

CANOSIA TOWNSHIP ST. LOUIS COUNTY

Ordinance No. 2021-2

An ordinance granting a franchise to Savage Communications, Inc., a Minnesota Corporation, to construct, operate, and maintain a cable communications system in the Township of Canosia, Minnesota, setting forth conditions accompanying the grant of a franchise and providing for regulation and use of the system.

CANOSIA TOWNSHIP

St. Louis County, Minnesota

ORDINANCE NO. 2021-2

AN ORDINANCE GRANTING A FRANCHISE TO SAVAGE COMMUNICATIONS, INC., A MINNESOTA CORPORATION, TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM IN THE TOWNSHIP OF CANOSIA, MINNESOTA, SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF A FRANCHISE AND PROVIDING FOR REGULATION AND USE OF THE SYSTEM.

THE BOARD OF SUPERVISORS OF THE TOWN OF CANOSIA ORDAINS:

STATEMENT OF INTENT AND PURPOSE

Township intends, by the adoption of this Franchise, to bring about the continued operation and development of a Cable Communications System. Such continued operation and development can contribute significantly to the communication needs and desires of the residents and citizens of Township and the public generally. Further, Township may achieve better utilization and improvement of public services and enhanced economic development with the continued development and operation of a Cable Communications System.

Adoption of this Franchise is, in the judgment of the Township Board, in the best interests of Township and its residents.

FINDINGS

In the review of the request for a renewal of the franchise by Savage Communications, Inc. ("Franchisee"), and negotiations related thereto, and as a result of a public hearing after due notice and reasonable opportunity to be heard, the Town Board makes the following findings:

1. The Township's previous Ordinance granting a cable communications franchise to Franchisee, Ordinance 2010-1, will terminate according to its terms on March 1, 2021.
2. Franchisee's compliance with the material terms of Ordinance 2010-1 and with applicable law was considered and found adequate;
3. The quality of Franchisee's service, including signal quality, response to consumer complaints, and billing practices, were considered and found reasonable in light of community needs;
4. Franchisee's technical ability, financial condition, legal qualifications, and character were considered and found adequate;
5. Franchisee's proposal to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests, was considered and found

reasonable;

6. Franchisee's plans for constructing and operating a Cable Communications System were considered and found adequate and feasible;
7. Franchisee has committed to upgrade existing transmission lines to accommodate the described services, including high speed, broadband internet services.
8. The Franchise granted to Franchisee by Township complies with the existing state and federal law; and
9. The Franchise granted to Franchisee is nonexclusive.

A. SHORT TITLE

This Franchise shall be known and may be cited as the "SCI Franchise."

B. 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 used in present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

1. "Basic Service" or "Basic Broadcast Service" means any service tier which includes the lawful retransmission of local television broadcast signals. Basic Cable Service as defined herein shall be consistent with 47 U.S.C. § 543(b)(7).
2. "Cable Service" means:
 - a. The one-way transmission to Subscribers of (i) video programming, or (ii) other programming service, or (iii) any other lawful communication service, and
 - b. Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service. Cable Service as defined herein shall be consistent with the definition set forth in 47 U.S.C. § 522(6).
3. "Cable Communications System" or "System" means a system that (1) provides the service of receiving and amplifying video programs broadcast by one or more television or radio stations and other programs, and distributes those programs by wire, cable, microwave, or other means, regardless of whether the means are owned or leased, to persons who subscribe to the service. Cable Communications System as defined herein shall be consistent with the definition set forth in Minn. Stat. § 238.02, Subd. 3, and 47 U.S.C. § 522(7).

