CHAPTER 16

CABLE TELEVISION
(Amend. 4/24/2001)

Article I – General Provisions

Section 16-1 Purpose
Section 16-2 Definitions
Section 16-3 Franchise Required
Section 16-4 Conflict Between this Chapter and Franchise
Section 16-5 Reserved

Article II – Acquiring, Transferring, Renewing and Terminating the Franchise

Section 16-6 Initial Franchise Applications
Section 16-7 Acceptance of Franchise; Effective Date
Section 16-8 Franchise Term
Section 16-9 Nonexclusive Franchise
Section 16-10 Multiple Franchises
Section 16-11 Transfer or Assignment of Cable Television System
Section 16-12 Franchise Renewal
Section 16-13 Termination and Expiration of Franchise
Section 16-14 Continuation of Service
Section 16-15 Purchase of System by Successor Grantee or Town
Section 16-16 Removal or Abandonment of System
Section 16-17 Limited Area Franchise
Section 16-18 Limited Purpose Franchise
Sections 19-20 Reserved

Article III – Authority and Responsibility Under the Franchise

Section 16-21 Authority Granted by the Franchise
Section 16-22 Franchise and Other Fees
Section 16-23 Rate Regulation
Section 16-24 Consumer Protection and Service Standards
Section 16-25 Limitations of Franchise
Section 16-26 Additional Town Rights in Franchise
Section 16-27 Use of Streets and Roads
Section 16-28 Service Area and Construction Schedule
Section 16-29 Technical Standards
Section 16-30 Liability and Indemnification
Section 16-31 Insurance
Section 16-32 Letter of Credit
Section 16-33 Construction Bond
Section 16-34 Inspection of Cable System
Section 16-35 Inspection of Books and Records
Section 16-36 Reports to the Town
Section 16-37 Maintenance of Records
Section 16-38 Public, Educational and Governmental Access
Section 16-39 Emergency Alert Override System  
Section 16-40 Interconnection  
Section 16-41 Unlawful Connections and Theft of Service  
Section 16-42 Miscellaneous Provisions  
Sections 16-43 through 50 Reserved

Article IV – Cable Television Committee (repealed 5/20/08)

Article V – Penalties and Remedies

Section 16-57 Penalties and Remedies
ARTICLE I
GENERAL PROVISIONS

Section 16-1. Purpose.

This chapter sets forth the conditions, limitations, restrictions and requirements under which a person may construct, operate and maintain a cable television system and engage in the business of providing cable service within the Town of Carrboro.

Section 16-2. Definitions.

Unless otherwise specifically provided, or unless clearly required by the context, the words and phrases defined in this section shall have the meaning indicated when used in this chapter.

(1) Access. Any programming or channel designated for use by any person other than the company.

(2) Basic Cable Service. Any service tier which includes the retransmission of local television broadcast signals and any public educational and governmental programming required to be carried on the basic tier.


(4) Cable Service.
   a. The one-way transmission to subscribers of video programming or other programming service; and
   b. Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

(5) Cable Television System, System or Cable System. A facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service that includes video programming, and which is provided to multiple subscribers within a community, but such term does not include:
   a. A facility that serves only to retransmit the television signals of one (1) or more television broadcast stations;
   b. A facility that serves subscribers without using any public rights-of-way;
   c. A facility of a common carrier that is subject, in whole or in part, to the provisions of 47 U.S.C. §§ 201-226, except that such facility shall be considered a cable system to the extent that such facility, whether on a common carrier basis or otherwise is used in the transmission of video programming directly to subscribers; or
d. Any facilities of any electric utility used solely for operating its electric utility system.

(6) Channel or Cable Channel. A portion of the electromagnetic frequency spectrum that is used in a cable system and which is capable of delivering a television channel as defined by the Federal Communications Commission.

(7) Drop Line. The cable that feeds a signal to individual customers from the feeder cable serving a specific area.

(8) FCC. The Federal Communications Commission.

(9) Feeder Line. A secondary section of cable leading from the trunk past subscribers’ homes; also known as branch cable.

(10) Franchise. Any authorization granted hereunder in terms of a franchise, privilege, permit, or license to construct, operate and maintain a cable television system in the Town of Carrboro for the purpose of providing cable service to the citizens of Carrboro.

(11) Grantee. The person to whom a franchise is granted by the Board as well as the lawful successor, transferee or assignee of this person (so long as the transfer is approved in accordance with Section 16-11).

(12) Gross Annual Revenues. All revenues derived directly or indirectly by the grantee or any entity in which the grantee has a financial interest, from or in connection with the operation of a cable television system pursuant to a franchise granted hereunder, except that gross revenues shall not include bad debt, sales tax or other taxes or charges imposed on grantee in addition to its franchise obligations and collected for direct pass-through to the State or to the federal government. Gross annual revenues include by way of illustration, but are not limited to, regular subscriber service fees, installation fees, disconnect and reconnect fees, pay TV, leased channel revenues, advertising revenues, converter and remote control rental revenues, or any other receipts. Furthermore, revenues received by a grantee for the provision of data transmission, point to point telecommunications, or telephone services shall be included in gross annual revenues, to the extent permitted by law.

(13) Head End. The land, electronic processing equipment, antennas, dishes, towers, buildings, and other appurtenances normally associated with and located at the starting point of a cable television system.

(14) Initial Service Area. The area of the town that will receive cable service initially, as set forth in any franchise agreement.

(15) Installation. The connection of the system to subscribers’ terminals, and the provision of cable service.
(16) **Limited Area Grantee.** A grantee that is granted a franchise to operate within a limited area of the town where the grantee was lawfully operating a cable television service on the date such area was annexed to the town.

(17) **Limited Purpose Grantee.** A grantee that is granted a franchise to lay its lines within certain streets named in the franchise to provide service to certain specified locations, or to provide service to areas outside the town’s corporate limits.

(18) **Main Trunk Cable.** The main distribution line leading from the head end of the system to various areas where feeder lines are attached to the distribution signals to subscribers.

(19) **Normal Business Hours.** Those hours during which most similar businesses in the community are open to serve customers. In all cases, “normal business hours” must include some evening hours at least one (1) night per week and/or some weekend hours.

(20) **Normal Operating Conditions.** Those service conditions that are within the control of the grantee. Those conditions that are not within the control of the grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions, and significant legislative or regulatory requirements. Those conditions which are ordinarily within the control of the grantee include, but are not limited to, special promotions, pay-per-view events, regular peak or seasonal demand periods, and maintenance or upgrade of the system.

