

CONTRACT AND AGREEMENT
SUMMARY SHEET

Contractor's name: Comcast of California (Ex: John Smith, or Acme Welding Co., etc.)	Contract number: 06-0245-00 To be assigned by CAO office
Contractor's address: Pat Rice, Franchise Manager, 3443 Deer Park Drive, Stockton, CA 95219	Phone #:
Email address:	Fax # :

W-9 attached Yes No If a W-9 is not attached a 28% backup withholding deduction will apply.

Certificate of liability insurance required? Yes No

Certificate of liability insurance attached? Yes No Payment WILL BE withheld until certificate is received.

Effective date of contract From: 12/19/06 To: 12/18/2011

Duration: 5 Year(s) Month(s) Week(s) Day(s)

Is this contract a renewal? Yes No

Is this contract an amendment? Yes No

If so, what is the previous contract number?

Is this contract to be approved by the Board of Supervisors? <small>Pertains to new contracts over \$50,000.</small> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	OR Purchasing agent approved? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
--	---

Type of contract or agreement:	Goods/ Services <input type="checkbox"/>	Land/ Buildings <input type="checkbox"/>	Franchise <input checked="" type="checkbox"/>	Lease Purchase Agreements <input type="checkbox"/>	Grants <input type="checkbox"/>	Other: Define _____ <input type="checkbox"/>
--------------------------------	---	---	--	---	------------------------------------	---

Is this contract with a: <small>Check all that apply</small>	Minority <input type="checkbox"/>	Local contractor <input type="checkbox"/>	Major (Over \$100,000) <input type="checkbox"/>
---	--------------------------------------	--	--

Is this contract a grant: If yes, is the grant a:	Yes <input type="checkbox"/> <small>If yes, a Grant Information Request must be filled out</small> Federal <input type="checkbox"/> State <input type="checkbox"/> Other <input type="checkbox"/> Define:	No <input checked="" type="checkbox"/>
--	---	--

Originating county department: Administration	Contact person: Craig Pedro	Contact phone #: 209-533-5511
---	-----------------------------	-------------------------------

Budget account number : 0001-119999-426130 Maximum cost of the contract:

Special notation/comments: Comcast to pay County 5% of Gross Annual Cable Service Revenues.

Prepared by: Cheryl Allegri	Date prepared: 02/08/07
-----------------------------	-------------------------



Comcast Cable
3443 Deer Park Drive
Stockton, CA 95219

RECEIVED

ca

FEB - 7 2007

February 6, 2007

Mr. Craig Pedro
County Administrative Officer
County of Tuolumne
2 South Green Street
Sonora, CA 95370

County of Tuolumne
County Administrator's Office

Dear Mr. Pedro:

Enclosed, please find one original fully-executed copy of the renewed franchise between the County of Tuolumne and Comcast of California/Pennsylvania/Utah/Washington, Inc., effective December 19, 2006.

Also enclosed is:

1. Certificate of Insurance #CLE-001536155-01, as required by Section 2.4, and
2. Bond #08861084, in the amount of \$50,000, as required by Section 2.6.

I can be reached at (209) 955-3401, if you have any questions regarding the final documents and requirements.

Sincerely,

Pat Rice
Franchise Manager

Enc.

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
CLE-001536155-01

PRODUCER
MARSH USA INC.
TWO LOGAN SQUARE
PHILADELPHIA, PA 19103-2797
Attn: Comcast.Certs@marsh.com Fax: 212-948-0360

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

05194 -ALL-GAWU-06-07 COMC STOCK CA NO NO

COMPANY
A DISCOVER PROPERTY & CASUALTY INSURANCE COMPANY

INSURED
COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/
WASHINGTON, INC.
3443 DEER PARK DRIVE
STOCKTON, CA 95219

COMPANY
B DISCOVER SPECIALTY INSURANCE COMPANY

COMPANY
C NATIONAL UNION FIRE INS CO OF PITTSBURGH, PA

COMPANY
D FIDELITY & GUARANTY INS. CO.

COVERAGES This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	D002Q00148	12/01/06	12/01/07	GENERAL AGGREGATE \$ 25,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 6,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,900,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,900,000
	<input type="checkbox"/>				FIRE DAMAGE (Any one fire) \$ 1,900,000
	<input type="checkbox"/>				MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> \$100,000 SIR				
A A B	AUTOMOBILE LIABILITY	D002A00516 (AOS)	12/01/06	12/01/07	COMBINED SINGLE LIMIT \$ 10,000,000
	<input checked="" type="checkbox"/> ANY AUTO	D002A00517 (MA)	12/01/06	12/01/07	BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	D002A00518 (TX)	12/01/06	12/01/07	BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	<input type="checkbox"/> HIRED AUTOS				
<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
	<input type="checkbox"/>				EACH ACCIDENT \$
	<input type="checkbox"/>				AGGREGATE \$
C	EXCESS LIABILITY	BE4485800	12/01/06	12/01/07	EACH OCCURRENCE \$ 5,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE \$ 5,000,000
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				\$
D D A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	D002W00571 (AOS)	12/01/06	12/01/07	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$
	<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:	D002W00573 (OR, WI)	12/01/06	12/01/07	EL EACH ACCIDENT \$ 2,000,000
	<input checked="" type="checkbox"/> INCL <input type="checkbox"/> EXCL	D002W00572 (NJ)	12/01/06	12/01/07	EL DISEASE-POLICY LIMIT \$ 2,000,000
	<input type="checkbox"/>				EL DISEASE-EACH EMPLOYEE \$ 2,000,000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER IS INCLUDED AS ADDITIONAL INSURED AS RESPECTS THE GENERAL LIABILITY POLICY WHERE REQUIRED BY WRITTEN CONTRACT WITH THE NAMED INSURED. \$100,000 PER OCCURENCE SELF INSURED RETENTION APPLIES ONLY TO THE ABOVE GENERAL LIABILITY POLICY.

CERTIFICATE HOLDER

COUNTY OF TOULUMNE
COUNTY ADMINISTRATIVE OFFICER
2 SOUTH GREEN STREET
SONORA, CA 95370

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

BY: Mary Radaszewski

Mary Radaszewski

MM1(3/02)

VALID AS OF: 01/24/07

CABLE FRANCHISE BOND

Bond 08861084

KNOW ALL BY THESE PRESENTS: That COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.

3443 Dear Park Drive Stockton CA 95219, as Principal,

and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, as Surety, are

held and firmly bound unto COUNTY OF TUOLUMNE, CA

, as Obligee,

in the sum of Fifty Thousand and 00/100,

DOLLARS (\$ 50,000.00), to the payment whereof well and truly to be made to the Obligee, we bind ourselves,

our successors and assigns, firmly by these presents. Sealed with our seals and dated this 24th day of

January, 2007.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That whereas the Obligee has granted unto the Principal, a

franchise beginning , , and whereas the said Principal is required to execute a bond in

the penal sum of Fifty Thousand and 00/100

(\$ 50,000.00) in favor of the Obligee, conditioned upon its performance of the obligations of the grantee under said

franchise;

NOW, THEREFORE, if the above bounden Principal shall perform the obligations of the grantee under said franchise, then this

obligation to be void otherwise to remain in full force and virtue. This bond may be canceled by the Surety upon thirty days

notice to the Obligee by registered mail.

ATTEST:

COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.

(Principal)

BY: C. S. B...

