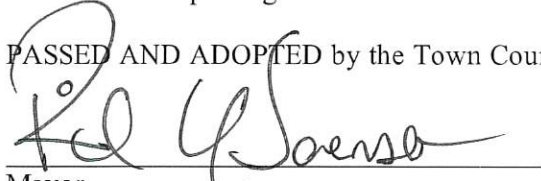
In consideration for use of the public right-of way, the Town shall negotiate and implement a franchise fee as set forth in each franchise agreement with a specific franchisee. Any franchise fees generated by this Section shall be deposited and expended as part of the Town’s General Fund.

Section 2: Agreement. The Mayor is authorized to negotiate, finalize, and execute the terms of the Franchise Agreement with Comcast hereby adopted and incorporated herein by this reference as set forth in Exhibit “A” attached hereto as an uncodified ordinance.

Section 3: Severability. If a Court of competent jurisdiction determines that any part of this Ordinance is unconstitutional or invalid, then such portion of this Ordinance, or specific application of this Ordinance, shall be severed from the remainder, which remainder shall continue in full force and effect.

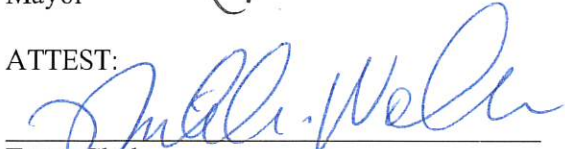
Section 4: Effective date. This Ordinance takes effect immediately upon mayoral approval and posting.

PASSED AND ADOPTED by the Town Council on this 13 day of February, 2024.



Mayor

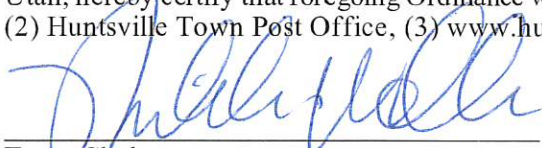


ATTEST:


Town Clerk

RECORDED this 14 day of February, 2024.
PUBLISHED OR POSTED this 25 day of June, 2024.

CERTIFICATE OF PASSAGE AND PUBLICATION OR POSTING
In accordance with Utah Code Annotated §10-3-713, 1953 as amended, I, the Town Clerk of Huntsville, Utah, hereby certify that foregoing Ordinance was duly passed and published or posted at: 1) Town Hall (2) Huntsville Town Post Office, (3) www.huntsvilletown.com (4) www.pmn.gov.



Town Clerk

DATE: 6-25-2024

Exhibit A

**FRANCHISE AGREEMENT
BETWEEN
HUNTSVILLE TOWN
AND
COMCAST OF UTAH II, INC.**

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FRANCHISE AGREEMENT

This Franchise Agreement (hereinafter, the "Agreement" or "Franchise Agreement") is made between Huntsville Town (hereinafter, "Town" as Franchising Authority and Grantor), Comcast of Utah II, Inc. (hereinafter, "Grantee").

The Town, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

SECTION 1 - Definition of Terms

For the purpose of this Franchise Agreement, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them in the Cable Communications Policy Act of 1984, as amended from time to time, 47 U.S.C. §§ 521 et seq. (the "Cable Act"), unless otherwise defined herein.

1.1. "Basic Service" is the level of programming service which includes, at a minimum, all Broadcast Channels and any additional Programming added by the Grantee, and is made available to all Cable Services Subscribers in the Franchise Area.

1.2. "Customer" means a Person or user of the Cable System who lawfully receives Cable Service therefrom with the Grantee's express permission.

1.3. "Effective Date" means the date on which all persons necessary to sign this Agreement in order for it to be binding on both parties have executed this Agreement as indicated on the signature page(s), unless a specific date is otherwise provided in the "Term" section herein.

1.4. "FCC" means the Federal Communications Commission, or successor governmental entity thereto.

1.5. "Franchise" means the initial authorization, or renewal thereof, issued by the Franchising Authority, whether such authorization is designated as a franchise, agreement, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes the construction and operation of the Cable System.

1.6. "Franchise Agreement" or "Agreement" shall mean this Agreement and any amendments or modifications hereto.

1.7. "Franchise Area" means the present legal boundaries of the Town as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means.

1.8. "Franchising Authority" means the Town or the lawful successor, transferee, designee, or assignee thereof.

1.9. "Grantee" shall Comcast of Utah II, Inc.