4. "Class IV Channel" means a signaling path provided by a Cable Communications System to transmit signals of any type from a Subscriber terminal to another point in the Cable Communications System.
5. "FCC" is the Federal Communications Commission of the United States. 6. "Franchise" means this cable communications franchise ordinance, and any renewal of this ordinance, which authorizes the ownership, construction and operation and maintenance of a Cable Communications System.
7. Franchisee" is Savage Communications, Inc. (SCI), a Minnesota corporation, its affiliates or successor in accordance with the provisions of this Franchise.
8. Franchise Area" means the geographic area within the Township to which the Franchisee, its affiliates or successors, provides telephone service as that area is now constituted or may in the future be constituted.
9. "Gross Revenue" means the monthly Cable Communications System revenues received by Franchisee from Subscribers of the System; provided, however, that such phrase shall not include: (i) revenues received from advertising carried on the Cable Communications System; (ii) home shopping revenue; (iii) late fee revenue; (iv) guide revenue; (v) channel lease revenue; or (vi) any tax on Cable Communications System which are imposed directly or indirectly on any Subscriber thereof by a governmental unit or agency, and which are collected by the Franchisee on behalf of such governmental unit or agency.
10. "Pay Television" means the delivery over the System of pay-per-channel or pay- per-program audio or video signals to Subscribers for a fee or charge, in addition to the charge for Basic Service or Cable Service.
11. "Person" shall mean any person, firm, partnership, association, corporation, limited liability entity or organization of any kind and any other legally recognized entity.
12. "Street" means the space above and below each of the following which have been acquired by or dedicated to the public, or are hereafter dedicated to the public, and maintained under public authority or by others and located within Township limits: street, road, highway, cartway, freeway, waterway, lane, alley, path, court, sidewalk, parkway or drive or any easement, right-of-way or similar public property.
13. "Subscribers" are those persons lawfully contracting to receive cable communications services furnished under this Franchise by Franchisee.
14. "Township" shall mean the Township of Canosia, St. Louis County, Minnesota. 15. "Township Board" shall mean the Township Board of Canosia, St. Louis County, Minnesota.

C. COMPLIANCE WITH MINNESOTA STATUTES CHAPTER 238

This Franchise shall at all times be in compliance with Minnesota Statutes Chapter 238.

It shall be unlawful for any Person to construct, operate or maintain a Cable Communications System in the Township unless such Person shall have first obtained and shall currently hold a valid cable communications franchise. All cable communications franchises granted by the Township shall contain terms and conditions no more favorable or less burdensome than those contained herein to the extent provided in Minn. Stat, § 238.08 subd. 1 (b), as may be amended from time to time.

D. COMPLIANCE WITH STATE AND FEDERAL LAWS

The Franchisee and the Township shall conform to all state laws and rules regarding cable communications not later than one (1) year after they become effective unless otherwise stated and to all federal laws and regulations regarding cable communications, as they become effective.

The Franchisee 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 Franchisee to exercise its rights and perform its obligations under this Franchise and ensure uninterrupted service to each and all of its Subscribers; provided that such rules, regulations, terms and conditions shall not be in conflict with the provisions hereto, the rules of the FCC, federal, state or local law or any other body having lawful jurisdiction thereof.

E. FRANCHISE TERM AND PREVIOUS FRANCHISES

1. Franchise Term. This Franchise shall extend for a term of fifteen (15) years beginning upon the date accepted by Franchisee, and may be renewed in accordance with 47 U.S.C. Section 546 (a-g) or other applicable state and federal law.
2. Previous Franchises. Upon acceptance by Franchisee as required by Section HH.2 herein, this Franchise shall supersede and replace any previous Ordinance or Agreement granting a Franchise to Franchisee to own, operate, and maintain a Cable Communications System within Canosia Township. Ordinance No. 2010-1 is expressly repealed.

F. FRANCHISE EXCLUSIVITY

This Franchise is non-exclusive.

G. SALE OR TRANSFER

The Franchisee shall not sell or otherwise transfer its rights so as to allow a new controlling interest under this Franchise without the prior written consent of the Township which consent shall not be unreasonably withheld, delayed or conditioned. The Township hereby consents to the assignment by the Franchisee of its rights under this Franchise to any Person controlling, controlled by, or under common control with Franchisee provided Franchisee provides written notice to the Township at least

10 days prior to any such assignment. Any such sale, transfer or assignment shall be subject to, and completed pursuant to Minnesota Statutes, Section 238.083.

H. RATES AND INSTALLATION CHARGES

A copy of the current rates and charges assessed by Franchisee shall be provided to the Township upon written request of the Township.