(21) **Public, Educational or Governmental Access Facilities or PEG Access Facilities.**
   a. Channel capacity designated for public, educational, or governmental use; and
   b. Facilities and equipment for the use of such channel capacity.

(22) **Service Area or Franchise Area.** The entire geographic area within the town as it is now constituted or may in the future may be constituted, unless otherwise specified in the franchise agreement.

(23) **Service Interruption.** The loss of picture or sound on one or more cable channels affecting at least ten percent (10%) of the subscribers on the system.

(24) **Service Package or Tier of Service.** One or more communications channels or services which are offered as a unit by the grantee to subscribers and for which a separately identifiable rate of charge is made.

(25) **State.** The State of North Carolina.

(26) **Street or Road.** The surface of and the space above and below any public or privately-owned or maintained property or right-of-way, street, road, highway, freeway, lane, path, alley, sidewalk, parkway or drive, now or hereafter existing within the incorporated area of the town.
Subscriber. Any person who or which lawfully elects to subscribe to cable service provided by the grantee by means of or in connection with the cable system and who pays the charges therefore, except such persons or entities authorized to receive cable service without charge as described in the franchise.

Section 16-3. Franchise Required.

(a) Except as provided in this section or Section 16-14, no person may engage in the construction, operation, or maintenance of a cable television system within the corporate limits of the town unless such person or the person for whom such action is being taken obtains and currently holds a valid franchise granted pursuant to this chapter. It shall also be unlawful for any person to provide cable television service in the town unless such person obtains and currently holds a valid franchise granted pursuant to the provisions of this chapter.

(b) As provided in Section 16-17, the town may grant a franchise to a limited area grantee to authorize such grantee to continue to provide cable television service to lots served by such grantee’s cable television system on the date of annexation. However, no person constructing, operating, or maintaining a cable television system within an annexed area on the effective date of annexation may continue to construct, operate, or maintain such system after the effective date of annexation unless a franchise has been granted under this chapter.

(c) It shall be unlawful for any telephone, telegraph, or power company or any other public utility company or person to lease or otherwise make available to any other person any poles, lines, facilities, equipment, or other property for use in connection with the operation of a cable television system, unless such other person holds a valid franchise granted pursuant to the provisions of this chapter.

Section 16-4 Conflict Between This Chapter and Franchise.

To the extent that there is any conflict between the provisions of this chapter and the provisions of any franchise granted pursuant to this chapter, the provisions of the franchise shall be controlling.

Section 16-5. Reserved.
ARTICLE II

ACQUIRING, TRANSFERRING, RENEWING, AND TERMINATING FRANCHISE

Section 16-6 Initial Franchise Applications.

(a) Any person desiring an initial franchise for a cable television system shall file an application with the town in accordance with the provisions of this section.

(b) An application for an initial franchise for a cable television system shall contain, where applicable:

1) A statement as to the proposed franchise and service area.

2) A resume of the prior history of the applicant, including the legal, technical and financial expertise of the applicant in the cable television field.

3) A list of the partners, general and limited, of the applicant, if a partnership, or the percentage of stock owned or controlled by each shareholder, if a corporation.

4) A list of the officers, directors and managing employees of the applicant, together with a description of the background of each such person.

5) The names and addresses of any parent or subsidiary of the applicant or any other business entity owning or controlling the applicant in whole or in part, or owned or controlled in whole or in part by the applicant.

6) A current financial statement of the applicant verified by a CPA audit or otherwise certified to be complete and correct to the reasonable satisfaction of the town.

7) A proposed construction and service schedule.

8) Any additional information that the town deems reasonably necessary to determine whether the applicant has to construct, operate, and maintain a cable television system and provide cable service in accordance with the provisions of this chapter.

(c) A nonrefundable application fee in the amount of $3,000.00 shall accompany the application. Such application fee shall not be deemed to be “Franchise Fees” within the meaning of Section 622 of the Cable Act (47 U.S.C. § 542), and such payments shall not be deemed to be (i) “payments in kind” or any involuntary payments chargeable against the compensation to be paid to the town by a grantee pursuant to Section 16-22 hereof and applicable provisions of a franchise agreement, or (ii) part of the compensation to be paid to the town by a grantee pursuant to Section 6-22 hereof and applicable provisions of a franchise agreement.
Section 16-7. Acceptance of Franchise; Effective Date.

a) Upon receipt of an application for a franchise in accordance with the provisions of Section 16-6, the Board shall determine the applicant’s qualifications to construct, operate, and maintain a cable television system and to provide cable service in accordance with the provisions of this chapter. If the Board determines that the applicant is not so qualified, it may refuse to grant the requested franchise. If the Board determines that the applicant is so qualified, it may, by ordinance, grant a franchise to such applicant, to be effective as provided in this section. No provision of this chapter may be deemed or construed to require the granting of a franchise when the Board determines that to do so would not be in the public interest.

b) Within thirty (30) days after the Board has taken final action to approve the granting of a franchise, the grantee shall file with the town clerk a written acceptance of the conditions required for the franchise, acknowledged before a notary public. Such acceptance shall acknowledge that the grantee agrees to the bound by and to comply with the provisions of this chapter and the franchise and shall be in a form approved by the town attorney.

c) Concurrently with the filing of the written acceptance, the grantee shall file with the town clerk the bond, letter of credit, and insurance policies required by Sections 16-31 through 16-33 of this chapter.

d) The effective date of any franchise granted shall be the date on which the grantee files the acceptance, bond, and proofs of insurance as required herein. However, if any of the material required to be filed with the acceptance or the acceptance itself is defective or fails to meet with approval, the franchise shall not be effective until such defect is cured or such approval is obtained.

e) If the grantee fails to accept the franchise and file the information required under this section within the time limit set forth in subsection (b), the Board may, at any time thereafter before acceptance, summarily revoke the franchise. Written notice of such revocation shall be sent to the grantee forthwith.

Section 16-8. Franchise Term.

Any franchise granted may be for a term of up to twenty (20) years from the date the Board takes final action to approve such franchise. The term of the franchise shall be specified in the franchise.


Any franchise granted shall be nonexclusive. The town specifically reserves the right to grant, at any time, such additional franchise for a cable television system or any component thereof, as it deems appropriate, subject to applicable State and federal law.

Section 16-10. Multiple Franchises.

(a) The town may grant one or more franchises for a service area. The town may, in its sole discretion, limit the number of franchises granted, based upon, but not necessarily limited to, the requirements of applicable law and specific local considerations, such as:
1) The capacity of the public rights-of-way to accommodate multiple cables in addition to the cables, conduits and pipes of the utility systems, such as electrical power, telephone, gas and sewage.

