

ORDINANCE NUMBER: 2002-12

AN ORDINANCE OF THE COUNTY OF ST. JOHNS, STATE OF FLORIDA, GRANTING A NON-EXCLUSIVE FRANCHISE TO LITESTREAM TECHNOLOGIES, LLC, TO PROVIDE CABLE TELEVISION SERVICE IN A PORTION OF THE UNINCORPORATED AREA OF ST. JOHNS COUNTY, FLORIDA; SETTING FORTH THE TERMS, PROVISIONS, CONDITIONS, AND REQUIREMENTS OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, Litestream Technologies, LLC, has applied for a Cable Television Franchise under St. Johns County Ordinance No. 95-63, the "CATV Ordinance," for a portion of the unincorporated area of St. Johns County, Florida, more particularly described in Exhibit "A," attached hereto (the "Franchise Area"); and

WHEREAS, the Board of County Commissioners of St. Johns County has considered all of the matters enumerated in Florida Statute 166.046 at the public hearing held to consider adoption of this ordinance.

WHEREAS, the County has become aware that some construction of the Litestream Technologies, LLC, system has been constructed within County rights-of-way prior to the grant of a franchise.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. The above Recitals are incorporated herein and adopted as findings of fact in support of this Ordinance.

SECTION 2. Litestream Technologies, LLC, (the "Grantee"), and its successors and assigns, are hereby granted a nonexclusive franchise, to provide cable television service in the Franchise Area.

SECTION 3. Pursuant to Section 166.046, Florida Statutes, this franchise is made with the Board having fully considered: (1) the economic impact upon private property within the Franchise Area; (2) the public need for the franchise; (3) the capacity of public rights-of-way to accommodate the cable system; (4) the present and future use of the public rights-of-way to be used by the cable system; (5) the potential disruption to existing users of the public rights-of-way to be used by the cable system and the resultant inconvenience which may occur to the public; (6) the financial ability of Grantee to perform; (7) the social interests as are generally considered in cable television franchising; and (8) additional and relevant matters, which are both procedural and substantive.

SECTION 4. Grantee shall provide such cable television services and construct, maintain and operate a cable television system within the Franchise Area in accordance with the terms and conditions of this Ordinance, the CATV Ordinance found in St. Johns County Ordinance No. 95-63, and that certain Cable Television Franchise Agreement (the "Agreement"), attached hereto as Exhibit "B" and incorporated herein as a part of this Ordinance.

SECTION 5. In the event of any conflict between this Ordinance and the CATV Ordinance found in St. Johns County Ordinance No. 95-63, this Ordinance and the terms and conditions of the Cable Television Franchise Agreement, attached hereto as Exhibit "B," shall be controlling as applied to the Franchise granted to Grantee, Litestream Technologies, LLC.

SECTION 6. The franchise and the rights granted herein are non-exclusive and St. Johns County may grant to other persons or entities, rights similar tot hose granted herein.

SECTION 7. This Ordinance shall take effect upon (i) the filing of this Ordinance with the Department of State of the State of Florida; or (ii) the date that the acceptance contained in the Agreement is signed by Litestream Technologies, LLC whichever shall last occur. Provided, if the acceptance is not signed by Litestream Technologies, LLC, within thirty (30) days after its date of adoption, this ordinance shall be of no force or effect.

PASSED AND ENACTED by the Board of County Commissioners of St. Johns County, Florida this 26th day of February, 2002.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: Marc A. Jacalone
Marc A. Jacalone, Chairman

Pending date: 3/1/2002

Attest: Cheryl Strickland, Clerk

By: Robin L. Platt
Deputy Clerk

Effective 3/4/2002

EXHIBIT A

The portion of St. Johns County, Florida bearing the following description:

EXHIBIT B
FRANCHISE AGREEMENT
BETWEEN
ST. JOHNS COUNTY, FLORIDA
AND
LITESTREAM TECHNOLOGIES, LLC

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CABLE TV FRANCHISE AGREEMENT

THIS AGREEMENT made and entered as of the 26th day of February, 2002 by and between St. Johns County, a political subdivision of the State of Florida, through its Board of County Commissioners ("Grantor"), and Litestream Technologies, LLC, ("Grantee"):

WHEREAS, Grantor has reviewed Grantee's Proposal and Application for a CATV Franchise; and

WHEREAS, Grantor has assessed the qualifications of Grantee and has ascertained the CATV-related needs of the Community; and

WHEREAS, Grantor at its duly authorized meeting did vote to grant an Cable TV franchise to Grantee.

NOW THEREFORE in consideration of this grant of a CATV Franchise, the parties agree as follows:

I. DEFINITIONS

For the purposes of this Agreement, the following terms, phrases, words and their derivations shall have the meaning given herein, unless the context clearly indicates that another meaning is intended. When not inconsistent with the context, words used in the 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.

A. "CATV Ordinance"

St. Johns County Ordinance No. 95-63.

B. "Cable System", "System", "CATV System", or "Cable Television System"

Any facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed and used by Grantee to provide cable service, including video programming, by wire or cable to subscribing members of the public who pay for such service. The complete system in a physical sense includes: the antennas, cables, amplifiers, towers, microwave links, satellite links, and any other conductors, converters, equipment or facilities and plant designed and constructed for the purpose of receiving or producing, amplifying, storing processing and distributing cable services to and/or from subscribers.

C. “Franchise Area”

The Franchise Area is the portion of St. Johns County, Florida as specified in “Exhibit A” of St. Johns County Ordinance No. 2002-12, adopting this Cable TV Franchise Agreement.