The Franchisee may, in its sole discretion, establish a modified billing rate for seasonal Subscribers in accordance with applicable state and federal laws.

All Subscribers, as a condition of receiving Cable Service, shall agree to the terms and conditions imposed upon the Franchisee by Franchisee's Cable Service suppliers.

Nothing herein shall limit the right of Franchisee to impose upon its Subscribers state or local sales taxes, franchise fees, other legally permissible fees, or specific copyright fees for special programming events.

The Franchisee shall notify its Subscribers and the Township of any proposed changes in rates or charges at least thirty (30) days in advance of the effective date for such changes.

The Township may regulate the rates for the provision of Basic Service provided over the Cable Communications System to the extent permitted by federal law. In exercising its jurisdiction to regulate any such rates, the Township will adhere to the regulations adopted by the FCC at 47 C.F.R. § 76.900 et seq. as they may be amended from time to time. In the event that the Township elects to regulate rates it shall, after notice, hold a public hearing for the consideration of views of interested parties with respect to initial rates filed.

The terms of any Subscriber contracts utilized by Franchisee shall be made available upon written request of the Township.

I. FRANCHISE ADMINISTRATION

The office of the Township Clerk, or its designee, shall be responsible for the continuing administration of this Franchise.

J. LIABILITY INSURANCE

The Franchisee shall indemnify and hold harmless the Township, including attorneys' fees, at all times during the term of the Franchise for any claim, suit, or loss or damage arising out of the exercise of this Franchise or operation of the Cable Communications System, except any claim, suit, or loss or damage arising solely as a result of the Township's negligence or intentional acts, and shall maintain throughout the term of the Franchise liability insurance in the amount of not less than \$1,000,000.00 combined limits insuring both the Township and the Franchisee with regard to all damages and penalties which they may legally be required to pay as a result of the exercise of the Franchise.

K. LIABILITY FOR INJURY TO FRANCHISEE

Nothing in this Franchise shall relieve any Person from liability arising out of injury to the Franchisee or the Franchisee's property, including without limitation injury occurring as a result of performing any work connected with grading, regarding or changing the line of any Street or public place or with the construction or reconstruction of any sewer or water system.

L. PUBLIC HEARING RE: FRANCHISEE'S CREDENTIALS

The Franchisee's technical ability, financial condition, and legal qualifications were considered and approved by the Township in a full public hearing proceeding affording reasonable notice and a reasonable opportunity to be heard.

M. CHANNEL CAPACITY

The Franchisee shall construct and/or maintain a Cable Communications System capable of transmitting from its head end a minimum of 40 channels. Nothing in this Section M shall prevent the Franchisee from upgrading the Cable Communications System when the need arises.

N. FRANCHISE AREA/SYSTEM EXTENSION

This Franchise is granted for the Franchise Area. Franchisee shall use commercially reasonable efforts to extend the Cable Communications System and provide Cable Service to households within the Franchise Area that do not have access to Franchisee's Cable Service when practical and financially feasible provided, however, that Franchisee shall be required to extend, to the extent such extension is economically feasible, the Cable Communications System and make Cable Service available where the density of residential dwellings in the Franchise Area exceeds thirty (30) dwelling units per mile of new plant construction required to provide such service as measured from the nearest activated plant. Franchisee shall, upon request, provide the Township with a written explanation regarding the feasibility of extending the Cable System within the Franchise Area to areas which are not served by Franchisee and do not meet the density requirement specified herein. Nothing in this Franchise shall prevent Franchisee from extending the Cable Communications System or from entering into mutually acceptable agreements with other parties regarding the extension of the System to unserved households. Access to Cable Service shall not be denied any group of potential cable Subscribers because of the income of the residents.

