BOROUGH OF DUNELLEN

ORDINANCE NO. 000.07

AN ORDINANCE GRANTING MUNICIPAL CONSENT FOR THE OPERATION OF A CABLE TELEVISION SYSTEM WITHIN THE BOROUGH OF DUNELLEN, MIDDLESEX COUNTY, NEW JERSEY TO CSC TKR, INC. D/B/A CABLEVISION OF RARITAN

WHEREAS, the governing body of the Borough of Dunellen determined that CSC TKR, Inc. D/B/A Cablevision of Raritan (hereinafter known as "the Company" or "Cablevision") had the technical competence and general fitness to operate a cable television system in the Borough of Dunellen, and by prior action granted its municipal consent for Cablevision to obtain a non-exclusive franchise for the placement of facilities and the establishment of a cable television system in the Borough of Dunellen; and

WHEREAS, by application for renewal consent filed with the Borough of Dunellen and the Office of Cable Television on or about April, 1999, Cablevision has sought a renewal of the franchise; and

WHEREAS, the Borough of Dunellen having held public hearings has made due inquiry to review Cablevision's performance under the Franchise, and to identify the Borough of Dunellen's future cable-related needs and interests and has concluded that Cablevision has substantially complied with its obligations under the Franchise and has committed to certain undertakings responsive to the Borough of Dunellen's future cable-related needs and interests; and

WHEREAS, the governing body of the Borough of Dunellen has accordingly concluded that the consent should be renewed subject to the requirements set forth below; and that, provided Cablevision's proposal for renewal embodies the commitments set forth below, and the Borough Dunellen's municipal consent to the renewal of the Franchise should be given;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Dunellen, County of Middlesex, and State of New Jersey, as follows:

SECTION 1. DEFINITIONS

For the purpose of this Ordinance the terms defined above shall have the meanings there indicated, and the following additional terms shall have the following meanings:

(a) "Act" or "Cable Television Act" shall mean that statute of the State of New Jersey relating to cable television, known as the Cable Television Act, N.J.S.A. 48:5A-1 et seq.

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- (b) "Application" shall mean Cablevision's application for Renewal of Municipal Consent, which application is on file in the Municipal Clerk's office of the Borough of Dunellen and is incorporated herein by reference and made a part hereof, except as modified, changed, limited or altered by this Ordinance.
- (c) "Board" shall mean the Board of Public Utilities of the State of New Jersey or its successor agency.
- (d) "Borough" shall mean the governing body of the Borough of Dunellen in the County of Middlesex, and the State of New Jersey.
- (e) "Company" shall mean CSC TKR, Inc., d/b/a Cablevision of Raritan Valley ("Cablevision") the grantee of rights under this Ordinance.
- (f) "FCC" shall mean the Federal Communications Commission.
- (g) "Federal Act" shall mean that federal statute relating to cable communications commonly known as the Cable Communications Policy Act of 1984, 47 U.S.C. Section 521 et seq. and the Telecommunications Act of 1996, or as those statutes may be amended.
- (h) "Federal Regulations" shall mean those federal regulations relating to cable television services, 47 C.F.R. Section 76.1 et seq. (and, to the extent applicable, any other federal rules and regulations relating to cable television, including but not limited to, those described in 47 C.F.R. Section 76.3), or as such regulations may be amended.
- (i) "State" shall mean the State of New Jersey.
- (j) "State Regulations" shall mean those regulations of the State of New Jersey Board of Public Utilities relating to cable television. N.J.A.C. 14:17-1.1 et seq., and N.J.A.C. 14:18-1 et seq., or as such regulations may be amended.

SECTION 2. STATEMENT OF FINDINGS

A public hearing concerning the consent herein granted to Cablevision was held after proper public notice pursuant to the terms and conditions of the Act. Said hearing having been held and fully open to the public, and the municipality having received all comments regarding the qualifications of

Cablevision to receive this consent, the Borough hereby finds Cablevision possesses the necessary legal, technical, character, financial and other qualifications to support municipal consent, and that Cablevision's operating and construction arrangements are adequate and feasible.

SECTION 3. GRANT OF AUTHORITY

The Borough hereby grants to Cablevision its non-exclusive consent to place in, upon, along, across, above, over, and under its highways, streets, alleys, sidewalks, public ways, and public places in the municipality poles, wires, cables, and fixtures necessary for the maintenance and operation in the Borough of a cable television system, and for the provision of any communication service over such system as may be authorized by federal or State regulatory agencies. Operation and construction, pursuant to said consent, is conditioned upon prior approval of the Board of Public Utilities.

SECTION 4. DURATION OF FRANCHISE

This consent granted herein shall be non-exclusive and shall be for a term of fifteen (15) years from the date of issuance of a Certificate of Approval by the Board.

SECTION 5. AUTOMATIC RENEWAL TERM

The consent granted herein is subject to an automatic renewal term of ten (10) years in accordance with the procedures set forth in N.J.S.A. 48:5A-19 and 25 and N.J.A.C. 14:18-13.6 et seq.