D. “Grantee”

Litestream Technologies, LLC, and its successors and assigns in accordance with the provisions of the Cable TV Ordinance.

E. “Gross Receipts” or “Gross Revenues”

Gross Revenue for any period means any, and all, revenues for that period that are derived from the operation of the cable system to provide cable services within the County. However, in recognition that Grantee intends to offer certain non-cable services, revenues from non-cable services received by Grantee or by its parent or affiliates are not includable as Gross Revenues.

F. “Subscriber Service”

Any cable service.

G. “Transfer”

The disposal, directly or indirectly, voluntary or involuntary, by any method, including gift, assignment, sale, merger, consolidation, acquisition, bankruptcy, receivership, or otherwise, of the ownership or control of Grantee, the Cable System, or the Franchise, in whole or in substantial part. Notwithstanding anything in the CATV Ordinance to the contrary, such term shall not include the sale, transfer or assignment of ownership or control of Grantee, the Cable System or Franchise to any wholly owned subsidiary of Grantee’s Parent or of Grantee, provided such subsidiary agrees in writing to legally assume and be bound by all of the obligations and terms herein. Nor shall such term include any management contract entered into between Grantee and a non-affiliated party to assist Grantee in the management of the Franchise and Cable System described herein.

II. GRANT

A. Franchise

Grantor hereby grants to Grantee a non-exclusive Franchise to operate a Cable Television System to serve the Franchise Area in accordance with the terms and conditions set forth below. This Franchise is granted pursuant to Grantee's application, as amended, and, except to the extent specifically modified by the terms of this Franchise Agreement and/or Grantor's CATV Ordinance.

B. Rights and Privileges

This grant provides a non-exclusive right and privilege, except as specifically required now and in the future by Grantor, authorizing Grantee, its agents, representatives and subcontractors to construct, erect, operate and maintain in, upon, along, across, above, over and under Grantor streets, rights-of-way, alleys, public ways and public places now laid out or dedicated and all extensions thereof and additions thereto including such wires, poles, cables, underground conduits, conductors, and fixtures as may be necessary for the maintenance and operation of a Cable Television System, as described herein.

C. Right to Use and Occupy

The right to use and occupy Grantor's streets, alleys, public ways and places for the purposes herein set forth shall not be exclusive and the Grantor reserves the right to grant the non-exclusive use of the same Grantor streets, rights-of-way, alleys, public ways and places to any other person or entity at any time during the period of this franchise. Grantee may enter into agreements for the attachment to and use of facilities owned and operated by public utilities operating within the Territorial Limits whereby Grantee shall comply strictly with the terms, provisions and restrictions of said agreements; and copies of all such agreements made with public utilities operating with the Grantor shall be placed on file with Grantor immediately upon their execution. Grantee shall at all times during the life of this franchise be subject to all lawful exercise of police power by Grantor and to such reasonable regulations as Grantor may provide hereafter by resolution or ordinance.

D. Construction Compliance

Construction, operation and maintenance of the system by Grantee or Grantee's agents, representatives and subcontractors shall be in full compliance with the National Electrical Code as from time to time amended and revised, and in full compliance with all applicable rules and regulations now in effect or hereinafter adopted by the Federal Communications Commission, the County of St. Johns, the State of Florida and the United States government.

E. Line Extension Policy

Grantee shall make all Cable Services distributed over the System available to all single family homes, including all new or previously unserved single family dwellings, located within 125 feet of any energized trunk line that the Grantee elects, based on market conditions, to deploy in the Franchise Area. The Grantee shall provide Cable Service to any multiple dwelling unit ("MDU") property located in the Franchise Area and within 125 feet of Grantee's energized trunk line, in which a minimum of twenty-five (25) percent of MDU residents are desirous of subscribing to Cable Services provided by the Grantee and for which the owner of the MDU property and the Grantee have reached agreement to provide service to the property. Notwithstanding the above, if any customer requests service to a single family living unit or business office where such living unit or business office exceeds a distance of 125 feet from Grantee's energized feeder cable, then said requesting customer shall be given a cost quote within seven (7) business days of such request to extend Grantee's facilities to within 125 feet of said customers living unit or business office. Grantee may require prepayment prior to extending service. The Grantee may elect to offer Cable Services to areas not meeting the above standards.

III. FRANCHISE TERM

A. Term and Construction Commitment

The term of this Franchise shall be for a period of fifteen (15) years from the date of execution of this Agreement by the Grantee; however, such term shall be only for a period of ten (10) years from the date of execution of this Agreement by the Grantee if Grantee fails to meet the following construction requirements:

Grantee shall activate and provide Cable Service over its Cable System in a portion of the Franchise Area served by another cable operator within one (1) year from the date of Grantee's execution of this Agreement.

B. Franchise Extension and Renewal Procedures

Franchise Extension and Renewal procedures shall comply with the 1984 Cable Act, as amended, and to applicable law.

IV. SYSTEM CHANNEL CAPACITY

A. Channel Capacity

Within six (6) months after the Initial Acceptance Date, the Cable System shall be capable of providing at least a 750 MHz bandwidth system. The System shall meet or exceed all applicable Federal Communications Commission (FCC) standards, including all applicable proof of performance tests.

B. Upstream (Bi-directional) Capability

Upstream channels shall be activated to accommodate the provisions of Section IV.A., and of future requirements as agreed to by Grantor and Grantee. The Headend shall be fully activated to provide signals as required by this Agreement, and shall have the open capacity to be expanded to provide the full complement of required channels, upstream and downstream.

