

COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION 2022-16

RESOLUTION NO. 46-2022

Title of Resolution: Approval – Franchise Agreement – Breezeline

Synopsis: A Resolution to execute the renewal of a non-exclusive cable service franchise agreement by and between Cecil County, Maryland, and Breezeline (formerly Atlantic Broadband), operated by Cogeco US (Delmar), LLC, for the installation, operation, maintenance and extension of the cable system for subscribers within the County, upon the terms and conditions and subject to the agreement.

Introduced by: Council President on behalf of the County Executive

Introduced and order posted on: July 26, 2022

Public Hearing schedule on: August 16, 2022

Consideration scheduled on: September 6, 2022

By:


Council Manager

Notice of time and place of public hearing and title of Resolution having been posted by July 26, 2022, at the County Administrative Building, 200 Chesapeake Blvd, Elkton, and having been published according to the Charter on August 3, 2022 and August 10, 2022 a public hearing was held on August 16, 2022 and concluded on August 16, 2022.

By:


Council Manager

Explanation: CAPITALS INDICATE MATTER ADDED TO EXISTING ORDINANCE.
~~Strike through~~ indicate matter deleted from existing ordinance.
Underlining indicates language added by amendment.
~~Double Strike through~~ indicates language deleted by amendment.

RESOLUTION NO. 46-2022
Approval – Franchise Agreement – Breezeline

1 **WHEREAS**, in accordance with Section A381 of the Code of Cecil County and Local Government
2 Article Section 1-702 of the Annotated Code of Maryland, the County Council is authorized to grant one
3 or more nonexclusive franchises to operate a cable television system within the County; and

4 **WHEREAS**, the County Council renewed an existing franchise and awarded a nonexclusive
5 franchise to Atlantic Broadband (DelMar) LLC, a Delaware Limited Liability Company, by
6 Resolution No. 02-2013 on February 5, 2013; and

7 **WHEREAS**, Breezeline (formerly Atlantic Broadband), operated by Cogeco US (Delmar), LLC, has
8 contacted the County requesting a renewal of the franchise agreement for a period of ten (10) years;
9 and

10 **WHEREAS**, the County Council finds that Breezeline (formerly Atlantic Broadband), operated by
11 Cogeco US (Delmar), LLC, has substantially complied with the material terms of its current franchise
12 and with both county and federal laws; and

13 **WHEREAS**, the County Council has determined that it is in the best interests of the citizens of
14 the county to renew the cable television franchise to Breezeline (formerly Atlantic Broadband),
15 operated by Cogeco US (Delmar), LLC, on the terms and conditions set forth in the franchise agreement
16 as Appendix 1.

17 **NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY,**
18 **MARYLAND**, that Breezeline (formerly Atlantic Broadband), operated by Cogeco US (Delmar), LLC, is
19 granted a renewal of its nonexclusive franchise to construct, operate, and maintain a cable television
20 system within the County for a period of ten (10) years from the effective date of this Act.

21 **AND BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY, MARYLAND** that
22 this Resolution shall take effect on the date of its passage.

INTRODUCED: July 26, 2022

ADOPTED: September 6, 2022



President of the Council

ATTEST:



Council Manager



**Cogeco US (Delmar), LLC
d/b/a Breezeline**

Cable Franchise Agreement

with the

County of Cecil

(MD0253 & MD0159)

CABLE SERVICE FRANCHISE AGREEMENT

THIS CABLE SERVICE FRANCHISE AGREEMENT (the "Agreement") is made and entered into this ____ day of _____, 2022, by and between **Cecil County, Maryland**, a body politic and corporate of the State of Maryland (the "County"), and **Cogeco US (Delmar), LLC dba Breezeline** (formerly Atlantic Broadband), a Delaware limited liability company (the "Grantee"). The County and Grantee (collectively, the "Parties") hereby covenant and agree as follows:

RECITALS

WHEREAS, pursuant to Md. Code Ann., Art. 25, § 3C and Chapter A381 (Cable Service Franchising) of the Cecil County Code ("Chapter A381"), the County is authorized to grant one or more nonexclusive franchises for a community antenna system or other cable television system that utilizes any public right-of-way, highway, street, road, lane, alley, or bridge, impose franchise fees, and establish rates, rules, and regulations for franchises granted thereunder; and

WHEREAS, the County finds that the development and enhancement of Cable Systems within Cecil County is beneficial and will have a positive impact upon the residents of Cecil County; and

WHEREAS, because of the complex and rapidly changing technology associated with Cable Service and related services, the County further finds that the public convenience, safety, and general welfare can best be served by exercising its regulatory powers and franchising authority; and

WHEREAS, the County owns and maintains a system of Public Rights-of-Way throughout Cecil County and the County has the authority to regulate the occupation and use of such Public Rights-of-Way to the maximum extent permitted under applicable law, including, but not limited to, the U.S. Cable Communications Policy Act, codified as Title VI of the Communications Act of 1934, 47 U.S.C. §§ 521 through 573, as amended by the Cable Television Consumer Protection and Competition Act of 1992 and the U.S. Telecommunications Act of 1996, and as may be amended from time to time; and

WHEREAS, the County has determined that the grant of a franchise to use and occupy Public Rights-of-Way in Cecil County for the provision of Cable Service would promote the health, safety, and welfare of the public, stimulate commerce and otherwise serve the public interests; and

