

**PITTSYLVANIA COUNTY CODE**  
**CHAPTER 30**  
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**BE IT ENACTED** the Board of Supervisors of Pittsylvania County at its regular meeting Monday, February 6, 1989 and acting pursuant to Title 15.2-2018 of the Code of Virginia 1950 as amended does hereby award a cable television system franchise to **John P. Shoemaker, Jr.**, trading as **Chatmoss Cablevision**, for **that portion of Tunstall Magisterial District, Pittsylvania County, Virginia**, as shown on this insert map.

**(Insert copy of map)**

This award is made after a public hearing of the said Board duly advertised in the Star Tribune of January 25 and February 1, 1989, a newspaper having general circulation in Pittsylvania County, Virginia, at which public hearing the said Board finds that the public welfare shall be enhanced by such award after hearing testimony concerning the economical consideration, the impact on private property rights and other relevant matters.

The award is to be evidenced by a franchise agreement duly executed by John P. Shoemaker Jr. on behalf of the applicant and by the Chairman of the Board as evidenced by his signature and seal of the Board as authorized by this ordinance.

The franchise agreement as modified is adopted when duly executed by the parties thereto as a binding contract subject to the terms and conditions therein set forth, and shall become effective upon execution of the franchise agreement.

## FRANCHISE AGREEMENT

Jonh P. Shoemaker, Jr. of Martinsville, Virginia. T/A Chatmoss Cablevision, hereby agrees to provide Cable Television Service to Pittsylvania County as provided in its Proposal dated January 17, 1989 and as revised as a result of negotiations with the Board of Supervisors, and as duly signed by its authorized representatives.

John P. Shoemaker, Jr. Owner  
Chatmoss Cablevision  
February 23, 1989

The Pittsylvania County Board of Supervisors grants unto John P. Shoemaker, Jr. of Martinsville, Virginia, T/A Chatmoss Cablevision, the right to provide Cable Television Service to the areas listed in its proposal dated January 17, 1989: and as revised as a result of negotiations with the Board of Supervisors, and as duly signed by its authorized representatives.

Edwin R. Shields  
Chairman of the Board of Supervisors  
March 14, 1989

Attested: William D. Sleeper

## **ACCEPTANCE OF FRANCHISE**

Pursuant to Article VI, Section 8 of Franchise Agreement, the Grantee, John P. Shoemaker, Jr. T/A Chatmoss Cablevision, declares that he has carefully read the terms and conditions of the ordinance and franchise and accepts all the terms and conditions imposed by this ordinance and the franchise and agrees to abide by same.

Signed: John P. Shoemaker, Jr.

T/A Chatmoss Cablevision

February 23, 1989

## CHAPTER 30

### TELEVISION ORDINANCE

#### Chatmoss Cablevision Franchise

This ordinance shall be known and may be cited as the "Pittsylvania County Cable Television Ordinance."

#### Article I.

##### SEC. 30-1.1. DEFINITIONS.

For purposes of this ordinance, the following terms, phrases, words, abbreviations and their derivations shall have the meaning given herein. When not inconsistent with the context, words used 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.

A. "County" shall mean the County of Pittsylvania, Virginia.

B. "Board" shall mean the Board of Supervisors of the County of Pittsylvania, Virginia.

C. "Federal Communications Commission" or "FCC" shall mean that Federal agency as presently constituted by the Communications Act of 1934 as amended or any successor agency.

D. "Franchise" shall mean the non-exclusive rights granted hereunder to construct and operate a cable television system along the public ways within the County, and it is not required for the privilege of transacting and carrying on a business within the County as may be required by other ordinances and laws of the County.

E. "Grantee" shall mean the natural person, partnership, domestic and foreign corporation, association, joint venture, or organization of any kind granted a franchise by the Board under this ordinance and its lawful successor, transferee or assignee.

F. "Public Way" shall mean the surface, the air space above the surface, and the area below the surface of any public street, highway, lane, path, alley, sidewalk, boulevard, drive or other public right-of-way, including public utility easements or rights-of-way, and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the County which entitle the County and the Grantee to use thereof for the purpose of installing and maintaining the Grantee's cable television system.

G. "Cable Television System" shall mean any facility that, in whole or in part, receives directly or indirectly over the air and amplifies or otherwise modifies the signals transmitting programs broadcast by one or more television or radio stations and distributes such signals by wire or cable

to subscribing members of the public who pay for such service. Such definition shall not include: (1) any similar facility that services fewer than fifty (50) subscribers, or (2) any similar facility that serves only the residents of one or more apartment dwellings under common ownership, control, or management, and commercial establishments located on the premises of such an apartment house.

H. "Subscriber" shall mean any person who contracts to purchase, orally or in writing, the regular subscriber service and/or anyone or more of such other services as may be provided by the Grantee's cable television system.

I. "Regular Subscriber Service" shall mean the distribution to subscribers or signals over the cable television system on all channels except leased channels, those for which a per-program or per-channel charge is made, two-way services, and those intended for reception by equipment other than a television broadcast receiver.

J. "Converter" shall mean an interface device which may be furnished to subscribers in order that non-standard television channels carried on the cable television receiver, or to prevent interference from strong broadcast signals. The device may be used on top of the TV set ("set-top"), or attached to the back of the TV set, or installed at a remote location.

K. "Gross Subscriber Revenues" shall mean those revenues including installation fees and disconnect and reconnect fees derived from the supplying of regular subscribers service. It does include revenues derived from per-program or per-channel charges after deducting program cost. Leased channel revenues, advertising revenues, or any other income derived from the system should be included to compute franchise fees.

L. "Net Profit" shall mean the amount remaining after deducting from gross revenues all of the actual, direct, and indirect expenses associated with operating the cable television system, including the franchise fee, interest, depreciation, and Federal or State income taxes.