1.10. "Gross Revenue" means the Cable Service revenue derived by the Grantee from the operation of the Cable System in the Franchise Area to provide Cable Services, calculated in accordance with generally accepted accounting principles (GAAP). Cable Service revenue includes monthly basic, premium and pay-per-view video fees, advertising and home shopping revenue, installation fees and equipment rental fees. Gross Revenue shall not include refundable deposits, bad debt, late fees, investment income, programming launch support payments, advertising sales commissions, nor any taxes, fees or assessments imposed or assessed by any governmental authority.

1.11. "Person" means any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the Town.

1.12. "Public Way" shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or easements dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Town in the Franchise Area, which shall entitle the Town and the Grantee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System. Public Way shall also mean any easement now or hereafter held by the Town within the Franchise Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Town and the Grantee to the use thereof for the purposes of installing, operating, and maintaining the Grantee's Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System.

SECTION 2 - Grant of Authority

2.1. The Town hereby grants to the Grantee a nonexclusive Franchise authorizing the Grantee to construct and operate a Cable System in the Public Ways within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in any Public Way such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System, and to provide such services over the Cable System as may be lawfully allowed.

2.1.1. Subject to federal and state preemption, the provisions of this Franchise constitute a valid and enforceable contract between the parties. The material terms and conditions contained in this Franchise may not be unilaterally altered by the

Town through subsequent amendment to any ordinance, rule, regulation, or other enactment of the Town, except in the lawful exercise of the Franchising Authority's police power.

2.1.2. Notwithstanding any other provision of this Franchise, Grantee reserves the right to challenge provisions of any ordinance, rule, regulation, or other enactment of the Town that conflicts with its contractual rights under this Franchise, either now or in the future.

2.2. Term of Franchise.

The term of the Franchise granted hereunder shall be Ten (10) years, commencing upon the Effective Date of the Franchise, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and the Cable Act.

2.3. Renewal.

Any renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, as amended.

Should the Franchise expire without a mutually agreed upon renewed Franchise Agreement and Grantee and Town are engaged in an informal or formal renewal process, the Franchise shall continue on a month-to-month basis, with the same terms and conditions as provided in the Franchise, and the Grantee and Town shall continue to comply with all obligations and duties under the Franchise.

2.4. Reservation of Authority.

Nothing in this Franchise Agreement shall: (i) abrogate the right of the Town to perform any public works or public improvements of any description, (ii) be construed as a waiver of any codes or ordinances of general applicability promulgated by the Town, or (iii) be construed as a waiver or release of the rights of the Town in and to the Public Ways.

SECTION 3 – Construction and Maintenance of the Cable System

3.1. Permits and General Obligations.

The Grantee shall be responsible for obtaining, at its own cost and expense, all generally applicable permits, licenses, or other forms of approval or authorization necessary to construct, operate, maintain or repair the Cable System, or any part thereof, prior to the commencement of any such activity. Construction, installation, and maintenance of the Cable System shall be performed in a safe, thorough and reliable manner using materials of good and durable quality. All transmission and distribution structures, poles, other lines, and equipment installed by the Grantee for use in the Cable System in accordance with the terms and conditions of this Franchise Agreement shall be

located so as to minimize the interference with the proper use of the Public Ways and the rights and reasonable convenience of property owners who own property that adjoins any such Public Way. Grantee agrees to conduct its operation and maintenance in accordance with any applicable Town codes. Any damage to other utilities, including Town facilities, by Grantee under this Franchise Agreement shall be restored and/or repaired at the sole expense of Grantee acceptable to Town. For restoration, the restoration shall be made reasonably comparable to the original condition.

3.2. Conditions of Street Occupancy.

3.2.1. New Grades or Lines.

If the grades or lines of any Public Way within the Franchise Area are lawfully changed at any time during the term of this Franchise Agreement, then the Grantee shall, upon reasonable advance written notice from the Town (which shall not be less than ten (10) business days) and at its own cost and expense, protect or promptly alter or relocate the Cable System, or any part thereof, so as to conform with any such new grades or lines. If public funds, other than Town, are available to any other user of the Public Way for the purpose of defraying the cost of any of the foregoing, the Town shall notify Grantee of such funding and make available such funds to the Grantee.