WHEREAS, the Grantee currently holds a Franchise to provide Cable Service within Cecil County pursuant to a Franchise Agreement by and between the Parties, effective as of February 5, 2013 (the "Existing Franchise Agreement") and Grantee has continuously provided Cable Service pursuant to the Existing Franchise Agreement during its term; and

WHEREAS, said franchise agreement shall expire on February 5, 2023; and

WHEREAS, the Grantee desires to provide, or continue to provide, Cable Service within the boundaries of Cecil County and has requested a franchise renewal in order to do same; and

WHEREAS, the County has reviewed the Grantee's written request and, after due evaluation of the Grantee and Grantee's history with the County and service to County residents, has determined that it is in the best interest of and consistent with the convenience and necessity of the County to grant a franchise to the Grantee, and that Grantee is not required to file a renewal application pursuant to § A381-4 of Chapter A381.

NOW THEREFORE, the County Executive of Cecil County hereby grants to the Grantee a Cable Service franchise (the "Franchise") in accordance with this Agreement, the Cable Act and applicable law, and in consideration of the County's grant of the Franchise to the Grantee and the promise by the Grantee to provide Cable Service to the residents of Cecil County, Maryland, the Parties hereto agree as follows:

ARTICLE 1 **GRANT OF FRANCHISE**

SECTION 1.01. Grant of Rights. This Franchise is hereby granted, subject to the terms and conditions of this Agreement, the Cable Act and other laws of general applicability. The grant of this Franchise provides the Grantee the non-exclusive right and privilege to construct, erect, install, maintain, or operate: (i) a Cable System in, upon, along, across, above, over, and under the Public Rights-of-Way within Cecil County now in existence and as may be created or established during the Franchise term; (ii) any poles, wires, cable, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation of a Cable System to provide Cable Service; and (iii) other services as may lawfully be allowed within the Franchise Area. This Agreement does not expressly or implicitly authorize the Grantee to provide service to, or install a Cable System on, private property without the owner's consent (except for use of compatible easements pursuant to the Cable Act), or to use publicly or privately owned conduits or any other public property without a separate agreement with the owner(s) thereof.

SECTION 1.02. Right of County to Issue and Renew Franchise. The Grantee acknowledges and accepts the right of the County to issue and/or renew a Franchise.

SECTION 1.03. Effective Date of Franchise. This Franchise shall be effective on the date specified in the opening paragraph of this Agreement. This Franchise is contingent upon the Grantee's filing with the County's Director of Administration, to the extent required by agreement of the Parties, any insurance certificates.

SECTION 1.04. Duration. This Agreement shall commence upon its effective date and shall expire on the tenth (10th) anniversary thereof, unless renewed, revoked, or lawfully terminated sooner as herein provided.

SECTION 1.05. Written Notice. All notices, reports, or demands required to be given in writing under this Agreement (except for programming notices which may be given by electronic mail per Section 4.01) shall be deemed to be given when delivered personally to the person designated below, or when ten (10) days have elapsed after it is deposited with the United States Postal Service in a sealed envelope, marked registered or certified mail, with postage prepaid thereupon, or on the next business day if sent via a nationally recognized overnight delivery service, addressed to the party to which notice is being given, as follows:

If to the County: County Executive
Cecil County
200 Chesapeake Boulevard
Elkton, Maryland 21921
Attention: Director of Administration

If to the Grantee: Cogeco US (Delmar), LLC
3 Batterymarch Park
Suite 200
Quincy, Massachusetts 02169
Attention: General Counsel

Such addresses may be changed by either party upon notice to the other party given as provided in this section.

SECTION 1.06. Franchise Not Exclusive. This Franchise shall not be construed as any limitation upon the right of the County, through its proper offices, and in accordance with applicable law, to grant to other Persons rights, privileges, or authority similar to or different from the rights, privileges, and authority herein set forth, in the same or other Public-Rights-of- Way or public places or other places the Grantee is entitled to occupy by this Agreement, permit, or otherwise; provided, however, that such additional grants shall not operate to materially modify, revoke, or terminate any rights granted to the Grantee herein and shall be in accord with applicable law.

SECTION 1.07. Conflict with Cecil County Cable Service Franchising Act and Reservation of Rights. The provisions of Chapter A381, as amended, are incorporated herein by reference as if set out in full, and form part of the terms and conditions of this Agreement. In the event of any conflict between the terms and conditions of this Agreement and the provisions of Chapter A381, then Chapter A381 shall control, except as may be otherwise provided in this Agreement. The County and Grantee each reserves all the rights that they may possess under law unless expressly waived herein.

Unless otherwise specifically provided herein, this Franchise, and the operations conducted by the Franchisee pursuant hereto, shall be governed by the provisions of Chapter A381, as from time to time amended, which provisions are incorporated herein by reference as if set out in full and form part of the terms and conditions of this Agreement. Notwithstanding the foregoing, this Franchise shall at all times be governed by applicable federal and State law to the extent the same may require preemption of local law or a provision of this Agreement. All rights and privileges granted herein are subject to the police power and regulatory authority of the County and its rights under applicable law to exercise its governmental powers to their full extent. To the extent any provision of or change in Chapter A381 or other local law or regulation has a material impact on the rights granted or obligations imposed on Franchisee hereunder or under such law or regulation, the Parties agree to negotiate in good faith to determine necessary changes in respect thereof to this Agreement. Either party may assert any rights and seek any legal or equitable remedies available in the event such agreement cannot be obtained.

