

ORDINANCE 2025-3
QWEST CORPORATION d/b/a CENTURYLINK QC FRANCHISE AGREEMENT

**AN ORDINANCE GRANTING A FRANCHISE TO QWEST CORPORATION d/b/a
CENTURYLINK QC ON BEHALF OF ITSELF AND ITS AFFILIATES
("CENTURYLINK") TO OPERATE AND MAINTAIN A TELECOMMUNICATIONS
SYSTEM ("SYSTEM") IN THE CITY OF LANDER, WYOMING**

The City hereby ordains that it is in the public interest to grant CenturyLink a Franchise to operate a System pursuant to the terms and conditions contained herein.

FINDINGS

In review of CenturyLink, the City of Lander, Wyoming ("City") makes the following findings:

CenturyLink's technical ability, financial condition, legal qualifications, and character were considered in a full public proceeding after due notice and a reasonable opportunity to be heard on December 10, 2024;

CenturyLink's plans for operating the System were considered and found adequate and feasible in a full public proceeding after due notice and a reasonable opportunity to be heard; and

The Franchise granted to CenturyLink by the City complies with the existing laws and regulations of the City.

Section 1) Grant of Franchise. The City hereby grants to CenturyLink the non-exclusive right, privilege and authority to construct, maintain, operate, upgrade, adjust, protect, support, raise, lower, disconnect, remove and relocate its, wires, conduits, conductors, cables and related appurtenances ("Facilities") for its System in, under, along, over and across the present and future streets, roadways, avenues, courts, lanes, alleys, sidewalks, rights of way and similar public areas of the City ("Right-of-Way" or "Rights-of-Way"), for the purpose of providing telecommunications services to the City's inhabitants (hereinafter "Franchise"). The Franchise area is defined as the area within the legal boundaries of the City.

Section 2) Acceptance by CenturyLink. Within sixty (60) days after the passage of this Ordinance by the City, CenturyLink shall file a signed copy thereof with the City Clerk; otherwise the Ordinance and the rights granted herein shall be null and void.

Section 3) Term. The term of this Franchise commences upon the passage of this Ordinance and continues in full force and effect for five (5) years ("Initial Term"). At the end of the Initial Term, this Franchise will renew for subsequent twelve (12) month periods ("Renewal Term") until either Party provides written notice of its intent to terminate at least thirty (30) days prior to the expiration of the current Renewal Term. The Initial Term and Renewal Term may be collectively referred to as the "Term."

Section 4) Franchise Fee. As of the effective date of this Franchise, CenturyLink will pay the City a Franchise Fee of three percent (3%) of revenues received for the provision of local telecommunication services within the City calculated based upon CenturyLink's Gross Revenues (based upon the services defined in Appendix A hereto) generated by the System (the "Franchise Fee"). Payment shall be made quarterly within thirty (30) days after the last day of the quarter to which the payment applies during the Term of this Franchise.

Section 5) Obligation in Lieu of Fee. In the event that the Franchise Fee specified herein is declared void for any reason by a court of competent jurisdiction or applicable law, the Franchise Fee provided for herein shall be adjusted in accordance with applicable laws, provided the terms are applied on a competitively neutral and nondiscriminatory basis for similarity situated users of the rights of way. Further, to the extent allowed by law, CenturyLink shall collect the alternative amounts agreed upon through a surcharge upon Utility Service provided to City residents and businesses who are customers of CenturyLink.

Section 6) Remittance of Franchise Fee.

6.1 Correction of Franchise Fee Payments. In the event that either the City or CenturyLink discovers that there has been an error in the calculation of the Franchise Fee payment to the City, either party shall provide written notice of the error to the other party. If the party receiving written notice of the error does not agree with the written notice of error, that party may challenge the written notice of error; otherwise, the error shall be corrected and adjustments applied in the next monthly payment following discovery. However, if the error results in an overpayment of the Franchise Fee to the City, and said overpayment is in excess of Five Thousand Dollars (\$5,000.00), credit for the overpayment shall be adjusted in the successive monthly payments; provided that if such period would extend beyond the term of this Franchise, CenturyLink may elect to require the City to provide it with a refund instead of a credit, with such refund to be spread over the same period the error was undiscovered, even if the refund will be paid after the termination date of this Franchise. All franchise fee underpayments shall be corrected in the next monthly payment following discovery, together with interest computed at the rate set by the Public Service Commission for customer security deposits held by CenturyLink, from the date when due until the date paid. In no event shall either party be required to fund or refund any overpayment or underpayment which occurred more than five (5) years prior to the discovery of the error.

