

## ORDINANCE NO. 1039

**AN ORDINANCE GRANTING KANSAS FIBER NETWORK, LLC, A KANSAS LIMITED LIABILITY COMPANY, FORMERLY, ABOVE NET COMMUNICATIONS, INC., A CONTRACT FRANCHISE TO CONSTRUCT, OPERATE, AND MAINTAIN A TELECOMMUNICATIONS FRANCHISE IN THE CITY OF WESTWOOD, KANSAS AND PRESCRIBING THE TERMS AND CONDITIONS OF SAID CONTRACT FRANCHISE.**

### RECITALS

WHEREAS, Kanas Fiber Network, LLC (KSFiberNet) desires to lay fiberoptic cable in the right-of-way throughout the City of Westwood, Kansas, and

WHEREAS, KSFiberNet does not intend to make any above-ground attachments to facilities,

**NOW WESTWOOD, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WESTWOOD, KANSAS:**

### SECTION 1. DEFINITIONS.

For the purposes of this Ordinance the following words and phrases shall have the meaning given herein. When not inconsistent within the context, words used in the present tense include the future tense and words in the singular include the plural. The word “shall” is always mandatory, and not merely directory.

- a. “Access line” means and be limited to retail billed and collected residential lines; business lines; ISDN lines; PBX trunks and simulated exchange access lines provided by a central office-based switching arrangement where all stations served by such simulated exchange access lines are used by a single customer of the provider of such arrangement. Access line may not be construed to include interoffice transport or other transmission media that do not terminate at an end user-customer’s premises, or to permit duplicate or multiple assessment of access line rates on the provision of a single service or on the multiple communications paths derived from a billed and collected access line. Access line shall not include the following: (i) wireless telecommunications services, (ii) the sale or lease of unbundled loop facilities, (iii) special access services, and (iv) lines providing only data services without voice services processed by a telecommunications local exchange service provider or private line service arrangements.

- b. “Access line count” means the number of access lines serving consumers within the corporate boundaries of the City on the last day of each month.
- c. “Access line fee” means a fee determined by the City, up to a maximum fee as set out in K.S.A 12-2001(c)(3) and amendments thereto, to be used by Grantee in calculating the amount of access line remittance.
- d. “Access line remittance” means the amount to be paid by Grantee to the City, the total of which is calculated by multiplying the access line fee, as determined in the City, by the number of access lines served by Grantee within the City for each month in that calendar quarter.
- e. “City” means the City of Westwood, Kansas.
- f. “Contract Franchise” means this Ordinance granting the right, privilege, and franchise to Grantee to provide Telecommunication Services within the City.
- g. “Facilities” means telephone and telecommunications lines, conduits, manholes, ducts, wires, cables, pipes, poles, towers, vaults, appliances, optic fiber, and all equipment used to provide Telecommunication Services.
- h. “Grantee” means Kanas Fiber Network, LLC a Kansas limited liability company authorized to do business in the State of Kansas, a Telecommunication Services Provider providing service and/or operating facilities within the City. “Grantee” shall also include, as appropriate, any and all successors and assigns.
- i. “Gross Receipts” means only those receipts collected from within the corporate boundaries of the City and which are derived from the following: (A) recurring local exchange service for business and residence which includes basic exchange service, touch tone, optional calling features and measured local calls; (B) recurring local exchange access line services for pay phone lines provided by a telecommunications local exchange service provider to all pay phone service providers; (C) local directory assistance revenue; (D) line status verification/busy interrupt revenue; (E) local operator assistance revenue; and (F) nonrecurring local exchange service revenue which shall include customer service for installation of lines, reconnection of service and charge for duplicate bills. All other revenues, including, but not limited to, revenues from extended area service, the sale or lease of unbundled network elements, nonregulated services, carrier and end user access, long distance, wireless telecommunications services, lines providing only data service without voice services processed by a telecommunications local exchange service provider, private line service arrangements, internet, broadband and all other services not wholly local in nature are excluded from Gross Receipts. Gross Receipts shall be reduced by bad debt expenses. Uncollectible and late charges shall not be included within Gross

Receipts. If the Grantee offers additional services of a wholly local nature which, if in existence on or before September 19, 2004, would have been included with the definition of Gross Receipts, such services shall be included from the date of the offering of such services in the City.

- j. “Local exchange service” means local switched telecommunications service within any local exchange service area approved by the state corporation commission, regardless of the medium by which the local telecommunications service is provided. The term “local exchange service” shall not include wireless communication services.
- k. “Public Right-of-Way” means only the area of real property in which the City has a dedicated or acquired right-of-way interest in the real property. “Public Right-of-Way” shall include the area on, below, or above the present and future streets, alleys, avenues, roads, highways, parkways, or boulevards dedicated or acquired as right-of-way. “Public Right-of-Way” does not include the airwaves above a right-of-way, with regard to wireless telecommunications, communications facilities for wireless services, or other non-wire telecommunications or broadcast service, easements obtained by utilities, or private easements in platted subdivisions or tracts.
- l. “Telecommunication Services” means providing the means of transmission between or among points specified by the user of information of the user’s choosing without change in the form or content of the information as sent and received.