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

Wayne G. McVaugh Attorney-in-Faci

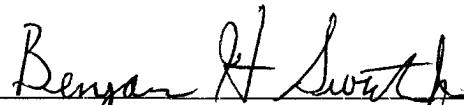
CORPORATE ACKNOWLEDGEMENT - SURETY

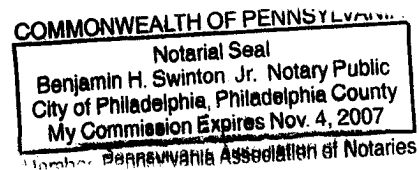
STATE OF PENNSYLVANIA

ss.

COUNTY OF PHILADELPHIA

On this 24th day of January, 2007, before me came Wayne G. McVaugh, to me known, who, being be my duly sworn, did depose and say that he/she resides in Philadelphia that he/she is Attorney-in-Fact of Fidelity and Deposit Company of Maryland and corporation described in and which executed the foregoing instrument as principal; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like order.


Notary Public: Benjamin H. Swinton, Jr.
My commission expires: November 4, 2007



**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by M. P. HAMMOND, Vice President, and GREGORY E. MURRAY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Richard G. DICCIANI, Darella E. WHITE, Douglas R. WHEELER, Richard A. JACOBUS, Mary C. O'LEARY, Sandra E. BRONSON, Maureen MCNEIL, Wayne G. MCVAUGH and Nancy K. WALLACE, all of Philadelphia, Pennsylvania, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Richard G. DICCIANI, Darella E. WHITE, Douglas R. WHEELER, Richard A. JACOBUS, Mary C. O'LEARY, Sandra E. BRONSON, Maureen E. MCNEIL, Wayne G. MCVAUGH, Nancy K. WALLACE, dated June 13, 2006.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 20th day of June, A.D. 2006.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Gregory E. Murray

M. P. Hammond

By:

Gregory E. Murray Assistant Secretary

M. P. Hammond

Vice President

State of Maryland }
City of Baltimore } ss:

On this 20th day of June, A.D. 2006, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came M. P. HAMMOND, Vice President, and GREGORY E. MURRAY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Maria D. Adamski

Maria D. Adamski

Notary Public

My Commission Expires: July 8, 2007

EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND

“Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto.”

CERTIFICATE

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company,

this 24th day of JANUARY, 2007.

Gerald F. Haley

Assistant Secretary

CABLE SERVICES FRANCHISE AGREEMENT

BETWEEN THE COUNTY OF TUOLUMNE

AND

COMCAST OF CALIFORNIA /PENNSYLVANIA/UTAH/WASHINGTON, INC.

EFFECTIVE: 12/19/2006

AGREEMENT

This Agreement dated 12/19, 2006 is between the County of Tuolumne, a municipal corporation, and Comcast of California /Pennsylvania/ Utah/Washington, Inc., a Pennsylvania corporation.

RECITALS

- A. The County of Tuolumne (the County), pursuant to Federal and California law, is authorized to grant and renew a non-exclusive revocable Franchise to operate and maintain a Cable System within the County.
- B. The County has evaluated Comcast, and after public hearings, has decided to renew the franchise previously granted to Comcast.

AGREEMENT

SECTION 1 RENEWAL OF FRANCHISE

1.1 Grant

The County has granted to Comcast a renewed cable franchise subject to the terms and conditions of this Agreement. The term of this franchise will expire on 12/18, 2011, unless extended by Comcast upon request for a one-time automatic extension of five (5) years, or the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and the Cable Act. In the event Comcast completes the rebuild of the cable system within the first three (3) years of this franchise, Comcast shall have the option of an additional five (5) year extension, as described in Section 4.8, for a total maximum franchise term of fifteen (15) years.

1.2 Effective Date of Renewal

The Franchise will take effect on 12/19, 2006. Comcast must submit to the County Clerk, no later than 60 days after the agreement is signed, an

executed franchise agreement, the security fund, and insurance certificates required by this Agreement. If Comcast fails to submit these documents and this fund to the County by this date, the County may declare this Agreement to be void unless an extension is granted for good cause by the County.

SECTION 2 GENERAL REQUIREMENTS

2.1 Franchise Fee

(a) Comcast must pay to the County an annual franchise fee of five percent (5%) of Gross Annual Cable Service Revenues derived by Comcast from its operation of the cable system to provide cable services within the franchise area. The fee must be paid annually no later than sixty (60) days after the end of the calendar year for which payment is due.

(b) Comcast must include revenues collected from subscribers as the franchise fee in calculating its Gross Annual Cable Services Revenues.

(c) Comcast must submit to the County an account of its Gross Annual Cable Service Revenues and any deductions taken. This report shall be submitted at the same time that the franchise payment is made.

(d) To the extent discounts reduce revenues for purposes of calculating franchise fees, Comcast may not unfairly or unlawfully allocate discounts for bundled services for the purpose of evading payment of franchise fees to the County. Upon written request, Comcast will provide reasonable information to the County related to Comcast's pricing of bundled services.

(f) "Gross Annual Cable Services Revenues" is defined as all revenue received by Comcast from providing cable services over its cable system within the franchise area, consistent with generally accepted accounting principles (GAAP). Comcast may not determine Gross Annual Cable Services Revenues based on estimated

receipts of future subscriber revenue. Comcast must include, at a minimum, all of the following in its accounting of Gross Annual Cable Services Revenues:

- (1) All residential subscriber fees.
- (2) All installation, reconnection, and disconnection fees.
- (3) Late fees collected on late payments.
- (4) Equipment rental, lease, or sale charges.
- (5) All recovered bad debts.
- (6) Advertising revenue calculated consistent with GAAP.

Gross Revenues shall not include (1) any taxes on services furnished by Comcast herein imposed directly upon any Customer by the state, local or other governmental unit and collected by Comcast on behalf of the governmental unit; (2) revenue received by Comcast directly from an affiliate; (3) refundable deposits, and unrecovered bad debt; (4) revenue from cable modem internet service, unless determined to be a cable service under federal law or regulation; (5) launch fees, marketing reimbursements, national advertising commissions, and advertising agency commissions; (6) for purposes of this Franchise, Revenues collected from Customers for Public, Education, or Government Access Capital funds shall be excluded from Gross Annual Cable Revenues; and (7) other items based on Generally Accepted Accounting Principles (GAAP).

2.2 County Audit

(a) All franchise fee payments are subject to the County's review and audit, and the County's acceptance of a franchise fee payment does not constitute a waiver of the County's right to review and audit the payment as set forth in this Agreement. If the County's audit determines that Comcast has underpaid the franchise fee, Comcast must submit the amount of the underpayment to the County within thirty (30) calendar days of receiving written notice from the County. If the audit shows that Comcast has underpaid its franchise fee by more than ten percent (10%), Comcast must reimburse the

County for the cost of the audit. If Comcast disputes the County's determination, Comcast must first submit the amount of the underpayment to be held in an escrow account. Within ten (10) days of this payment, Comcast must submit a claim to the County that sets forth in detail the basis for Comcast's dispute of the County's determination. The County and Comcast agree to make a good faith attempt to resolve any dispute relating to audit through non-binding mediation prior to commencing litigation. The County and Comcast shall mutually agree upon the mediator and shall divide the costs of mediation equally.

2.3 Franchise Non-Transferable

(a) Comcast may not transfer the franchise by any means without the County's prior consent, which consent shall not be unreasonably withheld. A security interest granted in any of Comcast's assets, or any mortgage of title in the Cable System to secure indebtedness, is not a transfer for the purposes of this section. This section will not apply to an internal reorganization that does not have the effect of directly changing the control or management authority over the franchise.