6.2 Audit of Franchise Fee Payments.

- A) Every five (5) years commencing at the end of the Initial term of this Franchise, the City may, upon written notice to CenturyLink request that CenturyLink conduct an internal audit to investigate and determine the correctness of the franchise fees paid to the City. Such audit shall be limited to the previous two (2) calendar years, or as otherwise requested by the City. Within sixty (60) days following the City's written request, CenturyLink shall provide a written report to the City Clerk containing the audit findings.
- B) If the City disagrees with the results of the audit, and if the parties are not able to informally resolve their differences, the City may conduct its own audit, and CenturyLink shall cooperate, including but not necessarily limited to, providing the City's auditor with all information reasonably necessary to complete the audit or by making such information available via email within a reasonable time thereafter for review by the City.
- C) If the results of a City audit conducted pursuant to subsection 6.2(B) conclude that CenturyLink has underpaid the City by two percent (2%) or more, in addition to the obligation to pay such amounts to the City and interest, CenturyLink shall also pay all reasonable costs of the City's audit.
- D) This Franchise Fee relates only to the permission to use a public Right-of-Way under the terms and conditions set forth. The Franchise Fee shall not relieve CenturyLink from compensating the City to the extent that City permits are otherwise required in accordance with applicable law. The Franchise Fee is separate and apart from permit fees and any amounts collected for taxes or surcharges paid to federal, state, or local governments.

6.3 Fee Disputes. Either party may challenge any written notification of error as provided for in this Franchise by filing a written notice to the other party. The other party shall respond to any written notice of error within thirty (30) days from such other party's receipt of the written notification of error. The written notice shall contain a summary of the facts and reasons for the party's challenge. The parties shall make good faith efforts to resolve any such challenge and to provide such reasonable documentation to support any such written notification of error.

Section 7) Records Inspection. CenturyLink shall make available to the City, upon reasonable advance written notice of no less than sixty (60) days, such information pertinent only to enforcing the terms of this Ordinance in such form and at such times as CenturyLink can reasonably make such available. Subject to applicable laws, any information that is provided to the City and that the City reviews *in camera* is confidential and proprietary and shall not be disclosed or used for any purpose other than verifying compliance with the terms of this Ordinance. Any such information provided to the City shall be immediately returned to CenturyLink following review. The City will not make copies of such information. Subject to applicable law, neither the City nor CenturyLink shall be required to publicly disclose information which is proprietary or confidential in nature, absent an appropriate order from a court or agency of competent jurisdiction. The City agrees to treat any information disclosed by CenturyLink as confidential pending a contrary determination, and only to disclose to its employees, representatives, agents or consultant that have a need to know and that have agreed to maintain the confidentiality of the materials in accordance with law. The City agrees to notify CenturyLink in writing if the City receives a request to disclose confidential information, so that CenturyLink may take appropriate action to protect its interest.

Section 8) Non-Exclusive Franchise. The right to use and occupy the Rights-of-Way of the City shall be non-exclusive, and the City reserves the right to use the Rights-of-Way for itself or any other entity. The City, however, shall not unreasonably interfere with CenturyLink's Facilities or the rights granted CenturyLink herein.

Section 9) City Regulatory Authority. The City reserves the right to adopt such additional ordinances and regulations as may be deemed necessary in the exercise of its police power for the protection of the health, safety and welfare of its citizens and their properties consistent with applicable Federal and State law.

Section 10) Indemnification. Except to the extent arising out of the negligence or willful misconduct of the City, the City shall not be liable for any property damage or loss or injury to or death of any person that occurs in the construction, operation or maintenance by CenturyLink of its Facilities. CenturyLink shall indemnify, defend and hold the City harmless from and against claims, demands, liens and all liability or damage, attorneys' fees, costs and expenses of whatsoever kind or nature on account of CenturyLink's use of the Right-of-Way, except to the extent arising out of the negligence or willful misconduct of the City.

Section 11) Insurance Requirements.