V. EDUCATIONAL, GOVERNMENTAL, AND LEASED ACCESS

A. Education and Government Access Channels

1. *Identification of Channels*—This Section provides, ultimately and conditionally, for up to a total of three (3) channels for Educational and Governmental Access.
2. *Upstream Capability*—Within thirty (30) months after the initial effective date of this Franchise, (a) Grantee shall provide for upstream signal-injection capability at any point in the System, subject only to addition and alignment of return modules in existing amplifier housings, (b) Grantee shall have provided fully-activated bi-directional channel(s) to serve the signal-injection point(s) as determined pursuant to V.A. 1.
3. *Channel Allocation*—
 - a. Educational and Government Access Channel. Initially, two dedicated Access Channels shall be provided by Grantee to be used by and carry programming specified by St. Johns County for education and government broadcasts once the connected basic subscriber count exceeds 100 customers. Lifestream Technologies, LLC, shall provide the necessary means for carrying the Access Channel(s), including supplying, constructing, or installing any and all equipment and/or energized coaxial cable. This shall include Grantee facilitating the carrying of Grantor's programming originating from 4020 Lewis Speedway, St. Augustine, Florida, as mandated by Section VII.E. of this Cable TV Franchise Agreement. In the event total programming for this Access Channel exceeds 65% of the total hours available in a thirty (30) day time period, Grantee shall provide a second channel for such access purposes. St. Johns County will be responsible for

providing all material to be played on such access channels. Alternatively, at Grantee's option, Grantee will enter into an interconnection arrangement with another cable system serving the St. Johns County area that allows Grantee to provide its subscribers one or more educational and government access channels provided by the interconnected cable system pursuant to its franchise agreement with Grantor.

4. *Additional Access Channels*—An additional Access Channel shall be provided for Educational use pursuant to the above Access service arrangement only after Grantor identifies a substantial demonstrated need for such, provided, however, that where technically and economically feasible alternatives are available, Grantee shall be given the opportunity to accommodate further channel usage for Access purposes without dedicating a specific channel.

To justify any request for an additional Access Channel and to provide notice and planning data to Grantee, Grantor shall upon proper request propose and provide an operating plan and budget for each such additional channel requested beyond the first such channel.

5. *Program Content; Control*—No control over Access programming content shall be exercised by Grantee except the establishment of rules prohibiting presentation of obscene and indecent material as required by the FCC and by the 1992 Cable Act.
6. *Alternate Use*—Grantee may use Access Channels for any lawful purpose during such periods as they are not being used for access purposes, provided that access use shall have priority at all times.
7. *County-Wide Distribution*—Grantee shall provide full cooperation with the County Cable Operator(s), to share programming throughout St. Johns County as programmed by the County School System and St. Johns County.
8. After Grantor or an educational institution authorized by Grantor begins cablecasting over either the governmental or educational channel, designated representatives of Grantor and Grantee shall review the percentage of use of those access channels every six (6) months. If, after any six (6) month period the percentage of use for any designated governmental or educational channel drops below twenty-five percent (25%) of the total time allocated, then the number of hours shall be reduced to a number that most closely approximates the average number of hours of use per day. If Grantor determines that the average number of hours of use per day for either the governmental or educational access

channel is less than four (4) hours per day, then the requirement for that channel's availability shall cease thirty (30) calendar days from that determination, and Grantee may thereafter use such channel for any lawful purpose.

9. Should Grantor choose to use the designated governmental channel, such governmental channel shall be located and/or included on the lowest and/or most basic tier of cable service offer to subscribers.

B. Lease Access Channels

Lease Access Channels shall be provided in accordance with the requirements of the 1984 Cable Act, as amended.

C. Transmission-System Equipment and Services for Access Use

All necessary switching, routing, and processing equipment in the headend shall be provided by Grantee to enable operation of the Access Channels.

VI. GRANTEE-LOCAL-ORIGINATION EQUIPMENT; LOCAL-ORIGINATION CHANNEL

Not applicable.

VII. CAPITAL GRANTS; INCIDENTAL EXPENSES; FEES; SUPPORT

A. Capital Grant: Governmental Access

1. *Access Capital Equipment or Funds*—Grantee shall provide capital funds to Grantor for acquisition of Video and Telecommunications Equipment, in the amount of up to \$15,000, or shall provide Grantor with suitable equipment, as approved by Grantor, of equal or greater value. Grantor will provide such funding in accordance with the payment schedule listed below. These shall not be treated as External Costs, or as part of the Franchise Fee, and shall not be deducted from Gross Revenues.
2. *Justification and Payment*—Grantee shall provide funding or equipment to Grantor of \$15,000, as justified and requested by Grantor:
3.
 - a. *First Payment or Delivery.* Within twelve (12) months after preparation and definition of equipment requirements, request for implementation, and a development plan by the School System and Grantor: up to \$1,000.
 - b. *Second Payment or Delivery.* Within twelve (12) months thereafter: up to \$1,000.

- c. Third Payment. Within twelve (12) months thereafter, or thirty-six (36) months up to \$1,000.
- d. The balance of \$12,000 shall become due and payable in equal annual installments of \$4,000 each once the total subscribership for Grantee's System reaches 3,000 cable subscribers, the first installment being due and payable within twelve (12) months after preparation and definition of equipment requirements, request for implementation, and a development plan by the School System and Grantor. In no event shall any amount due under this section become due and payable to Grantor later than the end of the fifteen (15) year term of this Agreement.