M. "Fair Market Value" shall mean the price that a willing buyer would pay to a willing seller for a going concern based on the system valuation and sale multiples prevailing in the industry at the time at which the Board elects to exercise its option.

N. "Termination Value" shall mean the fair market value minus any value ascribed to the franchise except that said value shall not include "good will" or any value that Grantee's books and records attribute to the franchise. Such value shall be determined by an independent appraiser.

O. "Cable Television Coordinator" shall mean agent designated by the Board, also designated as "C.T.C."

## **Article II.**

### **Grant of Authority**

#### **SEC. 30-2.1. GRANT OF AUTHORITY.**

There is hereby granted by the Board unto John P. Shoemaker. Jr. of Martinsville Virginia. T/A Chatmoss Cablevision, the right, privilege, and franchise to construct, operate, and maintain a non-exclusive cable television system within the County and in the public way for a period of 15 years commencing upon the acceptance by the grantee by execution of the license agreement subject to the terms of this ordinance and the license agreement.

## **Article III.**

### **Franchise Conditions**

#### **SEC.30-3.1. NOTICE TO GRANTEE.**

- A. The Board shall not hold any meeting involving the review, renewal, revocation or termination of the Grantee's franchise unless the County Administrator has: (1) advised the Grantee in writing at least sixty (60) days prior to such meeting as to its time, place, and purpose; and (2) published a notice, at least once, ten (10) days before the meeting in a newspaper of general circulation within the County.

#### **SEC. 30-3.2. FRANCHISE REVIEW.**

- A. It shall be the policy of the County to amend this franchise, upon application of the Grantee, when necessary to enable the Grantee to take advantage of advancements in the state-of-the-art which will afford it an opportunity to more effectively, efficiently, or economically serve its subscribers; provided, however, that this section shall not be construed to require the County to make any amendment. Further, within the term of the franchise, the Board may adopt a resolution setting forth the time and place of a special Board meeting the purpose of which will be to consider system performance, system performance, system design modifications, and the possible need for reasonable and appropriate modifications in the franchise of a nature that would not result in effectively termination same under the then-existing Federal Communications Commission Rules for Cable Television.

#### **SEC. 30-3.3. FRANCHISE RENEWAL.**

- A. The Board shall adopt a resolution setting forth the time and place of a special Board meeting to be publicly announced and held not less than twelve (12) months prior to the franchise expiration date, the purpose of which will be to review the Grantee's performance during the entire term of its franchise; to consider the adequacy of the franchise from the standpoint of the County, the Grantee, and the Federal

Communications Commission Rules for Cable Television; and to determine the advisability of renewing the Grantee's franchise for a period not inconsistent with the current FCC Rules for Cable Television.

- B. The Board shall hear any interested persons during said special Board meeting and shall determine whether or not the Grantee did reasonable comply with the terms and conditions imposed by this ordinance and the franchise.
- C. If the Board determines that the Grantee has been in reasonable compliance with the terms and conditions imposed by this ordinance and the franchise, the Board may renew the Grantee's franchise for a period of time not inconsistent with the then-prevailing FCC Rules for Cable Television, in which event the Board shall modify this ordinance and the franchise to bring them into compliance with said FCC Rules for Cable Television. The Board shall have the right to recoup from the Grantee those direct expenses above normal administrative costs incurred pursuant to renewal of the franchise.

**SEC. 30-3.4. FRANCHISE REVOCATION PROCEDURE.**

- A. Whenever Grantee shall willfully fail, refuse, or neglect to construct, operate, or maintain its cable television system in accordance with the terms of this ordinance and the franchise; or to comply with the conditions of street occupancy; or to make required extensions; or in other ways violate the terms and conditions of this ordinance, the County Administrator may notify the Grantee in writing, setting forth the nature and facts of such non-compliance he believes has occurred. If within thirty (30) days following such written notification by the County Administrator, the Grantee has not furnished proof that corrective action has been taken or is being actively and expeditiously pursued, or evidence that the alleged violations did not occur, the County Administrator shall impose a penalty up to one hundred (\$100.00) dollars per day up to ninety (90) days. At the end of such period, he shall place a request for termination of the franchise on the agenda of the next regular Board meeting.
- B. If, after considering the County Administrator's request for termination of the franchise and hearing all interested parties, the Board determines that the non-compliance of Grantee was with just cause, it shall direct Grantee to comply within such time and manner and on such terms and conditions as are reasonable.
- C. If the Board determines that such non-compliance was without just cause, then the Board may adopt an ordinance which terminates the franchise and instructs the Grantee to promptly remove from the public way all of its cable television facilities with one hundred twenty (120) days from the date the Grantee receives a written copy of said resolution. The Board shall be empowered to seek legal and equitable relief in order to insure compliance with this provision. In the alternative, the Board may adopt a resolution which invokes the County's right to purchase the assets of the Grantee's cable television system at a price not to exceed its termination value as defined herein, unless there be compliance by the Grantee within such period as the Board may fix.

- D. In addition to all the other rights reserved to the County by virtue of this ordinance or otherwise, the County may invoke the rights as defined in Paragraph C above in the event that the grantee becomes insolvent, or unable or unwilling to pay its debts, or is adjudged bankrupt.
- E. No revocation or termination shall be affected unless the Board, at any regular or special public meeting at which all interested parties have been heard, shall have adopted a resolution setting forth the reasons for the termination and, in the event the termination of said ordinance depends upon a finding of fact, such finding of fact as made by the Board after said hearing shall be deemed to be exclusive unless modified by a Court of law of appropriate jurisdiction.
- F. The Grantee shall not be declared at fault or be subject to any sanction under any provision of this ordinance in any case in which performance of any such provision is prevented for reasons beyond the Grantee's control. A fault shall not be deemed to be beyond the Grantee's control if committed by a corporation or other business entity in which the Grantee holds a controlling interest, whether held directly or indirectly.
- G. The termination of the franchise shall in no way affect any of the rights of the County under the franchise or any provision of law.