11.1 CenturyLink will maintain in full force and effect for the term of the Franchise, at CenturyLink's expense, the following insurance coverage:

- A) Workers' Compensation and Employers Liability Insurance. CenturyLink shall provide to the City proof of workers' compensation coverage for all its employees who are to work on the Facilities within the Right-of-Way. CenturyLink's coverage shall be under the Wyoming Workers' Compensation program, if statutorily required, or such workers' compensation insurance as appropriate. CenturyLink's insurance shall include liability coverage, in an amount not less than one million dollars (\$1,000,000) per employee for

each accident or disease. CenturyLink shall also supply to the City proof of workers' compensation and employer's liability insurance for any contractor or subcontractor before allowing that contractor or subcontractor on the job site.

- B) Commercial General Liability Insurance. CenturyLink shall provide coverage, during the entire Term, against claims arising out of bodily injury, death, damage to or destruction of the property of others, including loss of use thereof, and including underground collapse and explosion, and products and completed operations, in an amount not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) general aggregate.
- C) Business Automobile Liability. CenturyLink shall maintain, during the entire term, automobile liability insurance for owned, non-owned and hired vehicles in an amount not less than one million dollars (\$1,000,000) per occurrence.

11.2 Policies Primary. All policies required hereunder shall be in effect for the Initial Term and any Renewal Term. All policies shall be primary and not contributory. CenturyLink shall pay the premiums on all insurance policies, and all insurance certificates must include a clause stating that the insurance may not be revoked, canceled, amended, or allowed to lapse until the expiration of at least thirty (30) days advance written notice to the City.

11.3 City as Additional Insured. All insurance policies required hereunder, except workers' compensation, shall name the City as an additional insured, and shall contain a waiver of subrogation against the City, its agents and employees. CenturyLink shall provide a copy of an endorsement providing this coverage.

11.4 City's Right to Reject. The City reserves the right to reject a certificate of insurance if the insurance company is widely regarded in the insurance industry as financially unstable.

Section 12) Maps and Installation of CenturyLink's Facilities.

12.1 All Facilities under authority of this Ordinance shall be used, constructed and maintained in accordance with applicable law.

12.2 CenturyLink shall provide to the City upon written request of CenturyLink such as-built maps and/or drawings as the City may reasonably request, in a form reasonably prescribed by the City, including electronic formats that can be imported into the City's Geographical Information System ("GIS"). CenturyLink shall also provide as-built maps and/or drawings to City staff, when specifically requested. Facilities plans shall be filed within ninety (90) days of the effective date of this Ordinance and shall be updated upon completion of any significant additions to CenturyLink's Facilities in the City. Information, if confidential, shall be marked as such and maintained as confidential as permitted under applicable law.

12.3. CenturyLink shall, prior to commencing new construction (which involves disturbance of the Right-of-Way) or major reconstruction work in public Right-of-Way or other public places, apply for a permit from the City at CenturyLink's expense, which permit shall not be unreasonably withheld, conditioned or delayed. CenturyLink will abide by all applicable ordinances and reasonable rules, regulations and requirements of the City consistent with applicable law, and the City may inspect the manner of such work and require remedies as may be reasonably necessary to assure compliance. Notwithstanding the foregoing, CenturyLink shall not be obligated to obtain a permit beforehand to perform emergency repairs to its Facilities but shall be required to contact the City prior to making any such repairs or reasonably soon thereafter following any need to restore CenturyLink's services. Permits shall not be required for routine maintenance or repair, however permits shall be pulled after completion of emergency repairs so that the

City will have a record of such work. All contractors and subcontractors of CenturyLink shall also be required to pull permits at their expense, as provided above, except for routine maintenance or repairs.

12.4 To the extent practical and consistent with any permit issued by the City, all Facilities shall be located and agreed upon so as to cause minimum interference with the Rights-of-Way and shall be constructed, installed, maintained, renovated or replaced in accordance with applicable rules, ordinances and regulations of the City.

12.5 If, during the course of work on its Facilities, CenturyLink causes damage to or alters the Rights-of-Way or other public property, CenturyLink shall replace and restore such Rights-of-Way or public property at CenturyLink's sole cost and expense to a condition reasonably comparable to the condition that existed immediately prior to such damage or alteration.

12.6 Before installation of new underground facilities or replacing existing underground facilities, CenturyLink shall first notify the City and may allow the City, at its own expense, to either share the trench for laying of its own facilities to the extent feasibly possible or provide a price for adding empty conduit to the extent feasibly possible, provided that such action will not unreasonably delay CenturyLink's project completion or increase CenturyLink's construction costs.