## **SECTION 2. GRANT OF CONTRACT FRANCHISE.**

- a. There is hereby granted to Grantee this nonexclusive Contract Franchise to construct, maintain, extend, and operate its Facilities along, across, upon, or under any Public Right-of-Way for the purpose of any Telecommunication Services or system, including, but not limited to, supplying Telecommunication Services to the consumers or recipients of such service or services within the corporate boundaries of the City, for the term of this Contract Franchise, subject to the terms and conditions of this Contract Franchise.
- b. The grant of this Contract Franchise by the City shall not convey title, equitable or legal, in any Public Right-of-Way, and shall grant only the right to occupy the Public Right-of-Way for the purposes and for the period stated in this Contract Franchise. This Contract Franchise does not:
  - (1) Grant the right to use Facilities or any other property, telecommunications-related or otherwise, owned or controlled by the City or a third-party, without the consent of such party.
  - (2) Grant the authority to construct, maintain, or operate any Facility or related

appurtenance on property owned by the City outside of the Public Right-of-Way, specifically including, but not limited to, parkland property, City Hall property, or public works facility property; or

- (3) Excuse Grantee from obtaining appropriate access, attachment, or other agreements before locating its Facilities on Facilities owned or controlled by the City or a third-party.
- c. As a condition of this grant, Grantee shall obtain and be responsible for any necessary permit, license, certification, grant, registration, or any other authorization required by any appropriate governmental entity, including, but not limited to, the City, the Federal Communications Commission (“FCC”) or the Kansas Corporation Commission (“KCC”). Grantee shall also comply with all applicable laws, statutes, and/or City regulations (including, but not limited to, those relating to the construction and use of the Public Right-of-Way or other public or private property).
  - d. Grantee shall not provide any additional services for which a franchise is required by the City without first obtaining a separate franchise from the City or amending this Contract Franchise, and Grantee shall not knowingly allow the use of its Facilities by any third party in violation of any federal, state, or local law, regulation, or ordinance. In particular, this Contract Franchise does not provide Grantee the right to provide cable service as a cable operator (as defined by 47 U.S.C. § 522 (5), as amended) within the City. Grantee agrees that this Contract Franchise does not permit it to operate an open video system without payment of fees permitted by 47 U.S.C. § 573(c)(2)(B), as amended, and without complying with FCC regulations promulgated pursuant to 47 U.S.C. § 573, as amended.
  - e. This authority to occupy the Public Right-of-Way shall be granted in a competitively neutral and nondiscriminatory basis and shall not in conflict with state or federal law or regulation.

### **SECTION 3. USE OF PUBLIC RIGHT-OF-WAY.**

- a. Pursuant to K.S.A. § 17-1902, and amendments thereto, and subject to the provisions of this Contract Franchise, Grantee shall have the right to construct, maintain, and operate its Facilities along, across, upon, and under the Public Right-of-Way. Such Facilities shall be so constructed and maintained so as not to obstruct or hinder the usual travel or public safety on such public ways or obstruct the legal use by other utilities or Public Right-of-Way users.
- b. Grantee’s use of the Public Right-of-Way shall always be subject to and subordinate to the reasonable public health, safety, and welfare requirements and regulations of the City. The City may exercise its Home Rule powers in its administration and regulation related to the

management of the Public Right-of-Way; provided, however, that any such exercise must be competitively neutral and may not be unreasonable or discriminatory. Grantee shall be subject to all applicable laws and statutes, and the rules, regulations, policies, resolutions, and ordinances adopted by the City relating to the construction and use of the Public Right-of-Way, including, but not limited to, the City's Ordinance(s) for managing the use and occupancy of the Public Right-of-Way, and amendments thereto.

- c. Grantee shall participate in the Kansas One Call utility location program.

#### **SECTION 4. FRANCHISE FEE COMPENSATION TO THE CITY.**

- a. In consideration of this Contract Franchise, Grantee agrees to remit to the City a franchise fee of 5% of Gross Receipts. To determine the franchise fee, Grantee shall calculate the Gross Receipts and multiply such receipts by 5%. Thereafter, subject to subsection (b) of this Section 4, compensation for each calendar year of the remaining term of this Contract franchise shall continue to be based on a sum equal to 5% of Gross Receipts, unless the City notifies Grantee prior to ninety days (90) before the end of the calendar year that it intends to switch to an access line fee in the following calendar year; provided, however, such access line fee shall not exceed the maximum access line fee allowed by Kansas Statute. In the event the City elects to change its basis of compensation, nothing herein precludes the City from switching its basis of compensation back, provided that the City notifies Grantee prior to ninety days (90) before the end of the calendar year.
- b. Pursuant to K.S.A. § 12-2001(l), and amendments thereto, beginning January 1, 2004, and every thirty-six (36) months thereafter, the City, subject to the public notification procedures set forth in K.S.A. § 12-2001(m), and amendments thereto, may elect to adopt an increased access line fee or gross receipts fee, subject to the provisions and maximum fee limitations provided in Kansas law or may choose to decline all or any portion of any increase in the access line fee.
- c. Grantee shall pay franchise fees due and payable to the City on a quarterly basis without requirement for invoice or demand from the City, and within forty-five (45) days of the last day of the quarter for which the payment of franchise fees due and payable to the City applies. If any franchise fee, or any portion thereof, is not postmarked or delivered on or before its due date, interest thereon shall accrue from the due date until received, at the applicable statutory interest rate.
- d. Once per quarter, Grantee shall submit to the City a statement, executed by an authorized officer of Grantee or his or her designee, showing the amount of Gross Receipts for the period covered by the payment, and the manner in which the franchise fee was calculated.
- e. No acceptance by the City of any franchise fee shall be construed as an agreement or accord