#### **SEC. 30-3.5. REVIEW PROVISION.**

The field of cable communications is a relatively new and rapidly changing field which shall, no doubt, see may regulatory, technical, financial, marketing, and legal changes during the term of the franchise period. Therefore, in order to provide for a maximum degree of flexibility in this franchise and to help achieve a continued, advanced and modern system for the County, the franchisee shall provide for the following review provisions:

- A. The County and the franchisee shall hold scheduled review sessions within thirty (30) days of the fifth and tenth-anniversary dates of the franchisee's obtaining certification for the system from the Federal Communications Commission. All such review sessions shall be open to the public and announced in a newspaper of general circulation at least five (5) days before each session.
- B. Special Review Sessions. Special review sessions may be held at any time during the term of the franchise. A meeting shall be called between the Board and the franchisee upon the request by petition of fifty (50) or more qualified electors of the County. All such review sessions shall be open to the public and announced in a newspaper of general circulation at least five (5) days before each session.
- C. Topics To Be Negotiated. The following topics may be discussed at every scheduled review session: service rate structures; free or discounted services; application of new technologies; system performances; services provided; programming offered; customer complaints; privacy; and Judicial and FCC rulings.

Topics in addition to those listed may be added if agreed upon by both parties. Members of the general public may add topics either by working through the negotiating parties or by presenting a petition. If such a petition bears the valid signatures of fifty (50) or more qualified electors of the County, the proposed topic or topics shall be added to the list of topics to be discussed at the review session.

**SEC. 30-3.6. TERMINATION FOR CAUSE OR FORCED PURCHASE BY THE COUNTY.**

- A. If, at any time during the term of this franchise, the Board determines that the Grantee has materially breached the terms and conditions imposed by this ordinance and the franchise after the County has exhausted all of the remedial steps provided for herein, the County may either terminate the franchise or purchase the assets of the Grantee's cable television system at termination value.
- B. In the event the County exercises its option to purchase the assets of the Grantee's cable television system at their termination value, it shall give the Grantee written notice of first intent to do so. The Grantee shall, within seven (7) days of receipt of such notice, enter into bona fide negotiations with the County for the purpose of consummating the transaction at the earliest possible moment.

**SEC. 30-3.7. ARBITRARY AND CAPRICIOUS ACTION BY GRANTEE.**

- A. If, as a result of a dispute between the Grantee and the County and prior to a settlement of that dispute as provided for herein, the Grantee arbitrarily and capriciously discontinues service to its subscribers, the Grantee shall forfeit its rights of notice and a hearing as provided for herein; and the Board shall, by resolution, declare the Grantee's franchise immediately terminated; and the County shall forthwith seek appropriate Judicial injunctive relief and shall proceed to exercise its rights and powers as provided for herein.

**SEC. 30-3.8. PROVISION FOR ADJUDICATION.**

- A. In the event the County elects to purchase the Grantee's cable television system and the fair market value or its termination value cannot be agreed upon, the final price shall be determined by the Circuit Court of the County of Pittsylvania.

**SEC. 30-3.9. TRANSFER OF OWNERSHIP TO COUNTY.**

- A. Upon payment of the purchase price, the Grantee Shall immediately transfer to the County possession and title to all facilities and property, real and personal, related to its cable television system free from any and all liens and encumbrances not agreed to be assumed by the County in lieu of some portion of the purchase price. The Grantee shall make it a condition of each contract entered into by it with reference to its operations under this ordinance and franchise that the contract shall be subject to the exercise of this option by the County and that the County shall have the right to succeed to all privileges and obligations thereof upon the exercise of such option.

**SEC. 30-3.10. COUNTY'S RIGHT TO ASSIGN.**

- A. The County shall have the right and power to assign its purchase rights to a successor Grantee selected by the County in a manner not inconsistent with the provisions of this ordinance.

**SEC. 30-3.11. GRANTEE'S OBLIGATION AS TRUSTEE.**

- A. Until such time as the Grantee transfers to the County or to a new Grantee possession and title to all assets, real and personal, related to its cable television system, the Grantee shall, as trustee for its successor in interest, continue to operate the cable television system under the terms and conditions of this ordinance and the franchise and to provide the regular subscriber service and any and all of the services that maybe provided at that time. During such interim period, the Grantee shall not sell any of the system assets nor shall the Grantee make any physical, material, administrative, or operational change that would tend to: (1) degrade the quality of service to the subscribers; (2) decrease income; or (3) materially increase expenses without the express permission, in writing, of the County or its assignee. The County shall be permitted to seek legal and equitable relief to enforce the provisions of the section.

**SEC. 30-3.12. MANAGEMENT FEE.**

- A. For its management service during this interim period, the Grantee shall be entitled to receive as compensation the net profit, as defined herein, generated during the period between the date the Grantee received written notice from the County of its intent to purchase the Grantee's cable television system or the expiration date of the franchise, whichever is earlier, and the payment of the purchase price. Such management services shall not be continued without Grantee's consent for more than twelve (12) months. However, if the Circuit Court determines that the Grantee is responsible for any delay in transfer of ownership and Control, the Grantee shall continue to operate the cable television system, as provided for in Article III, without compensation for its services until the sales agreement is executed and ownership and control passes to the County or its assignee.

**SEC. 30-3.13. FRANCHISE FEE.**

- A. The Grantee shall pay to the County, in consideration of the granting of the franchise to use the public ways for the operation of a cable television system, five percent (5%) of its annual gross subscribers revenues less the cost of programming during the period of its operation under the franchise.
- B. The Grantee shall file with the County within thirty (30) days after the expiration of each of the Grantee's fiscal quarters, a financial statement clearly showing the gross subscriber revenues received by Grantee during the preceding quarter. Payment of the quarterly portion of the franchise fee shall be payable to the County at the time such statement is filed. The Grantee shall also file, within one hundred twenty (120) days following the

conclusion of the Grantee's fiscal year, an annual report prepared and audited by a Certified Public Accountant acceptable to the County, clearly showing the yearly total gross subscriber revenues.