SECTION 1.08. Franchise Area. The Franchise Area encompasses all unincorporated areas of Cecil County, Maryland and the Public Rights-of-Way therein.

SECTION 1.09. Definitions. For the purpose of this Agreement, those terms, phrases, words, and their derivations defined herein shall have the same meaning herein. Words used in the present tense include the future, words in the plural number include the singular number, words used to refer to the male include the female, and words in the singular number include the plural number. All capitalized terms used in the definition of any other term shall have their meaning as otherwise defined in this Section. The words “shall” and “will” are mandatory and “may” is permissive. Words not defined in this agreement shall be given their common and ordinary meaning, unless otherwise defined herein.

- (a) Affiliated Entity - Any persons(s) or entity(ies) who own or control, are owned or controlled by or are under common ownership or control with Grantee but does not include Affiliated Entities that are not involved with the use, management, operation, construction, repair and/or maintenance of Grantee’s cable systems.
- (b) Basic Service - Any service tier, which includes the retransmission or delivery of local television broadcast signals, origination channels and PEG access channels. In the event that the definition of "basic cable service" is amended by an act of the United States Congress, under the Cable Act or otherwise, then the definition under this section shall be amended to conform therewith.
- (c) Cable Act - The Cable Communications Policy Act of 1984, codified at Title VI of the Communications Act of 1934, 47 U.S.C. §§ 521 through 573, as amended by the Cable Television Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996, and as may be amended from time to time.
- (d) Cable Service or Service - The one-way transmission to Subscribers of video programming or other programming service and Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
- (e) Cable System or System - A system of poles, wires, cables, fibers, lines, underground conduits, converters, equipment, appliances and/or facilities designed, constructed or used for the purpose of producing, receiving, amplifying, transmitting and distributing radio, television, telephone, data and two-way interactive impulses and energy and other information, related services, products or matters to residential and commercial customers of a grantee but such term does not include:
 - i) A facility that serves only to retransmit the television signals of one or more television broadcast stations;
 - ii) A facility that serves subscribers without using any public rights-of-way;
 - iii) A facility of a common carrier which is subject, in whole or in part, to the provisions of Chapter II of the Cable Act, except that such facility shall be considered a cable system if such facility is used in the transmission of video programming directly to subscribers, unless the extent of such use is solely to provide interactive on-demand services; or

- iv) Any facilities of any electric utility used solely for operating its electric utility system.

A reference to a "cable system" refers to any part of such cable system. The foregoing definition of "cable system" shall not be deemed to circumscribe or limit the ability of the grantee to provide any other service over its facilities that may be permitted under applicable law or the authority of the County to regulate or franchise the activities of any such service to the maximum extent permitted by law.

- (f) Channel - A portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel as a television channel is defined by FCC regulation.
- (g) Complaint - Any written (including electronic) or oral communication by a Subscriber expressing dissatisfaction with Grantee's operation of its Cable System that is within Grantee's control and requires a corrective measure on the part of Grantee or its contractors or subcontractors.
- (h) Communications Act - The federal Communications Act of 1934, as amended, and as it may, from time to time, be further amended.
- (i) Drop - The coaxial or fiber optic or other cable that connects a home or building to the Cable System.
- (j) Public, Educational and Governmental (PEG) Channel –
- i) Channel capacity provided by a grantee designated for public, educational or governmental use; and
 - ii) The facilities and equipment for the use of such channel capacity.
- (k) Emergency - A condition that either (1) constitutes a clear and immediate danger to the health, welfare, or safety of the public; or (2) has caused or is likely to cause the Cable system in the Public Rights-of-Way to be unusable and result in loss of the services provided.
- (l) FCC - Federal Communications Commission
- (m) Force Majeure - Acts of God; acts of public enemies, including terrorist attacks; orders of any kind of the government of the United States of America or the State of Maryland or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; labor strikes; pandemic, epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; unavailability of materials or equipment; partial or entire failure of utilities or other event that is reasonably beyond Grantee's ability to anticipate or control.
- (n) Franchise – A nonexclusive authorization, or renewal thereof, evidenced by a

written franchise agreement, granted pursuant to this chapter and applicable law, to construct, operate and maintain a cable system and other services offered by a grantee from time to time within the public rights-of-way to provide cable service within all or a specified area of Cecil County. The term "franchise" includes a franchise agreement. Any such authorization, in whatever form granted, shall not mean or include any license or permit required for the privilege of transacting and carrying on a business within Cecil County as required by applicable law, or for attaching devices to poles or other structures, whether owned by the County or a private entity, or for excavating or performing other work in or along the public rights-of-way.

- (o) Franchise Fee – The fee that Grantee remits to the County pursuant to Section 2.02 of this agreement.