3.2.2. Relocation at request of Third Party.

The Grantee shall, upon reasonable prior written request of any Person holding a permit issued by the Town to move any structure, temporarily move its wires to permit the moving of such structure; provided: (i) the Grantee may impose a reasonable charge on any Person for the movement of its wires, and such charge may be required to be paid in advance of the movement of its wires; and (ii) the Grantee is given not less than ten (10) business days advance written notice to arrange for such temporary relocation.

3.2.3. Restoration of Public Ways.

If in connection with the construction, operation, maintenance, or repair of the Cable System, the Grantee disturbs, alters, or damages any Public Way, the Grantee agrees that it shall at its own cost and expense replace and restore any such Public Way to a condition reasonably comparable to the condition of the Public Way existing immediately prior to the disturbance.

3.2.4. Safety Requirements.

The Grantee shall, at its own cost and expense, undertake all necessary and appropriate efforts to maintain its work sites in a safe manner in order to prevent failures and accidents that may cause damage, injuries or nuisances. All work undertaken on the Cable System shall be performed in substantial accordance with applicable FCC or other federal and state regulations. The Cable System shall not unreasonably endanger or interfere with the safety of Persons or property in the Franchise Area.

3.2.5. Trimming of Trees and Shrubbery.

The Grantee shall have the authority to trim trees or other natural growth overhanging any of its Cable System in the Franchise Area so as to prevent contact with the Grantee's wires, cables, or other equipment. All such trimming shall be done at the Grantee's sole cost and expense. The Grantee shall be responsible for any damage caused by such trimming.

3.2.6. Aerial and Underground Construction.

At the time of Cable System construction, if all of the transmission and distribution facilities of all of the respective public or municipal utilities in any area of the Franchise Area are underground, the Grantee shall place its Cable Systems' transmission and distribution facilities underground, provided that such underground locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. If infrastructure exists for transmission and distribution facilities to be installed aerially and the Town requests aerial installation, the Grantee shall place its Cable Systems' transmission and distribution facilities aerially, provided that such aerial locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. In any region(s) of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities, or any part thereof, aerially or underground. Nothing in this Section shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

3.2.7. Undergrounding and Beautification Projects.

In the event all users of the Public Way relocate aerial facilities underground as part of an undergrounding or neighborhood beautification project, Grantee shall participate in the planning for relocation of its aerial facilities contemporaneously with other utilities. Grantee's relocation costs shall be included in any computation of necessary project funding by the municipality or private parties. Grantee shall be entitled to reimbursement of its relocation costs from public or private funds raised for the project and made available to other users of the Public Way.

3.3. Extensions of the Cable System

Nothing in this Agreement requires Grantee to build to all areas of the Town. Grantee retains the discretion to determine the scope, location, and timing of the design and construction of its network, as well as the windows during which residential Subscribers may enroll for services, so long as such decisions are consistent with this Section. Grantee, at its sole discretion, may determine separately defined geographic areas within the Franchise Area where its System will be deployed, services will be offered, or facilities will be upgraded.

SECTION 4 - Service Obligations

4.1. Programming.

The Grantee shall offer to all Customers a diversity of video programming services.

4.2. No Discrimination.

The Grantee shall not discriminate or permit discrimination between or among any Persons in the availability of Cable Services or other services provided in connection with the Cable System in the Franchise Area. It shall be the right of all Persons to receive all available services provided on the Cable System so long as such Person's financial or other obligations to the Grantee are satisfied. Nothing contained herein shall prohibit the Grantee from offering bulk discounts, promotional discounts, package discounts, or other such pricing strategies as part of its business practice.

4.3. New Developments.

The Town shall provide the Grantee with written notice of the issuance of building or development permits for planned developments within the Franchise Area requiring undergrounding of cable facilities. The Town agrees to require the developer, as a condition of issuing the permit, to give the Grantee access to open trenches for deployment of cable facilities and at least ten (10) business days written notice of the date of availability of open trenches. Notwithstanding the foregoing, the Grantee shall not be required to utilize any open trench.

SECTION 5 - Fees and Charges to Customers

5.1. All rates, fees, charges, deposits and associated terms and conditions to be imposed by the Grantee or any affiliated Person for any Cable Service as of the Effective Date shall be in accordance with applicable FCC's rate regulations. Before any new or modified rate, fee, or charge is imposed, the Grantee shall follow the applicable FCC notice requirements and rules and notify affected Customers, which notice may be by any means permitted under applicable law.