- C. The County shall have the right, consistent with the provision to inspect the Grantee's income records, of audit and the recomputation of any amounts determined to be payable under this ordinance provided, however, that such be paid within thirty (30) days following written notice to the Grantee by the County, which notice shall include a copy of the audit report. The cost of said audit shall be borne by the Grantee if it is properly determined that the Grantee's annual payment to the County for the preceding year is increased thereby more than five percent (5%).
- D. In the event that any franchise payment or recomputed amount is not made on or before the applicable dates heretofore specified, interest shall be charged from such due date at the annual rate of nine percent (9%).
- E. In the event the franchise is terminated prior to its expiration date, and the County invokes its right to purchase the Grantee's cable television system, the Grantee shall file with the County, within thirty (30) days of the date that ownership and control passes to the County or its assignee, a financial statement clearly showing the gross subscriber revenues received by Grantee since the end of the previous fiscal quarter. The Grantee shall pay the franchise fee due at the time such statement is filed.

**SEC. 30-3.14. INSURANCE - BONDS - INDEMNITY.**

- A. Upon the granting of a franchise and within thirty (30) days following the filing of the acceptance and at all times during the term of the franchise, including the time for removal of facilities or management as a trustee as provided for herein, the Grantee shall obtain, pay all premiums for, and file with the County's C.T.C., written evidence of payment of premiums and executed duplicate copies of the following:
  - 1. A general comprehensive public liability policy indemnifying, defending, and saving harmless the County, its officers, boards, commissions, agents or employees from any and all claims by any person whatsoever on account of injury to or death of a person or persons occasioned by the operations of the Grantee under the franchise herein granted or alleged to have been so caused or occurred with a minimum liability of five hundred thousand (\$500,000) dollars per personal injury or death of any one person and one million (\$1,000,000) dollars for personal injury or death of any two or more persons in any one occurrence.
  - 2. Property damage insurance indemnifying, defending, and saving harmless the County, its officers, boards, commissions, agents, and employees from and against all claims by any person whatsoever for property damage occasioned by the operation of Grantee under the franchise herein granted or alleged to have been so caused or occurred with a minimum liability of two hundred-fifty thousand (\$250,000) dollars for property damage to the property of any one person and

five hundred thousand (\$500,000) dollars for property damage to the property of two or more persons in any one occurrence.

3. A performance bond running to the County with good and sufficient surety approved by the County in the sum of twenty five thousand (\$25,000) dollars conditioned upon the faithful performance and discharge of its obligations imposed by the ordinance and the franchise awarded hereunder from the date thereof.
- B. The bond and all insurance policies called for herein shall be in a form satisfactory to the County Attorney and shall require thirty (30) days written notice of any cancellation to both the County and the Grantee. The Grantee shall, in the event of any such cancellation notice, obtain, pay all premiums for, and file with the County written evidence of payment of premiums and duplicate copies of any insurance so canceled within thirty (30) days following receipt by the County and/or the Grantee of any notice of cancellation.
  - C. The Grantee shall, at its sole cost and expense, indemnify and hold harmless the County, its officials, boards, commissions, agents, and employees against any and all claims, suits, causes of action, proceedings, and judgment for damage arising out of the operation of the cable television system under the franchise. These damages shall include but not be limited to penalties arising out of copyright infringements and damages arising out of any failure by Grantee to secure consents from the owners, authorized distributors or licenses or programs to be delivered by the Grantee's cable television system whether or not any act or omission complained of is authorized, allowed, or prohibited by the franchise. Indemnified expenses shall include, but not be limited to, all out-of- pocket expenses such as attorney fees, and shall also include the reasonable value of any services rendered by the County Attorney or his assistants or any employees of the County.
  - D. The foregoing indemnity is conditioned upon the County's giving the Grantee prompt notice of the commencement or making of any suit or actions covered by the terms of this section. Nothing herein shall be deemed to prevent the County from cooperating with the Grantee and participating in the defense of any litigation by its own counsel at its sole cost and expense. No recovery by the County of any sum by reason of the bond required in this ordinance shall be any limitation upon the liability of the Grantee to the County under the terms of this ordinance except that any sums so received by the County shall be deducted from any recovery which the County shall establish against the Grantee under the terms of this ordinance.

#### **SEC. 30-3.15. TRANSFER OF FRANCHISE.**

- A. The franchise granted under this ordinance shall be a privilege to be held in personal trust by the Grantee. It shall not be assigned, transferred sold or disposed of, in whole or in part, by voluntary sale, merger, consolidation, or otherwise or by forced or involuntary sale, without prior consent of the Board expressed by ordinance and then on only such conditions as may therein be prescribed. The County is hereby empowered to take legal or equitable action to set aside, annul, revoke, or cancel the franchise, or the transfer of the

franchise, if said transfer is not made according to the procedures set forth in the ordinance.

- B. Any sale, transfer, or assignment shall be made a bill of sale or similar document, an executed copy of which shall be filed in the office of the C.T.C. with thirty (30) days after any such sale, transfer, or assignment. The Board shall not withhold its consent unreasonably provided, however, the proposed assignee agrees to comply with all the provisions of this ordinance and the franchise and is able to provide proof of financial responsibility as determined by the Board.
- C. No such consent shall be required for a transfer in trust, mortgage, or other instrument of hypothecation, in whole or in part.
- D. Prior approval of the Board shall be required where ownership or control or more than 50% of the right of control of the Grantee is acquired by a person or group of persons acting in concert, none of whom already own or control 50% or more of such right of control, singularly or collectively. By its acceptance of this franchise, the Grantee specifically grants and agrees that any such acquisition occurring without prior approval of the Board shall constitute a violation of this franchise by the Grantee.
- E. The consent of the Board to any sale, transfer, lease, trust, mortgage, or other instrument of hypothecation shall not constitute a waiver or release of any of the rights of the County under this ordinance and the franchise.