(b) Subsection (a) applies to any change in control of Comcast. The term "control" includes majority ownership, and actual working control, in whatever manner exercised. For purposes of this subsection, "majority ownership" is defined as ownership of at least fifty percent (50%) of Comcast's voting stock as of the effective date of the Franchise.

(c) Comcast must notify the County in writing of any foreclosure or any other judicial sale of all or a substantial part of Comcast's Franchise property. This writing serves as notice that a change in control of ownership of the Franchise has taken place.

(d) In seeking the County's approval under this Section, Comcast must submit a Federal Communications Commission Form 394 or equivalent. Within thirty (30)

days of receipt of the Form 394, the County may require Comcast to submit additional information consistent with Federal regulations that the County may require to determine that the proposed transferee possesses the legal, technical, and financial qualifications to operate the Franchise. In the event that Comcast is in noncompliance with any material provision of the franchise, Comcast will either (1) correct the violation prior to completion of the transfer; or (2) provide written assurances that the acquiring company will meet the obligation in the franchise within a reasonable period of time. The County will render a final decision within one hundred twenty (120) days of the date of either (1) the initial receipt of the Form 394, or (2) the date Comcast submits a complete and accurate Form 394.

2.4 Insurance

Within sixty (60) days of the effective date of this Franchise, Comcast shall, at its own cost and expense, maintain throughout the term of the Franchise Comprehensive General Liability Insurance and provide the County certificates of insurance designating the County and its officers, boards, commissions, councils, elected officials, agents and employees as additional insureds and demonstrating that Comcast has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of Two Million Dollars (\$2,000,000.00) for bodily injury or death to any one person, and Two Million Dollars (\$2,000,000.00) for bodily injury or death of any two or more persons resulting from one occurrence, and Two Million Dollars (\$2,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days prior written notice to the County. Comcast shall provide proof of workers' compensation coverage in accordance with applicable law. Comcast shall indemnify and hold harmless the County from any workers compensation claims to which Comcast may become subject during the term of this Franchise Agreement

2.5 Indemnification

Comcast shall indemnify, defend and hold harmless the County, its officers, employees, and agents from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of Comcast's construction, operation, maintenance or removal of the Cable System, except for the negligence or gross negligence of County, its officers, employees, and agents. The County shall give Comcast written notice of its obligation to indemnify and defend the County within ten (10) business days of receipt of a claim or action pursuant to this Section. If the County determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the County.

2.6 Security Fund

(a) On the date set forth in Section 1.2, Comcast must establish a security fund for the faithful performance of Comcast's obligations under this Agreement. The security fund will be a performance bond in the amount of fifty thousand dollars (\$50,000.00). Comcast may not revoke the performance bond without the County's prior written consent during the term of this Agreement, or during any dispute between the County and Comcast that may extend beyond this term. However, after twelve (12) months, Comcast may present at any time evidence to reduce the amount of the security fund, or the type of security fund provided, to the County. The County may elect to reduce the amount of the security fund at its sole discretion.

(b) The County may assess the security fund as specified in Section 2.7 of this Agreement. The County will provide written notice to Comcast at least ten (10) calendar days prior to assessing the security fund. If Comcast disputes the reasons for which the County proposes to assess the security fund, Comcast may file a claim with the County Administrative Officer documenting the basis for Comcast's dispute, within ten (10) days of the written notice. The County Administrative Officer will review the claim

and determine whether a refund is appropriate. If a dispute involving the application of this Section cannot be resolved through an informal or formal meeting, the dispute shall be submitted to non-binding mediation as a prerequisite to either party filing an action to enforce or construe this Section 2.6(b). Mediation shall be to a single, neutral mediator mutually acceptable to the County and Comcast. The mediator's fees and expenses shall be shared equally by the County and by Comcast.

(c) The security fund is not a substitute for any permits or bonds the County may require from Comcast.

2.7 Procedure for Remediating Franchise Violations

(a) The County must first notify Comcast of a violation of a material provision of this franchise in writing by personal delivery or certified mail, and demand correction of the violation. The demand letter must include a date by which Comcast must either correct the violation, or provide a remediation plan to the County detailing the steps and a reasonable timetable to correct the violation. The demand notice must give Comcast a minimum of thirty (30) business days from receipt of the notice to correct the violation or submit the remediation plan. If Comcast does not correct the violation by the date specified in the demand notice or the remediation plan, or fails to demonstrate that a violation has not occurred, the County may exercise its rights under this Agreement and provide written notice of noncompliance to Comcast. If Comcast disagrees that it is in noncompliance, Comcast may submit a response to the County Administrative Officer within thirty (30) business days of receiving the notice of noncompliance that documents the basis for Comcast's disagreement. The County Administrative Officer shall review such response and render a decision within thirty (30) business days after receipt of the response. If the County Administrative Officer determines that Comcast is not in compliance with a material provision of this Agreement, the County Administrative Officer may pursue the County's remedies provided in Section 2.7.

(b) The County may impose liquidated damages for those unexcused violations set forth in Section 2.7(d) below in the amounts indicated.

(c) The County may assess the security fund to collect the liquidated damages after complying with the requirements of Section 2.7(a)

(d) The following violations are subject to liquidated damages:

(1) Comcast fails to provide requested records or data required by the franchise agreement within thirty (30) calendar days after receiving the County's written request, at a maximum amount of twenty five dollars (\$25) per day.

(2) Comcast fails to provide a report on the system's performance within thirty (30) calendar days after receiving the County's written request, at a maximum amount of twenty dollars (\$20) per day.

(3) Comcast fails to comply with those subscriber service requirements that are measured on an aggregate basis, as set forth in Section 7 of this Agreement, at a maximum amount of one hundred dollars (\$100) in the event that the threshold requirement is not met by five percentage (5%) points or more.

2.8 County's Power to Revoke or Terminate

(a) Subject to due process as provided under this franchise and applicable law, County may revoke the franchise granted pursuant to this Agreement and rescind all rights and privileges associated with this Agreement in the following circumstances, each of which represents a default by Comcast and a material breach under this Agreement:

- (1) If Comcast willfully fails to perform any of its material obligations under this Agreement as set forth in Sections 2.7;
- (2) If Comcast fails to provide or maintain in full force and effect the insurance coverage or security fund as required in this Agreement;
- (3) If Comcast knowingly violates any order or ruling of any federal regulatory body having jurisdiction over Comcast relative to Comcast's Franchise, unless such order or ruling is being contested by Comcast in good faith in an appropriate proceeding;
- (4) If Comcast knowingly practices any material fraud or deceit upon County;
- (5) If Comcast becomes insolvent, unable, or unwilling to pay its debts, or declares bankruptcy, to the extent allowed under Federal Bankruptcy law or
- (6) Comcast fails to comply with a provision of this Agreement for which non-compliance is designated a "material breach."

(b) If the County Administrative Officer determines that grounds exist to revoke the Franchise, the County Administrative Officer must agendaize the matter for a public hearing before the County Board of Supervisors. The County must provide at least thirty (30) days prior written notice to Comcast of the grounds for revoking the Franchise, and the date and time of the public hearing. Comcast may appear at the hearing, present and cross examine witnesses, and present any evidence, oral or in writing, that it considers relevant to the Council's deliberations. Based on the evidence presented by the County Administrative Officer and Comcast, and any interested third parties, the County Board of

Supervisors (1) may revoke the franchise; (2) may determine that revocation is not appropriate but may impose any other remedy permitted under this Agreement; or, (3) may determine that revocation is not appropriate and impose no other remedy. The County Board of Supervisors' decision must be in writing and must be transmitted to Comcast within ten (10) business days of the date of the decision.