- (p) Gross Revenues - All revenue received by Grantee or its Affiliated Entities arising from, attributable to, or in any way derived from the operation of Grantee's Cable System in the County to provide Cable Services, as calculated in accordance with generally accepted accounting principles ("GAAP"). Gross Revenues shall include, but are not limited to, the following:
 - (1) Basic Service fees;
 - (2) fees charged to Subscribers for any Cable Service tier other than Basic Service;
 - (3) fees charged for premium Cable Services;
 - (4) fees for all digital video tiers;
 - (5) fees for video-on-demand;
 - (6) fees charged to Subscribers for any optional, per-channel or per-program Cable Services;
 - (7) revenue from the provision of any other Cable Services;
 - (8) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for Cable Service.
 - (9) fees for changing any level of Cable Service programming;
 - (10) fees for service calls pertaining to Cable Services;
 - (11) inside wire maintenance fees for Cable Services;
 - (12) service plan protection fees for Cable Services;
 - (13) convenience fees;
 - (14) early termination fees on Cable Services;
 - (15) fees for Leased Access Channels;
 - (16) charges based on the sale or lease of any portion of the Cable System for Cable Service;
 - (17) rental or sales of any and all equipment, including converters and remote control devices;
 - (18) broadcast retransmission fees;
 - (19) regional sports fee;
 - (20) late payment fees on Cable Services;
 - (21) billing and collection fees on Cable Services;
 - (22) NSF check charges; and

Gross Revenue shall not include refundable deposits, investment income, programming launch support payments, advertising or home shopping revenues, franchise fees, nor any taxes, or other fees or assessments imposed or assessed by any governmental authority. Gross Annual Revenues shall not include actual bad debt that is written off, consistent with generally accepted accounting principles, provided however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in the Gross Annual Revenues in the period so collected. In the event of any dispute over the classification of revenue, the County and Grantee agree that reference should be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the Financial Accounting Standards Board ("FASB").

- (q) HD - High definition format.
- (r) Leased Access or Commercial Access Channel - Any channel on Grantee's Cable System designated for use by any entity that is unaffiliated with Grantee pursuant to Section 612 of the Cable Act, 47 U.S.C. §532.
- (s) Multiple Dwelling Units or MDU's - Any building, buildings or area occupied by dwelling units, appurtenances thereto, grounds and facilities, which dwelling units are intended or designed to be owned, occupied or leased for occupation, or actually occupied, as individual homes or residences for three (3) or more households.
- (t) Normal Business Hours - Those hours during which most similar businesses in the community are open to serve Subscribers. In all cases, "Normal Business Hours" must include some evening hours at least one night per week and/or some weekend hours.
- (u) Normal Operating Conditions – Those service conditions which are within the control of a grantee. Those conditions which are not within the control of a grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages and severe or unusual weather conditions. Conditions which are ordinarily within the control of a grantee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods and maintenance or upgrades of the cable system.
- (v) Outlet - An interior receptacle that connects a television set to the Cable System.
- (w) Public Buildings – shall mean the County Building, police stations, fire companies, public works buildings, and water and sewer authorities. Public Buildings shall not include buildings owned by the County but leased to third parties, or buildings, such as storage facilities, at which government employees are not regularly stationed, or to facilities used by a private service provider, such as a private ambulance company.
- (x) Public Rights of Way - The surface of and all rights-of-way and the space above and below any public street, road, highway, freeway, lane, path, public way or place, sidewalk, alley, court, boulevard, parkway, bridge, driveway, drive or easement now or hereafter held by the County for the purpose of public travel and shall include other similar easements or rights-of-way as shall be now held or hereafter held by

the County which shall, within their proper use and meaning, entitle a grantee to the use thereof for the purposes of installing poles, wires, cable, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to a cable system.

- (y) Programming - Any video or audio signal carried over the Cable System that is generally considered comparable to programming provided by a television broadcast station
- (z) Service Interruption - The loss of either picture or sound or both, on one or more channels, affecting at least one subscriber on the system.
- (aa) Subscriber - Any person lawfully receiving cable service provided by a grantee by means of or in connection with the cable system, whether or not a fee is paid for such cable service, including such persons authorized to receive cable service without charge as provided for in a franchise agreement.

ARTICLE 2 **GENERAL REQUIREMENTS**

SECTION 2.01. Governing Requirements. The Grantee shall comply with all lawful requirements of this Agreement and applicable law. In addition thereto, the Grantee shall be bound by all of the provisions of Chapter A381 and any amendments thereto, unless otherwise expressly provided herein.

SECTION 2.02. Franchise Fee.

(a) The Grantee shall pay to the County a Franchise Fee of five percent (5%) of Grantee's Gross Revenue as defined above.

(b) The Franchise Fee shall be paid on a quarterly basis and shall be due 45 days after the close of each calendar quarter (i.e. February 15, May 15, August 15, and November 15). Each payment shall be accompanied by a verified statement set forth in a format similar to the Franchise Fee Payment worksheet attached hereto as Exhibit A showing the basis for the computation and such other relevant facts as may be required by this Agreement. The verified statement and payment shall be sent to the County Director of Administration's designee for review and processing.

SECTION 2.03. Cable System Construction and Technical Standards.

(a) Construction and Technical Standards. The Grantee shall construct and maintain the Cable System in accordance with applicable law and the technical standards promulgated by the FCC.

(b) Line Extensions. The Grantee shall extend its Cable System in the Franchise Area in accordance with the following:

(1) In any Franchise Area, the Grantee shall be required to extend its Cable System pursuant to the following requirements:

(2) No customer shall be refused service arbitrarily. The Grantee may extend the Cable System as necessary within the County. To expedite the process of extending the Cable System into a new subdivision, the County will forward to the Grantee, at Grantee's request, an approved engineering plan of each such project. Subject to the density requirements set forth in this Chapter, the Grantee shall commence the design and construction process upon receipt of the final engineering plan.