2) The impact on the community of having multiple franchises.

3) The disadvantages that may result from cable system competition, such as the requirement for multiple pedestals on residents’ property, and the disruption arising from numerous excavations of the rights-of-way.

4) The financial capabilities of the applicant and its guaranteed commitment to make the necessary financial investment and to maintain and operate the proposed system for the duration of the franchise term.

(b) Subject to the provisions of Sections 16-17 and 16-18, any additional franchise granted by the town to provide cable service in a part of the town in which a franchise has already been granted and where an existing grantee is providing service shall require the new grantee to provide service throughout its service area within a reasonable time and in a sequence which does not discriminate against lower income residents.

Section 16-11. Transfer or Assignment of Cable Television System.

   a) No transfer of control of a franchise or assignment of a franchise to operate a cable television system, other than a pro forma transfer or assignment to a parent or wholly owned subsidiary corporation or other form of organization, shall take place, whether by force or voluntary sale, lease, mortgage, assignment, encumbrance, foreclosure, attachment, merger, or other form of disposition, without prior notice to and approval by the Board. The notice shall include full identifying particulars of the proposed transaction, and the Board shall act by resolution. The Board shall have one hundred twenty (120) days after the receipt of the notice and all supporting documents within which to approve or disapprove a transfer of control or assignment of the franchise. If the proposed transfer or assignment is not acted upon within one hundred twenty (120) days, approval shall be deemed to have been given.

   b) Notice of any such proposed transfer or assignment, together with copies of all documents pertaining thereto, shall be in writing and filed with the town clerk. The proposed transferee or assignee shall agree in writing to comply with all provisions of this ordinance and such other provisions and requirements as the Board might require.

   c) For the purpose of this section the term “control” is not limited to majority stock ownership, but includes actual working control in whatever manner exercised. A rebuttable presumption that a transfer of control has occurred shall arise upon the acquisition or accumulation by any person or group of persons of ten percent (10%) of the voting shares of the grantee.

   d) In the absence of extraordinary circumstances, the Board will not approve any transfer or assignment of the franchise before completion of initial construction of the energized system or within the first two (2) years of operation thereafter.

Section 16-12. Franchise Renewal.
Franchise renewals shall be in accordance with applicable law including, but not necessarily limited to, the Cable Act. The town and the grantee, by mutual consent, may enter into renewal negotiations at any time during the term of the franchise.

Section 16-13. Termination and Expiration of Franchise.

(a) The Board may terminate at any time any franchise granted hereunder and rescind all rights and privileges associated therewith in the event that:

1) Grantee has not complied in some material respect with any provision of this Chapter, or of any supplemental written agreement entered into by and between the town and the grantee, or of any terms or conditions of any franchise or permit issued hereunder; or

2) Grantee has made a material, false statement in the application for the franchise, knowing it to be false; or

3) Grantee, contrary to the best interest of public convenience and welfare is not providing subscribers with regular, adequate, and proper service; consistent with the terms of any franchise granted hereunder; or

4) Grantee becomes insolvent, enters into receivership or liquidation, files for bankruptcy or for composition of creditors, is unable or unwilling to pay its debts as they mature or is in financial difficulty of sufficient consequence so as to jeopardize the continued operation of the cable television system, unless the grantee is in due process of contesting such debts; or

5) Grantee violates any FCC order or ruling or the order or ruling of any other governmental body having jurisdiction over the grantee, unless the grantee is lawfully contesting the legality of applicability of such order.

6) The operation of the cable television system is discontinued for a continuous period of thirty (30) days.

(b) If the town proposes to terminate for cause a franchise granted hereunder, it shall give the grantee sixty (60) days written notice of its intention to terminate and stipulate the cause. If during the sixty (60) day period the cause shall be cured to the satisfaction of the town, the town shall declare the notice to be null and void. In any event, before a franchise may be terminated the grantee must be provided with an opportunity to be heard before the Board in accordance with due process procedures. If a grantee’s franchise is terminated, the decision shall be subject to a judicial review as provided by law.

Section 16-14. Continuation of Service.

(a) Upon expiration or termination of a franchise, the town may require the grantee to continue to provide service for a reasonable period (not to exceed six months) in order to assure uninterrupted service to subscribers.

(b) Upon expiration or termination of a franchise, for so long as the grantee continues to operate the cable television system thereafter, the grantee shall remain subject to the
provisions of the expired or terminated franchise, unless and until a new franchise is issued to such grantee.

Section 16-15. Purchase of System by Successor Grantee or Town.

(a) Upon the expiration or termination of a franchise, the Board may advertise and seek another grantee to operate the system. The Board, in seeking a new grantee, shall use essentially the same methods and procedures as are required to grant the initial franchise.

(b) If a franchise is granted to another person, the terminated grantee may be required to sell the entire cable television system to the new grantee at its fair market value as determined by three (3) competent, independent appraisers, one each to be appointed by the terminated grantee, the new grantee, and the Board. The appraisers so appointed shall use the then-best methods of appraising to determine this value. The cost of the appraisers shall be shared equally by the terminated grantee and the new grantee. The terminated grantee shall execute such deeds, bills of sale and other documents as may be necessary to effectuate this sale. The terminated grantee shall fully cooperate with these appraisers.

(c) Upon expiration or termination of a franchise, or if a renewal of a franchise is denied, the Board shall have the option, upon ninety days written notice to the grantee, to purchase the cable television system at its fair market value as determined by three (3) competent, independent appraisers, one each to be appointed by the grantee and the town and the third to be appointed by the other two appraisers. The appraisers so appointed shall use the then-best methods of appraising to determine this value. The cost of the appraisers shall be shared equally by the grantee and the town. The grantee shall execute such deeds, bills of sale and other documents as may be necessary to effectuate this sale. The grantee shall fully cooperate with these appraisers.

Section 16-16. Removal or Abandonment of System.

(a) Upon the expiration or termination of a franchise, the grantee shall, not later than six months from such expiration, begin the removal of all property owned by it and placed on a public or private right-of-way, unless the grantee’s cable television system property has been purchased by a successor under Section 16-15, or the town (in the case of a public right-of-way) or the owner of a private right-of-way authorizes the grantee to abandon this property in place.

(b) In removing its plants, structures, and equipment, the grantee shall refill, at its own expense, any excavation that shall be made by it and shall leave such public and private places in as good condition as that prevailing prior to the company’s removal of its equipment and appliances without affecting, altering, or disturbing in any way the electric distribution or telephone cable, wire, or attachments or any poles. The town manager shall appoint a town officer or employee to inspect and approve the condition of such public ways and public places and cables, wire attachments, and poles after removal. Liability insurance and indemnity provided for herein shall continue in full force and effect during the entire period of removal.