The decision of the County Board of Supervisors is final. Nothing herein, however, shall be construed to impair Comcast's right to appeal the County's decision or file an action or claim in the appropriate forum.

2.9 Reservation of Rights

(a) The County and Comcast reserve all rights that they may possess under the law unless expressly waived in this Agreement. By entering into this Agreement, neither the County nor Comcast waive any rights that it now has or may later enjoy under applicable State or federal law, and specifically both the County and Comcast reserve their rights to take full advantage of any changes in State and federal law during the term of the Franchise

2.10 State or Federal Preemption

If the State or Federal Government discontinues preemption in any area of cable system regulation over which it currently exercises jurisdiction, the County may adopt rules and regulations in these areas, to the extent permitted in the then applicable law.

SECTION 3 SERVICE AREA AND POLICY

3.1 Franchise and Service Area

Comcast's franchise and service areas include the current service areas as of the effective date of this franchise agreement. Comcast must provide service on a nondiscriminatory basis to all potential new subscribers that meet line extension and density requirements as outlined in Section 3.2. Bulk and promotional discounts, and

discounts for seniors or the economically disadvantaged, are not prohibited under this Section.

3.2 Density Requirements

(a) General Service Obligation. Comcast shall make Cable Service available to every residential dwelling unit within the Franchise Area where the minimum density is at least forty (40) dwelling units per cable mile. Subject to the density requirement, Comcast shall offer Cable Service to all new homes or previously unserved homes located within one hundred twenty five (125) feet of Comcast's distribution cable.

(b) Comcast may elect to provide Cable Service to areas not meeting the above density and distance standards. Comcast may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop in or line extension in excess of the above standards. Any such additional charge shall be computed on a time plus materials basis to be calculated on that portion of the installation that exceeds the standards set forth above.

3.3 Commercial Areas

(a) For franchise areas of the County that are primarily commercial, Comcast may elect to install appropriate conduit when open utility trenches are available, provided that Comcast is able to acquire the proper permits through the County. Comcast agrees that it shall make reasonable efforts to participate in joint trenching in new developments where developers and other utilities make joint trenching available upon reasonable notification except in those cases where market conditions do not warrant Comcast participation.

The County will endeavor to place a condition of approval on subdivision and non-subdivision projects that trenching and backfilling of utility easements will be at the developer's cost unless the developer and an affected utility enter into a mutually-acceptable cost sharing agreement.

3.4 New Developments

The County or its designee shall provide Comcast with reasonable written notice in order to place conduit in public utility easements within new residential developments that are constructed after the effective date of this Agreement. Comcast will cooperate with the developers of the new developments to coordinate installing the conduit during the construction of the new development. The County will endeavor to place a condition of approval on subdivision and non-subdivision projects that trenching and backfilling of utility easements will be at the developer's cost unless the developer and an affected utility enter into a mutually-acceptable cost sharing agreement.

3.5 Design and Construction Requirements

To the extent feasible, Comcast must place its facilities underground where all other users of the County's right of way are required to place their facilities underground. Comcast shall bear all costs of complying with the provisions of this Section, unless applicable law provides otherwise.

SECTION 4 SYSTEM CAPABILITY

4.1 Services to Public Agencies

As a voluntary initiative Comcast shall provide one (1) free basic cable service and one (1) free standard installation outlet without charge to up to twenty (20) facilities within the County that are owned and occupied by a governmental entity for predominantly governmental use. Such cable service shall be provided by means of a single drop extending to each building selected by the governmental entity. Comcast shall not be required to extend such single drop to a governmental entity more than one hundred twenty five (125) feet from the cable distribution line, unless the governmental entity being served agrees to bear the expense of any additional extension beyond that point. Any additional services or outlets for a government building shall be requested by the County

with at least sixty (60) days advanced notice to Comcast, provided the County shall pay for additional services or outlets at Comcast's standard rates.

4.2 Emergency Alert Capability

Comcast shall provide emergency alert system ("EAS") capability consistent with the EAS rules set forth in the FCC Regulations Part 11, subpart D, section 11.1 et seq. The procedures governing use of such emergency alert capability shall include the following: (a) The EAS shall be accessed only as required under federal law and in the event of a local emergency the County shall use its best efforts to contact Comcast prior to accessing the EAS.

4.3 Standby Power

Comcast must provide standby power generating capacity at the cable system headend and/or control center capable of providing at least four (4) hours of emergency supply. Comcast shall maintain standby power system supplies at all nodes and throughout the major trunk cable networks capable of providing emergency power within the standard limits of commercially available power supply units. Comcast must comply with the County's normal permitting and bonding requirements for work within the County's rights-of-way.

4.4 Parental Control Lock

Upon request, Comcast must provide to subscribers, and reserves the right to charge for a parental control locking device or digital code that permits inhibiting the video and audio portions of all Channels.

4.5 Technical Standards

(a) Comcast must comply at all times with Federal Communications Commission (FCC) Rules and Regulations, Part 76, Subpart K (Technical Standards), as amended.

(b) Comcast must construct, operate, and maintain its Cable System consistent with all applicable laws, construction standards, and governmental requirements. In addition, Comcast must provide upon request to the County, no more often than once per calendar year, a written report of the results of Comcast's periodic proof of performance tests conducted pursuant to FCC standards and guidelines.

(c) Should the FCC no longer require proof of performance tests, Comcast must submit equivalent proof of performance tests and reports in response to a written request from the County. This report must be submitted to the County within sixty (60) calendar days of issuance of the County's request.

(d) Comcast's repeated and verified failure to maintain, or repair to specified technical standards is a material breach of the Franchise.

4.7 Right of Inspection

County, with reasonable advance notification to Comcast and during normal business hours, may inspect all construction and installation work performed as part of County's obligation to protect the public health, safety, and welfare of its citizens.

4.8 System Requirements

(a) Comcast shall upgrade the existing cable system to provide either a maximum bandwidth of 860 MHz, or an alternative technology which is capable of providing the same or similar cable services as the 860 MHz bandwidth, at Comcast's sole option of which technology to use within five (5) years of execution of this agreement. Comcast's cable system will be two-way bi-directional and Comcast may activate portions of the upgraded plant and offer new or expanded services in phases, as Comcast may determine.

(b) Comcast shall be responsible for obtaining all permits and approvals necessary to upgrade the cable system, and the County will waive permitting fees for the County for the purposes of this upgrade. Comcast shall notify the County as soon as

possible, ideally within twenty four (24) months of its intent to begin construction of the upgrade. If the upgrade construction is completed on or before the end of the third (3rd) year of the effective date of this agreement Comcast shall have the option for an additional five (5) years extension without condition or qualification exclusive of Section 1.1 above.

(c) Comcast shall send a written notification to the County upon completion of the upgrade. Upon reasonable written notice, during normal business hours and within the presence of a Comcast's employee, who shall be available within a reasonable time period, the County may inspect the cable system to confirm upgrade completion. Upgrade shall be determined complete when system is capable of offering a minimum of 86 channels of programming and is bi-directional. If Comcast has not completed the upgrade within five (5) years from the execution of this agreement the County may notify Comcast in writing of non-compliance. Comcast shall have a reasonable time period to resolve the issue and submit to the County its plan for resolution. The County shall take into consideration Comcast's good faith effort to resolve upgrade issues prior to imposing liquidated damages.

