

RESOLUTION 26-07

RESOLUTION AWARDING A NON-EXCLUSIVE FRANCHISE AGREEMENT FOR A TERM OF TEN (10) YEARS FOR A COMMUNICATION SYSTEM WITHIN THE CONFINES OF THE CITY OF SOMERSET, KENTUCKY TO SPECTRUM MID-AMERICA, LLC

WHEREAS, by Ordinance No. 26-05, the City of Somerset, Kentucky (“Somerset”) created a ten (10) year, non-exclusive franchise for a communication system within the confines of Somerset; and

WHEREAS, Somerset offered at bid a non-exclusive communications franchise pursuant to Ordinance No. 26-05; and

WHEREAS, after publication of said advertisement, Somerset received a bid from Spectrum Mid-America, LLC, locally known as Spectrum, which is referred to herein as Charter

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SOMERSET AS FOLLOWS:

Section 1. That a ten (10) year, non-exclusive communications franchise created by Ordinance No. 26-05 be, and it hereby is, awarded to Charter.

Section 2. All prior ordinances or resolutions, or parts thereof in conflict herewith, are to the extent of such conflict, hereby repealed.

Section 3. That the Mayor is hereby authorized to sign the Franchise Agreement which memorializes the award by Somerset to Charter of said franchise subject to the terms and conditions reflected in Ordinance No. 26-05 and this Resolution.

Section 4. That the statements set forth in the Preamble to this Resolution are hereby incorporated in this Resolution by reference, the same as if set forth at length herein.

Section 5. That if any section, sentence, clause or phrase of this Resolution is held to be unconstitutional or otherwise invalid, such infirmity shall not affect the validity of the remainder of the Resolution.

Section 6. That this Resolution shall be effective on the date of its passage.

That this Resolution is hereby approved and adopted in Open Session of the City Council of Somerset this 11th day of May, 2026.



Mayor

Attest:



City Clerk

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Franchise Agreement") is made and entered into this 28th day of April, 2026, by and between the City of Somerset, Kentucky (hereinafter the "City"), and Spectrum Mid-America, LLC (hereinafter "Spectrum").

WITNESSETH:

WHEREAS, pursuant to Ordinance No. 26-05 and Sections 163 and 164 of the Kentucky Constitution, the City solicited bid proposals from parties interested in obtaining franchises to operate communications systems in the City;

WHEREAS, Spectrum submitted a bid proposal to the City for a franchise pursuant to Ordinance 26-05 on April 28, 2026;

WHEREAS, pursuant to Ordinance No. 26-05, the City granted to Spectrum and its lawful successors, assigns, or transferees approved pursuant to Ordinance No. 26-05, a non-exclusive franchise, for a period of 10 years, to install and maintain communications facilities and provide communication services by use of said communication facilities within the confines of the City pursuant to Ordinance No. 26-05 and this Franchise Agreement; and

WHEREAS, the City and Spectrum are entering into this Franchise Agreement to memorialize the grant by the City to Spectrum of said franchise pursuant to the terms and conditions reflected in Ordinance No. 26-05 and this Franchise Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the City and Spectrum hereby agree to incorporate the foregoing recitals as if fully set forth herein and further agree as follows:

1. Ordinance No. 26-05 is incorporated herein by reference in its entirety and shall apply as if fully set forth herein, subject to Paragraph 7 herein, and further subject to applicable law, including the federal Cable Act, 47 U.S.C. §§ 521 *et seq.* (the "Cable Act"). For purposes of this Franchise Agreement, capitalized terms shall have the same meanings set forth in Ordinance No. 26-05, unless separately defined in this Franchise Agreement or the context clearly indicates that another meaning is intended.

2. The bid of Spectrum for said Franchise is incorporated in this Franchise Agreement.

3. The City grants unto Spectrum a non-exclusive franchise, for a term of ten (10) years to erect, install and maintain a System and provide Communication Services by use of said System within the confines of the City pursuant to Ordinance No. 26-05.

4. This Franchise Agreement shall commence on April 28, 2026 and shall expire on April 27, 2036. Any cancellation, termination, or expiration of this Franchise Agreement shall be subject to the provisions of Section 626 of the Cable Act, or such successor statute, and applicable law, including judicial review and appeals.

5. Spectrum does hereby bind itself, its successors and assigns, to faithfully and fully perform each and every condition of this Franchise Agreement.