12.7 Nothing in this Ordinance shall be construed to prevent the City from constructing, maintaining, repairing, replacing or relocating its sewers, streets, water mains, sidewalks, or other public property.

12.8 In areas where all other utility lines are placed underground, CenturyLink shall construct and install its Facilities underground. In areas where one or more public utilities are aerial, CenturyLink shall contact the City to determine if CenturyLink will be allowed to install its Facilities aerially, or above ground.

12.9 CenturyLink shall not attach to, or otherwise use or commit to use, any pole owned by the City until a separate pole attachment agreement has been executed by the parties.

12.10 To promote efficiencies, CenturyLink shall coordinate its work in the Rights-of-Way with the City and other users of the Rights-of-Way.

12.11 During construction in the Rights-of-Way, CenturyLink shall obtain bonds, such as generally applicable construction bonds, in accordance with the City's ordinary policies and procedures to cover remedial work and restoration of the Rights-of-Way.

Section 13) Relocation of Facilities.

13.1 Relocation for the City. The City agrees to provide CenturyLink with as much advance written notice of any requirement for the City to protect, support, adjust, raise, lower, temporarily disconnect, relocate or remove CenturyLink's Facilities for a public purpose. Weather permitting, CenturyLink shall, upon receipt of advance written notice of not less than ninety (90) days or such reasonable period of time that the Parties may agree, protect, support, adjust, raise, lower, temporarily disconnect, relocate, or remove any CenturyLink property located in the Rights-of-Way when required by the City consistent with its police powers. CenturyLink shall be responsible for any costs associated with these obligations to the extent required under applicable federal, state or local law.

13.2 Relocation for a Third Party. CenturyLink shall, at the request of any person holding a lawful permit issued by the City, protect, support, adjust, raise, lower, temporarily disconnect, relocate or remove any CenturyLink property located in the Rights-of-Way, provided that the cost of such action is borne by

the third party requesting it, and CenturyLink is given advance written notice of not less than one hundred twenty (120) days. In said situation, CenturyLink will require advance payment of the costs.

13.3 Alternatives to Relocation. CenturyLink may, after receipt of written notice requesting a relocation of Facilities, submit to the City written alternatives to such relocation. Such alternatives shall include the use and operation of temporary transmitting facilities in adjacent Rights-of-Way. The City shall promptly evaluate such alternatives and advise CenturyLink in writing if one or more of the alternatives are suitable. If requested by the City, CenturyLink shall promptly submit additional information to assist the City in such evaluation. The City shall give each alternative proposed by CenturyLink full and fair consideration. In the event the City determines there is no reasonable alternative, CenturyLink shall relocate the components of the System as otherwise provided herein. Notwithstanding the foregoing, CenturyLink shall in all cases have the right to abandon the Facilities and convey title to the City.

Section 14) Vegetation Management. CenturyLink shall have the authority, but not the obligation, to trim trees and other natural growth in the Rights-of-Way in order to access and maintain its Facilities in compliance with applicable law and industry standards. This right shall in no way impose a duty on CenturyLink; instead, this right gives permission to CenturyLink should CenturyLink elect to conduct such activities from time-to-time in order to access and maintain its Facilities.

Section 15) Renewal. At least one hundred twenty (120) days prior to the expiration of this Ordinance, CenturyLink and the City shall meet, using best faith efforts, to begin negotiating Franchise renewal.

Section 16) Revocation of Franchise for Non-Compliance.

16.1 In the event the City believes that CenturyLink has not complied with the terms of this Ordinance, the City shall informally discuss the matter with CenturyLink. If these discussions do not lead to resolution of the problem, the City shall notify CenturyLink in writing of the exact nature of the alleged non-compliance.

16.2 CenturyLink shall have thirty (30) days from receipt of the written notice described in subsection 16.1 to either respond to the City, contesting the assertion of non-compliance, or otherwise initiate reasonable steps to remedy the asserted non-compliance issue, notifying the City of the steps being taken and the projected date that the steps will be completed.

16.3 In the event that CenturyLink does not comply with subsection 16.2, above, the City shall schedule a public hearing to address the asserted non-compliance issue. The City shall provide CenturyLink at least ten (10) days prior written notice of and the opportunity to be heard at the hearing.