#### **Article IV.**

##### **Subscriber's Fees and Records**

#### **SEC. 30-4.1. SUBSCRIBER FEES.**

- A. By accepting the franchise granted pursuant to the terms and conditions imposed by this ordinance, the Grantee agrees that the Board shall not have the authority and right to cause the Grantee's fees for subscriber service to conform to the provisions contained herein. The Board does not have the authority by Federal law to deny increases or order reduction of fees when it determines that, in the absence of such action on its part, the Grantee's fees or proposed fees do not conform to the stipulations contained herein.
- B. The fees for cable television service hereunder shall be as outlined in Appendix A. After the initial 60-day period during which installation charges are waived, any upgrade in service requiring a separate trip will be charged at the rate of ten (\$10.00) dollars.
- C. The Grantee shall be required to apprise orally each potential subscriber of all applicable fees and charges for providing cable television service. Such oral notification shall be in addition to a schedule or fees and charges which the Grantee may elect to set forth in a written subscriber contract.

- D. The Grantee shall not, with regard to fees, discriminate or grant any preference or advantage to any person, provided, however, that the fees may be negotiated between Grantee and the owner or owners, or committee acting on their behalf for regular subscriber service provided to ten or more dwelling units within an apartment building, condominium, garden apartment, or townhouse complex under common ownership, or to ten or more room units within hotels and
- E. The Grantee shall have the authority and the right to add to its service or installation fees any Federal, State, or County taxes or fees directly imposed on subscribers, and for any copyright fees that may be imposed as a result of legislative or judicial action at the Federal, State, or local level. If during the term of the franchise, the Grantee receives refunds of any copyright payments, it shall without delay notify the Board, suggest a plan for flow through of the refunds to its subscribers, and retain such refunds pending order of the Board. After considering the plan submitted by the Grantee, the Board shall order the flow-through of the refunds to the Grantee's subscribers in a fair and equitable manner.
- F. Grantee may, at its own discretion, waive, reduce, or suspend connection fees for specific or indeterminate periods and/or monthly service fees for periods not to exceed thirty (30) days for promotional purposes.
- G. The subscriber fees set forth herein shall not be increased except after written notice to the subscriber detailing the increase requested, the reasons therefore, and the desired effective date.

**SEC. 30-4.2. BOOKS AND RECORDS.**

- A. The Grantee will, within thirty (30) days following acceptance of the franchise, furnish the County a list which it shall keep current of its shareholders holding ten percent (10%) or more of the outstanding stock or equivalent ownership interest, as well as a roster of its principals or officers and directors and their addresses.
- B. The books and records of the Grantee's operation within the County shall be made available, during normal business hours, for inspection and audit by the County Administrator or his designee within thirty (30) days after such request has been made.
- C. Copies of the Grantee's schedule of charges, contract or application forms for regular subscriber service, policy regarding the processing of subscriber complaints, delinquent subscriber disconnect and re-connect procedures, and any other terms and conditions adopted as the Grantee's policy in connection with its subscribers shall be filed with the County and conspicuously posted in the Grantee's local office.

## Article V.

### System Operations

#### **SEC. 30-5.1. INITIAL FRANCHISE AREA.**

- A. The Franchise Area shall be the Brosville, Cascade, Bachelors Hall, and Tunstall areas of Pittsylvania County. The Initial Service Area shall be that area outlined in the Grantee's bid proposal dated January 17, 1989.

#### **SEC. 30-5.2. EXTENSION OUTSIDE INITIAL SERVICE AREA.**

- A. The Grantee shall provide service outside its Initial Service Area upon request of six (6) or more applicants within one thousand (1,000) feet of existing feeder lines or when there are the equivalent of twenty (20) potential customers or any ratio thereof per mile. The Grantee shall have the right to negotiate with the potential subscribers outside the service area.
- B. The Grantee shall provide service upon request of six (6) or more applicants living within one thousand (1,000) yards of each other provided that the applicants or other pay the Grantee the cost of running feeder lines which exceed two hundred sixty-four (264) feet per potential customer.

#### **SEC. 30-5.3. SYSTEM DESCRIPTION AND SERVICE.**

- A. The cable television system to be installed by the Grantee shall comply in all respects with the capacity, capability, and technical performance requirements set forth in the FCC's Rules for Cable Television including applicable amendments thereto and including public, education, government, and leased access channels.
- B. The system shall include:
1. The system must be built with fifty-four (54) video channel capacity (400 MHz) and shall be initially activated using thirty-five (35) channel initial capacity, expandable as the need develops.
  2. Complete bi-directional capability.

#### **SEC. 30-5.4. OPERATIONAL REQUIREMENTS AND RECORDS.**

- A. The Grantee shall construct, operate, and maintain the cable television system in full compliance with the rules and regulations, including applicable amendments, of the Federal Communications Commission and all other applicable Federal, State, or County laws and regulations, including the latest editions of the National Electrical Safety Code and the National Fire Protection Association National Electrical Code. The cable

television system and all its parts shall be subject to inspection by the County provided, however, that electrical tests shall be limited to those set forth in Section 5 below.