O. EASEMENTS AND CONSTRUCTION AUTHORIZATIONS

The Township hereby grants unto the Franchisee the right and privilege to construct, operate, and maintain such facilities as are necessary for the operation the Cable Communications System in, over, and under Streets and other public places dedicated to use by utilities, subject to the obligation to obtain permits and, further, provided that no Street shall be used by Franchisee if Township determines that such use is inconsistent with the terms, conditions, or provisions by which such Street was created or dedicated, or with the present use of the Street. Furthermore, the Township makes no

representations as to the location of the outside boundaries, or width, of Streets. Franchisee's duty to provide Cable Service to any Subscriber or Subscribers is conditioned upon the receipt of Franchisee of necessary easements from private parties without unreasonable cost or effort to Franchisee. Franchisee shall have the right, but not the obligation, to utilize its Cable Communications System to provide any other communications services as may be permitted in accordance with applicable laws. This Franchise shall govern only the provision of Cable Services over the Cable Communications System.

The Franchisee shall obtain a permit from, and pay the applicable fee to, the proper municipal authority in accordance with the authority's permitting procedures before commencing the construction, repair, or replacement of any facilities associated with operation of the Cable Communications System that involves the opening, excavation, or disturbance of any Street or other public place. If the Franchisee fails to meet the conditions of the permit, the Township shall have the right to correct or cause to be corrected, at the sole expense of the Franchisee any violations of the conditions of the permit such as the return of land to its previous grading and the cleanup of construction debris. Franchisee shall comply with all applicable provisions of the Township regulations and ordinances governing use of the Township's Streets.

P. COMPLIANCE WITH APPLICABLE CODES

All wires, conduits, cable and other property and facilities of the Franchisee shall be located, constructed, installed, and maintained in compliance with applicable codes. The Franchisee shall keep and maintain all of its property so as not to unnecessarily interfere with the usual and customary trade, traffic, or travel upon the Streets and public places of the Franchise Area or endanger the lives or property of any Person.

Q. RELOCATION OF PLANT

The following procedure shall be used by the Franchisee and Township for the relocation or removal of the Franchisee's wires, conduits, cables and other property located in a Street, right-of-way, or public place whenever the Township undertakes public improvements which affect the Franchisee's property.

The Township shall give ninety (90) days written notice to the Franchisee of the actions it wishes the Franchisee to take with respect to the relocation or removal of the Franchisee's equipment and shall allow a reasonable period of time thereafter to complete such request. The Franchisee shall, at its expense, protect, support, temporarily disconnect, relocate, or remove its property when required by the Township for the purpose of undertaking any public improvements.

Any other Person requesting relocation removal of the Franchisee's property shall, as a condition of such request, be required to pay to the Franchisee in advance an amount of money sufficient for reimbursement of all costs of such relocation or removal. Any Person which damages Franchisee's property shall reimburse the Franchisee for the cost of all necessary repairs and testing and for the loss of revenues, if any, to the Franchisee caused by an interruption of Cable Service due to the damaging of Franchisee's property.

R. TECHNICAL STANDARDS

The rules and regulations contained in subpart K of part 76 of the FCC's rules and regulations relating to Cable Communications Systems are required to be adhered to by Franchisee unless or until, superseded by any future federal or state standards during the term of this Franchise. The Franchisee shall, upon request, meet with Township to discuss the availability of technological innovations and attempt to establish priorities for making such innovations available.

S. SPECIAL TESTING

In the event that special testing is required to determine the source of technical difficulties, the Franchisee shall be responsible for the costs of special testing.

T. NONVOICE RETURN CAPABILITY

The Franchisee shall provide a Cable Communications System having the technical capability for nonvoice return communications. Nothing herein shall be construed to require the Franchisee to supply or otherwise provide to the Subscribers any terminal equipment or device necessary to utilize the nonvoice return capability of the System. The Franchisee shall provide such a capability upon request by a Subscriber with respect to the energized cable, cable "drops" and connections. Upon such request, Franchisee shall propose rates and charges to apply to installation and use of such capability by Subscribers.

U. SUBSCRIBER PRIVACY

No signals of a Class IV cable communications 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 such permission shall 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 shall be renewed at the option of the Subscriber. No penalty shall be invoked for Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for each type or classification of Class IV cable communications activity planned for the purpose of monitoring individual viewing patterns or practices.

No information or data obtained by monitoring the transmission of a signal from a Subscriber terminal, including but not limited to lists of the names and addresses of such Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to Franchisee and its employees for internal business use, and to the Subscriber who is the subject of that information, unless Franchisee has received specific written authorization from the Subscriber to make such data available.

