

AN ORDINANCE GRANTING A NON EXCLUSIVE FRANCHISE TO
TRIBUNE PUBLISHING COMPANY (a/b/a CABLE T.V. PUGET
SOUND, A WASHINGTON CORPORATION) AUTHORIZING CONSTRUCTION
OPERATION AND MAINTENANCE OF A CABLE TELEVISION SYSTEM.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE
TOWN OF GIG HARBOR:

The Town hereby grants to the Company a non-exclusive Franchise,
right and privilege to construct, erect, operate, modify and maintain, in, upon
along, across, above, over and under the roadways, streets, alleys, sidewalks,
public ways and public places now laid out or dedicated and all extensions
thereof, and additions thereto, in the Town, wires, cables, underground
conducts, manholes and other television repeaters and fixtures necessary for
the maintenance and operation in the Town of a Cable Television System for the
purpose of distributing television and radio signals, and other electronic signals
in order to furnish television and radio programs, and various communications
and other electronic services to the public. The right so granted includes
the right to use and occupy said streets, alleys, public ways and public
places and all manner of easements for the purposes herein set forth.

IT IS ORDERED that a Franchise be, and the same hereby is, granted
to TRIBUNE PUBLISHING COMPANY (d/b/a CABLE T.V. PUGET SOUND), a
Washington corporation, ("Grantee") and its successors and assigns,
to construct, maintain and operate for a term of fifteen years a cable antenna
television distribution system over and along the public roads, of the Town
of Gig Harbor. This Franchise carries with it the right of the
Grantee to enter upon the said roads for the purposes of constructing,
maintaining and operating lines and equipment for transmission and distribution
of television, FM radio, and similar audio-visual signals, and the right

to attach lines to the premises of persons desiring to receive such signals, and to make reasonable charges to such persons for providing such signals, in accordance with provisions of Section Four hereof, subject to the following terms and conditions.

I.

The Grantee shall not erect new poles along Town roads without the Town Council's approval, and shall enter into joint use pole agreements with other public utilities maintaining poles along such roads. In no event shall the Grantee do any work requiring the breaking of the surface of any Town road without prior authorization of the Town Engineer. This authorization shall take the form of a written permit specifying the work and method of restoring the broken road to the same condition as it was prior to the breaking. All construction of lines and equipment shall meet standards required by The National Electrical Code, the National Electrical Safety Code, the Washington State Wiring Code, and any local regulations governing construction and maintenance of wires and cables carrying low voltage electricity. The Grantee shall take care, while installing its lines and equipment, to interfere as little as possible with public travel, and to take all reasonable precautions to guard persons and vehicles using the roads from injuries caused by said installation. The Grantee shall be liable for every condition and act created by its use of this Franchise, and in the event that the Grantee creates a condition which may prove hazardous to any person or property the Town may undertake to reduce or remove the condition, and any expense incurred by the Town in doing so shall be an obligation to the Grantee. Grantee shall defend, indemnify,

and hold harmless, the Town against all claims which may result from the construction, operation or maintenance of any facilities erected or installed under this Franchise, and shall constantly maintain in full force and effect liability insurance for bodily injury and property damage, with such carriers and in such amounts as are approved by the Town Council, to the end that the Town shall not have to defend or pay any claims brought as a result of activities pursued or conditions created under or by this Franchise. The Town of Gig Harbor shall be named as additional insured in said policies. The Grantee shall provide a certificate of insurance to the Town. All work done under this Franchise shall be done in a thorough and workmanlike manner. The Town may stop and prohibit any work not carried on in that manner.

II.

The Town may, without notice, change its roadways, grades and alignments on roads named in this Franchise. If any such changes cause the location of lines installed under this Franchise to interfere with travel, drainage, alignment or grade, the Grantee shall promptly, and at the Grantee's expense, change the location of such lines as directed by the Town Engineer. The Town may vacate any road named in this Franchise. Such vacation shall result in the termination of this Franchise insofar as it applies to that road. Provided: That termination by virtue of the vacation of a road or roads shall occur thirty days after notice to the Grantee of the Town's intention to vacate.

III.

The Franchise is not an exclusive Franchise. The Town may at any time grant other Franchises for similar or dissimilar operations, either upon the same roads or others within the Town.

IV.

The Company's initial rates for service rendered to normal residential customers shall not exceed the following schedule:

- (A) Normal installation charge will be \$20.00.
- (B) Normal monthly service charge not to exceed \$6.00.
- (C) Normal installation charges for additional outlets will be \$6.00 each
- (D) Normal monthly service charges for second outlets will not exceed \$1.00.

No increase in rates charged to subscribers shall be made except as authorized by the Town in accord with the provisions of Section Five hereof.

V.

- (A) Any inquiry proceeding, investigation or other action to be taken or proposed to be taken by the Town Council in regard to the operations of Company's Cable Television System, including action in regard to an increase in subscription rates, shall be taken only thirty (30) days after public notice of such action or proposed action is published in a local, daily or weekly newspaper having general circulation in the Town, a copy of such action or proposed action is served directly on Company and, the Company has been given an opportunity to respond in writing and/or at hearing as may be specified by the Town Council, and general members of the public have been given an opportunity to respond or comment in writing on the action or proposed action.