- B. Within six (6) months of the signing of the franchise agreement, the Grantee shall open and maintain an office in the County. The office shall be open and accessible to the public with adequate telephone service during all usual business hours, including facilities for twenty-four (24) hour recording of subscriber complaints.
- C. The Grantee shall exercise its best efforts to design, construct, operate, and maintain the system at all times so that signals carried are delivered to subscribers without material degradation in quality (within the limitations imposed by the technical state-of-the-art).
- D. Copies of all correspondence, petitions, reports, applications and other documents sent or received by the Grantee from Federal or State agencies having appropriate jurisdiction in matters affecting cable television operations shall be made available by the Grantee to the County.
- E. In the case of any emergency or disaster, the Grantee shall, upon request of the County Administrator, make available its facilities to the County for emergency use during the emergency or disaster period.

#### **SEC. 30-5.5. TESTS AND PERFORMANCE MONITORING.**

- A. Not later than ninety (90) days after any new or substantially rebuilt portions of the system are made available for service to subscribers, technical performance tests shall be conducted by the Grantee to demonstrate full compliance with the Technical Standards of the Federal Communications Commission and Paragraph C of Section 4 above. Such tests shall be performed by, or under the supervision of, a qualified registered professional engineer or an-engineer with proper training and experience. A copy of the report shall be submitted to the County, describing test results, instrumentation, calibration, and test procedures, and the qualifications of the engineer responsible for the tests.
- B. System monitor test points shall be established at or near the output of the last amplifier in the longest feeder line, at or near trunk line extremities, at no fewer than eight (8) widely scattered locations. At least once each month, the following data shall be obtained and recorded for each monitor test point, made available for County inspection, and retained in the Grantee's files until the relevant portion of the system has been either substantially rebuilt or replaced:
  - 1. Visual and aural carrier level on each active channel.
  - 2. Carrier-to-noise ratio on at least four (4) frequencies distributed across the pass band (to avoid interrupting service these measurements may be approximate and will be used only to detect significant changes).
  - 3. Visual inspection of picture quality on all active channels to detect degradation in quality attributable to the system.

- C. At any time after commencement of service to subscribers, the County may require additional test, full or partial repeat tests, different test procedures, or tests involving a specific subscriber's terminal. Requests for such additional tests will be made on the basis of complaints received or other evidence indication an unresolved controversy or significant non-compliance, and such tests will be limited to the particular matter in controversy. The County will endeavor to so arrange its request for such special tests so as to minimize hardship or inconvenience to the Grantee or the subscriber.
- D. The County shall have the right to employ qualified consultants if necessary or desirable to assist in the administration of this or any other section of this ordinance.

**SEC. 30-5.6. SERVICE, ADJUSTMENT, AND COMPLAINT.**

- A. Except for circumstances beyond the Grantee's control such as acts of God, weather, wars, riots, and civil disturbances, the Grantee shall establish a maintenance service capable of locating and correcting major system malfunctions promptly. Said maintenance service shall be available, in addition to normal business hours, to correct such major system malfunctions affecting a number of subscribers which occur from the time the Grantee's main local office closes until 12:30 a.m. Monday through Friday and from 8:00 a.m. until 12:30 a.m. on Saturdays, Sundays, and holidays.
- B. A listed local telephone number shall be made available to subscribers for service calls at any time of the day or night. Investigative action shall be initiated in response to all service calls other than major outages not later than the next business day after the call is received. Corrective action shall be completed as promptly as practical. Appropriate records shall be made of service calls, showing when and what corrective action was completed. Such records shall be available to the County during normal business hours and retained in the Grantee's files for not less than three (3) years.
- C. The Grantee shall furnish each subscriber at the time service is installed written ns that clearly set forth procedures for placing a service call or requesting an adjustment. Said instructions shall also include the name, address, and telephone number of the County Administrator or other designated employee and a reminder that the subscriber can call or write the County Administrator or other designated employee for information regarding terms and conditions of the Grantee's franchise if the Grantee fails to respond to the subscriber's request for installation, service, or adjustment within a reasonable period of time.
- D. In the event a subscriber does not obtain a satisfactory response or resolution to his request service or an adjustment within a reasonable period of time, he may advise the County Administrator or other designated employee in writing of his dissatisfaction, and the County Administrator or other designated employee shall have an obligation to investigate the matter and to keep records with respect to all such complaints for the remaining life of the franchise or three (3) years, whichever amount of time is of longer duration.

- E. The Grantee shall interrupt system service after 7:00 a.m. and before 1:00 a.m. only with good cause and for the shortest time possible and, except in emergency situations, only after publishing notice of service interruption at least twenty-four (24) hours in advance the service interruption. Service may be interrupted between 1:00 a.m. and 7:00 a.m. for routine testing, maintenance, and repair without notification any night except Friday, Saturday, or the night preceding a holiday.

**SEC. 30-5.7. STREET OCCUPANCY.**

- A. The Grantee shall utilize existing poles, conduits, and other facilities whenever possible and shall not construct or install any new, different, or additional poles, conduits, or other facilities on public property until the written approval of the County is obtained, which approval shall not be unreasonably withheld. However, no location of any pole or wire-holding structure of the Grantee shall be a vested interest, and such poles or structures shall be removed or modified by the Grantee at its own expense whenever the Board determines that the public convenience would be enhanced thereby.
- B. Where the County or a public utility serving the County desires to make use of the poles or other wire holding structures of the Grantee but agreement therefore with the Grantee cannot be reached, the Board may require the Grantee to permit such use for such consideration and upon such terms as the Board shall determine to be just and reasonable, if the Board determines that the use would enhance the public convenience and would not unduly interfere with the Grantee operations.
- C. All transmission lines, equipment, and structures shall be so installed and located as to cause minimum interference with the rights and appearance and reasonable convenience of property owners who join on any street and at all times shall be kept and maintained in a safe, adequate, and substantial condition and in good order and repair. The Grantee shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public. Suitable barricades, flags, lights, flares, or other devices shall be used at such times and places as are reasonably required for the safety of all members of the public. Any poles or other fixtures placed in any public way by the Grantee shall be placed in such a manner as not to interfere with the usual travel on such public way.
- D. The Grantee shall remove, replace, or modify at its own expense the installation of any of its facilities as may be deemed necessary by the County to meet its proper responsibilities.
- E. Wherever all electrical and telephone utility wiring is located underground, either at the time of initial construction or subsequently, at the direction of the County the television cable shall also be located underground, at the Grantee's own expense. If the facilities of either the electric or the telephone utility are aerial, the television facilities may be located underground at the request of a property owner, provided that the excess cost of the

installation, labor, and materials of underground over aerial location shall be paid by the property owner making the request to the Grantee.