(3) Unless otherwise provided in the Franchise Agreement, the Grantee must extend and make Cable Service available to every residential dwelling unit within the Franchise Area where the minimum density is at least twenty (20) unserved occupied dwelling units per aerial mile or twenty five (25) unserved occupied dwelling units per underground mile as measured by continuous strand footage, beginning from the nearest point of the Cable System trunk or feeder line from which a usable Cable signal is obtainable. For purposes of this Section, a home shall be counted as a "dwelling unit" if such home is currently not able to receive service via Standard Installation (defined below).

(4) The Grantee shall connect all residential dwelling units that are within 125 feet of active feeder lines not otherwise already served by the Cable System (a "Standard Installation"). Grantee shall be allowed to recover, from any Subscriber that requests such connection, the actual costs incurred for a residential dwelling unit connection that exceeds the distance of a Standard Installation.

(5) In areas not meeting the requirements for mandatory extension of Cable Service, the Grantee shall provide, upon the request of a potential Subscriber desiring service, an estimate of the costs required to extend service to the Subscriber. Service to such Subscribers may be conditioned by the Grantee upon the payment or a guaranty of payment of associated costs and fees.

(c) In any areas of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities, or any part thereof, aerially or underground. Nothing in this Agreement shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

(d) In the event all users of the Public Rights-of-Way relocate aerial facilities underground as part of a County initiated or sponsored undergrounding or neighborhood beautification project, Grantee shall participate in the planning for relocation of its aerial facilities contemporaneously with the other utilities. Grantee's relocation costs shall be included in any preliminary computation of necessary project funding by the County, other government agency or private parties. Subject to available funding, Grantee shall be entitled to reimbursement of its relocation costs from public or private funds raised for the project and made available to the other users of the Public Way. In the event that public and/or private funds are not available, Grantee reserves the right to pass its costs through to its Subscribers in accordance with applicable law.

SECTION 2.04. Insurance.

(a) At all times during the term of this Agreement, Grantee shall, at its sole expense, maintain workers' compensation insurance meeting the State's statutory requirements and employer's liability insurance with minimum limits of One Million Dollars (\$1,000,000.00) for each accident; and Grantee shall provide a certificate of coverage to the County in accordance with Md. Code Ann., Lab. and Empl. § 9-105(a) (1999 Repl. Vol., 2004 Supp.), as may be amended from time to time. The Grantee shall require any subcontractor similarly to provide workers' compensation insurance for all of the subcontractor's employees, all in compliance with applicable State laws, and to fully protect the County from any and all claims arising out of occurrences on the work. The Grantee hereby indemnifies the County for any damage resulting to it from the failure of either the Grantee or any subcontractor to take out and maintain such insurance.

(b) At all times during the term of this Agreement, Grantee and any subcontractor of Grantee shall, at its sole expense, maintain comprehensive commercial general liability insurance with a company licensed to do business in the State with a rating by Best of not less than "A- minus VII" that shall protect the Grantee, the County, and the County's officials, officers, employees and agents acting in their official capacities from claims which may arise from operations under this Agreement, whether such operations are by the Grantee, its officials, officers, directors, employees, and agents, or any subcontractors of the Grantee. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from the Grantee's automobiles, products, and completed operations. The amount of insurance for combined single limit coverage applying to bodily and personal injury and property damage shall not be less than Five Million Dollars (\$5,000,000) which may be satisfied by any combination of primary and umbrella or excess coverage over its general liability coverage. The following endorsements shall attach to the liability policy:

(1) The policy shall cover personal injury as well as bodily injury.

(2) The policy shall cover blanket contractual liability subject to the standard universal exclusions of contractual liability included in the carrier's standard endorsement as to bodily injuries, personal injuries and property damage.

(3) Broad form property damage liability shall be afforded.

(c) The Grantee shall submit to the County Director of Administration documentation of the required insurance in the form of a certificate of insurance which conforms to the then applicable industry standards for such forms.

(d) The Grantee may acquire, purchase, participate in, or otherwise provide all insurance coverages required in this Section by, through, or under any policy acquired or purchased by, through, or for the benefit of the Grantee and its Affiliates where coverage provided to the Grantee as part of any such insurance coverage considered in its entirety provides a commensurate level of overall coverage and acceptable risk in the reasonable discretion of the County, given the amount of coverage provided and the number of entities insured thereunder.

(e) The Grantee shall not commence any Cable System construction or reconstruction

work or permit any subcontractor to commence work until both shall have obtained or caused to be obtained all insurance required under this Agreement and by law.

SECTION 2.05. Indemnification. The Grantee shall, at its sole cost and expense, indemnify, and hold harmless the County and its respective elected and appointed officials, officers, boards, commissions, employees, and agents acting in their official capacities (hereinafter referred to as "Indemnitees"), in accordance with applicable law.

ARTICLE 3

SYSTEM CAPABILITIES, REQUIREMENTS AND OPERATIONAL STANDARDS

SECTION 3.01. General.

(a) The Grantee shall operate and maintain a Cable System covering the Franchise Area with the capacity for no less than 125 video channels received for digital and/or analog transmission and shall allocate a sufficient portion of said bandwidth to deliver reliable two-way Cable Service.

(b) It is understood that technology is changing rapidly. Therefore, the Grantee may utilize other/additional technology, provided that such technology maintains or upgrades the Cable System design and capacity. The Grantee reserves the right to alter, adjust, modify, rebuild, upgrade, redesign, or otherwise reconfigure the Cable System at any time during the term of this Agreement in accordance with applicable law and this Agreement.