(c) Upon abandonment, which shall only be done as the town directs, the grantee shall transfer ownership of all such abandoned property to the town and submit to the town an instrument in writing, subject to the approval of the town attorney, effecting such transfer.

(d) If the town or the state is forced to remove the system, the work shall be done at the expense of the terminated grantee.
Section 16-17 Limited Area Franchise.

(a) The town may grant a franchise to a limited area grantee to authorize such grantee to continue to provide cable television service to lots served by such grantee’s cable television system on the effective date of annexation. The term “lot” shall have the meaning described in Subsection 15-15(37) of the town code.

(b) For purposes of this section, a lot is served by a cable television system on the effective date of annexation if, on that date, a principal building (as the term is defined in Subsection 15-15(8) of the town code) has been fully constructed on such lot, the building has been wired to accept cable television service, and a drop line has been laid connecting the building to the feeder line.

(c) A lot shall also be regarded as being served on the date of annexation if:

1) That lot is located within a residential subdivision (or phase or section thereof) that is being developed according to a master plan for the entire subdivision;

2) On the date of annexation, feeder lines have been run to that lot so that connection to the cable television system can be made merely by running a drop line from a structure on that lot to the adjacent feeder line; and

3) On the date of annexation, at least ten percent of the lots served by feeder lines have been developed and sold and are occupied.

(a) Within ten days after the effective date of annexation of an area, a limited area grantee shall file with the town a map showing all lots within such area where the grantee was providing service on the effective date of annexation. The grantee shall also furnish any other information reasonably requested by the town to document grantee’s contention that service was being provided to such lots on the effective date of annexation.

(b) A limited area grantee shall be subject to all of the provisions of this chapter applicable to other grantees except those specifically made not applicable to such limited area grantees.

(c) Nothing in this section is intended to prevent a company providing cable television service to an annexed area from seeking a franchise to serve all other areas within the town.

Section 16-18 Limited Purpose Franchise.

(a) The town may grant a franchise to a limited purpose grantee to authorize such grantee to lay its lines within designated town streets to provide services to specified locations or to provide service outside the town limits.

(b) A limited purpose grantee shall be subject to those provisions of this chapter except those that are patently not applicable to the circumstances of a limited purpose grantee.

Sections 16-19 through 16-20 Reserved.
ARTICLE III

AUTHORITY AND RESPONSIBILITY UNDER THE FRANCHISE

Section 16-21. Authority Granted by the Franchise.

The grantee of any franchise shall, subject to the provisions of this chapter, be authorized to construct, operate, and maintain a cable television system, and to engage in the business of providing cable service in the town as defined herein and in the franchise ordinance, and for that purpose to erect, install, construct, repair, replace, reconstruct, and maintain such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be necessary and appurtenant to the cable television system; and to use, operate and provide similar facilities or properties rented or leased from other persons. However, before any poles, wires, or other thing mentioned above as necessary and appurtenant to the cable television system may be placed within any street or road, the proper permission and authority to do so must be obtained by the grantee from the town (pursuant to Chapter 7 of the Town Code) or the North Carolina Department of Transportation or other agency of competent jurisdiction.

Section 16-22. Franchise and Other Fees.

(a) Following the issuance and acceptance of a franchise, the grantee shall pay to the town for the privilege of constructing, operating, and maintaining the cable television system and for the privilege of providing cable service and using public rights-of-way, a franchise fee in the amount and according to the schedule set forth in the franchise. Unless otherwise specified in the franchise, the amount of this franchise fee shall be the maximum amount that may be charged under applicable law (which, on the effective date of this chapter, is 5% of the grantee’s gross annual revenues).

(1) The town, on an annual basis, shall be furnished a statement within ninety (90) days of the close of the grantee’s fiscal year, certified by an official of the grantee responsible for the system’s financial statements, reflecting the total amount of gross revenues as defined herein, and all payments and other computations relevant to the determination of the amount of franchise fees owed by grantee for the previous fiscal year. Upon ten (10) days prior written notice, the town shall have the right to conduct an independent audit of franchisee’s records. If, after resolving any dispute arising from such audit, franchisee has made a franchise fee underpayment of five percent (5%) or more, the franchisee shall assume all reasonable costs of such audit. Otherwise, the town shall be responsible for all costs associated with such audit.

(2) The Board or its employee or other designated representative shall have the right to inspect at any time during regular business hours the financial documents relevant to this calculation of the franchise fee payment.

(3) Acceptance of payments hereunder shall not be construed as a release or as an accord and satisfaction of any claim the town may have for further or additional sums payable under this chapter or for the performance of any other obligations hereunder.
(4) The payment of this fee is in addition to any ad valorem taxes that the town may levy on the grantee’s real or personal property.

(b) The five percent (5%) franchise fee provided for herein shall be reviewed every five (5) years during the term of this franchise, and the franchise fee, at the sole option of the town shall be adjusted upward if the Board determines that an upward adjustment is necessary or appropriate in order to maintain the franchise fee at a level consistent with:

(1) Franchise fees being paid by cable telecommunications companies operating under similar conditions; or

(2) The costs incurred by the town in administering this franchise; or

(3) The value of the company’s right to use town public ground, highways, roads, streets, alleys, sidewalks, greenways, public ways, and utility easements as may be available; or

(4) Any applicable statutes, laws, rules and regulations.

(c) If the franchise fee is adjusted upward as provided in subsection (c), such adjustment shall be effective at the beginning of the next immediate full quarter of the grantee’s fiscal year during which such adjustment is made. The town may unilaterally adjust the franchise fee upward only after giving notice to the grantee and holding a hearing.

Section 16-23. Rate Regulation.

The town reserves the right to regulate rates for basic cable service and any other services offered over the cable system, to the extent permitted by federal or State law.

Section 16-24. Consumer Protection and Service Standards.

(a) Subscriber Privacy. In accordance with 47 U.S.C. § 551, the grantee shall, not less than annually, provide a privacy notice in the form of a separate written statement to subscribers as required by the provisions of the Cable Act.

(b) Employee Identification. When calling in person on subscribers or other residents, all employees or authorized representatives of the grantee are required to display an employee identification card with their name, photograph and signature, and a telephone number that can be used for verification of the representative's capacity with the grantee. The grantee's vehicles shall display the name of the cable company in easily distinguishable alpha-numeric characters. The grantee shall make a reasonable effort to cause its subcontractors' vehicles to be identified in a like fashion.

(c) Office and Telephone Availability.