SECTION 6 - Customer Service Standards; Customer Bills and Privacy Protection

6.1. Customer Service Standards.

The Franchising Authority hereby adopts the customer service standards set forth in Part 76, §76.309 of the FCC's rules and regulations, as amended. The Grantee shall comply in all respects with the customer service requirements established by the FCC.

6.2. Customer Bills.

Customer bills shall be designed in such a way as to present the information contained therein clearly and comprehensibly to Customers, and in a way that: (i) is not misleading, and (ii) does not omit material information. Notwithstanding anything to the contrary in Section 6.1, above, the Grantee may, in its sole discretion, consolidate costs on Customer bills as may otherwise be permitted by Section 622(c) of the Cable Act (47 U.S.C. §542(c)).

6.3. Privacy Protection.

The Grantee shall comply with all applicable federal and state privacy laws, including Section 631 of the Cable Act and regulations adopted pursuant thereto.

SECTION 7 - Oversight and Regulation by Franchising Authority

7.1. Franchise Fees.

The Grantee shall pay to the Town a franchise fee in an amount equal to five percent (5%) of annual Gross Revenues received from the operation of the Cable System to provide Cable Service in the Franchise Area; provided, however, that Grantee shall not be compelled to pay any higher percentage of franchise fees than any other video service provider providing service in the Franchise Area. The payment of franchise fees shall be made on an annual basis and shall be due forty-five (45) days after the close of each calendar year. Each franchise fee payment shall be accompanied by a report prepared by a representative of the Grantee showing the basis for the computation of the Franchise Fees paid during that period.

7.2. Franchise Fees Subject to Audit.

7.2.1. Upon reasonable prior written notice, during normal business hours at Grantee's principal business office, the Town shall have the right to inspect the Grantee's financial records used to calculate the Town's franchise fees; provided, however, that any such inspection shall take place within two (2) years from the date the Town receives such payment, after which period any such payment shall be considered final.

7.2.2. Upon the completion of any such audit by the Town, the Town shall provide to the Grantee a final report setting forth the Town's findings in detail, including any and all substantiating documentation. In the event of an alleged underpayment, the Grantee shall have thirty (30) days from the receipt of the report to provide the Town with a written response agreeing to or refuting the results of the audit, including any substantiating documentation. Based on these reports and responses, the parties shall agree upon a "Finally Settled Amount." For purposes of this Section, the term "Finally Settled Amount(s)" shall mean the agreed upon underpayment, if any, to the Town by the Grantee as a result of any such audit. If the parties cannot agree on a "Final Settlement Amount," the parties shall submit the dispute to a mutually agreed upon mediator within sixty (60) days of reaching an impasse. In the event an agreement is not reached at mediation, either party may bring an action to have the disputed amount determined by a court of law.

7.2.3. Any “Finally Settled Amount(s)” due to the Town as a result of such audit shall be paid to the Town by the Grantee within thirty (30) days from the date the parties agree upon the “Finally Settled Amount.” Once the parties agree upon a Finally Settled Amount and such amount is paid by the Grantee, the Town shall have no further rights to audit or challenge the payment for that period. The Town shall bear the expense of its audit of the Grantee’s books and records.

7.3. Oversight of Franchise.

In accordance with applicable law, the Town shall have the right on active work sites, or where a problem exists and in the presence of Grantee’s employee after requesting Grantee to be present to inspect the construction and maintenance of the Cable System in the Franchise Area as necessary to monitor Grantee’s compliance with the provisions of this Franchise Agreement.

7.4. Technical Standards.

The Grantee shall comply with all applicable technical standards of the FCC as published in subpart K of 47 C.F.R. § 76. To the extent those standards are altered, modified, or amended during the term of this Franchise, the Grantee shall comply with such altered, modified or amended standards within a reasonable period after such standards become effective. The Town shall have, upon written request, the right to obtain a copy of tests and records required to be performed pursuant to the FCC’s rules.

7.5. Maintenance of Books, Records, and Files.

7.5.1. Books and Records.

Throughout the term of this Franchise Agreement, the Grantee agrees that the Town may review the Grantee’s books and records regarding customer service performance levels in the Franchise Area to monitor Grantee’s compliance with the provisions of this Franchise Agreement, upon reasonable prior written notice to the Grantee, at the Grantee’s business office, during normal business hours, and without unreasonably interfering with Grantee’s business operations. All such documents that may be the subject of an inspection by the Town shall be retained by the Grantee for a minimum period of three (3) years, or as may otherwise be provided in the state retention schedule.