(d) If Comcast fails to provide proof of upgrade construction completion within one hundred and twenty (120) days after the County's receipt of Comcast's proposed plans to resolve, then the County may impose liquidated damages at a maximum amount of one hundred dollars (\$100) per day until the construction of the upgrade is completed.

SECTION 5 SERVICES AND PROGRAMMING

5.1 Services and Programming

Comcast must provide County and all subscribers with a list of program services offered. This list must be updated at least annually. Comcast may not change program services without thirty (30) calendar day's prior written notification to the County and subscribers, or as soon as feasible if subject channel reduction is not under the

control of Comcast. Comcast must, at a minimum, continue to provide the broad categories of programming services offered on the effective date of this Agreement throughout the term of this Agreement.

5.2 Leased Channel Service

Comcast shall offer leased commercial service on terms and conditions and in accordance with FCC regulations.

5.3 Public Reviews; New Technology and Services

(a) The County may hold public reviews of Comcast's performance under the terms of this Agreement during the term of this Agreement; provided, however, there shall not be more than one (1) public review in any two (2) year period of this Agreement. Comcast may participate in these reviews, and the County will give Comcast at least thirty (30) days prior written notice of the date and scope of the review.

(b) If at any time during its review, the County determines that reasonable evidence exists of inadequate system performance subject to applicable State or federal law, the County may reasonably require Comcast to perform tests and analyses directed toward such suspected inadequacies at Comcast expense. Comcast shall fully cooperate with the County in performing such testing and any report prepared by Comcast shall include at least:

- (1) A description of the alleged problem in the System performance which precipitated the special tests;
- (2) The cable system component tested;
- (3) The equipment used and procedures employed in testing;
- (4) The method by which the cable system performance was resolved; and

(5) Any other information pertinent to said tests and analyses that may be reasonably required by the County, or determined when the test is performed.

(c) As a result of a review, the County and Comcast may jointly determine that an amendment in the terms of this Agreement may be requested, that the requirements of the cable system or this Agreement should be updated, changed, revised, and/or that additional services should be provided by Comcast (collectively a 'Proposed Modification'). If the Proposed Modification is consistent with the terms of the parties' mutual agreement as set forth in this Agreement, the needs of Comcast and the County, and existing technology, including what is provided by Comcast in other Cable Systems owned, operated or managed by it and which are comparable in size and location, Comcast and the County will, in good faith, review the terms of the Proposed Modification and consider amending this Agreement accordingly. Nothing herein shall be construed as requiring either Comcast or the County to agree to any Proposed Modification.

5.4 Conversion to Digital

If Comcast converts the service tier where the PEG Access channels are located to digital, upon subscriber request, Comcast must where technically feasible, provide the subscriber with equipment at Comcast's standard rate to allow them to continue to receive the PEG Access channels on the subscriber's existing television equipment. Prior to conversion, Comcast must notify all subscribers that equipment will be made available at Comcast's standard rates upon request that will allow, where technically feasible, subscribers to continue to view PEG Access channels after the conversion.

SECTION 6 SUPPORT FOR PUBLIC, EDUCATIONAL AND GOVERNMENTAL (PEG) CABLE ACCESS

6.1 Downstream Video PEG Access Channels.

(a) Comcast will continue to make one (1) channel available for Public, Education and Government (PEG) Access use to be programmed at the discretion of the County of Tuolumne in cooperation with the City of Sonora. Any and all channels provided for PEG use under this franchise shall be shared between the County of Tuolumne and the City of Sonora and shall be in the aggregate the total number of channels for both County and City of Sonora.

(1) Use of the channel(s) for PEG access shall be provided on the most basic tier of service, or functional equivalent offered by Comcast in accordance with the Cable Act, Section 611, and as further set forth below.

(2) Comcast does not relinquish its ownership of or ultimate right of control over a channel by designating it for PEG uses, subject only to the City of Sonora and the County's rights under this Agreement. A PEG access user, whether an individual, Public, Educational or Governmental user, acquires no property or other interest by virtue of the use of a channel so designated, and may not rely on the continued use of a particular channel number, no matter how long the same channel may have been designated for such use.

(3) Comcast shall not exercise editorial control over any Public, Educational, or Governmental use of channel. The City of Sonora and the County shall be responsible for developing, implementing, interpreting and enforcing rules for PEG Access Channel use.

(4) In the event the City of Sonora and the County or other PEG access user elects not to fully program its channel(s), thereby leaving a channel(s) completely unused or dark for a period of time

during the day, Comcast may program this unused time on those channels subject to sixty (60) days written notice to the City of Sonora and the County of Comcast's intent to do so. If within sixty (60) days, the City of Sonora, the County or other PEG access user does not program the unused time, Comcast may use such time. The City of Sonora or the County may reclaim the unused time by providing Comcast with no less than sixty (60) days advance written notice.

(5) The City of Sonora and the County will indemnify Comcast for any liability, loss, or damage it may suffer due to violation of the intellectual property rights of third parties on any PEG channel, and from claims arising out of the City of Sonora and the County's rules for administration of access.

6.2 Additional PEG Channels.

(a) The City of Sonora and/or the County may request up to two (2) additional PEG channels upon completion of the rebuild, not to exceed a total of three (3) channels, so long as a threshold use requirement ("activation trigger") is met for each of the PEG access channels as provided. In order to request additional PEG channel, the existing PEG Access Channels must be programmed at least eight (8) hours a day with non-repetitive, locally-produced programming, Monday through Saturday, for a minimum of fifteen (15) consecutive weeks ("activation trigger"). The City of Sonora and/or the County must provide Comcast with written, detailed documentation evidencing the usage meets the threshold requirement for each channel. Comcast shall have one hundred twenty (120) days to provide the requested additional channel. Once the threshold is met and the additional channel is provided, each of the initial PEG channels must maintain the threshold requirement. If any of the initial PEG channels fail to meet the threshold for

four (4) consecutive months, the additional PEG channel may be reclaimed by Comcast upon sixty (60) calendar day's written notice.

6.3 Upstream Video.

(a) Within six (6) months after the completion of the rebuild and upon County's written request, Comcast shall provide upstream fiber optic communications links from the following locations:

- Administrative Center, 2 South Green Street, Sonora, California
- Central Administrative Fire/Ambulance Headquarters, 18440 Tuolumne Road, Sonora, California
- Health and Human Services Administration Building at 20111 Cedar Road North, Sonora, California

The purpose of these upstream communications links is to permit live cable casting of video and audio programming from those locations on Comcast's Cable System.

(b) The County may request additional upstream fiber optic communications link to public facilities within the County. The County's request must be made in writing and provide Comcast with at least one hundred twenty (120) days to provide the links. Comcast may charge the County for any of the usual and customary costs, including design, construction (including cost of material and labor), installation, future repairs and maintenance associated with providing these links.

6.4 PEG Access Funding Support.

(a) Within sixty (60) days of advance notification, Comcast agrees to pay the County and the City of Sonora (hereinafter the "Jurisdictions") jointly and for their joint use, the sum of twenty seven cents (\$.27) per month per residential subscriber for the purpose of funding capital facilities and equipment purchases for the provision of PEG programming. The County shall represent the City of Sonora and County of Tuolumne for

the purposes of receiving PEG payments from Comcast and allocating funds. The County shall allocate all such funding to PEG capital uses exclusively. All such payments shall be made at the same time as Comcast pays the franchise fee to the County.