(1) Knowledgeable, qualified company representatives will be available to respond to customer telephone calls Monday through Friday during normal business hours. Additionally, based on community needs, the grantee will staff its telephones for supplemental hours on weekdays and/or weekends.
(2) Under normal operating conditions, telephone answer time by the
granee's customer service representatives, including wait time required to
transfer the call, shall not exceed thirty (30) seconds. This standard shall
be met no less than ninety percent (90%) of the time measured on an
annual basis.

(3) Under normal operating conditions, the customer shall receive a busy
signal less than three percent of the total time that the grantee's office is
open for business.

(4) Customer service center and bill payment locations operated by the
grantee shall be open for transactions Monday through Friday during
normal business hours. Additionally, based on community needs, the
grantee shall schedule supplemental hours on weekdays and/or weekends
during which these centers shall be open.

(5) The grantee shall be responsible for adopting and implementing subscriber
complaint procedures and for advising subscribers of the availability of
these procedures. The procedures shall be designed to resolve subscriber
complaints in a timely and satisfactory manner; to develop sensitivity and
responsiveness to subscriber needs by the grantee and its management;
and to improve the quality and dependability of services to subscribers by
the grantee.

(6) Established complaint procedures shall include: specific provisions
permitting subscriber repair or service complaints to be received by
telephone twenty-four (24) hours each day and seven (7) calendar days
each week; permitting subscriber repair service complaints to be received
at the grantee's business office from 8:00 A.M. until 7:00 P.M. on Monday
through Friday of each week and from 9:00 A.M. until 1:00 P.M. on
Saturday; and the address of the grantee's business office.

(d) Installations, Outage and Service Calls. Under normal operating conditions, each
of the following standards shall be met no less than ninety-five percent (95%) of the time
measured on an annual basis.

(1) Standard installation shall be performed within seven (7) business days
after an order has been placed. "Standard" installations are up to one
hundred fifty (150) feet from the existing distribution system.

(2) Excluding those situations beyond the control of the grantee, the grantee
shall respond to service interruptions promptly and no later than twenty-
four (24) hours after the interruption becomes known to the grantee. The
Grantee must begin actions to correct other service problems the next
business day after notification to the grantee of the service problem.

(3) The "appointment window" alternatives for installations, service calls, and
other installation activities shall be: (i) morning, (ii) afternoon, or (iii) all
day during normal business hours. Additionally, based on the community
needs, the grantee shall schedule supplemental hours during which
appointments can be set.
(4) If at any time an installer or technician is running late, an attempt to contact the customer shall be made and the appointment rescheduled as necessary at a time which is convenient for the customer.

(5) The grantee shall render efficient service, make repairs promptly and interrupt service only for good cause and for the shortest time possible. Unless such interruptions occur within the midnight to 6:00 A.M. period, these interruptions shall be preceded by a notice to subscribers, insofar as possible.

(6) The grantee office and technical personnel, in lieu of answering devices, shall receive customer calls during business hours and respond to all customer complaint calls until 10:00 P.M. on normal business days. After 10:00 P.M. on any day, trained technicians shall respond to calls if three complaints are received by subscribers served by a common distribution system.

(e) Communication, Statements, Refunds, and Credits.

(1) The grantee shall provide written information on each of the following matters at the time of installation and at any future time upon request: (i) products and services offered; (ii) prices and service options; (iii) installation and service policies; and (iv) how to use the cable service.

(2) Subscriber billing statements shall be clear, concise and understandable. Such statements shall reflect all services and fees in an itemized fashion.

(3) Refund checks shall be issued promptly, but no later than the earlier of thirty (30) calendar days or the customer's next billing cycle following the resolution of the request or, if service was terminated, thirty (30) calendar days from the date of the return of the equipment supplied by the cable company.

(4) Customers shall be notified in writing a minimum of thirty (30) calendar days in advance of any rate or channel change, provided the change is within the control of the grantee.

(5) The grantee shall provide outage credit to subscribers in accordance with the following policy:

Upon notification, should the grantee fail to correct a service outage problem - within its control - within 24 hours after having receipt of such notice the grantee shall credit 1/30th of the monthly charge for the affected service for each 24-hour period or fraction thereof following the first twenty-four (24) hour period during which the subscriber experiences service outage. Subscriber must advise the grantee of the duration of the service interruption for which credit is sought in order to receive such credit. “Notice” for the purpose of this provision shall mean written, telephonic (voice), facsimile or e-mail communication to the grantee.
(6) Late fees shall not be assessed earlier than thirty (30) calendar days past the billing cycle due date.

(f) Complaint – Appeals.

(1) Upon notification by a subscriber of an unresolved complaint, the town shall determine the facts of the complaint by obtaining information from the subscriber and the grantee and shall act to resolve the complaint in a manner consistent with the town's authority.

(2) The cable subscriber may register a complaint with the town regarding rates or associated equipment rental, and the town may file a formal complaint with the Federal Communications Commission as provided by FCC regulations.

Section 16-25. Limitations of Franchise.

(a) In addition to the limitations otherwise appearing herein, the franchise is subject to the limitations and restrictions set forth in this section.

(b) The grantee shall at all times during the life of any franchise comply with any and all ordinances that the town has adopted or shall adopt and shall be subject to all laws of the State of North Carolina and the United States.

(c) Time shall be of the essence of any franchise granted hereunder. The grantee shall not be relieved of its obligations to comply promptly by the failure of the town to enforce prompt compliance. Failure of the town to enforce any breach by the grantee shall not constitute a waiver by the town.

(d) Any franchise granted hereunder shall not relieve the grantee of any obligation under any pre-existing pole or conduit-use agreements with the town, a utility company, or others maintaining poles or conduits in the street within the town.

(e) The grantee shall, upon reasonable notice from any person holding a building moving permit issued by the town, temporarily alter its facilities to permit the moving of such building. The actual cost of such altering shall be borne by the person requesting the altering and the grantee shall have the right to request payment in advance. For purposes of this provision, “reasonable notice” shall mean at least seventy-two (72) hours prior to the move.

(f) If in case of fire or disaster in the town it becomes necessary, in the judgment of the mayor, the chief of police, or the chief of the fire department, to cut or move any of the wires, cables, amplifiers, appliances, or appurtenances of the grantee, such cutting or moving may be done by the town. Any repairs rendered necessary thereby shall be made by the grantee, at its sole expense.

Section 16-26. Additional Town Rights in Franchise.