Written permission from the Subscriber shall not be required for the Systems conducting system wide or individually addresses 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.

V. SUBSCRIBER COMPLAINTS

The Franchisee shall comply with the FCC's customer service requirements (47 C.F.R. §§ 76.309, 76.1601, and 76.1602). The Township may raise customer service requirements with the Franchisee in response to subscriber concerns or complaints and the Franchisee shall make a good faith effort to address such service matters to the extent such changes are technically and economically feasible. The Township may also, to the extent authorized by law, adopt by ordinance additional customer service requirements with which the Franchisee shall comply.

All reasonable complaints by the Township, Subscribers, or other citizens regarding the quality of service, equipment malfunction, billing disputes, and any other matters relative to the Cable Communications System shall be promptly investigated by the Franchisee.

Complaints regarding the quality of service, equipment malfunctions, and similar matters shall first be directed to Franchisee's office. Should Franchisee fail to satisfy a reasonable complaint, it may then be directed to the Township for investigation and, if determined to be appropriate, an order requiring the Franchisee to take reasonable corrective actions. In response to a complaint, Franchisee shall be afforded a reasonable opportunity to present written and oral statements of its position. Appeal from the action of the Township may be made to the appropriate judicial or administrative forum.

W. REPAIRS AND COMPLAINTS

To the extent required by federal law, Franchisee will print the name, address and telephone number of the Township and the FCC's telephone number or address, on all monthly Subscriber bills who reside in the Franchise Area. The Franchisee shall provide a toll-free or collect telephone number for the reception of Subscriber complaints from the Franchise Area and shall maintain a repair service capable of responding to Subscriber requests for repair within twenty four (24) hours after receipt of the request. The Franchisee shall bear the costs of servicing and repairing the Cable Communications System caused by defects in the System or other factors not caused by the Subscriber, its agents, guests or family members. The Subscriber shall pay the costs incurred by Franchisee in servicing and repairing the Cable Communications System caused by the Subscriber, his/her agents, guests or family members.

X. PERIODIC REVIEW AND TERMINATION

Township shall have the right to review Franchisee's performance during a sixty day period commencing on the second anniversary of this Ordinance and every two years thereafter. If, in its discretion, Township concludes Franchisee's performance is unsatisfactory, Township may revoke or amend this Ordinance without compensation to Franchisee.

The Township reserves the right at any time to terminate and cancel any Franchise granted hereunder and rescind all rights and privileges associated therewith in the event that:

1. The Franchisee substantially violates any material provision of this Franchise or is found by a court of law to have practiced any fraud or deceit upon the Township;
2. The Franchisee is adjudicated insolvent, enters into receivership or liquidation, files an application for bankruptcy or for composition of creditors, is unable to pay its debts as they mature or is in financial difficulty or sufficient consequence so as to jeopardize the continued operation of the Cable Communications System;
3. The Franchisee commits any material violation of any FCC or applicable state order or ruling or the order or ruling of any other governmental body having jurisdiction over the Franchisee, unless the Franchisee is lawfully contesting the legality or applicability of such rule or order; or
4. The Franchisee knowingly fails to provide Cable Service to a substantial portion of lawful Subscribers in the Franchise Area for a period of thirty (30) or more days. Franchisee shall not be responsible for failure to provide Cable Service to the extent such failure results from events not within Franchisee's control, including, but not limited to, acts of God, strikes, inability to obtain materials or contract labor, sabotage, riots or civil disturbances, loss of utilities and natural disasters.

Upon the occurrence of any of the above-listed events, the Township shall provide the Franchisee with written notice citing the reasons alleged to constitute cause for termination of the Franchise. The Township shall allow the Franchisee sixty (60) days subsequent to receipt of the notice to remedy the cause. If, during such period, the cause is remedied to the satisfaction of the Township, the Township shall declare the notice to be null and void. If the cause is not remedied to the satisfaction of the Township during such period, the Township shall provide the Franchisee with an opportunity to be heard at a public hearing before the Township prior to acting to terminate the Franchise.