7.5.2. Proprietary Information.

Notwithstanding anything to the contrary set forth in this Section, the Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Town agrees to treat any information disclosed by the Grantee as confidential and only to disclose it to those employees, representatives, and agents of the Town that have a need to know in order to enforce this Franchise Agreement and who agree to maintain the confidentiality of all such information. The

Grantee shall not be required to provide Customer information in violation of Section 631 of the Cable Act or any other applicable federal or state privacy law. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of franchise fees or rates pursuant to FCC rules, or other information that is reasonably determined by the Grantee to competitively sensitive. Grantee may make proprietary, private, protected, or confidential information available for inspection but not copying or removal by the Town's representative. In the event that the Town has in its possession and receives a request under a state "sunshine or open records," public records, or similar law for the disclosure of information the Grantee has designated as confidential, private, protected, trade secret, or proprietary, the Town shall notify Grantee of such request and cooperate with Grantee in opposing such request.

SECTION 8 – Transfer of Cable System or Franchise or Control of Grantee

8.1. Neither the Grantee nor any other Person may transfer the Cable System or the Franchise without the prior written consent of the Town, which consent shall not be unreasonably withheld or delayed. No transfer of control of the Grantee, defined as an acquisition of 51% or greater ownership interest in Grantee, shall take place without the prior written consent of the Town, which consent shall not be unreasonably withheld or delayed. No consent shall be required, however, for: (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation. Within thirty (30) days of receiving a request for consent, the Town shall, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the Town has not taken final action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed granted.

SECTION 9 - Insurance and Indemnity

9.1. Insurance.

Throughout the term of this Franchise Agreement, the Grantee shall, at its own cost and expense, maintain Comprehensive General Liability Insurance and provide the Town certificates of insurance designating the Town Authority and its officers, boards, commissions, councils, elected officials, agents, volunteers, and employees as additional insureds and demonstrating that the Grantee has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of Two Million Dollars (\$2,000,000.00) for bodily injury or death to any one person, and Two Million Dollars (\$2,000,000.00) for bodily injury or death of any two or more persons resulting from one occurrence, and Two Million Dollars (\$2,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days prior written notice to the Franchising Authority. The Grantee shall provide workers'

compensation coverage in accordance with applicable law. The Grantee shall indemnify and hold harmless the Town from any workers compensation claims to which the Grantee may become subject during the term of this Franchise Agreement.

9.2. Indemnification.

The Grantee shall indemnify, defend and hold harmless the Town, its officers, contractors, volunteers, employees, and agents from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of the Grantee's construction, operation, maintenance or removal of the Cable System, including, but not limited to, reasonable attorneys' fees and costs, provided that the Town shall give the Grantee written notice of its obligation to indemnify and defend the Town within fifteen (15) business days of receipt of a claim or action pursuant to this Section. If the Town determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Town. Notwithstanding the foregoing, the Grantee shall not indemnify the Town for any damages, liability or claims resulting from the willful misconduct or negligence of the Town.

SECTION 10 - System Description and Service

10.1. System Capacity.

During the term of this Agreement the Grantee's Cable System shall be capable of providing a minimum of eighty-five (85) channels of video programming with satisfactory reception available to its customers in the Franchise Area.

10.2. Town Service Assistance. Grantee may provide a mutually agreed upon grant to Town for the purpose of funding capital expenditures to assist Town in better communicating with and connecting to the community. Any such grant will be considered an in-kind Franchise Fee and must be recovered in accordance with Federal law and regulations as well as must not exceed the Federal limitation of the Franchise Fee maximum of 5%.

10.3 Emergency Use. In accordance with FCC Regulations, Part 11, Subpart D, Section 11.51, and other applicable law, the Grantee shall provide Town emergency access.

SECTION 11 - Enforcement and Termination of Franchise

11.1. Notice of Violation or Default.

In the event the Town believes that the Grantee has not complied with the material terms of the Franchise, it shall notify the Grantee in writing with specific details regarding the exact nature of the alleged noncompliance or default.