B. Incidental Expenses and Filing Fees

- 1. *List of Expenses*—As required by paragraph 6 of Sec. III of the CATV Ordinance, Grantee has submitted a nonrefundable "Filing Fee" to Grantor, in an amount of Ten Thousand Dollars (\$10,000).
- 2. *Payment*—Such payment shall not be subject to refund, and shall be considered as "Incidental Expenses," not to be included as part of any Franchise-Fee payment, and not excludable from Gross Revenues, as defined in the CATV Ordinance, for purposes of calculation of the Franchise Fees due Grantor.

C. Transfer Fee

In the event of sale, transfer, assignment, or lease by Grantee of rights under this Franchise, Grantee shall pay promptly to Grantor a Transfer Fee in accordance with the CATV Ordinance. Said Transfer Fee shall not apply to the sale, transfer, assignment or lease by Grantee of rights under this Franchise to any wholly owned subsidiary of Grantee or Grantee's parent.

D. Training

Upon request, Grantee shall provide instruction to Grantor's and School's employees for TV program origination and coordination, at Grantee's cost. Such instructions shall be limited to instruction in the operation of the Origination Equipment provided in compliance with this Franchise Agreement. Costs shall not be deductible from Franchise or other Fees unless so approved by Grantor.

E. Cablecasting of County Commission Meetings

Grantee shall provide Access Channels for the purpose of carrying Grantor's Board of County Commission meetings as outlined in Section V.B. However,

Grantor shall continue to supply sufficient quality signal and of sufficient compatibility with Grantee's Cable System in order for Grantee to meet this requirement.

F. Application of Funds and Equipment

Funds and/or equipment as required herein shall be used for Government and Educational purposes, including but not limited to class-room instruction, student training, televised School-System sports and other school events, County Commission meetings, administrative support, safety, crime prevention, and other local service purposes.

VIII. RATES; SERVICE; SUBSCRIBER CHANNEL ARRAY

A. Rate Structures

Grantee's initial rate structure as of the date of execution of this Franchise shall be provided to Grantor at least thirty (30) days prior to commencement of service.

B. Channel Arrays

At least thirty (30) days prior to commencement of service, Grantee's initial Channel Array shall be provided to Grantor.

C. Notice of Rate Changes

1. *Notice*—Grantee shall give Grantor and all Subscribers at least 30 days' notice of any change in Subscriber rates.

D. Subscriber Equipment

1. *Third-Party Equipment*—Subscribers may acquire and use third-party equipment, instead of leasing same from Grantee, provided such equipment is technically compatible with Grantee's System and provided that subscribers pay standard programming rates to Grantee.

2. *Repairs and Services*—Grantee shall not be responsible for repair and services to such third-party equipment, except for any additional signal control (copyright-protection) equipment programming as required by Grantee.

E. Standard Service to Schools and Government Buildings

Upon request by Grantor, Grantee shall provide one free drop and one free Converter as necessary and Basic service without charge to all buildings within the territorial limits passed by the Cable System which are owned or occupied by

a governmental entity for predominantly educational or governmental use. Grantee shall not be required to extend any such drop more than 250 feet from the cable distribution line unless the expense of such additional extension is borne by the entity being served. Such single drop may be internally extended by the governmental entity without cost to, or responsibility of Grantee, subject to the condition that all such internal distribution shall meet all FCC requirements relative to signal leakage.

IX. FRANCHISE-FEE PAYMENTS TO GRANTOR

A. Conditions

1. *Amount, Payment*—Grantee shall pay to Grantor a Franchise Fee in the amount authorized by state law (currently 5% of Gross Revenues), specifically the communications services tax. In the event that the state communications services tax is ruled unconstitutional by a court of competent jurisdiction or repealed, then Grantee shall pay Grantor a franchise fee in the amount of five percent (5%) of Gross Revenues as defined in this agreement and as consistent with the Cable Act.
2. *Not To Diminish*—This Franchise fee shall not modify or diminish any fees, taxes, assessments or charges that are or would be due from Grantee under any other law, ordinance, rule or regulation.

B. Payments

Franchise Fee Payments shall be made by paying an initial payment of Two Thousand Dollars (\$2,000) on the initial effective date of this Franchise. This initial payment shall not be refundable if Grantee defaults on the Franchise and shall be applied as payment to the percentage fees for the duration of this Franchise, if and when such percentage fees become due. The percentage payments shall be made semiannually and shall be due within ninety (90) days after the close of the preceding six (6) calendar-month period.

X. SECURITY DEPOSIT

There shall be no Security Deposit.

XI. REPORTING

A. Annual Report, Franchise Fees

No later than seventy-five (75) days after the end of each Grantee fiscal year, Grantee shall present to Grantor an Annual Report consisting of a Certified Revenue Letter which shall include allocation of Gross Receipts from all sources, and reconciliation and adjustment of Franchise Fees.

B. Summary Reports

Within ten (10) days after Grantor's request, Grantee shall provide Summary reports of (1) System Outages, (2) Subscriber Complaints, (3) Public Complaints, (4) Customer Service Performance, (5) Service Call ratio, and (6) other related service information for the period designated by Grantor.

C. Federal and State Law

Grantee shall comply with all reporting requirements of the FCC and applicable law, including the requirements of the 1984, 1992 and 1996 Cable Acts, current FCC Rules, and the Statutes of the State of Florida. Copies of such reports shall be filed with Grantor.

XII. COMPETING AND OVERLAPPING FRANCHISES

Grantee shall not acquire or sell an interest in any competing cable operator or franchisee system serving any part of the unincorporated area of St. Johns County, during the Term of this Franchise and any extensions hereto, unless first approved by Grantor.