In the event that the Township takes any action to terminate the Franchise, the Franchisee shall have a period of sixty (60) days, beginning the day next following the date at which action to terminate the Franchise is ordered, within which to file an appeal with a court of competent jurisdiction.

During such sixty (60) day period and until the final determination of the appeal, if an appeal is taken, the Franchise shall remain in full force and effect, unless the term thereof sooner expires. If the action of the Township is upheld, the Franchise shall terminate as provided by law; if the action of the Township is reversed, the Franchise shall remain in full force and effect during the term thereof unless sooner terminated in accordance with law.

Y. ABANDONMENT

The Franchisee may not abandon any portion of the cable communications service provided hereunder without having given three (3) months prior written notice to the Township. No cable communications company may abandon any cable communications service or any portion thereof without compensating the Township for damages resulting to it from such abandonment.

Z. REMOVAL OF CABLE EQUIPMENT UPON TERMINATING OR FORFEITURE

Upon termination or forfeiture of a Franchise, the Franchisee shall remove its cable, wires, and appliances from the Streets, alleys and other public places within the Franchise Area if the Township so requests in writing. The Township hereby consents to the abandonment of any buried property in place, the Franchisee shall submit to the Township an instrument to be approved by the Township transferring ownership of such property to the Township.

In the event the Franchisee fails to remove its equipment within a reasonable time after the written request of the Township, the Township may accept bids for a contract to remove the equipment. The Franchisee shall have the right to bid on such a contract. The Township may award the contract to the appropriate bidder and charge the costs of such contract to the Franchisee. The provisions of this Section shall not apply to equipment of the Franchisee which is buried; provided, however, that Franchisee shall transfer ownership of any buried equipment not so removed to the Township.

AA. TOWNSHIP'S RIGHT TO PURCHASE SYSTEM

In the event that Franchisee decides to sell or otherwise transfer the Franchise and/or Cable Communications System, the Township shall have a first right of refusal to purchase the Franchise and/or Cable Communications System on terms substantially identical to those of any prospective purchaser's bona fide offer. The Franchisee shall give written notice of the terms and conditions of a prospective sale to the Township at least one hundred and twenty (120) days prior to the proposed closing date of such sale. In the event the Township does not, within sixty (60) days from the receipt of such notice, give written notice to Franchisee of its intent to exercise the option to purchase on identical terms and conditions, the Franchisee may sell or otherwise transfer the Franchise and/or Cable Communications System on those terms and conditions subject to Section G herein. In the event the Township exercises its option to purchase, the closing date for such a sale shall occur within a reasonable time after such exercise.

BB. ACCESS CHANNELS

The Franchisee shall provide to each of its Subscribers who receive all, or any part of the total services offered on the Cable Communications System, reception on at least one (1) specially designated access channel available for use by the Township, local educational institutions, and the general public on a first-come, first-served, nondiscriminatory basis, subject to the Township's right to obtain additional channels in accordance with Minn. Stat. § 238.084, Subd. 1(z). During those hours that the specially designated access channel is not being used by the Township, local educational institutions, or the general public, the Franchisee may use this channel provided such use does not displace or preclude future use of the channel by Township, local educational institutions, or the general public.

The Franchisee shall establish rules for the administration of the specially designated access channel. In addition, the Franchisee shall, upon request by the Township, make available Franchisee's existing equipment as is reasonably necessary for the recording of programming and playback of prerecorded

programs on the access channel. The Franchisee shall not be required to purchase additional equipment for use by the Township.

CC. UNAUTHORIZED CABLE TAPPING

It shall be unlawful for any Person to obtain any cable communications services by installing, rearranging, or tampering with any facilities or equipment of any cable communications company, or any Person unless the same is done with the knowledge of and with the permission of such cable communications company, firm, or private person. Any Person found guilty of a violation of any of the provisions of this Section shall be deemed guilty of a misdemeanor for which a sentence of not more than ninety (90) days or a fine of not more than \$500.00, or both, may be imposed.

DD. AMENDMENTS

Nothing in this Franchise shall prevent the Township and Franchisee from amending this Franchise so long as such amendment has been mutually agreed upon in writing by both the Township and Franchisee.