- F. The Grantee shall, at its own expense and in a manner approved by the County, restore to County standards and specifications any damage or disturbance caused to the public way as a result of its operations or construction on its behalf. The Grantee shall guarantee and maintain such restoration for a period of one year against defective materials or workmanship.
- G. Whenever, in case of fire or other disaster, it becomes necessary in the judgment of the County Administrator or the Chief of the Fire Department to remove or damage any of the Grantee's facilities, no charge shall be made by the Grantee against the County for restoration and repair.
- H. At the request of any person holding a valid building moving permit issued by the County, and upon at least forty-eight (48) hours notice, the Grantee shall temporarily raise, lower, or cut its wires as may be necessary to facilitate such move. The direct expense of such temporary changes, including standby time, shall be paid by the permit holder, and the Grantee shall have the authority to require payment in advance.
- I. The Grantee shall have the authority to trim trees on public property at its own expense as may be necessary to protect its wires and facilities, subject to the supervision and direction of the County. Trimming of trees on private property shall require written consent of the property owner.

#### **SEC. 30-5.8. CONSTRUCTION SCHEDULE AND REPORTS.**

- A. Upon accepting the franchise, the Grantee shall, within sixty (60) days, file the documents required to obtain all necessary Federal; State, and local licenses, permits, and authorizations required for the conduct of its business and shall submit monthly reports to the County Administrator on progress in this respect until all such documents are in hand.
- B. Within three (3) month after accepting the franchise, the Grantee shall furnish the County a construction schedule and map setting forth target dates by areas for commencement of service to subscribers. The schedule and map shall be updated whenever substantial changes become necessary.
- C. The Grantee shall complete construction of the system in the Initial Service Area and offer and deliver cable television service in full accordance with this ordinance and the franchise granted hereunder to subscribers in not less than fifty percent (50%) of the occupied dwelling units within the Initial Service Area within one (1) year after receiving all necessary permits, authorizations, and licenses and to one hundred percent (100%) within two (2) years.
- D. Every three (3) months after the start of construction, the Grantee shall furnish the County a report on progress of construction until complete. The report shall include a map that clearly defines the areas wherein regular subscriber service is available.

**SEC. 30-5.9. PROTECTION OF PRIVACY.**

- A. The Grantee shall not permit the transmission of any signal, aural, visual, or digital, including “polling” the channel selection, from any subscriber's premises without first obtaining written permission of the subscriber. This provision is not intended to prohibit the use of transmission of signals useful only for the control or measurement of system performance.
- B. The Grantee shall not permit the installation of any special terminal equipment in any subscriber's premises that will permit transmission from subscriber's premises of two-way services utilizing aural, visual, or digital signals without first obtaining written permission of the subscriber.
- C. It shall be unlawful for any person to attach or affix or to cause to be attached or affixed any equipment or device which allows access or use of the cable television service without payment to the Grantee for same.

**Article VI.**

**General Provision**

**SEC. 30-6.1. LIMITS ON GRANTEE'S RECOURSE.**

- A. Except as expressly provided in this ordinance and the franchise, the Grantee shall have no recourse against the County for any loss, expense, or damage resulting from the terms and conditions of this ordinance or the franchise or because of the County's enforcement thereof nor for the County's failure to have the authority to grant the franchise. The Grantee expressly agrees that, upon its acceptance of the franchise, it does so relying upon its own investigation and understanding of the power and authority of the County to grant said franchise.
- B. The Grantee, by accepting the franchise, acknowledges that it has not been induced to accept same by any promise, verbal or written, by or on behalf of the County or by any third person regarding any term or condition of this ordinance or the franchise not expressed therein. The Grantee further pledges that no promise or inducement, oral or written, has been made to any County employee or official regarding receipt of the cable television franchise.
- C. The Grantee further acknowledges by acceptance of the franchise that it has carefully read the terms and conditions of this ordinance and the franchise and accepts without reservation the obligations imposed by the terms and conditions herein regardless of whether these obligations are contained in the franchise documents.
- D. The decisions of the Board of Supervisors concerning the Grantee selection and awarding of the franchise is final, and all applicants agree as a condition of application not to

contest the Board's decision in any court of law or before the Federal Communications Commission.

- E. The Grantee shall not apply for any waivers, exceptions, or declaratory rulings from the Federal Communications Commission or any other Federal or State regulatory agency without the written consent of the County Administrator or his designee.

**SEC. 30-6.2. COMPLIANCE WITH STATE AND FEDERAL LAW.**

- A. The Grantee shall at all times comply with all laws of the State and Federal Governments and the rules and regulations of any Federal administrative agency. If any State or Federal law or rule or regulation of any Federal administrative agency is in conflict with the terms and conditions of this franchise ordinance or the franchise, the Board shall, as soon as possible following knowledge thereof, amend this ordinance and franchise in a manner to bring both into compliance with such law, rule or regulation.
- B. Any further amendments or modifications of the Federal Communications Commission's Rules for Cable Television affecting this ordinance or the franchise, including allowable franchise fee, shall be incorporated into this ordinance and/or the franchise within one (1) year of adoption of said modification or at the time of franchise renewal, whichever occurs first.