(c) Upon the execution hereof and upon written request, the Grantee shall notify the County of the number of channels and types of video services it offers and intends to offer on the Cable System. The Grantee shall notify the County in accordance with FCC requirements in writing within thirty (30) days of any change in the number of channels or types of Cable Services offered. Such written notice may be delivered by electronic mail to the County Director of Administration or whoever he designates provided he provides written notice of his designee.

(d) The Grantee shall make all Cable System services available to all residential dwellings and multi-family dwelling units throughout the Franchise Area which meet the line extension and density requirements set forth in Section 2.03(b).

SECTION 3.02. Standby Power. The Grantee shall provide standby power generating capacity at the Cable System headend capable of providing at least three (3) hours of emergency supply. The Grantee shall maintain standby power Cable System supplies throughout the major trunk Cable networks capable of providing emergency power within the standard limits of commercially available power supply units.

SECTION 3.03. Operational Standards. The Grantee shall comply with the operational standards and the customer service regulations of the FCC, as amended from time to time.

In lieu of, or as supplement to, a customer service center(s) (lobby) located in the County, Grantee may provide for convenient customer transactions through online and telephone bill payment solutions.

SECTION 3.04. Right of Inspection. In accordance with applicable law and upon reasonable prior written notice, the County, at its sole expense, shall have the right to inspect all construction, reconstruction or installation work performed by the Grantee under the provisions of this Agreement and other applicable law, to ensure the Grantee's compliance and to protect the public health, safety, and welfare of the County's citizens. The Grantee shall have the right to be present at such inspections.

ARTICLE 4 **SERVICES AND PROGRAMMING**

SECTION 4.01. Programming. Programming decisions are within the sole discretion of the Grantee, subject to applicable law regarding notice to the County and Subscribers prior to any channel additions, deletions, or realignments. In accordance with the Cable Act and applicable law, the Grantee shall provide or enable the provision of broad categories of programming which meet the "must carry" requirements of the FCC.

SECTION 4.02. Leased Commercial Access. The Grantee shall offer leased commercial access on reasonable terms and conditions and according to applicable law.

SECTION 4.03. County Sites. Grantee shall provide a cable service drop and Basic & Expanded Cable Service with any necessary cable box to one outlet at each public building listed in Exhibit B ("County Sites"). In accordance with applicable law, Grantee will charge the fair market value for each such account, which fair market value shall match the then-current rate card for the level of service provided. Grantee shall notify the County in writing regarding the amount of the monthly service fee for each account based on fair market value. The County shall then notify Grantee, within thirty (30) days of receiving the notice from Grantee, whether it wishes the amount due each month to be invoiced for payment or deducted from the next franchise fee payment. The County may upgrade the level of cable service received at then current rate card prices for the higher level of service. The County may also elect in writing not to receive the service, in which case it will not be invoiced and no deduction will be taken from the franchise fee.

SECTION 4.04. Public, Educational or Government ("PEG") Channels.

(a) Upon one hundred eighty (180) days' prior written request, Grantee shall make available to each of its Subscribers who receive some or all of the Cable Services offered on the Cable System, reception of one (1) public access channel, which shall be used for non-commercial PEG programming. Such channel shall be made available to all Subscribers located within the Franchise Area, and may be made available outside the Franchise Area.

(b) The PEG channel shall be made available by Grantee for non-commercial use by the County in accordance with the rules and procedures established by the County or any lawfully designated person, group, organization or agency authorized by the County for that purpose. Grantee will provide the PEG channel on the lowest available digital tier or as otherwise provided in federal and State laws or regulations. Nothing in this Section is intended to limit Grantee's rights under applicable law to institute and enforce policies and procedures regarding the use of PEG channels.

(c) The Parties acknowledge that, as of the date of this Agreement, the Grantee does not have access to any PEG programming feed from the County and is therefore unable to directly provide the PEG services contemplated in this Section. In the event that the County has entered into a Franchise Agreement with another Cable Service provider which does have access to a PEG Programming feed (the “PEG Provider”), Grantee shall coordinate with such PEG Provider for a handoff of the PEG feed to fulfill their PEG obligation; provided, (i) such handoff of the PEG feed is technically feasible; (ii) the connection point is mutually convenient and agreed upon; (iii) the PEG Provider provides its written consent prior to any connection, and (iv) Grantee is responsible for the cost, if any, in making the connection to the PEG Provider for PEG purposes. Grantee shall cooperate with the PEG Provider and the County in good faith to satisfy the requirements of this Section.

ARTICLE 5 **MISCELLANEOUS**

SECTION 5.01. Entire Agreement; Modification; Interpretation.

(a) This Agreement constitutes the entire agreement of the Parties with respect to the subject matter described herein, and may not be changed or modified except by agreement in writing signed by the Parties.

(b) The Franchise granted under the terms and conditions of this Agreement shall be consistent with applicable law. In the event of conflict between this Agreement and the terms and conditions on which the County can grant a franchise or the terms and conditions of any law rule or regulation adopted or enacted after the effective date hereof by the County, the Agreement shall control, provided however that the Grantee agrees that it is subject to the lawful exercise of the police powers of the County in enforcing law, rule, or regulation of general applicability. In the event that a federal or state law is changed that supersedes County law, rules and regulations, the Grantee and the County agree to make amendments to this Agreement to incorporate said change in law. The Parties reserve the right to challenge provisions of any law, rule, or regulation which conflicts with its contractual rights, either now or in the future.