XIII. WRITTEN NOTICE; GRANTEE'S REGISTERED AGENT

All notices, reports, or demands required to be given to or served on Grantor and/or Grantee shall be in writing and shall be deemed to have been given when delivered personally to the persons designated below, or when seventy-two (72) hours have elapsed after being deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, or on the next business day if sent by express mail or overnight air courier addressed to the party to which notice is being given, as follows:

If to Grantor:

St. Johns County
4020 Lewis Speedway
St. Augustine, Florida 32095
Attention: County Administrator
Attention: County Attorney

If to Grantee:

Litestream Technologies, LLC
2500A Central Parkway
Houston, Texas
Attention: President

With a Copy To:

Litestream Technologies, LLC
C/o TECO Partners, Inc.
Franklin Street
7th Floor
Tampa, Florida

Grantee's Local Registered Agent:

Rogers, Towers, Bailey, Jones & Gay. P.A.
170 Malaga Street, Suite A
St. Augustine, FL 32084

Addresses may be changed by either party upon written notice to the other party,
Certified Mail, Return Receipt Requested.

XIV. MISCELLANEOUS MODIFICATIONS AND CLARIFICATIONS TO CATV ORDINANCE

It is understood by Grantor and Grantee that Grantor intends to amend its CATV Ordinance (St. Johns County Ordinance No. 95-63). Therefore, Grantee understands and agrees that the terms and conditions of this Cable TV Franchise Agreement may be amended, revised, or changed by an amendment to the CATV Ordinance, which amendment reflects the following specified language:

A. Ownership of Cable System: Acquisition

Grantor may disapprove any sale, transfer or change of control of the Franchise or the Cable System that would tend to reduce competition between competitive Cable TV Systems operating in the Territorial Limits of Grantor.

B. Reservation of Grantor's Rights in Public Rights-of-Way: Easements

Grantee agrees that all public easements and public rights of way granted to or obtained by Grantee shall be non-exclusive and fully accessible by and assignable to Grantor and its assignees; however, should Grantee specifically lack the legal right to make the private easements and rights of way it uses non-exclusive and assignable to Grantor, such private easements and private rights of way shall be excluded from the operation of paragraphs 1, 3 B., 7 and 8 of Section V of the CATV Ordinance.

C. Protection of Privacy

Grantee specifically agrees to abide by the subscriber privacy provisions contained in the CATV Ordinance and/or in state or federal law; provided however, nothing in the CATV Ordinance shall prohibit Grantee from conducting system wide or individually addressed polling or "sweeps" for the purpose of verifying system integrity, controlling return path transmissions, determining aggregate channel or service viewership, or that is necessary to Grantee's billing activities.

D. Construction Bond

In lieu of the requirements of paragraph 4 of Sec. XI of the CATV Ordinance, Grantee shall post and maintain a Construction Bond in favor of Grantor in the amount of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) by a bonding company licensed to do business in the State of Florida.

E. Insurance Coverage

The insurance and indemnification coverage required by paragraphs 1 and 2 of Sec. XI of the CATV Ordinance shall have limits of not less than One Million Dollars (\$1,000,000) combined single limit with a Two Million Dollar (\$2,000,000) umbrella for loss of life or injury to one or more persons and for property damage as a result of one incident.

F. Performance Bond: Indemnity

The corporate surety bond required by Sec. XI, paragraph 5A, shall be in the amount of Five Thousand Dollars (\$5,000) and shall be posted and issued no later than the date of execution of this Franchise.

G. Approval of Insurance Company By Grantor

Grantor approval of the insurance coverage referenced in Sec. XI, paragraph 9 of the CATV Ordinance shall be requested at least fifteen (15) days prior to acceptance of this Franchise.

H. Indemnification

The last three lines of the first subparagraph of paragraph 1 of Sec. XII of the CATV Ordinance are modified to read:

"...or in connection with, or result from the actions of the Grantee or Grantee's agents, successors, employees, contractors or invited parties in their use of, or activities, or omissions in, Grantor's streets or

property. Grantor shall give Grantee reasonable written notice of any such claim, demand, suit or other action.”

Grantor shall not unreasonably withhold its consent to settlement of any claim, suit or other action covered by this provision.

I. Prohibition Against Redlining

Grantee will not deny or refuse access to cable service to any group of potential residential cable subscribers because of the income of the residents of the local area in which such group resides. A violation of this prohibition shall be a material breach of this paragraph which may serve as a basis to terminate the franchise.

J. Implementation of a preventive maintenance program.

- 1) It shall be the duty of Grantee to devise and implement a periodic preventive maintenance program for the cable system in order to ensure that there is no material degradation of the cable system that would affect the citizens' health, safety, and welfare, or negatively affect the quality of cable services being offered.
- 2) Before the Grantee implements such a program, it shall provide a copy of such program to the Grantor.
- 3) Although not exhaustive, the following areas should be included in a preventive maintenance program, and subsequent report:
 - a) daily inspection, and adjustment if necessary, of the signal quality of each channel;
 - b) daily scan, and adjustment if necessary, of carrier levels with a spectrum analyzer;
 - c) daily logging of any, and all, adjustments made to the headend, antenna, or distribution system;
 - d) daily monitoring, and logging, of signal leakage, and repair if necessary, to ensure that the cable system is within FCC-allowed levels;
 - e) inspection drops as an integral part of every service call, and schedule for replacement, if necessary;
 - f) inspection and recordation of signal levels at the time of each service call, and schedule for replacement, if necessary;
 - g) weekly monitoring, and adjustment if necessary, of headend audio and carrier levels;