16.4 Subject to applicable federal and state law, in the event the City, after the hearing set forth in subsection 16.3, determines that CenturyLink is non-compliant with this Ordinance, the City may:

- A) Seek specific performance of any provision which reasonably lends itself to such remedy, as an alternative to damages; or
- B) Commence an action at law for monetary damages; or
- C) In the case of substantial non-compliance with a material provision of the Ordinance, seek to revoke the Franchise in accordance with subsection 16.5, below.

16.5 Should the City seek to revoke the Franchise after following the procedures set forth above, the City shall give written notice to CenturyLink. CenturyLink shall have thirty (30) days from receipt of such notice to object in writing and state its reason(s) for such objection. Thereafter, the City may seek revocation of

the Franchise at another public hearing. The City shall cause to be served upon CenturyLink, at least thirty (30) additional days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise. At the designated hearing, the City shall give CenturyLink an opportunity to state its position on the matter, after which the City shall determine whether or not the Franchise shall be revoked. CenturyLink may appeal the City's determination to an appropriate court, which shall have the power to review the decision of the City *de novo*. Such appeal must be taken within thirty (30) days of the issuance of the City's determination. The City may, at its sole discretion, take any lawful action which it deems appropriate to enforce its rights under this Ordinance in lieu of revocation.

Section 17) No Waiver of Rights. Neither the City nor CenturyLink shall be excused from complying with any of the terms and conditions contained herein by any failure of the other, or any of its officers, employees or agents, upon any one or more occasion to insist upon or to seek compliance with any such terms and conditions. Each party expressly reserves any and all rights, remedies, and arguments it may have at law or equity, without limitation, and to argue, assert or take any position as to the legality or appropriateness of any provision in this Ordinance that it believes is inconsistent with federal or state law, as may be amended.

Section 18) Transfer of Franchise. CenturyLink's right, title or interest in the Franchise and Facilities shall not be sold, transferred or assigned, or otherwise encumbered without written permission from the City, except for a transfer or assignment to an entity that purchases all or substantially all of CenturyLink's assets located in Fremont County, any entity that acquires a majority of the equity interests in CenturyLink or a direct or indirect parent company of CenturyLink, any newly created or surviving successor entity that results from a merger, reorganization or consolidation involving CenturyLink or any of its direct or indirect parent companies or any sale, transfer, assignment, or encumbrance to an entity controlling, controlled by, or under common control with CenturyLink, or for transfers in trust, by mortgage, by other hypothecation, or by assignment of any right, title or interest of CenturyLink in the Franchise or Facilities to secure indebtedness.

Section 19) Amendment. At any time during the Term of the Franchise, the City or CenturyLink may propose an amendment or addendum to this Franchise by giving thirty (30) days written notice to the other of the proposed amendment or addendum desired, and both parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendments. No amendment may be adopted without mutual written agreement of the Parties.

Section 20) Force Majeure. Neither party shall be held in default under, or in non-compliance with, the provisions of this Ordinance, nor suffer any enforcement or penalty relating to non-compliance or default (including revocation of the Franchise), where such non-compliance or alleged defaults occurred or were caused by epidemics, pandemics, acts of terrorism, riot, war, earthquake, flood, unusually severe rain or snow storm, tornado or other catastrophic act of nature or fiber cut or other damage or event that is reasonably beyond that party's ability to anticipate or control. This section also covers work delays caused by waiting for utility providers to service or monitor their utility poles on which CenturyLink's Facilities or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary and delays caused by limited access to easements, poles or streets.

Section 21) Change of Law. If, after the effective date of this Ordinance, should there be any enactment or promulgation of any federal or state law, regulation or order, or a decision of a court of competent jurisdiction that significantly changes CenturyLink's or the City's rights or obligations under this Ordinance, or that pertains to any of the terms or provisions herein, including, but not limited to, the imposition, payment, collection or treatment of the franchise fees payable hereunder, then CenturyLink and the City, by providing written notice to the other party, each shall have the right to request that affected

portions of this Ordinance be amended or that there be an addendum hereto. The parties shall commence good-faith negotiations within sixty (60) days of such notice and endeavor to conclude such negotiations within thirty (30) days thereafter. Any amendment or addendum agreed to by the parties shall become effective upon the passage and acceptance of such amendment or addendum. In the event that an amendment or addendum cannot be agreed upon pursuant to the terms of this section, either the City or CenturyLink may file an action with any court of competent jurisdiction to conform the Franchise to the new law, regulation or order.

