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CHAPTER FOURTEEN
FRANCHISE

ARTICLE 1 – GRANT OF FRANCHISES

14.0101 Power to Grant

The governing body may grant to any person, firm, partnership, association, corporation, company or organization of any kind a franchise or special right or privilege to operate or do business in the City, but such franchise shall be subject to the provisions of this article. (North Dakota Century Code Section 40-05-01- (57))

14.0102 Compliance with Applicable Laws and Ordinances

The grantee of any franchise during the life of the franchise shall be subject to all lawful exercise of the police power of the City, and to such reasonable regulation, as the City shall by resolution or ordinance provide.

14.0103 Indemnification

The grantee of any franchise shall indemnify and save the City and its agents and employees harmless from all and any claims for personal injury or property damages and any other claims, costs, including attorney's fees, expenses of investigation and litigation of claims and suits thereon which may result from the activities of the grantee of the franchise in the City.

14.0104 Insurance

Any grantee of a franchise by the City shall carry and keep in force a public liability policy of insurance, insuring the grantee of the franchise and the City against any and all liability, of not less than two hundred fifty thousand dollars (\$250,000.00) for any one person, property damage, personal injury, or death, and five hundred thousand dollars (\$500,000.00) for any one accident resulting in property damage, personal injury, or death. The City may demand proof of such insurance coverage in an insurance company licensed to do business in the State of North Dakota. (North Dakota Century Code Section 32-12.1-03)

*Cable Services***Agreement dated October 5, 1992.**

An ordinance granting unto Cable Services, Inc. , a corporation of Jamestown, North Dakota, its heirs, representatives, successors and assigns, for a term of twenty (20) years, the right to construct and operate a community antenna and closed-circuit electronic system within the City of Oakes, and environs thereof, and to use and occupy the streets and other public places of said city for such purposes.

Be it ordained by the by the Council of the City of Oakes, North Dakota, as follows:

Section 1. Short Title. This ordinance shall be known and may be cited as the "Cable TV Franchise Ordinance."

Section 2. Definitions. For the purposes of this Ordinance, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not consistent 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.

- (1) "City" is the City of Oakes, North Dakota.
- (2) "Company" is the grantee of rights under this Franchise.
- (3) "Council" is the City Council (Commission or other body in which the legislative power vests) of the City of Oakes, North Dakota.
- (4) "Person" is any organization, firm, partnership, association, corporation or company of any kind.
- (5) "System" means a Community Cable TV system of cables, wires, and other equipment used or to be used to receive television, radio, or other signals and transmit them to subscribers for a fee.

Section 3. Grant of Authority. There is hereby granted by the City to the Company the right and privilege to construct, erect, operate and maintain, in upon, along, across, above, over and under the streets, alleys, public ways and public places now laid out or dedicated, and all extensions thereof, and additions thereto, in the city, poles, wires, cables, underground conduits, manholes and other televisions conductors and fixtures necessary for the maintenance and operation in the City of a community cable television system for the reception, sale, and distribution of cable television signals.

- (1) Non-Exclusive Grant. The right to use and occupy said streets, alleys, public ways and places for the purposes herein set forth shall not be exclusive, and the City reserves the right to grant a similar use of said streets, alleys, public ways and places, under the same terms and conditions to any person for the purposes herein set forth at any time during the period of this Franchise.

Section 4. Compliance with Applicable Laws and Ordinances. The Company, shall at all times during the life of this Franchise, be subject to all lawful exercise of the police power by the City.

Section 5. Company Liability-Indemnification. It is expressly understood and agreed by and between the Company and the City that the Company shall save the City harmless from all loss sustained by the City of account of any suit, judgment, execution, claim, or

demand whatsoever, resulting from negligence on the part of the Company in the construction, operation or maintenance of its television system in the City. The City shall notify the Company within five (5) days after the presentation of any claim or demand, either by suit or otherwise, made against the City on account of any negligence as aforesaid on the part of the Company.

Section 6. Service Standards. The Company shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. The Company shall maintain and operate its system and render efficient service in accordance with the rules and regulations as are set forth by this Ordinance or by the Federal Communications Commission.

Section 7. Safety Requirements.

- (1) The Company shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public.
- (2) The Company shall install and maintain its wires, cables, fixtures, and other equipment in accordance with the requirements of the National Bureau of Standards and the National Electrical Code of the National Board of Fire Underwriters, and in such manner that they will not interfere with any existing installation of the City.
- (3) All structures and all lines, equipment and connections in, over, under and upon the streets, sidewalk, alleys, and public ways or places of the City, wherever situated by the Company in a safe, suitable substantial condition, and in good repair.