- (B) The public notice required by this section shall state clearly the action or proposed action to be taken, the time provided for response and the Person or Persons in authority to whom such response should

be addressed, and such other procedures as may be specified by the Town Council. If a hearing is to be held, the notice shall state that public participation will be allowed and establish the procedures by which such participation may be obtained. The Company is a necessary party to any hearing conducted in regard to its operations.

The Company shall provide for receiving via a local telephone call inquiries or complaints regarding quality of service, equipment malfunctions, billing disputes and similar matters. Inquiries or complaints from subscribers shall be received during normal business hours, 9 a.m. to 5 p.m. Monday through Friday. All complaints and inquiries will be investigated, responded to or acted upon as promptly as is practical, and unless circumstances otherwise require, within three business days of their receipt. The Company shall by appropriate means furnish information about the procedures for making inquiries and/or complaints, specifically including the name, address and local phone number of the agent to which inquiries or complaints are to be addressed.

VI.

The Company shall not, as to rates, charges, service facilities, rules, regulations or in any other respect, make or grant any preference or advantage to any person, nor subject any person to any prejudice or disadvantage, provided that nothing in this Franchise shall be deemed to prohibit the establishment of a graduated scale of charges and classified rate schedules to which any customer coming within such classification would be entitled.

VII.

The Grantee shall pay the Town 3% of the revenues derived from the supplying of regularly monthly cable subscriber service but not including

charges for installing, reconnecting, disconnecting, inspection, repairing or modifying television cable equipment, advertising, lease, access or origination channels or taxes collected by the Grantee or any other income derived from the system. The Grantee's payment to the Town shall begin within three (3) months of the receipt of any income from operations carried on under this franchise, and shall be made quarterly thereafter. The Grantee shall maintain complete and accurate records of receipts, earned from such operations, and shall make such records available to the Town's authorized agents for inspection at all reasonable times.

VIII

The Grantee shall defend, indemnify and hold harmless the Town against any and all claims for copyright infringement brought as a result of operations carried on under this Franchise.

IX.

Within sixty days of the signing of this Franchise, the Grantee shall file its written acceptance of this Franchise and all of its terms and conditions with the Clerk of the Town of Gig Harbor. Upon accepting this Franchise the Grantee shall apply for all permits and authorizations required to carry on operations under this Franchise, including joint use agreements and licenses which may be required by the Federal Communications Commission and any other governmental agency exercising jurisdiction over the said operations; and shall endeavor to acquire materials needed to begin construction and operation of a cable antenna television system. Within one hundred eighty (180) days of the signing of this Franchise the Grantee shall commence construction of a cable antenna television system, unless delayed by a lack of materials, licenses or authorization which, despite the exercise of diligence, the Grantee could not secure. If it appears at any time that

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the Grantee may not use roads in the Town of Gig Harbor for purposes permitted by this Franchise, the Town may, at the expiration of thirty days following notice of its intention so to do, revoke the construction permit insofar as it applies to those roads. If the Grantee discontinues using any lines or other equipment, the Town may, at the expiration of one hundred eighty (180) days following such discontinuance, revoke the Grantee's authority to use the said lines or equipment.

Within one (1) year from the date the Federal Communications Commission grants a certificate of compliance pursuant to the Rules and Regulations governing cable television, Company shall extend energized trunk cable to fifty per cent (50%) of the Town and shall reasonably and equitably extend energized trunk cable to twenty per cent (20%) of the Town each year thereafter, until service is available to substantially all residents of the Town. Additional time to complete construction may be granted by Council for good cause shown upon request of Company.

X.

No authority granted by this Franchise shall be assigned without prior written consent of the Town Council.

XI.

Consistent with the requirements of Rule 76.31(a)(6) of the Federal Communications Commission, any modification of Rule 76.31 resulting from amendment thereto by the Federal Communications Commission shall to the extent applicable be considered as a part of this franchise as of the effective date of the amendment made by the FCC and shall be incorporated in such Franchise by specific amendments thereto by the lawful action of the Town Council within one (1) year from the effective date of the Federal Communications Commission's amendment or at the time of renewal of this

Franchise, whichever occurs first.

XII.

Upon failure to comply with any terms or conditions contained in this Franchise, the Grantee or its assigns shall, at the discretion of the Town Council, and after reasonable notice and opportunity to comply has been given, have any or all authority or privileges granted under this Franchise suspended or terminated. Upon termination of the Grantee's right to operate under this Franchise, either by reason of failure to comply with the Franchise's terms or conditions, or by reason of lapse of time, the Grantee shall remove all lines and equipment erected under this Franchise within a reasonable time at Grantee's expense, except any lines and equipment which the County authorizes to remain or to be sold. In removing lines or equipment the Grantee shall restore roadways to the same condition they were in before the lines or equipment were installed.

ADOPTED by the Town Council, Town of Gig Harbor, this 14th _____
day of July _____, 1975.

Jack P. Bujacich, Jr.
Jack P. Bujacich, Jr. - Mayor

Attest:

Donald J. Avery
Donald J. Avery - Clerk