SECTION 6. EXPIRATION AND SUBSEQUENT RENEWAL

If Cablevision seeks successive consent, it shall, prior to the expiration of this consent, apply for a municipal consent and certificate of approval in accordance with N.J.S.A. 48:16, and applicable State and federal rules and regulations. The Company shall also petition the Board for approval authorizing continued operation during the period following expiration of the consent granted herein, and until such a time that a decision is made by the Borough and Board relative to the renewal of said consent.

SECTION 7. FRANCHISE TERRITORY

The consent granted under this Ordinance to Cablevision shall apply to the entirety of the Borough and any property hereafter annexed.

SECTION 8. SERVICE AREA

Cablevision shall extend service to proffer video programming service along any public right-of-way to any person's residence within the portion of the franchise territory, as described in the Application for municipal consent, at tariffed rates for standard and nonstandard installation.

Cablevision shall extend service along any public right-of-way outside its service area to those residences within the franchise territory which are located in areas that have a residential density of twenty-five (25) homes per mile or greater, or areas with less than twenty-five (25) homes per mile where residents agree to share the costs of such extension in accordance with the line extension formula as provided by the Company in its Application for municipal consent.

SECTION 9. FRANCHISE FEE

Pursuant to the terms and conditions of the Cable Television Act, Cablevision shall supply to the Borough, as an annual franchise free, a sum equal to two percent (2%) of the actual gross revenues received from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception services in the Borough. In the event applicable law hereinafter permits a larger franchise fee to be collected, but does not fix the amount thereof, the Borough and Cablevision shall negotiate in good faith with respect to the amount thereof.

SECTION_10. FREE SERVICE

Cablevision shall provide, free of charge, one (1) standard installation and monthly cable television reception service to all State or locally accredited public schools and all public libraries, as well as municipal buildings located within the Borough as set forth in Exhibit A to this Ordinance. Cablevision will wire the classrooms of Faber Elementary School with one outlet per classroom for a cost not to exceed \$7,000.

SECTION 11. CONSTRUCTION/SYSTEM REQUIREMENTS

Cablevision shall perform construction and installation of its plant and facilities in accordance with applicable State and federal law. The Company shall be subject to the following additional construction requirements with respect to the installation of its plant and facilities in the Borough:

(a) In the event that the Company or its agents shall disturb any pavement, street surfaces, sidewalks, driveways or other surfaces, the Company shall at its sole expense restore

and replace such disturbances in as good a condition as existed prior to the commencement of said work.

- (b) If at any time during the period of this consent, the municipality shall alter or change the grade of any street, alley or other way or place, the Company, upon reasonable notice by the Borough shall remove or relocate its equipment, at its own expense.
- (c) Upon request of a person holding a building or moving permit issued by the Borough, the Company shall temporarily more or remove appropriate parts of its facilities so as to permit the moving or erection of buildings or for the performance of other work. The expense of any such temporary removal or relocation shall be paid in advance to the Company by the person requesting the same. In such cases, the Company shall be given not less than fourteen (14) days prior written notice in order to arrange for the changes required.
- (d) During the exercise of its rights and privilege under this consent, the Company shall have the authority to trim trees upon the overhanging streets, alleys, sidewalks and public places of the Borough so as to prevent the branches of such trees from coming in contact with the wires, cables, conduits and fixtures of the Company. Such trimming shall be only to the extent necessary to maintain proper clearance for the Company's facilities.

SECTION 12. TECHNICAL AND CUSTOMER SERVICE STANDARDS

Cablevision shall comply with the technical and customer service standards established for the cable industry under applicable federal and State laws, rules and regulations.

SECTION 13. LOCAL OFFICE OR AGENT

Cablevision shall establish and maintain during the entire term of this consent a local area business office or agent for the purpose of receiving, investigating and resolving complaints regarding the quality of service, equipment malfunctions and similar matters. Said office shall be open daily during normal business hours, and in no event less than 9:00 a.m. to 5:00 p.m., Monday through Friday, with the exception of holidays.

SECTION 14. DESIGNATION OF COMPLAINT OFFICER

The Office of Cable Television is hereby designated as the complaint officer for the Borough pursuant to the provisions of N.J.S.A. 48:5A-26 and any complaints by local subscribers to cable television reception or service shall be filed directly with the said office. All complaints shall be reviewed and a processed in accordance with N.J.A.C. 14:17-6.5.

SECTION 15. LIABILITY INSURANCE

Cablevision agrees to maintain and keep in force and effect at its sole cost at all times during the term of this consent, sufficient liability insurance naming the Borough as an additional insured and insuring against loss by any such claim, suit, judgment, execution or demand in the minimum amounts of five hundred thousand dollars (\$500,000) for bodily injury or death to one person and one million dollars (\$1,000,000) for bodily injury or death resulting from any one accident or occurrence stemming from or arising out of the Company's exercise of its rights hereunder.