**SEC. 30-6.3. FRANCHISE VALIDITY.**

- A. The Grantee agrees, by the acceptance of the franchise, to accept the validity of the terms and conditions of this ordinance and the franchise in their entirety and that it will not, at any time, proceed against the County in any claim or proceeding challenging any term or provision of this ordinance or the franchise as unreasonable, arbitrary, or void or that the County did not have the authority to impose such term or condition.

**SEC. 30-6.4. FAILURE TO ENFORCE FRANCHISE.**

- A. The Grantee shall not be excused from complying with any of the terms and conditions of this ordinance or the franchise by any failure of the County, upon any one or more occasions, to insist upon the Grantee's performance or to seek the Grantee's compliance with any one or more of such terms or conditions.

**SEC. 30-6.5. RIGHTS RESERVED TO THE COUNTY.**

- A. The County hereby expressly reserves the following rights:
  - 1. To exercise its governmental powers, now or hereafter to the full extent that such powers may be vested in or granted to the County.
  - 2. To adopt, in addition to the provisions contained herein and in the franchise and in any existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of its police power provided, however, that such

regulations by ordinance or otherwise shall be reasonable and not in conflict with the rights herein granted.

3. To revoke the franchise granted pursuant to this ordinance should the Federal Communications Commission, as a result of its certification process, require that substantial sections of the ordinance be altered or deleted.

**SEC. 30-6.6. EMPLOYMENT REQUIREMENT.**

- A. The Grantee shall not refuse to hire, or discharge from employment, nor discriminate against any person regarding compensation, terms, conditions, or privileges of employment because of sex, race, color, creed, or national origin. The Grantee shall take affirmative action to insure that employees are treated during employment without regard to their sex, race, color, creed, or national origin. This condition includes, but is not limited to, the following: recruitment, advertising, employment interviews, employment, rates of pay, upgrading, transfer, demotion, layoff, or termination.

**SEC. 30-6.7. TIME ESSENCE OF AGREEMENT.**

- A. Whenever this ordinance or the franchise sets forth any time for any act to be performed by or on the behalf of the Grantee, such time shall be deemed of the essence, and the Grantee's failure to perform within the time allotted shall in all cases, be sufficient grounds for the County to invoke the remedies available under the terms and conditions of this ordinance and the franchise.

**SEC. 30-6.8. ACCEPTANCE.**

- A. This ordinance and the franchise and their terms and conditions shall be accepted by the Grantee by written instrument filed with the County Administrator within thirty (30) days after effective date of this ordinance. In its acceptance, the Grantee shall declare that it has carefully read the terms and conditions of this ordinance and the franchise and accepts all of the terms and conditions imposed by this ordinance and the franchise and agrees to abide by same.

**SEC. 30-6.9. PENALTY.**

- A. Violation of this ordinance shall be subject to constitute a misdemeanor, and each violation shall be punished by a fine not to exceed five hundred (\$500.00) dollars for each offense. This shall be in addition to any other action authorized under this ordinance.

**SEC. 30-6.10. SEVERABILITY.**

- A. If any section of this ordinance or the franchise or any portion thereof is held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof.

**SEC. 30-6.11. NON-EXCLUSIVE FRANCHISE.**

- A. The franchise authorized by this ordinance is non exclusive, and acceptance of this franchise shall not preclude the adoption of one or more additional ordinances and granting of franchises for all or a portion of the area granted under this ordinance.

**CHATMOSS CABLEVISION CHANNEL GUIDE**

**BASIC CABLE SERVICE**

<u>Channel</u>	<u>Description</u>
02	WFMY – Channel 2 Greensboro, NC – CBS Network
03	Super Station WTBS – Atlanta, GA
04	CNN Headline News
05	WVFT – Channel 27 Roanoke, VA - Independent
06	ESPN – Sports Programming Network
07	WDBJ – Channel 7 Roanoke, VA – CBS Network
08	WGHP – Channel 8 High Point, NC – ABC Network
09	WJPR – Channel 21 Lynchburg, VA – Independent
10	WSLS – Channel 10 Roanoke, VA – NBC Network
11	WBRA – Channel 15 Roanoke, VA – PBS
12	WXII – Channel 12 Winston Salem, NC – NBC Network
13	WSET – Channel 13 Lynchburg, VA – ABC Network
14	Nickelodeon Network
15	Arts and Entertainment Network
21	The Home Shopping Network
22	Cable News Network
23	Lifetime Network
24	CBN – Christian Broadcast Network
25	The Discovery Channel
26	MTV – Music Television
27	USA Network
28	WGN – Channel 9 Chicago, IL - Independent
29	WGGT – Channel 48 Greensboro, NC – Independent
30	WNRW – Channel 45 Winston Salem, NC - Independent
31	TNN – The Nashville Network
32	WWOR – Channel 9 New York, NY - Independent
33	VH-1 – Video Hits One
34	TNT – Turner Network Television
35	CMTV – Country Music Television
36	Local Access and Weather Information

**PREMIUM SERVICES**

<u>Channel</u>	<u>Description</u>
16	Pay Pre View – Special Sports and TV Events

17	Showtime
18	Cinemax
19	Home Box Office
20	The Disney Channel

**SUBSCRIBER AND USER RATES**

<b>Description of Service</b>	<b>Installation Charge</b>	<b>Monthly Service Charge</b>
Basic Cable Service	FREE	\$13.95
Home Box Office	FREE	\$ 8.95
Showtime	FREE	\$ 8.95
Cinemax	FREE	\$ 8.95
The Disney Channel	FREE	\$ 8.95
Pay-Per-View	FREE	Varies per Event
Additional Outlets	FREE Per Outlet	\$ 1.75
Extra Outlet Converter Rent	FREE	\$ 2.50
Remote Control Converter	FREE	\$ 3.00
Transfer Charge	\$10.00	-
Relocation of Outlet	\$10.00	-
Reconnect for non-payment	\$10.00	-
Return Check Charge	\$10.00	-
Buried Service from Pole to House	\$ .25 per ft.	