Section 22) Notices. Any notice required or permitted to be given hereunder shall be deemed sufficient if given by a communication in writing and shall be deemed to have been received (a) upon personal delivery or (b) within five (5) business days after such notice is deposited with the United States Postal Service, postage prepaid, certified and addressed to the parties as set forth below:

The City of Lander
240 Lincoln Street
Lander, WY 82520
Attention: City Clerk

Qwest Corporation d/b/a CenturyLink QC
c/o NRE/ROW Network
931 14th Street
Denver, Colorado 80202

With a copy at the same address to the Attention of Network Legal Counsel

Section 23) Retention of Governmental Immunity. By entering into this Franchise, the City does not waive its Governmental Immunity, as provided by any applicable law including W.S. Section 1-39-101 et seq. Further, the City fully retains all immunities and defenses provided by law with regard to any action, whether in tort, contract or any other theory of law based on this Franchise.

Section 24) No Third Party Beneficiaries. This Franchise is entered into by the parties for their sole benefit, and is not intended to be for the benefit of any other third party or entity.

Section 25) Headings. The headings of the sections and subsections are inserted for convenience of reference only and shall not affect the interpretation or meaning of the text herein.

Section 26) Severability. If any section, subsection, paragraph or sentence hereof is for any reason determined to be illegal, invalid, or unenforceable by any court or agency of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such determination shall have no effect on the validity of any other section, subsection, paragraph or sentence hereof, all of which will remain in full force and effect for the Term of the Franchise and any renewal or renewals thereof.

Section 27) Venue. Venue for any judicial dispute between the parties shall be in State Court in Lander, Wyoming or the United States District Court for the District of Wyoming in Lander.

Section 28) Conflict. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 29) Effective Date. This Ordinance shall take effect from and after its adoption and publication as required by law and the ordinances of the City of Lander.

APPROVED on 1st Reading this _____ day of _____, 2024

APPROVED on 2nd Reading this _____ day of _____, 2024

APPROVED on 3rd Reading this _____ day of _____, 2025

PASSED, ADOPTED AND APPROVED by the Mayor and City Council on the _____ day of _____, 2025.

THE CITY OF LANDER
A Municipal Corporation

By: _____
_____, Mayor

ATTEST:

_____, City Clerk

Qwest Corporation d/b/a CenturyLink QC
On behalf of Itself and Its Affiliates

By: _____
Name: _____
Title: _____

APPENDIX A

CALCULATION OF FRANCHISE FEE

Retail local exchange telecommunications services provided by CenturyLink to CenturyLink's customers within the City are subject to the Franchise fee outlined in this Agreement.

Business Local Access, including Flat Rate, Multiparty, and Extended Area Service
Residential Local Access, including Flat Rate, Multiparty, and Extended Area Service Local Access Trunks
Local Exchange Installation, Upgrade, Late Fees and Disconnection Fees
Local Voice over Internet Protocol (VoIP) (notwithstanding the Internet exclusion below)
Session Initiated Protocol Trunking
Hosted Voice Services
Business Measured Usage Local Access Service
Flat Usage Local Access Trunks
Low Income Telephone Assistance Program Local Access
Measured Rate Local Access Trunk Usage
Message Rate Local Access Trunk Usage
Public Access Line (PAL) Service
Residential Measured Usage

The following is a listing of revenue categories not representing the retail sale of local access services and, therefore, are excluded from the definition of Gross Revenues and, therefore, are not included in the calculation of Franchise fees:

Utility and any Privilege taxes
Proceeds from the sale of bonds, mortgages, or other evidences of indebtedness, securities or stocks
Revenue from directory advertising
Bad debt write-offs and customer credits;
Non-sufficient funds charges;
Any amounts collected for taxes, fees, or surcharges and paid to the federal, state or local governments;
Any amounts collected from customers that are to be remitted to a federal or state agency as part of a Universal Service Fund or other government program;
Any franchise fees that are not chargeable per federal or state law;
Revenues from any carrier purchased for resale;
Revenues from Internet access; and
Revenues from private-line services not for local access.