Section 8. Company Rules. The Company shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Franchise, and to assure proper service to each and all of its customers. Provided, however, that such rules, regulations, terms and conditions shall not be in conflict with the provisions hereof or of the laws of the State of North Dakota.

Section 9. Equipment Ownership. All electronic equipment, cable, wires, or devices installed by the Company and used to distribute the cable television signals up to the customers TV set, are and remain the exclusive property of the Company unless otherwise agreed to in writing with the City or the property owner. Any unauthorized altering, removing, connecting or tampering with, by any person or persons, or any attempt to obtain service, cheat, or defraud the Company by any trick, contrivance, or stratagem, is hereby prohibited.

Section 10. Conditions on Street Occupancy.

- (1) Use. All transmission and distribution structures, lines and equipment erected by the Company within the City shall be so located as to cause minimum interference with the proper use of streets, alleys and other public ways and places and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alley or other public ways and places.
- (2) Restoration. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Company shall at its own cost and expense and in a manner approved by the City, replace and restore all paving, sidewalk, driveway or of any street or alley disturbed, in as good condition as before

said was commenced, and shall maintain the restoration in an approved condition for a period or three (3) years.

- (3) Relocation. In the event the City shall lawfully elect to alter or change the grade of any street, alley, or other public way for its own purpose, the said Company, at the request of the City and upon reasonable advance notice (not less than thirty days), shall remove or relocate its system at its own expense.
- (4) Placement of Fixtures. The Company shall not place poles or other fixtures where the same will interfere with any existing gas, electric or telephone fixture, water hydrant or main, and all such poles and fixtures places in any street shall be placed close to the line of the lot abutting on said alley, and then in such a manner as not to interfere with the usual travel on said streets, alleys, and public ways.
- (5) Temporary Removal of Wire. The Company shall, on the request of any person holding a building moving permit issued by the City or other reasonable request, temporarily raise or lower its wires to permit the moving of buildings, tree removal, demolition of structures, or other work. The expense of such removal, raising or lowering of wires, shall be paid by the person requesting the same, and the Company shall have the authority to require such payment in advance. The Company shall be given not less than forty-eight (48) hours advance notice to arrange for such temporary wire changes.
- (6) Tree Trimming. The Company shall have the authority to trim trees upon the overhanging streets, alleys, sidewalks and public places of the City so as to prevent the branches of trees from coming in contact with the wires and cables of the Company. All trimming to be done at the expense of the Company. All trimming to be done at the expense of the Company.

Section 11. Territorial Area Involved. This Franchise is related to the present territorial limits of the City and to any area hence-forth added thereto during the term of this Franchise. The Company shall provide service to any permanent structure receiving City sewer and water service upon request and agreement with owner of said structure.

Section 12. Preferential or Discriminatory Practices Prohibited. The Company shall not, as to rates, charges, service, facilities, rules, regulations, or in any other respect, make or grant any preference or advantage to any person, nor subject any person to any prejudice or disadvantage, provided that nothing in this franchise shall be deemed to prohibit the establishment of a graduated scale of charges and classified rate schedules to which any customer within such classification would be entitled.

Section 13. City Rights in Franchise.

- (1) City Rules. The right is hereby reserved to the City to adopt, in addition to the provisions herein contained and existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of the police power, provided that such regulations, by ordinance or otherwise, shall be reasonable, and not in conflict with the rights herewith granted, and shall not be in conflict with the laws of the State of North Dakota, the United States of America, and or the rules and regulations of the Federal Communications Commission.
- (2) Use of Poles by City. The City shall have the right, during the life of this Franchise, free of charge, where aerial construction exists, of maintaining upon the poles of the Company within the City limits wire and pole fixtures necessary for a police and fire alarm system, such wires and fixtures to be constructed and maintained to the satisfaction of the Company and in

accordance with its specifications. The City shall be solely responsible for all damage to persons or property arising out of the construction or maintenance of said wires and fixtures authorized by this Section and shall save the Company harmless from all claims and demands whatsoever arising out of the attachment, maintenance, change or removal of said wires and fixtures to the poles of the Company.

- (3) Inspection. The City shall have the right to inspect all construction or installation work performed subject to the provisions of this Ordinance as it shall find necessary to insure compliance with governing ordinances.