EE. SEPARABILITY

1. If any section, subsection, sentence, clause, phrase, or portion of this Franchise is for any reason held invalid or unconstitutional by any court of competence jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.
2. Should any provision of this Franchise be inconsistent or at variance with any rule, regulation or policy, in whole or in part, of the FCC or any other agency having jurisdiction, such provision shall be invalid, but the remaining provisions hereof shall not be affected hereby.

FF. FRANCHISE FEE

1. During the term of the Franchise, the Township shall require Franchisee to pay a fee in an amount of five percent (5%) of its Gross Revenues.
2. Payments shall be due monthly. Payments shall be accompanied by a report showing the basis for the computation.
3. All amounts paid shall be subject to audit and recomputation, and acceptance of any payment shall not be construed as an accord that the amount paid is in fact the correct amount.
4. Franchisee acknowledges and agrees that they shall be in addition to any and all obligations, taxes of general applicability, or other fees and charges which Franchisee shall be required to pay to the Township or any other governmental authority. Franchisee shall not apply or seek to apply or make any claim that all or any part of the franchise fees or other payments or

contributions to be made pursuant to this Franchise shall be deducted from or credited or offset against franchise fees.

5. Franchisee has committed to reimburse Township for unpaid franchise fees due from New Century Communications from July, 2008 through initiation of service under this Ordinance in amounts indicated in Exhibit (b) attached hereto immediately after approval of this ordinance by the Township.

GG. MISCELLANEOUS PROVISIONS

1. Force Majeure. Neither party shall be liable for any failure of performance hereunder due to causes beyond its reasonable control including but not limited to; acts of God, fire, explosion, vandalism, storm or other similar catastrophes; national emergencies; insurrection; riots; wars; or strikes, lockouts or work stoppages.
2. Performance Bond. At the commencement of this Franchise, and at all times, thereafter until Franchisee has liquidated all of its obligations herein, the Township may require the Franchisee to provide to the Township and maintain a performance bond, certificate of deposit, or other type of instrument approved by the Township in an amount not to exceed \$5,000 as determined in the sole discretion of the Township, for damages resulting from Franchisee's nonperformance of the requirements under this Franchise or any applicable law, ordinance or regulation.
3. Repeal of Prior Ordinances. This Ordinance shall prevail over any provision of any other Township ordinance that directly conflicts with the provisions contained herein.

HH. 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 Franchisee in accordance with the provisions of Section HH.2.
2. Acceptance. Franchisee shall accept this Franchise by properly executing same and delivering to Canosia Township. Such acceptance by the Franchisee shall be deemed the grant of this Franchise for all purposes. Upon acceptance of this Franchise, Franchisee shall be bound by all the terms and conditions contained herein.

SIGNATURES

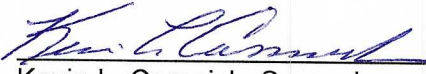
CANOSIA TOWNSHIP, MINNESOTA

Passed by the Town of Canosia, Minnesota this 3rd day of March, 2021.


SIGNED:



Kurt Brooks, Chair

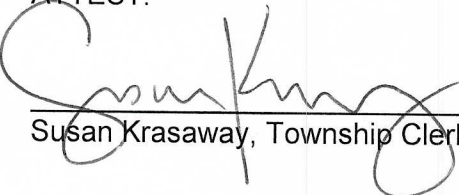


Kevin L. Comnick, Supervisor

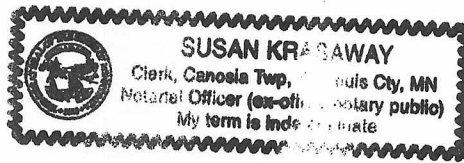


Daniel J. Golen, Supervisor

ATTEST:



Susan Krasaway, Township Clerk



SAVAGE COMMUNICATIONS, INC.

ACCEPTANCE

The terms and conditions of the above Ordinance No. 2021-2 are hereby accepted by Savage Communications, Inc., a Minnesota corporation, this 23rd day of March, 2021.



Ron Savage
President Savage Communications, Inc.