(a) The town may from time to time add to, modify, or delete provisions of this ordinance as it shall deem necessary in the exercise of its regulatory powers, so long as such additional or revisions are reasonable and in keeping with the public interest and welfare. Such
additions or revisions shall be made only after a public hearing for which the grantee shall have received at least ten (10) days prior written notice.

(b) The town reserves the right upon reasonable notice to require the grantee at its expense to protect, support, temporarily disconnect, relocate or remove from the town’s streets any property of the grantee by reason of traffic conditions, public safety, street construction or excavation, change or establishment of street grade, installation of sewers, drains, water pipes, power or communication lines or other types of structures, or other improvements by governmental agencies. Reasonable notice under this subsection shall be construed to mean at least thirty (30) days except in the case of emergencies, when no specific notice period shall be required.

(c) If the grantee fails to complete any work required by subsection (b) above or any work required by town ordinance within the times established and to the satisfaction of the town, the town may cause such work to be done, and the grantee shall reimburse the town the costs thereof within thirty (30) days after receipt of an itemized list of such cost.

(d) The town reserves the right during the life of any franchise granted hereunder, reasonably to inspect and supervise at the grantee’s cost all grantee’s construction or installation work to insure compliance with the terms of this chapter and the franchise. The town may also perform measurements upon and randomly inspect any portion of a grantee’s system to ensure compliance with the technical standards under which the grantee is authorized to operate. Upon the town’s request, the grantee shall perform the tests, submitting the results to the town.

(e) The town reserves the right, in the event of an emergency or disaster, to require the grantee to make available to the mayor, at his request, grantee’s facilities at no cost, for emergency use during such emergency or disaster period.

(f) The town reserves the right, during the life of any franchise granted hereunder, to install and maintain free of charge upon the poles and conduits of the grantee any wire and pole fixtures necessary for municipal networks such as police and fire, on the condition that such installations and maintenance thereof do not interfere with the operations of the grantee.

(g) Neither the granting of any franchise nor any governing provision of such franchise shall constitute a waiver or bar to the exercise of any governmental right of power of the town, including without limitation the power of eminent domain.

(h) Any right or power in or duty impressed upon any officer, employee, department or board of the town shall be subject to transfer by the Board by law to any other officer, employee, department or board of the town. The town reserves all rights not specifically granted herein, and the enumeration of the rights herein shall not be construed to be a limitation of any right or power the town may otherwise have.

Section 16-27. Use of Street and Roads.

(a) The poles used for a cable television distribution system shall be, to the extent possible, those erected and maintained by either a power company or a telephone company, or both. Notwithstanding any other provisions of this chapter, no poles except replacements for existing poles shall be erected by or for the grantee in any street without the prior approval of the town. Any poles, wires, cables or other facilities to be constructed or installed within the streets or roads shall be constructed or installed only at such locations and depths and in such a manner...
as to comply with all state statutes and rules and regulations of the North Carolina Department of Transportation, the town, and any other agency of competent jurisdiction.

(b) All facilities constructed or installed within the streets or roads shall be so constructed and installed so as to cause minimum interference with the proper use of said street or roads, and minimum interference with the property rights of property owners adjoining said streets or roads or other persons having property interests which will be affected by such construction or installation. The facilities shall be constructed or installed so that, after construction or installation is complete, they shall cause no adjoining said street or road or other affected persons.

(c) Whenever the grantee takes up or disturbs any pavement, sidewalk or other improvement within any street or road right-of-way, the same shall be replaced and the surface restored to as good a condition as before entry, all in accordance with standards, regulations and policies of the town and the North Carolina Department of Transportation.

(d) Any opening or obstruction in the streets shall be guarded and protected at all times by the placement of adequate barriers, fences or boards, the bounds of which shall be clearly designated by warning lights or approved types.

(e) The installation of lines, including service drops to subscribers, shall be made underground in areas where either the telephone or power lines, or both, are underground. In addition, lines and facilities shall be installed underground and any existing above-ground facilities shall be placed underground when required by rules, regulations, or policies of the North Carolina Department of Transportation or the town.

(f) All obligations imposed on the grantee by this section shall be undertaken by the grantee at its expense.

Section 16-28. Service Area and Construction Schedule.

(a) A grantee other than a limited area grantee or a limited purpose grantee shall, within the time frame specified in its franchise, provide service to the “initial service area” as described in the franchise. Thereafter, such grantee shall extend its service throughout the town according to the schedule set forth in its franchise.

(b) Subject to subsection (c), newly annexed areas that are contiguous to the pre-existing corporate limits of the town shall be served by a grantee (other than a limited area grantee or limited purpose grantee) within six months of the effective date of the annexation. Newly annexed noncontiguous areas shall be served by such grantee within six months of the annexation’s effective date if such grantee has or can obtain whatever permission is necessary from Orange County or the N.C. Department of Transportation to enable such grantee to run its lines to the non-contiguous annexed area.

(c) Notwithstanding subsection (a), the grantee shall not be required to extend its service along any street unless there are thirty (30) residences per mile or their equivalent in such street or portion thereof capable of being served by contiguous plant from grantee’s head end. However, the grantee shall be required to serve such street within six (6) months after the density criterion is satisfied. In calculating density for purposes of this subsection, residences where cable television service is available through a system operated by a limited area grantee shall be excluded.
(d) Failure to provide service as provided above within the time limits referenced shall be grounds for termination of the franchise unless such failure was caused by factors beyond the control of the grantee.

(e) The town may in its discretion extend the time for grantee, acting in good faith, to perform any act required. The time for performance may be extended or excused, as the case may be, for any period during which the grantee demonstrates to the satisfaction of the Board that the grantee is being subjected to delay or interruption due to any of the following circumstances if reasonably beyond its control:

   (1) Necessary utility rearrangements or pole changeouts;

   (2) Governmental regulatory restrictions;

   (3) Labor strikes or lock outs; or

   (4) War, national emergencies, fire, natural disasters, or other acts of God.

Section 16-29. Technical Standards.

(a) The grantee shall construct, install, operate and maintain its system in a manner consistent with all applicable laws, ordinances, construction standards, governmental requirements, Federal Communications Commission technical standards, and any standards set forth in its franchise. In addition, the grantee shall provide to the town, upon request, a written report of the results of the grantee’s periodic proof of performance tests conducted pursuant to Federal Communications Commission standards and guidelines.

(b) Repeated and verified failure to maintain specified technical standards shall constitute a material franchise violation.

(c) All construction practices shall be in accordance with all applicable sections of the Occupational Safety and Health Act of 1970, as amended, as well as all other applicable local, state and federal laws and regulations.

(d) All Installation of electronic equipment shall be installed in accordance with the applicable provisions of the National Electrical and Safety Code and National Electrical Code, as amended.