SECTION 16. _PERFORMANCE BOND

Not later than forty-five (45) days after the effective date of this Franchise, Cablevision shall obtain and maintain, at its sole cost and expense, during the entire term of this Agreement, a bond to the municipality in the amount of twenty-five thousand dollars (\$25,000). Such bond shall be to insure the faithful performance of its obligations as provided in this Franchise.

SECTION 17. RATES

- A. The rates of the Company shall be subject to regulation as permitted by federal and State law.
- B. Cablevision shall implement a senior citizen discount in the amount of ten percent (10%) off the rate for the monthly basic level of cable television reception service to any person sixty-two (62) years of age or older, who subscribe to cable television reception services provided by the Company, subject to the following:
 - (i) Such discount shall only be available to eligible senior citizens who do not share the subscription with more than one person in the same household who is less than sixty-two (62) years of age;
 - (ii) Subscribers seeking eligibility for the discount must meet the income and residence requirements of the Pharmaceutical Assistance to Aged and Disabled (PAAD) program in the State pursuant to N.J.S.A. 30:4D-21; and
 - (iii) The senior citizen discount herein relates only to the entry level basic rate of cable television reception service, and shall not apply to any additional service, feature, or equipment offered by the Company, including

premium channel services and pay-per-view services.

SECTION 18. EMERGENCY USES

Cablevision shall be required to have the capability to override the audio portion of the system in order to permit the broadcasting of emergency messages by the Borough pursuant to State and federal requirements. The Company shall in no way be held liable for any injury suffered by the Borough or any other person, during an emergency, if for any reason the municipality is unable to make full use of the cable television system as contemplated herein. The Borough shall utilize the State-approved procedures for such emergency uses.

SECTION 19. EQUITABLE TERMS

- A. In the event that the Borough approves or permits a cable system to operate in the community on terms more favorable or less burdensome than those contained in this Ordinance, such more favorable or less burdensome terms shall be applicable in this consent, subject to a petition to the Board of Public Utilities as provided for in accordance with N.J.S.A. 48:5A-47 and N.J.A.C. 14:17-6.7.
- In the event that a non-franchised multi-channel video programmer provides service to residents of the Borough, Cablevision shall have a right to request franchise amendments to this Ordinance that relieve Cablevision of regulatory burdens that create a competitive disadvantage to the Company. In requesting amendments, Cablevision shall file with the Board of Public Utilities a petition for approval in accordance with N.J.S.A. 48:5A-47 and N.J.A.C. 14:17-6.7 seeking to amend the Ordinance. Such petition shall: (i) indicate the presence of a non-franchised competitor(s); (ii) identify the basis for Cablevision's belief that certain provisions of this franchise place it at a competitive disadvantage; and (ii) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage. The Borough shall not unreasonably withhold or object to granting the Company's petition and so amending the Ordinance, subject to a petition to the Board of Public Utilities as provided in accordance with N.J.S.A. 48:5A-47 and N.J.A.C. 14:17-6.7.

SECTION 20. REMOVAL OF FACILITIES

Upon expiration, termination or revocation of this Ordinance, Cablevision at its sole cost and expense and upon direction of the Board of Public Utilities, shall remove the cables and appurtenant devices constructed or maintained in connection with the services authorized herein, unless Cablevision, its affiliated entities or assignees should, within six (6) months after such expiration, termination or

revocation obtain certification from FCC to operate an open video system or any other federal or State certification to provide telecommunications.

SECTION 21. PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS

- A. Cablevision shall continue to make available non-commercial public, educational and governmental (PEG) access as described in the Application for municipal consent.
- B. The Borough agrees that Cablevision shall retain the right to use the PEG access channel, or portion thereof, for non-PEG access programming, during times when the Borough is not utilizing the channel for purposes of providing PEG access programming. In the event that the Company uses said PEG access channel for the presentation of such other programming, the PEG programming shall remain the priority use and the Company's rights with respect to using the channel for non-PEG programming shall be subordinate to the Borough's provision of PEG access programming on such channel.
- C. Cablevision shall provide the Borough with PEG Access equipment, such as an ENG pack and accessories, not to exceed \$10,000.

SECTION 22. INCORPORATION OF APPLICATION

All of the commitments contained in the Application and any amendment thereto submitted in writing to the Borough by the Company except as modified herein, are binding upon Cablevision as terms and conditions of this consent. The Application and any other writings submitted by Cablevision in connection with this consent are incorporated in this Ordinance by reference and made a part hereof, except as specifically modified, changed, limited, or altered by this Ordinance, or to the extent that they conflict with State or federal law.

SECTION 23. CONSISTENCY WITH APPLICABLE LAWS

This consent shall be construed in a manner consistent with all applicable federal, State and local laws.

SECTION 24. SEPARABILITY

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion thereof.

SECTION 25. EFFECTIVE DATE

This Ordinance shall take effect upon issuance of a Certificate of Approval as issued by the Board of Public Utilities.

BE IT FURTHER ORDAINED that this Ordinance shall take effect upon the passage, and publication as required by law.

Signed this 16 day of April, 200%.

Mayor

Attest:

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