- h) weekly monitoring, and adjustment if necessary, of headend videocipher AGC levels;
- i) weekly monitoring and adjustment if necessary, of satellite receiver input carrier:noise;
- j) monthly monitoring, and adjustment if necessary, of headend audio and video modulation levels;
- k) monthly performance measurements (and adjustment if necessary) (at a minimum of 4 extremities) of the distribution system which would include:
 - i) video and audio signal levels;
 - ii) overall difference in signal level or response flatness;
 - iii) hum modulation;
 - iv) carrier-to-noise; and
 - v) signal ingress;
- l) monthly monitoring, and adjustment if necessary, of headend scrambler levels;
- m) monthly testing, and repair if necessary, of the Emergency Alert Services System;
- n) monthly inspection, and repair if necessary, of one-fourth (1/4) of all standby power supplies;
- o) semi-annual monitoring, and adjustment if necessary, of headend radio frequency (RF) input levels to off-air processors;
- p) semi-annual monitoring, and adjustment if necessary, of:
 - i) antenna tower;
 - ii) any, and all, earth stations; and
 - iii) RF sweep response;
- q) semi-annual inspections, and repair and/or calibration if necessary, of all in-house, and field test or measuring equipment;
- r) semi-annual extremity tests (and adjustment if necessary) of the distribution system to include:
 - i) cross modulation distortion;
 - ii) composite second, and third order products; and
 - iii) RF sweep response;
- s) semi-annual (or in the frequency mandated by the FCC) Proof-of-Performance Tests, in the manner and format prescribed by the FCC;
- t) annual testing for determining the cumulative leakage index (CLI);
- u) annual extremity tests, and adjustment if necessary, of the distribution system which would include evaluation of:
 - i) 24-hour signal level stability; and
 - ii) channel response flatness; and
- v) where required by local or State law, annual inspection, and repair if necessary, of all cable operator-owned and/or leased vehicles.

- 4) Forty-five (45) calendar days after each calendar quarter, Grantee shall notify Grantor of the preventive maintenance information available for the calendar quarter, and that such information is available for inspection, examination, and review by authorized personnel upon five (5) calendar days notice.

K. Emergency Alert Service.

Each Grantee shall maintain an operational Emergency Alert System (EAS) that meets all the specifications and requirements noted in the FCC rules and regulations governing EAS.

L. Construction Standards/Inspection.

- 1) Methods of construction, installation, maintenance, and repair of a cable system shall comply with the most current editions of the National Electrical Safety Code (NESC), and the National Electric Code (NEC) as affects the construction, installation, and maintenance of electrical supply and communications lines and attachments and supports. To the extent that these are inconsistent with other provisions of a franchise, or State, or local law, such State law shall apply unless the State law allows the local law to apply.
- 2) During any phase of construction, installation, maintenance, and repair of the cable system, Grantee shall use materials of good and durable quality, and all such work shall be performed in a safe, thorough, and reliable manner.
- 3) All construction, installation, maintenance, and repair shall treat aesthetics of the property as a priority, shall not substantially affect the appearance or the integrity of the structure, and shall not be installed along a roof line or on the bias across the property or side of the residence without the property owner's permission.
- 4) Underground drops shall follow the shortest path necessary to ensure a minimum of signal loss, and to facilitate proper cable installation. To the greatest extent possible, underground drops shall follow property lines, and cross property only at right angles, unless otherwise permitted by the property owner, or required due to physical characteristics of the subsurface, or required by the County, State, or Federal rules. Underground installations shall be constructed in accordance with the specifications and requirements of the County and the NESC.
- 5) In order to verify that a Grantee constructed and maintained the cable system in a manner required by this Ordinance, and conducted the various

performance, technical integrity (including cumulative leakage index [CLI], preventive maintenance, and safety test required by Federal, State, and local laws, the County, and where appropriate, the County Commission (or designee) reserves the right to inspect all facets of a cable operator construction, as well as, to inspect documents related to construction, and inspect test results related to performance, technical integrity, preventive maintenance, and safety.

- 6) Grantor shall pay for all costs associated with such an inspection, except for those circumstances occasioned by Grantee's refusal to provide necessary information, or occasioned by the repeated failure to construct, install, maintain, repair, or upgrade, in the manner specified by this Ordinance, or shall pay for such costs incurred by the Grantor that are caused by the Grantee's refusal to supply information, or a repeated failure to abide by the rules.

M. Continuity of service provisions.

- 1) During the franchise term, to the extent permitted by State and Federal law, Grantee may not abandon, withdraw, or cease to provide cable within the County, without the prior written consent of Grantor.
- 2) Where a Grantee's Franchise expires, is not renewed, or is terminated, cancelled, or revoked, then such a Grantee will not immediately cease the provision of a cable, if such a cessation would deprive, or otherwise remove the sole cable provider for the subscribers of the County that have been served by the Grantee.
- 3) Where a Grantee: 1) receives prior written approval to abandon, withdraw, or cease cable service, or 2) has its franchise expire, not renewed, or terminated, cancelled, or revoked, then the Grantee and the Grantor shall implement a plan (that may last up to twenty-four (24) months) which is designed to ensure that subscribers will receive continuous, uninterrupted cable service, until a new Grantee is selected by the Grantor serve the affected subscribers.
- 4) During any such interim period, noted in subsection (3) of this Section, in which an affected Grantee continues to provide cable service, such Grantee is entitled to all revenues, collected, less any franchise fees or other monies owed to the Grantor, or any refunds, billing credits, or billing adjustments owed to the subscribers.
- 5) If a Grantee does not secure prior written consent, as required under subsection (1) of this Section, then such action may be deemed a material

breach of the Grantee's Franchise with the Grantor, and the Grantee may be fined and/or disciplined in the manner prescribed by State law (where applicable), or by this Ordinance (including where applicable, default, and/or revocation of the franchise).