Section 14. Rates. Rates charged by the Company for service hereunder shall be fair and reasonable and set in accordance with the Cable Communications Policy Act of 1984 and the Federal Communications Commission, and any amendments thereto.

15. Publication Costs. The Company shall assume the entire cost of publication of this Franchise if such publication is required by law. Such amount is payable upon the grantee's filing of acceptance of this Franchise.

Section 16. Records and Reports. The following records and reports shall be filed with the City Auditor and in the office of the Company:

- (1) Company Rules and Regulations. Copies of such rules, regulations, terms and conditions adopted by the Company for the conduct of its business.
- (2) Insurance Certification. Certificates of Insurance will be provided yearly. Company to maintain insurance in amounts to meet or exceed: \$1,000,000 for bodily injury or death to any one person, \$1,000,000 for bodily injury or death resulting from any one accident, \$1,000,000 for all other types of liability.

Section 17. Payment to the City. During the term of the rights granted under the Franchise, the Grantee shall pay to the City a franchise fee for the privilege of operating the system under this Franchisee and in lieu of any occupation or license taxes, equal to a yearly amount of two hundred dollars (\$200.00). In addition, the Grantee shall collect and pay to the City an additional yearly franchise fee amount equal to 1% of the total gross revenues taken in and received by it on the retail sale of basic cable television service. The term "total gross revenues" shall include the basic monthly service charge for basic cable television service, but no include moneys received as installation charges and fees for connection, inspections, repairs, modifications, taxes, additional services, individual channels sold on an individual basis such a premium entertainment channels and pay-per-view programs, or other fees and charges made during the conduct of business. The City shall use the 1% Franchise Fee received from the Grantee expressly for the sole purpose of aiding economic development efforts to attract new non-competing businesses and or expansion of existing business enterprises within the City of Oakes. During the duration of the franchise, the franchise fees paid by the Grantee shall not exceed that of any other multi-channel television or cable television provider permitted to operate within the City of Oakes. All payments due hereunder shall be computed at the end of the calendar year and shall be due and payable by January 10th.

Per Agreement with Cable Services a franchise fee of \$200.00 per year plus 1% of the basic cable television service charge per year.

Section 18. Forfeiture of Franchise. In addition to all rights and powers pertaining to the city by virtue of this Franchise or otherwise, the City, in accordance with the Cable Communications Policy Act of 1984 and the Federal Communications Commission rules

and regulations, reserves the right to terminate and cancel this Franchise and all rights and privileges of the Company hereunder in the event that the grantee:

- a. Materially and knowingly violates any provision of this Franchise, except where such violation is without fault or through excusable neglect, and continues such violation after written notice.
- b. Becomes insolvent, unable to pay its debts, or is adjudged a bankrupt.

(3) Such termination and cancellation, in accordance with the Cable Communications Policy Act of 1984 and Federal Communications Commission rules and regulations, shall be by ordinance duly adopted only after thirty (30) days notice to the Company and continued failure of the Company to cease or correct the violation within the 30 day notice period.

Section 19. Term of Franchise. This franchise shall continue and remain in full force and effect for a period of twenty (20) years from the date upon which this ordinance shall become effective as provided by law.

Section 20. Separability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 21. Effective Date of Franchise. This Ordinance and the Franchise granted herein shall become effective upon approval by the City Council.

Section 22. Ordinance Repealed. All Ordinances or parts of Ordinances in conflict with the provision of this Ordinance are hereby repealed.

Dickey Rural Services
Agreement dated April 13, 2004

An ordinance granting a franchise to Dickey Rural Services, Inc., a North Dakota Corporation, its successors and assigns, to operate and maintain a cable television system in the City, setting forth conditions accompanying the grant of franchise.

Be it ordained by the by the Council of the City of Oakes, North Dakota, as follows:

Section 1. Short Title. This ordinance shall be known and may be cited as the "Cable TV Franchise Ordinance."

Section 2. Definitions. For the purposes of this Ordinance, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not consistent 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.

- (6) "City" is the City of Oakes, North Dakota.
- (7) "Company" is the grantee of rights under this Franchise.
- (8) "Council" is the City Council (Commission or other body in which the legislative power vests) of the City of Oakes, North Dakota.
- (9) "Person" is any organization, firm, partnership, association, corporation or company of any kind.
- (10) "System" means a Community Cable TV system of cables, wires, and other equipment used or to be used to receive television, radio, or other signals and transmit them to subscribers for a fee.