(b) In the event Comcast elects to extend the Franchise Agreement for an additional five (5) years pursuant to Section 1.1 of the Franchise, Comcast agrees to continue to pay up to twenty seven cents (\$.27) per month per residential subscriber for capital purchases for the provision of PEG programming for the Jurisdictions jointly and for their joint use.

(c) In the event Comcast completes the rebuild of the cable system within the first three (3) years of this franchise, Comcast shall have the option of an additional five (5) year extension, as described in Section 4.8, Comcast agrees to continue to pay up to twenty seven cents (\$.27) per month per residential subscriber for capital purchases for the provision of PEG programming for the Jurisdictions jointly and for their joint use.

(d) Comcast reserves all rights under Federal Law to pass through to subscribers those amounts paid by Comcast to the County under Section 6.

(e) The PEG Access funds described in this Section may be used by the City of Sonora and/or County, or their designee, for PEG Access for capital facilities and equipment expenditures only. Comcast agrees that these funds are not intended to be Franchise Fees as defined by federal law.

(f) The PEG Access funding specified in Section 6 must be paid to the County concurrent with the payment of Franchise Fees.

6.5 Title to PEG Access Equipment.

(a) The County and the City of Sonora will have title to all PEG Access equipment procured with funding made available in accordance with Section 6.

6.6 Local Technical Support for PEG Access Office.

(a) Upon request, Comcast may provide to the County, on an annual basis, the name and phone number of Comcast's local representative to provide technical assistance to the County's designated PEG Access administrator.

6.7 Relocation of PEG Access Channels.

(a) Comcast must provide County and all Subscribers with at least thirty (30) business days advance written notice of the relocation of any PEG Access Channels where such relocation is within the Comcast's control.

6.8 Subscriber Notices.

(a) Any notice to Subscribers detailing information regarding PEG Access support required to be provided pursuant to the terms of this Agreement shall also be noticed to the County.

6.9 PEG Capital Support.

It is understood that the County of Tuolumne and the City of Sonora ("Jurisdictions") shall jointly fund the operations of Public, Education and Government programming efforts in their respective areas.

(a) Within one hundred eighty (180) days of the end of the calendar year, the County shall provide Comcast with an annual report signed by the County Administrative Officer or designee documenting the use of the previous year's PEG capital funding and showing the budgeted use of the current year's PEG capital funding to ensure PEG capital funding was used for capital expenses only. Comcast shall have the right to audit the County's PEG capital fund not more than once for any three (3) year Franchise period.

In the event the County cannot demonstrate that PEG capital funding was used for PEG capital needs, Comcast's PEG capital payments including any matching grants going forward shall be reduced an equivalent amount or future franchise fees payable to the County shall be reduced by an equivalent amount or the County pays to

Comcast within thirty (30) days the amount of funding which was not used for PEG capital, all at Comcast's option. In event the County pays Comcast, the amount paid to Comcast shall be credited back to then current Customers.

(b) Nothing herein shall be construed to limit or restrict Comcast's right or ability to recover or pass through to its Customers the PEG capital support amounts paid to the County as set forth in paragraph (a) above.

SECTION 7 CONSUMER PROTECTION AND SERVICE STANDARDS

Customer service requirements shall include, at a minimum, the following:

- (a) Cable system office hours and telephone availability:
 - (1) Comcast will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers twenty-four hours a day, seven days a week.
 - (i) Trained Comcast representatives will be available to respond to customer telephone inquiries.
 - (i) Comcast's representatives at the local office shall, at a minimum, be able to provide immediate billing information, provide for equipment pick-up and drop-off, and customer service information.
 - (2) Under normal operating conditions, telephone answer time by a customer service representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.

(3) Under normal operating conditions, the customer will receive a busy signal less than three percent (3%) of the time.

(4) Comcast shall maintain at a minimum the current level of equipment sufficient to measure compliance with the telephone answering standards above.

(5) Customer service center and bill payment locations will be open at least during normal business hours and will be conveniently located, within ten (10) miles of the City limits of Sonora.

(b) Installations, Outages and Service Calls. Under normal operating conditions, each of the following standards will be met no less than ninety percent (90%) of the time measured on a quarterly basis:

(1) Standard installations will be performed within ten (10) business days after an order has been placed. "Standard" Installations are those that are located up to one hundred twenty-five (125) feet from the existing distribution system.

(2) Excluding conditions beyond the control of Comcast, Comcast will begin working on "Service interruptions" promptly and in no event later than twenty-four (24) hours after the interruption becomes known. Comcast must begin actions to correct other service problems the next business day after notification of the service problem. Comcast shall use its best efforts to resolve all Service interruptions within forty-eight (48) hours under normal operating conditions.

(3) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four (4) hour time block during normal

business hours. Comcast shall schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.

(4) Comcast may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

(5) If Comcast's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted prior to the time of the scheduled appointment. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

(c) Service Standards:

(1) Comcast shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Scheduled interruptions, insofar as possible, shall be preceded by notice and shall occur during a period of minimum use of the Cable System, preferably between midnight and six a.m. local time.

(2) Comcast shall maintain a repair force of technicians capable of responding to subscriber requests for service within the following time frames:

(i) For a system outage: within four (4) hours, including weekends, of receiving subscriber calls or requests for service which by number identify a system outage of sound

or picture of one or more channels, affecting at least ten percent (10%) of the subscribers of the system.

(ii) For an isolated outage: within twenty-four (24) hours, including weekends, of receiving requests for service identifying an isolated outage of sound or picture for one or more channels that affects ten (10) or more Subscribers. On weekends, an outage affecting fewer than ten (10) subscribers shall result in a service call no later than the next business day.

(iii) For inferior signal quality: Within two (2) business days of receiving a request for service identifying a problem concerning picture or sound quality.

(3) Comcast shall not charge for the repair or replacement of defective or malfunctioning equipment provided by Comcast to subscribers, unless the malfunction was caused by the subscriber or the equipment is owned by the Subscriber.

(d) Communications between Comcast and subscribers:

(1) Notifications to subscribers:

(i) Comcast shall provide written information on each of the following areas at the time of installation of service, at least annually to all subscribers, and at any time upon request:

(ii) Products and services offered;

(iii) Prices and options for programming services and conditions of subscription to programming and other services;

(iv) Channel positions of the programming carried on the System; and

(v) Billing and complaint procedures, including the address and telephone number of the County.

(2) Subscribers, the City of Sonora and the County will be notified of any changes in rates, programming services or channel positions as soon as possible in writing. Notice must be given to subscribers, the City of Sonora and the County a minimum of thirty (30) days in advance of such changes if the changes are within the control of the Comcast. In addition, Comcast shall notify subscribers, the City of Sonora and the County thirty (30) days in advance of any significant changes in the other information required herein. Comcast shall not be required to provide prior notice of any rate changes as a result of a regulatory fee, franchise fee, or other fees, tax, assessment or charge of any kind imposed by any federal agency, state or the County on the transaction between the operator and the subscriber. All programming decisions remain the discretion of Comcast.

(e) Billing and information standards:

(1) Subscriber bills shall be clear, concise and understandable. Bills shall be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills shall also clearly delineate all activity during the billing period, including optional charges, rebates and credits.