EFFECTIVE DATE: Ordinance No. 2002- 12.

ATTEST: Cheryl Strickland, Clerk

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

Robert L. Platt
Deputy Clerk

By: Marc A. Jacalone
Marc A. Jacalone, Chairman
Rendition date: 3/7/2002

ACCEPTED BY Litestream Technologies, LLC

By: Robert D. Felt Date 3/4/02

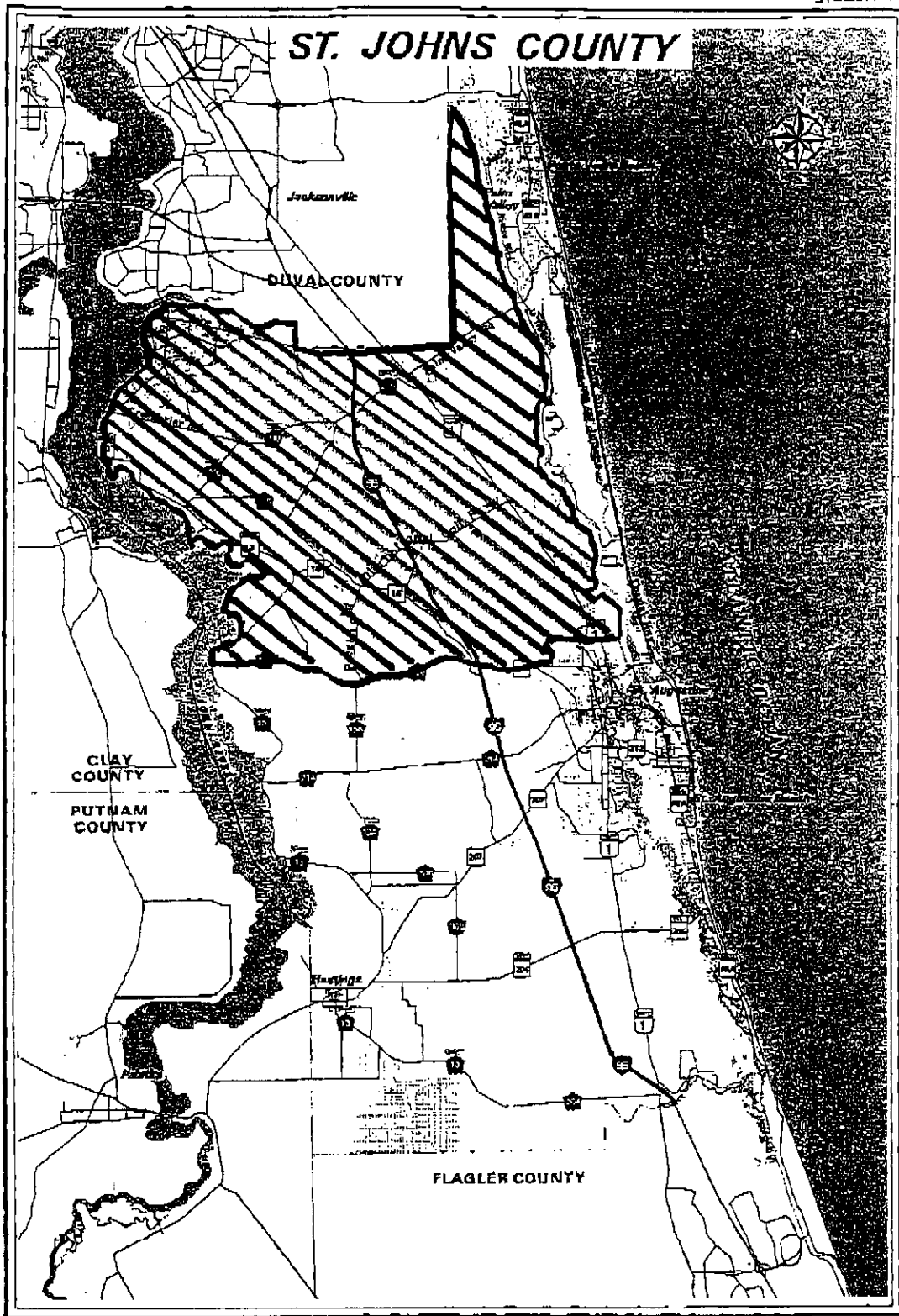
Title: MANAGING DIRECTOR

ATTEST:

I hereby certify that I am the Secretary of the Company known as Litestream Technologies, LLC and that HELEN MORGAN is the SECRETARY of the Company and has duly executed and accepted this Franchise on the 4th day of MARCH, 2002.

Helen S. Morgan
Secretary

EXHIBIT A



The portion of St. Johns County, Florida bearing the following description: north of SR-16, west of the intracoastal waterway, south of St. Johns County/Duval County boarder, and east of the St. Johns river.

THE ST. AUGUSTINE RECORD

PUBLISHED EVERY MORNING MONDAY THROUGH FRIDAY, SATURDAY AND SUNDAY MORNING ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA, COUNTY OF ST. JOHNS

Before the undersigned authority personally appeared LINDA Y MURRAY

who on oath says that she is an Accounting Clerk of the St. Augustine Record,

a daily newspaper published at St. Augustine in St. Johns County, Florida:

that the attached copy of advertisement, being a

NOTICE OF PUBLIC HEARING

In the matter of CABLE TELEVISION SERVICE

LITESTREAM TECHNOLOGIES

in the Court, was published in said newspaper in the issues of

FEBRUARY 9, 2001

Affiant further says that the St. Augustine Record is a newspaper published at St. Augustine, in said St. Johns County, Florida, and that the said newspaper heretofore been continuously published in said St. Johns County, Florida, each day and has been entered as second class mail matter at the post office in the City of St. Augustine, in said St. Johns County, for a period of one year preceding the first publication of the copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing the advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 12TH day of FEBRUARY 2002 by [Signature] who is personally known to me or who has produced PERSONALLY KNOWN as identification.