(e) Antennae and their supporting structures (towers) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and other applicable local, state and federal laws and regulations, including without limitation the town’s Land Use Ordinance.

(f) All of grantee’s plant and equipment, including, but not limited to, the antenna site, headend and distribution system, towers, house connections, structures, poles and wire, coaxial cable, fixtures and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices, performed by experienced maintenance and construction personnel so as not to endanger or interfere with public street rights-of-way or the improvements located therein.
or the rights of any property owner, or to unnecessarily hinder or obstruct pedestrian or vehicular traffic.

Section 16-30. Liability and Indemnification.

(a) The grantee shall save the town and its officials and employees harmless from all loss sustained by them on account of any suit, judgment, execution, claim or demand which they may legally be required to pay as a result of the enactment of this chapter and the award of a franchise hereunder or as a result of the exercise of any franchise granted to the grantee.

(b) The grantee shall save the town and its officials and employees harmless from all loss sustained by them on account of any suit, judgment, execution, claim or demand whatsoever based upon any injuries or damages sustained (including but not limited to copyright infringement) arising out of the installation, operation or maintenance of the cable television system authorized herein, whether or not any act or omission complained of is authorized, allowed or prohibited by this ordinance or any franchise granted hereunder.

(c) The grantee shall pay all expenses incurred by the town and its officials and employees defending themselves with regard to all damages and penalties mentioned in subsections (a) and (b) above. These expenses shall include all out-of-pocket expenses, such as consultant or attorney fees, and shall also include the reasonable value of any services rendered by the town attorney or any other employee of the town.

Section 16-31. Insurance.

(a) Concurrently with the filing of a written acceptance of any franchise issued hereunder, the grantee shall file with the town clerk and at all times thereafter maintain in full force and effect for the term of such franchise or any renewal thereof:

(1) Comprehensive general liability providing coverage for personal injuries and property damage. The amounts of such coverage shall be as provided in the franchise. The town shall be named as an additional insured on such policy.

(2) Business auto liability policy providing coverage for personal injuries and property damage. The amount of coverage shall be as provided in the franchise.

(b) The insurance coverage necessary to comply with this section shall be approved by the town, (such approval not to be unreasonably withheld) and copies of such insurance policies (or certificates of insurance) shall be filed with the town.

Section 16-32. Letter of Credit.

(a) Within thirty (30) calendar days following the award of a franchise, the grantee shall deposit with the town a letter of credit from a financial institution, approved by the town’s finance director or designated representative, in the amount to be specified in the franchise. The form and content of the letter shall be approved by the town attorney, which approval shall not be unreasonably withheld. The letter of credit shall be used to insure the faithful performance by the grantee of all provisions of the franchise, and compliance with all orders, permits and directions of any agency, commission, board, department, division or office of the town.
exercising jurisdiction over the grantee’s acts or defaults, and payment by the grantee of any penalties, claims, liens, liquidated damages, or fees due the town.

(b) If the grantee fails to pay to the town any compensation, not in dispute, due the town within the time fixed herein, or fails, after thirty (30) calendar days notice to pay to the town any penalties, claims, liens, liquidated damages, fees due the town, such failure by the grantee can be remedied by demand on the letter of credit. Upon such request for payment, the town shall notify the grantee of the amount and date thereof.

(c) The letter of credit shall be maintained at the amount indicated in subsection (a) above during the entire term of the franchise unless modified in accordance with the procedures provided for in the franchise. In the event that amounts are withdrawn pursuant to this section, the grantee shall take any required action to restore the letter of credit to the original amount within ten (10) business days of notification by the town of its withdrawal against the letter of credit.

(d) The rights reserved to the town with respect to the letter of credit are in addition to all other rights of the town, whether reserved by the franchise, or authorized by law, and no action, proceeding or exercise of a right with respect to such a letter shall affect any other right the town may have.

Section 16-33. Construction Bond.

Within thirty (30) calendar days following the award of an initial franchise, the grantee shall file with the town clerk a corporate surety bond by a company authorized to do business in the State of North Carolina and found acceptable by the town attorney in the amount of five (5%) percent of estimated construction costs as determined by the town to guarantee the timely construction and full activation of the cable televisions system.

1) The bond shall provide, but not be limited to, the following condition: there shall be recoverable by the town, jointly and severally from the principal and surety, any and all damages, loss or costs suffered by the town resulting from the failure of the grantee to satisfactorily complete and fully activate the cable television system pursuant to the terms of the franchise.

2) Any extension to the prescribed time limit must be authorized by the Board. Such extension shall be authorized only when the Board finds that such extension is necessary and appropriate due to causes beyond the control of the grantee. The Board may waive the requirement of a construction bond for good cause.

3) The construction bond shall be terminated only after the Board finds that the company has satisfactorily completed and fully activated the cable television system pursuant to the terms of the franchise.

4) The rights to the town with respect to the construction bond are in addition to all other rights of the town, whether reserved by this ordinance or authorized by law, and no action, proceeding or exercise of right with respect to such construction bond shall affect any other right the town may have.

Section 16-34. Inspection of Cable System.
The town may inspect the grantee’s cable system, and upon reasonable notice, inspect the distribution facilities and equipment of the cable system. If, based on subscriber complaints or its own investigation, the town finds that the cable system’s operation is out of compliance with the franchise or applicable federal rules, it may require the grantee to perform tests, prepare a report and present to the town the results of those tests. The grantee shall identify any problem found, advise the town of the remedy it intends to pursue to correct the problem, the action to remedy the problem, and provide copies of test data to show that the problem has been corrected.

Section 16-35. Inspection of Books and Records.

(a) The town may inspect the books, records, maps, plans, and other documents, including financial documents, in the control or possession of the grantee, affiliates, or any person that constitutes an operator of the grantee’s cable television system: (i) to enforce the town’s rights or evaluate compliance with the franchise and applicable law, or (ii) in the exercise of any lawful regulatory power, or (iii) as may be convenient in connection with any proceeding the town may or must conduct under applicable law in accordance with the terms of this franchise. The material may be duplicated at the town’s facilities unless the grantee agrees to make inspection and copying available at some other place. Material that the town requires the grantee to produce under this section be produced upon reasonable notice, no later than thirty (30) calendar days after the request for production. Requests for extension of time to respond shall not be unreasonably denied.