Section 3. Grant of Authority. There is hereby granted by the City to the Company the right and privilege to construct, erect, operate and maintain, in upon, along, across, above, over and under the streets, alleys, public ways and public places now laid out or dedicated, and all extensions thereof, and additions thereto, in the city, poles, wires, cables, underground conduits, manholes and other televisions conductors and fixtures necessary for the maintenance and operation in the City of a community cable television system for the reception, sale, and distribution of cable television signals.

- (2) Non-Exclusive Grant. The right to use and occupy said streets, alleys, public ways and places for the purposes herein set forth shall not be exclusive, and the City reserves the right to grant a similar use of said streets, alleys, public ways and places, under the same terms and conditions to any person for the purposes herein set forth at any time during the period of this Franchise.

Section 4. Compliance with Applicable Laws and Ordinances. The Company, shall at all times during the life of this Franchise, be subject to all lawful exercise of the police power by the City.

Section 5. Company Liability-Indemnification. It is expressly understood and agreed by and between the Company and the City that the Company shall save the City harmless from all loss sustained by the City of account of any suit, judgment, execution, claim, or demand whatsoever, resulting from negligence on the part of the Company in the

construction, operation or maintenance of its television system in the City. The City shall notify the Company within five (5) days after the presentation of any claim or demand, either by suit or otherwise, made against the City on account of any negligence as aforesaid on the part of the Company.

Section 6. Service Standards. The Company shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. The Company shall maintain and operate its system and render efficient service in accordance with the rules and regulations as are set forth by this Ordinance or by the Federal Communications Commission.

Section 7. Safety Requirements.

- (4) The Company shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public.
- (5) The Company shall install and maintain its wires, cables, fixtures, and other equipment in accordance with the requirements of the National Bureau of Standards and the National Electrical Code of the National Board of Fire Underwriters, and in such manner that they will not interfere with any existing installation of the City.
- (6) All structures and all lines, equipment and connections in, over, under and upon the streets, sidewalk, alleys, and public ways or places of the City, wherever situated by the Company in a safe, suitable substantial condition, and in good repair.

Section 8. Company Rules. The Company shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Franchise, and to assure proper service to each and all of its customers. Provided, however, that such rules, regulations, terms and conditions shall not be in conflict with the provisions hereof or of the laws of the State of North Dakota.

Section 9. Conditions on Street Occupancy.

- (1) Use. All transmission and distribution structures, lines and equipment erected by the Company within the City shall be so located as to cause minimum interference with the proper use of streets, alleys and other public ways and places and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alley or other public ways and places.
- (2) Restoration. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Company shall at its own cost and expense and in a manner approved by the City, replace and restore all paving, sidewalk, driveway or of any street or alley disturbed, in as good condition as before said was commenced, and shall maintain the restoration in an approved condition for a period of three (3) years.
- (3) Relocation. In the event the City shall lawfully elect to alter or change the grade of any street, alley, or other public way for its own purpose, the said Company, at the request of the City and upon reasonable advance notice (not less than thirty days), shall remove or relocate its system at its own expense.
- (4) Placement of Fixtures. The Company shall not place poles or other fixtures where the same will interfere with any existing gas, electric or telephone

fixture, water hydrant or main, and all such poles and fixtures places in any street shall be placed close to the line of the lot abutting on said alley, and then in such a manner as not to interfere with the usual travel on said streets, alleys, and public ways.

- (5) Temporary Removal of Wire. The Company shall, on the request of any person holding a building moving permit issued by the City or other reasonable request, temporarily raise or lower its wires to permit the moving of buildings, tree removal, demolition of structures, or other work. The expense or such removal, raising or lowering of wires, shall be paid by the person requesting the same, and the Company shall have the authority to require such payment in advance. The Company shall be given not less than forty-eight (48) hours advance notice to arrange for such temporary wire changes.
- (6) Tree Trimming. The Company shall have the authority to trim trees upon the overhanging streets, alleys, sidewalks and public places of the City so as to prevent the branches of trees from coming in contact with the wires and cables of the Company. All trimming to be done at the expense of the Company. All trimming to be done at the expense of the Company.

Section 10. Territorial Area Involved. This Franchise is related to the present territorial limits of the City and to any area hence-forth added thereto during the term of this Franchise. The Company shall provide service to any permanent structure receiving City sewer and water service upon request and agreement with owner of said structure.

Section 11. Preferential or Discriminatory Practices Prohibited. The Company shall not, as to rates, charges, service, facilities, rules, regulations, or in any other respect, make or grant any preference or advantage to any person, nor subject any person to any prejudice or disadvantage, provided that nothing in this franchise shall be deemed to prohibit the establishment of a graduated scale of charges and classified rate schedules to which any customer within such classification would be entitled.