(2) In case of a billing dispute, Comcast shall respond to a written complaint from a subscriber within sixty (60) days.

(3) Comcast shall, upon request, provide credits or refunds to such subscribers whose service has been interrupted for twenty four (24) consecutive hours or more.

Credits or refunds shall, upon request, be provided by Comcast on a pro rata basis to any subscriber(s) affected by interruption(s) of Service for more than six (6) hours due to actions or outages under the control of the Comcast, exclusive of scheduled repairs, maintenance or franchise-required construction that a Comcast has provided advance written notice of to subscribers. In cases where advance written notice is provided to subscribers, the time period detailed in said notice shall not exceed eight (8) hours in any twenty-four (24) hour period. In cases where said notice has been given to subscribers and the service interruption exceeds the period detailed in said notice, the provisions of this section shall apply.

In the event Comcast has improperly or inadvertently disconnected cable services to a subscriber, Comcast shall provide for restoration without charge to subscriber as soon as possible, but no later than within five (5) days of discovery of disconnection.

All credits or refunds for service shall be issued no later than the customer's second billing cycle following the determination that a credit is warranted. For subscribers terminating service, refunds shall be issued promptly, but no later than thirty (30) days after the return of any Comcast-supplied equipment.

(f) Compliance with standards:

(1) A repeated or verifiable pattern of noncompliance with the consumer protection standards above, after Comcast's receipt of

due notice and a reasonable opportunity to cure, shall be deemed a breach of the franchise.

(2) Comcast shall take necessary steps to ensure that adequate telephone lines and/or staffing are available to permit Comcast to satisfy its obligations under a franchise. Consideration shall be given for periods of promotional activities or outages. The monthly billing period shall be considered as a normal, daily activity for purposes of determining the availability of adequate telephone lines and/or staffing.

(g) Subscriber complaints and disputes

(1) Comcast shall establish written procedures for receiving, acting upon and resolving escalated subscriber complaints without intervention by the County. The written procedures shall prescribe the manner in which a subscriber may submit a complaint either orally or in writing specifying the subscriber's grounds for dissatisfaction. Comcast shall provide a copy of these procedures to County upon County's request. The written procedures shall include a requirement that Comcast respond to any written complaint from a subscriber within thirty (30) days of receipt.

(2) Upon prior written request, County shall have the right to review Comcast's response to any subscriber generated complaints referenced to the County in order to determine Comcast's compliance with the franchise requirements, subject to the subscriber's right to privacy.

(3) Subject to applicable law, it shall be the right of all subscribers to continue receiving cable service insofar as their

financial and other obligations to the Comcast are honored. In the event that the Comcast elects to rebuild, modify, or sell the system, or the County gives notice of intent to terminate or not to renew a franchise, Comcast shall act so as to ensure that all subscribers receive cable service so long as a franchise remains in force.

(4) In the event of a change of control of Comcast, or in the event a new operator acquires the system, the original Comcast shall cooperate with the County in maintaining continuity of service to all subscribers.

(5) Should a Comcast supervisor not be available when requested by a subscriber, Comcast shall make its best effort to ensure that a supervisor shall respond to the subscriber's complaint at the earliest possible time, and in no event later than the end of the next business day.

(6) For complaints received by the County and provided by the County to Comcast, Comcast shall immediately undertake all reasonable steps to address said complaints and shall, within seven (7) business days, notify the County of Comcast's progress in responding to and resolving said complaints.

(h) Other requirements

(1) All officers, agents or employees of Comcast or its contractors or subcontractors who, in the normal course of work come into contact with members of the public or who require entry onto subscribers' premises shall carry a photo-identification card. Every vehicle of Comcast or its major subcontractors shall be clearly identified as working for Comcast.

SECTION 8 RECORDS AND REPORTS

8.1. Records Required

(a) Comcast must at all times maintain in electronic format, or if not available, in written format:

(1) A log of interruptions, outages, or degradation of service experienced in the County for the preceding one (1) year.

(2) A set of record drawings showing the locations of the cable system trench and aerial routes in the County franchise service areas, exclusive of subscriber service drops, equipment provided in subscriber's homes, electronic devices and facilities. The record drawings may be submitted in either hard copy or electronic format. The County may require Comcast to periodically submit updated record drawings, and Comcast must submit the updated records drawings to the County within thirty (30) calendar days of Comcast receiving the County's written request.

(b) The County may impose reasonable requests for additional information, records and documents from Comcast, provided they relate to the scope of the County's rights under this Agreement, or federal, and State law. Comcast must submit any requested records within thirty (30) calendar days of the request, with the exception of Comcast's annual report, which may be submitted upon the County's request within one hundred and twenty (120) days of its publication.

(c) Upon thirty (30) days written notice, and during normal business hours, Comcast must allow the County, or its representative, access to examine:

(1) Cable system property and facilities within the County, and,

- (2) All relevant records relating to the Cable System's operation that are within the County's regulatory jurisdiction as set forth in this Agreement.

8.2. Annual Reports

(a) At the written request of the County, Comcast must submit a written report to the County with respect to the preceding calendar year that includes the following information:

- (1) A summary of the previous year's activities in developing the Cable System that includes cable services begun or discontinued during the reporting year;
- (2) The areas in the County where service is not available, and a schedule for providing service, pursuant to Section 3 above,
- (3) Information as to:
 - (i) Total number of basic service tier subscribers;
 - (ii) Any additional information materially and reasonably relevant to the enforcement of this Agreement by the County.

(b) If Comcast submits to the County confidential or proprietary information, the County will keep this information confidential to the extent allowed under State law.

(c) **Proprietary Information.** In no event shall Comcast be required to submit information that is confidential or proprietary. Notwithstanding anything to the contrary set forth in this franchise agreement, Comcast shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The County agrees to treat any information disclosed by Comcast as confidential and only to disclose it to those employees, representatives, and agents of the County that have a need

to know in order to enforce this franchise agreement and who agree to maintain the confidentiality of all such information. Comcast shall not be required to provide customer information in violation of Section 631 of the Cable Act or any other applicable federal or state privacy law. For purposes of this franchise agreement, the terms “proprietary or confidential” include, but are not limited to, information relating to the Cable System design, as-built maps, customer lists, marketing plans, financial information unrelated to the calculation of franchise fees or rates pursuant to FCC rules, or other information that is reasonably determined by Comcast to be competitively sensitive. In the event that the County receives a request under a state “sunshine,” public records or similar law for the disclosure of information Comcast has designated as confidential, trade secret or proprietary, the County shall notify Comcast of such request and cooperate with Comcast in opposing such request.

(d) Comcast must submit upon written request from the County a copy of the company’s annual report within one hundred and twenty (120) days of its publication.

(e) All reports and records required to be delivered to County under this Agreement must be furnished at the sole expense of Comcast, except as otherwise provided in this Agreement.

(f) If Comcast fails to submit any of the reports or records required by this Franchise Agreement, the County may deem this failure to be a breach of the Franchise Agreement if a report or record is not submitted within ninety (90) calendar days after the County’s written request.

SECTION 9 REGULATION AND OTHER PROVISIONS

9.1 Franchise Renewal

The County will consider the renewal of this Franchise in accordance with this Franchise Agreement and the then-current federal or state laws and regulations.