SECTION 5.02. Captions. Section titles in this Agreement are solely for convenience and reference, and are not intended for interpretation or construction of this Agreement.

SECTION 5.03. Governing Law and Venue. This Agreement shall be governed, construed, and interpreted by, through and under the laws of the State of Maryland. Venue for any action arising hereunder shall be filed, heard, and determined in the federal courts located in Baltimore, Maryland, or in State courts located in Cecil County, Maryland.

SECTION 5.04. Severability. If any provision in this Agreement or the application thereof cannot be enforced to its fullest extent, then such provision shall be enforced to the maximum extent permitted by law. The invalidity, illegality, or unenforceability of any term or provision of this Agreement shall not affect or limit the validity, legality, or enforceability of any other term or provision hereof.

SECTION 5.05. Non-Waiver. No indulgence, waiver, election, or non-election by the County under this Agreement shall affect the Grantee's duties and liabilities hereunder.

SECTION 5.06. Assignment.

(a) This Agreement shall not be assigned or transferred, either in whole or in part, or leased, sublet, or mortgaged in any manner, nor shall title thereto, either legal or equitable, or any right, interest, or property therein, or Control over such Franchise, pass to or vest in any Person without the prior written consent of the County. The Grantee may, however, transfer or assign this Franchise without the consent of the County to:

(i) any Affiliate or to a wholly owned subsidiary of the Grantee (or its parent corporation) and such subsidiary may transfer or assign this Franchise back to the Grantee without such consent, provided that such transfer or assignment is without any release of liability or responsibility of the Grantee for any claim which may arise in connection with the actions or inactions of Grantee prior to such transfer or assignment;

(ii) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in this Franchise or in the Cable System in order to secure indebtedness, or

(iii) the sale, conveyance, transfer, exchange, or release of fifty percent (50%) or less of its equitable ownership.

Within thirty (30) days of receiving a notice of transfer, the Grantor may, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires regarding the legal, financial, and technical qualifications of the transferee or new Controlling party. The proposed assignee must agree to comply with all provisions of this Agreement. The County shall have 120 days to act upon any request for approval of such a sale or transfer submitted in writing that contains or is accompanied by the information required by FCC regulations and the County. The County shall be deemed to have consented to a proposed transfer or assignment if its refusal to consent is not communicated in writing to the Grantee within 120 days following receipt of written notice of said transfer and aforementioned information, unless the requesting party and the County agree in writing to an extension of time.

(b) The Grantee shall promptly notify the County of any actual or proposed change in, or transfer of, or acquisition by any other party of, Control of the Grantee. Every assignment or transfer of the Grantee shall make this Franchise subject to revocation unless and until the County shall have consented thereto, which consent shall not be unreasonably withheld or unless consent was not required. For the purpose of determining whether it shall consent to such change, transfer, or acquisition of Control, the County may inquire into such legal, technical, and financial matters as the County deems pertinent to its approval; and the Grantee shall assist the County in such inquiry.

(c) The consent or approval of the County to any transfer of the Grantee shall not constitute a waiver or release of the rights of the County in and to the Public Rights-of-Way, and any transfer, by its terms, shall be expressly subordinate to the terms and conditions of this Agreement.

(d) In accordance with the above, in no event shall a transfer of ownership or Control be approved without the successor in interest becoming a signatory to this Agreement.

SECTION 5.07. Authority. Each person executing this Agreement on behalf of any party hereto warrants that he or she has the right and authority to execute this Agreement, and that all the procedures and approvals that are necessary and required to enable him or her to execute properly this Agreement have been followed and secured. Each party agrees to execute and deliver all documents and to perform all further acts as may be reasonably necessary to carry out the provisions of this Agreement.

SECTION 5.08. Competitive Equity. The Grantee acknowledges that the County has and reserves the right to grant additional franchises to provide Cable Services within the Franchise Area. Prior to granting another Franchise, including a renewal Franchise, the County shall give not less than 60 days' written notice to the Grantee of any other proposal to service all or part of the Franchise Area, identifying the applicant for such other Franchise and specifying the date, time, and place at which the County shall consider and/or determine whether such other Franchise should be granted. In the event that the Grantee believes that the County has entered into another Franchise with terms or provisions that are, taken as a whole, more favorable or less burdensome than the terms set forth in this Agreement, taking into consideration, where reasonably warranted, the situation as it existed at the time this Agreement was negotiated, the County upon the request by the Grantee shall enter into negotiations with the Grantee within sixty (60) days of such request to modify this Agreement to provide the Grantee such more favorable or less burdensome terms or provisions.

SECTION 5.09. Modification. Except as agreed to herein, no provision of this Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the County and the Grantee.

SECTION 5.10. Abandonment of Cable System. During the term of this Agreement, if the Grantee decides to abandon or no longer use all or part of its Cable System, it shall give the County written notice of its intent at least sixty (60) days prior to the announcement of such decision, which notice shall describe the property to be abandoned and its location. The County shall have the right to require the Grantee to remove the property from the Public Rights-of-Way or to cause the property to be removed and charge the Grantee with the costs related thereto, unless said property is being used for other services provided by the Grantee pursuant to applicable federal law.