(b) The grantee may request that the town treat any books, records, maps, plans and other documents of the grantee containing trade secrets or proprietary information as confidential under the North Carolina Public Records Law. To the extent authorized by the Public Records Law and applicable state and federal law, the town shall maintain the confidentiality of information designated “proprietary” by the grantee. Should the town receive a request to review the grantee’s records or books under the North Carolina Public Records Law, it will promptly notify the grantee and provide an opportunity for the grantee to raise an objection, demonstrate why the requested information is proprietary and, if necessary, seek a court order to protect its proprietary information. However, any action taken by the grantee to protect its records or information shall be done at no cost or liability to the town.

(c) The town shall provide prompt notice of additions or deletions to its boundaries to the grantee. To determine whether the grantee is remitting franchise fees based upon revenues received from its customer(s) to the proper franchising authority, the grantee shall cooperate with the town by providing such information as it has reasonably available regarding its customers’ addresses consistent with 47 U.S.C. § 551.

Section 16-36. Reports to the Town.

The grantee shall provide to the town:

(1) Within ninety (90) calendar days after the close of the grantee’s fiscal year, a written annual report setting forth gross revenues received by category for said fiscal year, certified by an official of the grantee;

(2) Upon request of the town, a copy of the most recent annual report, including a financial statement, of the grantee or its parent entity;
(3) A copy of any notice of deficiency, forfeiture, or other document issued by any state or federal agency which has instituted any investigation or civil or criminal proceeding naming the cable television system, the grantee, or any operator of the cable television system, to the extent the same may affect or bear on the operations of the grantee’s cable system; and

(4) A copy of any request for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy by the grantee, any affiliate which controls or manages the grantee, or any operator of the cable television system.

Section 16-37. Maintenance of Records.

In addition to reports required by this franchise, the Grantee shall maintain records of the following and shall produce to the town:

(1) FCC proof of performance;

(2) Records demonstrating compliance with applicable customer service standards; and

(3) A full and complete set of plans, records and “as-built” maps showing the location of the cable television system installed or in use in the town, exclusive of subscriber service drops and equipment provided in subscribers’ homes.

Section 16-38. Public, Educational and Governmental Access.

(a) The town may establish, consistent with federal and state law, requirements in franchises with respect to the designation and use of channel capacity on a franchise’s cable telecommunications system for public, educational and governmental access.

(b) The town shall have the right to direct the grantee to collect fees from customers to support the annual operating requirements of a community media (access) operation. The fee shall be collected and remitted to the town for deposit in a special revenue fund, designated for this purpose, each month.


The grantee shall incorporate into its cable television system the capacity to permit the town, in times of emergency, to override the audio portion of all channels simultaneously, by telephone or other communicating medium to be provided by the grantee.

(1) The grantee shall designate a channel which will be used for emergency broadcasts of both audio and video.

(2) The grantee shall cooperate with the town in the use and operation of the emergency alert override system.

(3) Franchises shall comply with all FCC Rules relating to the provision of emergency messages under the emergency alert system.
Section 16-40. Interconnection.

(a) For the purpose of and to the extent required to accomplish transporting PEG access channels, the grantee shall interconnect its cable television system with any adjacent cable television system, upon the directive of the town.

(b) Interconnection of the systems may be accomplished by direct hard cable connection, microwave link, satellite, or other appropriate means.

(c) The grantee shall cooperate with any interconnection corporation, regional interconnection authority or local, state or federal regulatory agency established for the purpose of regulating, financing, or otherwise providing for the interconnection of cable systems not under common ownership or control.

Section 16-41. Unlawful Connections and Theft of Service.

(a) No person may, without the permission of grantee, attach to or maintain an electronic, mechanical or other connection to any cable, wire, decoder, converter, descrambler, device or equipment of a cable television system, or remove, tamper with, modify or alter any cable, wire, decoder, converter, descrambler, device or equipment of a cable television system for the purpose of intercepting or receiving any programming or service transmitted by such cable television system which such person has not been authorized by the cable television system to receive.

(b) No person may without the authorization of a cable television system, distribute, sell, attempt to sell or possess for sale any converter, decoder, descrambler, device or kit or other equipment that is designated to decode or descramble any encoded or scrambled signal transmitted by such a cable television system operated by such grantee.

Section 16-42. Miscellaneous Provisions.

(a) If any section, sentence, clause or phrase of this chapter or the franchise is held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the remainder of this chapter or the franchise. However, if any such provision is determined to be invalid and a subsequent change in law renders such provision lawful, then such provision shall thereafter be fully enforceable.

(b) The grantee shall not be relieved of its obligation to comply promptly with any of the provisions of the franchise by any failure of the town to enforce prompt compliance.

(c) This chapter and any dispute arising from its adoption, or from any pursuant thereto shall be governed by the laws of the State of North Carolina and the town consistent with applicable FCC Rules and Regulations.

(d) In the event that the State or federal government discontinues preemption in any area of cable communications over which it currently exercises jurisdiction in such manner as to expand rather than limit municipal regulatory authority, grantor may, if it so elects, adopt rules and regulations in these areas to the extent permitted by law.
(e) This ordinance shall apply to all franchises granted or renewed after the effective date of this ordinance. It shall further apply to the extent permitted by applicable federal or State law to all existing franchises granted prior to the effective date of this ordinance.

(f) This chapter shall not be deemed conclusive as to the terms and conditions of any franchise issued hereunder. The final terms and conditions of such franchise shall be determined by the franchise ordinance.

Sections 16-43 through 16-50. Reserved.
ARTICLE IV
CABLE TELEVISION COMMITTEE

Section 16-51. Cable Television Committee Established. (Repealed 5/20/08)

Section 16-52. Meetings and Officers of Cable Television Committee. (Repealed 5/20/08)

Section 16-53. Powers and Duties of Cable Television Committee. (Repealed 5/20/08)

Sections 16-54 through 16-56. Reserved.
ARTICLE V

PENALTIES AND REMEDIES

Section 16-57. Penalties and Remedies.

(a) As provided in Section 16-13, violations of this chapter (or of a franchise) by a grantee may result in termination of the franchise.

(b) A violation of any of the provisions of this chapter or a failure to abide by any of the provisions of a franchise issued pursuant to this chapter shall subject the offender to a civil penalty of five hundred ($500) dollars. If a person fails to pay this penalty within ten (10) days after being cited for a violation, the town may seek to recover the penalty by filing a civil action in the nature of the debt.

(c) A violation of Sections 16-3 and 16-41 shall constitute a misdemeanor, punishable as provided in G.S. 14-4.

(d) The town may seek to enforce this chapter and any cable television franchise through any appropriate equitable action.

(e) Each day that a violation continues after the offender has been notified of the violation shall constitute a separate offense.

(f) The town may seek to enforce this chapter by using any one or any combination of the foregoing remedies.