Section 12. City Rights in Franchise.

- (1) City Rules. The right is hereby reserved to the City to adopt, in addition to the provisions herein contained and existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of the police power, provided that such regulations, by ordinance or otherwise, shall be reasonable, and not in conflict with the rights herewith granted, and shall not be in conflict with the laws of the State of North Dakota, the United States of America, and or the rules and regulations of the Federal Communications Commission.
- (2) Inspection. The City shall have the right to inspect all construction or installation work performed subject to the provisions of this Ordinance as it shall find necessary to insure compliance with governing ordinances.
- (3) Emergency Use of Facilities. In the case of any city-wide emergency or disaster, the grantee shall make its facilities available to the City for emergency use.

Section 13. Rates. Rates charged by the Company for service hereunder shall be fair and reasonable and set in accordance with the Cable Communications Policy Act of 1984 and the Federal Communications Commission, and any amendments thereto.

Section 14. Publication Costs. The Company shall assume the entire cost of publication of this Franchise if such publication is required by law. Such amount is payable upon the grantee's filing of acceptance of this Franchise.

Section 15. Term of Franchise. This franchise shall continue and remain in full force and effect for a period of twenty (20) years from the date upon which this Ordinance shall become effective as provided by law.

Section 16. Separability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by an Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 17. Payment to the City. During the term of the rights granted under the Franchise, the Grantee shall pay to the City a franchise fee for the privilege of operating the system under this Franchisee and in lieu of any occupation or license taxes, equal to a yearly amount of two hundred dollars (\$200.00).

Section 18. Effective Date of Franchise. This Ordinance and the Franchise granted herein shall become effective upon approval by the City Council.

Section 19. Ordinance Repealed. All Ordinances or parts of Ordinances in conflict with the provision of this Ordinance are hereby repealed.

OTTER TAIL POWER COMPANY
Agreement dated September 1, 2006

Ordinance 303A:

An ordinance granting to the Otter Tail Corporation, a Minnesota Corporation, its successors and assigns, permission to erect, construct, install, and maintain within the City of Oakes, North Dakota, an electric light and power system and transmission line, and to operate the same, and to install conduits, poles, wires, pipes, and other fixtures in, upon and under the streets, alleys, bridges, and public grounds or said City for the purpose of furnishing electric light, heat, and power to said City and the inhabitants thereof.

ORDINANCE NO. 303A (08072006)

An Ordinance granting to the Otter Tail Corporation, a Minnesota Corporation, its successors and assigns, permission to erect, construct, install and maintain within the City of Oakes, an electric light and power system and transmission lines and to operate the same and to install conduits, poles, wires, pipes and other fixtures in, upon and under the streets, alleys, bridges, and public grounds of said City for the purpose of furnishing electric light, heat and power to said City and the inhabitants thereof.

BE IT ORDAINED, BY THE CITY COUNCIL OF THE CITY OF Oakes,
Hereinafter called the "City":

SECTION 1

There is hereby granted to Otter Tail Corporation, a Minnesota Corporation, its successors and assigns, hereinafter called the Grantee, for a period of 20 years from and after the passage and approval of this Ordinance and during all of said time, subject to the conditions and requirements hereinafter set forth, permission to construct, install and maintain an electric light and power system and transmission lines and to operate and maintain the same within and through the City and to transmit electricity to and from other towns or cities for the purpose of light, power and heat and to erect, construct, install and maintain conduits, poles, wires, pipes and other necessary fixtures and attachments upon and under the streets, alleys, bridges and public grounds of said City for the purpose of furnishing and selling electricity for light, heat and power and such other purposes for which electricity may be used by the inhabitants of said City, said permission and franchise to become operative and continue under the conditions hereinafter set forth.

SECTION 2

Said Grantee shall use poles, wires, crossarms, equipment and devices to conform with the standards of construction adopted by the National Electrical Safety Code of the United States, Department of Commerce, and all apparatus connected therewith shall be located so as not to obstruct the avenues, streets, and alleys of said City or to endanger persons or property or to hinder or to obstruct the use of said avenues, streets, and alleys for public places by the inhabitants of said City, or public in general, or to interfere with any street, sidewalk, curb, gutter or park improvements that the City may deem proper to make along the lines of said avenues, streets and public places.