6. This Franchise Agreement memorializes the agreement between the parties and shall be binding upon and inure to the benefit of the respective successors in interest to the parties hereto, including any lawful successors, assigns, or transferees approved pursuant to Section 2 (Q) of Ordinance No. 26-05.

7. The City and Spectrum agree that pursuant to Section 5 of Ordinance No. 26-05, there is a process in place for generally applicable changes to Ordinance No. 26-05

that are the result of the City's lawful exercise of its police power. The City and Spectrum further agree the Franchise Agreement is a contract and neither party may take any unilateral action that materially changes the explicit mutual promises and covenants contained or incorporated by reference herein, including any action that has the effect of limiting the benefits or expanding the obligations of Spectrum that are granted by this Franchise Agreement or by the version of Ordinance No. 26-05 in effect as of the date of execution of this Franchise Agreement, except as to those generally applicable changes that are the result of the City's lawful exercise of its police power. Any changes, modifications or amendments to this Franchise Agreement and/or Spectrum's rights and obligations under it, except those provided for by Section 5 of Ordinance No. 26-05 pursuant to the City's lawful exercise of its police powers, must be made in writing, approved and adopted by the City Council by a majority vote, and signed by the City and Spectrum. Nothing herein shall constitute a waiver of any rights held by Spectrum or the City under applicable federal, state, and local law.

8. Subject to the last sentence of Section 1(D) of Ordinance No. 26-05, the City and Spectrum agree that Spectrum's obligations under certain sections of Ordinance No. 26-05 may be satisfied as follows:

- a. Pursuant to Section 2(J), if the City elects to impose Franchise Fees, then Spectrum shall pay Franchise Fees to the City an amount not to exceed five percent (5%) of gross revenues received by Spectrum from Subscribers for Cable Services purchased by such Subscribers on a regular, recurring monthly basis, as determined in accordance with generally accepted accounting principles and subject to the exclusions set forth in Section 2(J).

As used in this Franchise Agreement, "Cable Service" has the meaning set forth in the Cable Act, and a "Subscriber" is anyone located within the territorial limits of the City who is billed for and authorized to receive Cable Service provided by Spectrum. In the event any other Franchise to provide video service provides for a lesser Franchise Fee than this Franchise, Spectrum's obligation to pay a Franchise Fee shall be reduced by an equivalent amount.

- b. Pursuant to the last sentence of Section 2(S)(1) of Ordinance No. 26-05, Spectrum is released from the obligations of the first sentence of Section 2(S)(1) of Ordinance No. 26-05 based on its record of timely payments to the City.
 - c. In light of Spectrum's history of compliance with its prior franchises, the City will not require Spectrum to file a Franchise bond pursuant to Section 3(E)(1) of Ordinance No. 26-05. The City reserves the right to reinstate the Franchise bond in the event it finds Spectrum in violation of Ordinance No.26-05 or this Franchise Agreement in accordance with Section 10(B)(2) of Ordinance No. 26-05.
 - d. For purposes of Section 6(D) of Ordinance No. 26-05, Customer shall have the same meaning as "Subscriber" as that term is defined in this Franchise Agreement.
9. Notices to Spectrum pursuant to 26-05 shall be provided to:

Spectrum Mid-America, LLC
Attention: Director of Government Affairs
5026 Hwy 27 S
Somerset, KY 42501

With a copy to:


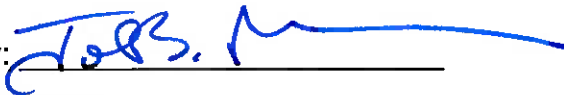
Charter Communications
Attention: VP, Government Affairs & Franchising
601 Massachusetts Ave., N Suite 400W
Washington, DC 20001

Spectrum may change such notice addresses from time to time by providing written notice to the City.

10. Notices to the City pursuant to Ordinance No 26-05 shall be provided to:

Mayor
City of Somerset
306 E. Mt. Vernon St.
Somerset, KY 42501

IN WITNESS WHEREOF, the City and Spectrum have executed this Franchise Agreement as their free and voluntary act and deed effective as of the day and year first above written.

<p>CITY OF SOMERSET</p>  _____ MAYOR	<p>SPECTRUM MID-AMERICA, LLC By: Charter Communications, Inc., its Manager</p> <p>By: _____ Title: _____</p>
<p>APPROVED AS TO FORM AND LEGALITY:</p> <p>CITY ATTORNEY</p> <p>By: </p> _____	