SECTION 5.11. Force Majeure. Neither the County nor the Grantee shall be liable for damages or subject to penalty due to delay or failure to perform any duty imposed by this Agreement if such delay or failure results directly or indirectly from circumstances beyond the control of such party, including, for example, but not limited to, acts of God: acts of public enemies, including terrorist attacks; orders of any kind of the government of the United States of America or the State of Maryland or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; labor strikes; pandemics, epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; unavailability of materials or equipment; partial or entire failure of utilities or other event that is reasonably beyond Grantee's ability to anticipate or control. Within thirty (30) days of the Grantee's discovery of the event causing such delay or failure, the Grantee shall provide the County with written notice describing the cause of the delay or failure and estimating the period of time in which such delay or nonperformance will be cured.

SECTION 5.12. Notice of violation; hearing. Violations of this Agreement shall be addressed in accordance with applicable law and the following:

- (A) In the event the County believes that the Grantee has violated any provision of this Franchise Agreement, provided that such violation does not constitute a substantial breach of this Franchise Agreement, the County by action of the County Administrator or his designee, shall provide the Grantee with written notice specifying the nature of the alleged violation and demanding correction within a reasonable time.
- (B) The Grantee shall have 30 days from the receipt of the County's notice:
 - (1) To respond to the County, contesting the assertion of the violation;
 - (2) To cure such violation or
 - (3) In the event that, by nature of the violation, such violation cannot be cured within the 30-day period, initiate reasonable steps to remedy such violation and notify the County of the steps being taken and the projected date that they will be completed.
- (C) In the event the Grantee fails to respond to the County's notice, fails to correct a violation within the time prescribed, and diligently remedy such violation thereafter or responds contesting the alleged violation, the Grantee shall then be given written notice of not less than 20 days prior to a public hearing to be held before the Cecil County Council. Said notice shall specify the violation(s) alleged. At the public hearing, the Cecil County Council shall hear and consider all relevant evidence, and thereafter render findings and its decision.
- (D) In the event the Cecil County Council finds that the Grantee has corrected the violation, or has diligently commenced correction of such violation after notice thereof from the County and is diligently proceeding to fully remedy such violation, or that no material violation has occurred, the proceedings shall terminate and no

penalty or other sanction shall be imposed. In determining whether a violation is material, the Cecil County Council shall take into consideration the reliability of the evidence of the violation, the nature of the violation and the damage, if any, caused to the County thereby, whether the violation was chronic, and any justifying or mitigating circumstances and such other matters as it may deem appropriate.

- (E) If the Cecil County Council determines after the hearing prescribed that the Grantee is in violation and such violation is not timely cured, or in the event that the alleged violation is not remedied within the time frame prescribed, the violation shall be deemed a civil infraction and a penalty of up to \$250 per day for each day that a violation occurs may be assessable by the County against the Grantee in addition to any amounts otherwise due, and may be chargeable to the Grantee's surety bond, letter of credit, performance bond or security deposit, if any. In the alternative, the County may seek legal or equitable relief from any court of competent jurisdiction.
- (F) Unless otherwise provided in this Chapter, a Grantee shall pay any penalty assessed in accordance with this Chapter within 30 days after receipt of notice from the County of such penalty.
- (G) Pending litigation or any appeal to any regulatory body or court having jurisdiction over the Grantee shall not excuse the Grantee from the performance of its obligations under this Chapter or its Franchise Agreement unless a stay is obtained. Failure of the Grantee to perform such obligations because of pending litigation or petition, in the absence of a stay issued by a forum of competent jurisdiction, may result in forfeiture or revocation pursuant to the provisions of this Chapter and/or its Franchise Agreement.

[SIGNATURES OF THE PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the County and the Grantee have executed this Cable Service Franchise Agreement the date and year first above written.

CECIL COUNTY, MARYLAND

Attest:

Steven Overbay
Director of Administration

By: _____
Danielle Hornberger
County Executive

GRANTEE:

COGECO US (DELMAR), LLC
d/b/a Breezeline

Attest:

By: _____
Name: Leslie J. Brown
Title: Senior Vice President & General Counsel
Date: _____

EXHIBIT A

Franchise Fee Payment Worksheet (Sample)

**Cogeco US (Delmar), LLC
dba Breezeline
Financial Statement
for**

Cecil County, Maryland

Revenues / Franchise Fee
Quarter #4 (October 2022 through December 2022)

PPV Package Revenue	\$XX,YYY
Basic Service Revenue	\$XX,YYY
Bulk Revenue	\$XX,YYY
Unprotected Triple Play Adj.	\$XX,YYY
Digital PPV Movies	\$XX,YYY
Digital PPV Events	\$XX,YYY
Digital PPV Package Events	\$XX,YYY
HD Access	\$XX,YYY
PVR without HD	\$XX,YYY
Nontaxable Installations	\$XX,YYY
Taxable Installations	\$XX,YYY
Other Service Revenues	\$XX,YYY
Other	<u>\$XX,YYY</u>
Gross Revenue	<u>\$XX,YYY</u>
Franchise Fee Rate	0.050
Franchise Fee	<u>\$XX,YYY</u>

EXHIBIT B

County Sites Eligible for Basic Cable

- 170 S Main St, Port Deposit, MD 21904 (Port Deposit Wastewater Treatment Plant)
- 2865 Augustine Herman Hwy, Chesapeake City, MD 21915 (Paramedic Station #3)
- 64 S Main St, Port Deposit, MD 21904 (pump station)