9.2 Force Majeure

Comcast will not be deemed in default or non-compliance with this Agreement where performance is excusable due to conditions beyond Comcast's control, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond Comcast's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which Comcast's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary. Comcast must actively seek to bring itself into compliance by whatever alternative means may be available.

9.3 Rate Regulation

If County is permitted under Federal and/or State law, to regulate the rates charged by Comcast for cable services, the County may establish reasonable procedures consistent with applicable laws and regulations and follow those procedures while regulating.

9.4 Notices

All Notices must be addressed as follows:

County: County Administrative Officer
County of Tuolumne
2 South Green Street
Sonora, CA 93635

Comcast: Comcast Cable
3443 Deer Park Drive
Stockton, CA 95219
Attn: Government Affairs Department

With a copy to: Comcast Cable
4450 East Commerce Way
Sacramento, CA 95834
Attn.: Government Affairs Department

9.5 Successors and Assigns

This Agreement applies to the lawful successors and assigns of both parties.

9.6 Severability

If any provision of this Agreement or the application of such provision to any circumstance is declared unconstitutional or otherwise invalid by the lawful court judgment, the remainder of this Agreement or the application of the provision to other circumstances will not be affected.

9.7 Choice of Law and Venue

This Agreement is governed by and interpreted under the laws of the State of California except where pre-empted by Federal law. If either party brings any action against the other under this Agreement, the trial of the action will be held exclusively in the state courts of California or in the United States District Court.

9.8 No Waiver

Comcast is not excused from complying with any of the terms and conditions of this Agreement by the County's failure to seek compliance with any terms or conditions of this Agreement.

9.9 Possessory Interest

Under California Revenue and Taxation Code Section 107.6, using or occupying public property under the grant of franchise may create a possessory interest that may be subject to the payment of property taxes levied upon this interest. Comcast is

solely liable for any possessory interest taxes levied against Comcast's right to possession, occupancy, or use created by the grant of franchise.

9.10 Definitions

Any term used in this Agreement that is defined in 47 CFR 76.5 or 47 U.S.C 522 shall have the definition given in those sections as they read on the effective date of this Agreement.

9.11 Conflict between the Franchise and Cable Ordinance

In the event of any conflict between the terms and conditions of this Franchise and the provisions of the County's Cable Ordinance, the provisions of this Franchise shall control. It is the intention of the parties that this Franchise is the controlling document and not the County's Cable Ordinance.

Should the County's Cable Ordinance be amended, revised, superseded or otherwise changed after the effective date hereof in such a way as would materially affect the terms and conditions of this Franchise, the amendment, revision or change shall not apply to this Franchise without Comcast's prior approval.

9.12 Entire Agreement

This Franchise Agreement embodies the entire understanding and agreement of the County and Comcast with respect to the subject matter hereof and supersedes all prior understandings, agreements and communications, whether written or oral. All ordinances or parts of ordinances that are in conflict with or otherwise impose any other obligations not included within the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

9.13 No Third-Party Beneficiaries

Nothing in this Franchise Agreement is or was intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Franchise Agreement.

9.14 No Waiver of Rights

Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, Comcast may have under federal or state law unless such waiver is expressly stated herein.

9.15 Level Playing Field

The County shall comply with Government Code Section 53066.3. It is the County's intent to grant franchises or other authorizations to another individual or entity to provide Cable Services or video services on material terms and conditions that are not more favorable or less burdensome than the terms and conditions applicable to Franchisee and do not place Franchisee at a competitive disadvantage. If any such additional or competitive franchise or other authorization is granted by the County which contains substantially more favorable or less burdensome terms or conditions than this Franchise, the County agrees that it shall amend this Franchise to include any more favorable or less burdensome terms or conditions in a manner mutually agreed upon by the County and Franchisee.

In the event an application for a new cable television franchise, license, public benefits agreement or any other similar request for authorization to provide Cable Services or video services within the Franchise Service Area, in whole or in part, is filed with the County, then the County shall promptly serve or require to be served a copy of such application upon Franchisee by registered or certified mail or via nationally recognized overnight courier service.

Nothing in this Agreement is intended to prohibit the Franchisee from exercising any available "opt in" provision with respect to a state or national franchise, to the extent such action is expressly authorized under Applicable Law.

SECTION 10 INSTITUTIONAL NETWORKS

An institutional network ("I-Net") is a dedicated communications network which is constructed and owned by the cable operator and which is generally available only to local government users. Comcast shall notify the County as soon as possible, ideally within twenty four (24) months of its intent to begin construction of the upgrade. The City of Sonora and the County may request that an I-Net be designated for governmental uses. All such uses of the I-Net shall be non-commercial and shall not compete with any services provided by Comcast or its affiliates.

Comcast shall notify the City of Sonora and the County as soon as possible, ideally within twenty four (24) months of its intent to begin construction of the upgrade. Within one hundred twenty (120) days of receipt of the City of Sonora and the County's written request for an I-Net proposal, Comcast shall provide a detailed design, cost estimate, and construction schedule for the I-Net, and City of Sonora and the County shall pay to Comcast \$100 per I-Net site for design and estimated cost of the I-Net, and \$100 per site for each site design change. The City of Sonora and the County shall have one hundred twenty (120) days from receipt of Comcast's I-Net design and cost estimate to respond to the proposal. If the City of Sonora and the County accepts Comcast's proposal, Comcast will make reasonable efforts to complete all construction and make service available within one year of the Comcast's receipt of the notice of acceptance, so long as acceptance occurs by June 30 of the year. Should acceptance occur after June 30, construction shall be completed within twenty-four (24) months. If the City of Sonora and the County suggests modifications to the proposal, Comcast shall incorporate the

changes into the final I-Net design and submit them for the City of Sonora and the County's approval. The Grantee shall not be required to commence construction of the I-Net until a written I-Net agreement has been entered into between the parties, written commitment has been made by the City of Sonora and the County and funding arrangements consistent with the terms of the Franchise have been established by the City of Sonora and the County to pay for the construction, including materials and labor and all other costs in designing, installing and maintaining such a system. The I-Net will only be built upon City of Sonora and the County's written request to Comcast.

10.1 I-Net Ownership

It is understood by the County that Comcast does not relinquish its ownership of or ultimate right of control over the fiber or wires constructed for the I-Net by designating it for such use. A Public, Educational or Governmental user of I-Net capacity acquires no property or other interest by virtue of the use of the capacity so designated.

10.2 No Warranties

Notwithstanding anything to the contrary, Comcast disclaims all warranties, whether express or implied, including without limitation, any implied warranties of merchantability or fitness for a particular purpose. Comcast specifically disclaims any responsibility for any damages suffered by the County or I-Net User arising out of its performance under this Franchise. In no event shall Comcast be liable to the City of Sonora, the County or I-Net User for any indirect, special, incidental, punitive or consequential damages, whether or not foreseeable.

10.3 Comcast Not A Common Carrier

In the event an I-Net is constructed in accordance with this Section 10, Comcast shall not be deemed a common carrier as such term is defined under applicable federal and state law.

APPROVED AS TO FORM:

COUNTY OF TUOLUMNE

By: Gregory J. Oliver

By: Elizabeth P. Bass

Date: 12-19-06

(SEAL)

ATTEST:

Elizabeth P. Bass, assistant
Clerk of the Board

(CORPORATE SEAL)

Comcast of
California/Pennsylvania/Utah/Washington
Inc., a Pennsylvania corporation.

By: [Signature]
R Germano SVP
Name, Title

Date: 12/28/06