[Signature of Notary Public] (Signature of Notary Public) [Seal] (Seal)

Zoe Ann Moss

NOTICE OF A PUBLIC HEARING BY THE ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of St. Johns County, Florida, will hold a public hearing on Tuesday, February 19, 2002 at 1:30 p.m. in the County Auditorium at the County Administration Complex, 4020 Lewis Speedway (County Road 16-A) and U.S.1 North, St. Augustine, Florida, to consider adoption of the following ordinance:

AN ORDINANCE OF THE COUNTY OF ST. JOHNS, STATE OF FLORIDA, GRANTING A NON-EXCLUSIVE FRANCHISE TO LITESTREAM TECHNOLOGIES, LLC, TO PROVIDE CABLE TELEVISION SERVICE IN A PORTION OF THE UNINCORPORATED AREA OF ST. JOHNS COUNTY, FLORIDA; SETTING FORTH THE TERMS, PROVISIONS, CONDITIONS AND REQUIREMENTS OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

The proposed ordinance is on file in the office of the Clerk of the Board of County Commissioners at the St. Johns County Administration Complex, 4020 Lewis Speedway (CR 16A and U.S. #1), St. Augustine, Florida and may be examined by parties interested prior to the public hearing.

Interested parties may appear at the public hearing and be heard with respect to the proposed ordinance.

If a person decides to appeal any decision made by the Board of County Commissioners with respect to any matter considered at the public hearing, he/she will need a record of the proceedings, and for such purposes he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

NOTICE TO PERSONS NEEDING SPECIAL ACCOMMODATIONS AND TO ALL HEARING IMPAIRED PERSONS: In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in the proceedings should contact ADA Coordinator, at (904) 823-2505 at the County Administration Building, 4020 Lewis Speedway, St. Augustine, FL 32095. For hearing impaired individuals: Telecommunication Device for the Deaf (TDD): Florida Relay Service: 1-800-955-8770, no later

than 5 days prior to the date of the hearing.

BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA CHERYL STRICKLAND, ITS CLERK By: Patricia DeGrande, Deputy Clerk L290-2 Feb 9, 2002

THE ST. AUGUSTINE RECORD

PUBLISHED EVERY MORNING MONDAY THROUGH FRIDAY, SATURDAY AND SUNDAY MORNING ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA, COUNTY OF ST. JOHNS

Before the undersigned authority personally appeared LINDA Y MURRAY

who on oath says that she is an Accounting Clerk of the St. Augustine Record,

a daily newspaper published at St. Augustine in St. Johns County, Florida:

that the attached copy of advertisement, being a

NOTICE OF CONTINUED PUBLIC HEARING

In the matter of NON-EXCLUSIVE FRANCHISE

LITESTREAM TECHNOLOGIES CABLE SERVICE

in the Court, was published in said newspaper in the issues of

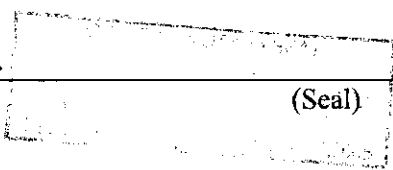
FEBRUARY 23, 2002

Affiant further says that the St. Augustine Record is a newspaper published at St. Augustine, in said St. Johns County, Florida, and that the said newspaper heretofore been continuously published in said St. Johns County, Florida, each day and has been entered as second class mail matter at the post office in the City of St. Augustine, in said St. Johns County, for a period of one year preceding the first publication of the copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing the advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 27TH day of FEBRUARY 2002 by [Signature] who is personally known to me or who has produced PERSONALLY KNOWN as identification.

[Signature of Notary Public]

(Signature of Notary Public)



(Seal)

Zoe Ann Moss

NOTICE OF A CONTINUED PUBLIC HEARING BY THE ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS NOTICE IS HEREBY GIVEN that the Board of County Commissioners of St. Johns County, Florida, has continued a public hearing until Tuesday, February 26, 2002 at 1:30 p.m. in the County Auditorium at the County Administration Complex, 4020 Lewis Speedway (County Road 16-A) and U.S.1 North, St. Augustine, Florida, to consider adoption of the following ordinance: AN ORDINANCE OF THE COUNTY OF ST. JOHNS, STATE OF FLORIDA, GRANTING A NON-EXCLUSIVE FRANCHISE TO LITESTREAM TECHNOLOGIES, LLC, TO PROVIDE CABLE TELEVISION SERVICE IN A PORTION OF THE UNINCORPORATED AREA OF ST. JOHNS COUNTY, FLORIDA; SETTING FORTH THE TERMS, PROVISIONS, CONDITIONS AND REQUIREMENTS OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

The proposed ordinance is on file in the office of the Clerk of the Board of County Commissioners at the St. Johns County Administration Complex, 4020 Lewis Speedway (CR 16A and U.S. #1), St. Augustine, Florida and may be examined by parties interested prior to the public hearing.

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BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA CHERYL STRICKLAND, ITS CLERK By: Patricia DeGrande, Deputy Clerk L412-2 Feb 23, 2002