11.2. Grantee's Right to Cure or Respond.

The Grantee shall have forty-five (45) days from the receipt of the Town's written notice: (i) to respond to the Franchising Authority, contesting the assertion of noncompliance or default; or (ii) to cure such default; or (iii) in the event that, by nature of the default, such default cannot be cured within the forty-five (45) day period, initiate reasonable steps to remedy such default and notify the Town of the steps being taken and the projected date that the cure will be completed.

11.3. Public Hearing.

In the event the Grantee fails to respond to the Town's notice or in the event that the alleged default is not remedied within forty-five (45) days or the date projected by the Grantee, the Town shall schedule a public hearing to investigate the default. Such public hearing shall be held at the next regularly scheduled meeting of the Town. The Town shall notify the Grantee in writing at least ten (10) days prior to the public hearing of the date, time, and place of such public hearing and provide the Grantee with a reasonable opportunity to be heard.

11.4. Enforcement.

Subject to applicable federal and state law, in the event the Town, after such public hearing, determines that the Grantee is in default of any material provision of the Franchise, the Town may:

11.4.1. seek specific performance of any provision that reasonably lends itself to such remedy as an alternative to damages, or seek other equitable relief; or

11.4.2. in the case of a substantial default of a material provision of the Franchise, declare the Franchise Agreement to be revoked in accordance with the following:

(i) The Town shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee, including two or more instances of substantial noncompliance with a material provision of the Franchise. The notice shall set forth with specificity the exact nature of the noncompliance. The Grantee shall have ninety (90) days from the receipt of such notice to object in writing and to state its reasons for such objection. In the event the Town has not received a response from the Grantee or upon receipt of the response does not agree with the Grantee's proposed remedy, it may then seek termination of the Franchise at a public hearing. The Town shall cause to be served upon the Grantee, at least ten (10) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request termination of the Franchise.

(ii) At the designated hearing, the Town shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which it shall determine whether or not the Franchise shall be terminated. The public hearing shall be on the record and a written transcript shall be made available to the Grantee

within ten (10) business days. The decision of the Town shall be in writing and shall be delivered to the Grantee by certified mail. The Grantee may appeal such determination to an appropriate court, which shall have the power to review the decision of the Town “de novo” and to modify or reverse such decision as justice may require.

11.5. Technical Violation.

The Town agrees that it is not its intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise for so-called “technical” breach(es) or violation(s) of the Franchise, which shall include, but not be limited, to the following:

11.5.1. in instances or for matters where a violation or a breach of the Franchise by the Grantee was good faith error that resulted in no or minimal negative impact on the Customers within the Franchise Area; or

11.5.2. where there existed circumstances reasonably beyond the control of the Grantee and which precipitated a violation by the Grantee of the Franchise, or which were deemed to have prevented the Grantee from complying with a term or condition of the Franchise.

SECTION 12 – Competitive Equity

12.1. Purposes.

The Grantee and the Town acknowledge that there is increasing competition in the video marketplace among cable operators, direct broadcast satellite providers, telephone companies, broadband content providers and others; new technologies are emerging that enable the provision of new and advanced services to Town residents; and changes in the scope and application of the traditional regulatory framework governing the provision of video services are being considered in a variety of federal, state and local venues. To foster an environment where video service providers using the public rights-of-way can compete on a competitively neutral and nondiscriminatory basis; encourage the provision of new and advanced services to Town residents; promote local communications infrastructure investments and economic opportunities in the Town; and provide flexibility in the event of subsequent changes in the law, the Grantee and the Town have agreed to the provisions in this Section, and they should be interpreted and applied with such purposes in mind.

12.2. New Video Service Provider.

12.2.1. Notwithstanding any other provision of this Agreement or any other provision of law, if any Video Service Provider (“VSP”): (i) enters into any agreement with the Town to provide video services to subscribers in the Town, or (ii) otherwise begins to provide video services to subscribers in the Town (with or without entering into an agreement with the Town), the Town, upon written request of the Grantee, shall permit the Grantee to construct and operate its Cable System and to provide video services to subscribers in the Franchise Authority under the same terms and conditions as apply to the new VSP to the extent justified by the VSP being similarly situated to the Grantee with respect to the Town. The Grantee and the Franchising Authority shall enter into an

agreement or other appropriate authorization (if necessary) and should enter an agreement for such containing similar terms and conditions as are applicable to the VSP.