SECTION 3

All conduits, poles, wires and pipes installed by virtue of this Ordinance shall be installed in such places and in such manner as not unnecessarily to encroach upon streets, alleys, bridges, or public grounds of said City, and so as not to unnecessarily obstruct the use thereof for the ordinary purpose of travel thereon, and the erection thereof shall be subject to the reasonable supervision and direction of the City Council of the said City. Whenever practicable, all poles shall be set in alleys, and poles now in position upon or along the streets, whenever practicable, shall be removed, and the locations of all of said poles shall be designated by the Mayor under the supervision of the City Council of the said City.

All poles where set in alleys shall be set at or near the boundary line thereof, and where set in streets shall be located at such distances, as shall be directed by the city, from the property line of the abutting owner, and shall be placed so as not to interfere with the construction of placing of any waterpipes, sewers, or drains or the flow of water therefrom which have been or may be placed by authority of said City. In the event that said Grantee shall make any unnecessary obstruction of said streets, alleys, public grounds or places not designated by the City Council, the City may cause the removal of such obstructions and charge and collect from such Grantee the actual cost of such removals.

SECTION 4

During the construction, maintenance or enlargement of any part of said electric light and power system, said Grantee shall not unnecessarily impede or block travel in said streets and highways in said city, and shall leave all streets, highways, alleys, sidewalks, curbs, lanes and public places and all grounds disturbed by said construction in good condition upon the completion of said work.

The City reserves the right for itself and its agents to make and adopt, and the rights and privileges hereby granted shall at all times be and remain subject to, such reasonable regulations of a police nature as it may deem necessary for the best interests of the City but the City will not by an such regulations or by acts of its own or agents do anything to prevent or interfere with the Grantee carrying on its business in accordance with the franchise hereby granted.

SECTION 5

Whenever the said Grantee in erecting, constructing and maintaining said lines or poles, shall take up any of the pavements, sidewalks crossings or curbs on any of the avenues, streets and alleys or public places in said City or shall make any excavations thereon; such excavations shall be refilled and the sidewalk, crossing or curb replaced under the direction of the said City and any excavation so made shall be properly lighted at night during the construction, and in case of the failure to do so on the part of the said Grantee, then the said City may do the same at the expense of said Grantee and said Grantee agrees to pay said City for the reasonable cost or value of said work. Said Grantee shall be liable for all loss or damage caused by the negligence of Grantee, which may result to persons or property within the said City, caused by it, or its agents, servants, or employees in erecting, operating and maintaining the said electric system within said City, and shall at all times save the City harmless from any and all damages to persons or property in erecting, operating or maintaining said electric system.

SECTION 6

There is granted to said Grantee, its successors and assigns, during the term hereof, permission and authority to trim all trees in alleys, streets and public grounds of said City so as to remove all parts of said trees interfering with the proper erection maintenance and operation of poles, cables, wires, masts or other fixtures, or appliances installed or to be installed pursuant to authority hereby granted.

Said Grantee shall have full right and authority to assign any person, persons, firm or corporation all the rights that are given it by this Ordinance, provided that the assignee of such rights by accepting such assignment shall become subject to the terms and conditions of this Ordinance.

SECTION 7

The Grantee shall use due diligence and care in furnishing electric service as herein provided but shall not be liable for any loss or damage which may arise from failure of the service, either partial or total, but this shall not be construed to exempt said Grantee from liability for negligence.

SECTION 8

The rates to be charged by said Grantee in the said City shall be filed with the Public Service Commission of the State of North Dakota, and no increase or decrease in said rates shall be made except in accordance with the rules and regulations of the Public Service Commission.

SECTION 9

This contract shall be subject to any present or future laws of a regulatory nature enacted by the State of North Dakota, or an any amendment or addition to such laws and further shall be subject to the rules and regulations laid down by the Public Service Commission of the State of North Dakota.

SECTION 10

The City reserves the right during the term hereof to enact and assess a franchise fee such as it deems necessary, upon reasonable advance notice to Grantee of not less than thirty (30) days.

SECTION 11

In the event the City should sell or transfer real property which is subject to Grantee's franchise and should it become necessary to remove conduits, poles, wires or pipes installed by virtue of this ordinance the removal shall be done at the expense of the Grantee upon the request of the City.

Section 12

This Ordinance shall take effect and be in full force from and after its passage and approval by the City Council. The said Grantee shall specify its acceptance of this franchise in writing, to be filed with the City Auditor and in no event shall this Ordinance be binding on said Grantee until the filing of such acceptance.