12.2.2. If there is no written agreement or other authorization between the new VSP and the Town, the Town should have a reasonable time to enter into an agreement or other appropriate authorization (if necessary) that to the maximum extent possible contains provisions that will ensure competitive equity between the Grantee and other VSPs, taking into account the terms and conditions under which other VSPs are allowed to provide video services to subscribers in the Town.

12.3. Subsequent Change in Law.

If there is a change in federal, state or local law that provides for a new or alternative form of authorization for a VSP to provide video services to subscribers in the Town, or that otherwise changes the nature or extent of the obligations that the Town may request from or impose on a VSP providing video services to subscribers in the Town, the Town agrees that, notwithstanding any other provision of law, upon Grantee's written request the Town shall: (i) permit the Grantee to provide video services to subscribers in the Town on the same terms and conditions as are applicable to a VSP under the changed law; (ii) modify this Agreement to comply with the changed law; or (iii) modify this Agreement to ensure competitive equity between the Grantee and other VSPs, taking into account the conditions under which other VSPs are permitted to provide video services to subscribers in the Town. The Town and the Grantee shall implement the provisions of this Section within sixty (60) days after the Grantee submits a written request to the Town. Notwithstanding any provision of law that imposes a time or other limitation on the Grantee's ability to take advantage of the changed law's provisions, the Grantee may exercise its rights under this Section at any time, but not sooner than thirty (30) days after the changed law goes into effect.

12.4 Effect on This Agreement.

Any agreement, authorization, right or determination to provide video services to subscribers in the Town under Sections 12.2 or 12.3 shall supersede this Agreement, and the Grantee, at its option, may terminate this Agreement or portions thereof, upon written notice to the Town, without penalty or damages.

12.5 The term "Video Service Provider" or "VSP" shall mean any entity using the public rights-of-way to provide multiple video programming services to subscribers, for purchase or at no cost, regardless of the transmission method, facilities, or technology used. A VSP shall include but is not limited to any entity that provides cable services, multichannel multipoint distribution services, broadcast satellite services, satellite-delivered services, wireless services, and Internet-Protocol based services.

SECTION 13 - Miscellaneous Provisions

13.1. Force Majeure.

The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Grantee's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary.

13.2 Furthermore, the parties hereby agree that it is not the Grantor's intention to subject the Grantee to penalties, fines, forfeiture or revocation of the Agreement for violations of the Agreement where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the Service Area, or where strict performance would result in practical difficulties and hardship to the Grantee which outweigh the benefit to be derived by the Grantor and/or Subscribers.

13.3. Notice.

All notices shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

To the Franchising Authority:

To the Grantee:

Comcast of Utah II, Inc.
Attn: Government Affairs
96020 South 300 West
Sandy UT 84070

with a copy to:

Comcast Cable
Attn.: Government Affairs Department

1701 John F. Kennedy Blvd.
Philadelphia, PA 19103

13.3. Entire Agreement.

This Franchise Agreement, including all Exhibits, embodies the entire understanding and agreement of the Town and the Grantee with respect to the subject matter hereof and supersedes all prior understandings, agreements and communications, whether written or oral. All ordinances or parts of ordinances that are in conflict with or otherwise impose obligations different from the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

13.4. Severability.

If any section, subsection, sentence, clause, phrase, or other portion of this Franchise Agreement is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

13.5. Governing Law.

This Franchise Agreement shall be deemed to be executed in the State of Utah, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of Utah, as applicable to contracts entered into and performed entirely within the State.

13.6. Modification.

No provision of this Franchise Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the Town and the Grantee, which amendment shall be authorized on behalf of the Town through the adoption of an appropriate resolution or order by the Town, as required by applicable law.

13.7. No Third-Party Beneficiaries.

Nothing in this Franchise Agreement is intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Franchise Agreement.

13.8. No Waiver of Rights.

Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, Grantee may have under federal or state law unless such waiver is expressly stated herein.

IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

For Franchising Authority:

By: RICHARD L. SORENSEN
Name: Richard L. Sorenson
Title: MAYOR, HANTSVILLE TOWN
Date: 2/14/24

Duplicate signature

page

Richard L. Sorenson
6-25-2024

For Comcast _____:

By: _____
Name: _____
Title: _____
Date: _____

IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

For Franchising Authority:

By: 

Name: RICHARD L. SORENSEN

Title: MAYOR

Date: 2-14-24

For Comcast _____:

By: 

Name: John D. Keller

Title: Region Sr VP

Date: 3/4/24