that the amount paid was in fact the correct amount, nor shall acceptance of any franchise fee payment be construed as a release of any claim of the City. Any dispute concerning the amount due hereunder shall be resolved in the manner set forth in K.S.A. § 12-2001 *et seq.*, and amendments thereto. Subject to any limitations of Kansas law, Grantee's payment obligations shall survive the expiration or termination of this Contract Franchise, to the extent Grantee owes franchise fees accumulated prior to such expiration or termination.

- f. The City shall have the right to examine, upon written notice to Grantee and no more often than once per calendar year, those records necessary to verify the correctness of the franchise fees paid by Grantee.
- g. The franchise fee required herein shall be in addition to, not in lieu of, all taxes, charges, assessments, licenses, fees, and impositions otherwise applicable that are or may be imposed by the City under K.S.A. 12-2001 and 17-1902, and amendments thereto. The franchise fee is compensation for use of the Public Right-of-Way and shall in no way be deemed a tax of any kind.
- h. Grantee shall remit an access line (franchise) fee or a Gross Receipts (franchise) fee to the City on those access lines that have been resold to another telecommunications local exchange service provider, but in such case the City shall not collect a franchise fee from the reseller service provider and shall not require the reseller service provider to enter a contract franchise ordinance. Such access line (franchise) fee or Gross Receipts (franchise) fee shall be in the same amount or percentage as the franchise fee set forth above in Subsection 4(a).

#### **SECTION 5. RIGHT-OF-WAY ATTACHMENT FEE AND CONDUIT ACCESS FEE.**

- a. As additional consideration for this Contract Franchise, Grantee agrees to pay the following fees described in this Section.
- b. One-Time Attachment Fee: \$2.00 per linear foot (multiplied by the number of linear feet of Communications Equipment installed under a single City Right-of- Way Permit within City Facilities which are not installed within the Conduit System). This fee will be paid within 30 days of any installation.
- c. One-Time Conduit Access Fee: \$5.00 per linear foot (multiplied by the number of linear feet of Communications Equipment installed under a single City Right- of-Way Permit within the Conduit System in City Facilities). This fee will be paid within 30 days of any installation. This fee will be paid any time Grantee uses any City conduits already in place.

- d. Non-Recurring Fees/Charges:
  - i. Permit Application Fee: An amount equal to the fee for a Right-of-way Permit, as set forth by a Resolution of the Governing Body. The Permit Application Fee is intended to reimburse the City for costs incurred for review of the permit application and site design approval.
  - ii. Make Ready Work Charges: Permittee shall reimburse the City for all actual work done or contracted by the City for any make ready or other work done to accommodate Permittee's antennae and other equipment. The charge for such work shall include all reasonable material, labor engineering and administrative costs and applicable overhead costs.
  - iii. Inspection and Line Location Fees: Permittee shall reimburse the City for all actual work done or contracted by the City for any necessary inspections and line locations. The charge for such work shall include all reasonable material, labor engineering and administrative costs and applicable overhead costs.
- e. Unauthorized Attachment Penalty Fee: 3x Annual Attachment Fee, per occurrence.
- f. Failure to Timely Transfer, Abandon or Remove Facilities Penalty: 1/5 Attachment Fee per day, per line, first 30 days; The Attachment Fee per day, per line, second 30 days and thereafter.

## **SECTION 6. INDEMNITY AND HOLD HARMLESS.**

- a. It shall be the responsibility of Grantee to take adequate measures to protect and defend its Facilities in the Public Right-of-Way from harm or damage. If Grantee fails to accurately or timely locate Facilities when requested, in accordance with the Kansas Underground Utility Damage Prevention Act, K.S.A. § 66-1801 *et seq.*, as amended, Grantee shall have no claim for costs or damages against the City and its authorized contractors unless such parties are responsible for the harm or damage by way of their grossly negligent or intentional conduct. The City and its authorized contractors shall be responsible to take reasonable precautionary measures including calling for utility locations and observing marker posts when working near Grantee's Facilities.
- b. Grantee shall indemnify and hold the City and its officers and employees harmless against any and all claims, lawsuits, judgments, costs, liens, losses, expenses, fees (including reasonable attorneys' fees and costs of defense), proceedings, actions, demands, causes of action, liability, and suits of any kind and nature, including, but not limited to, personal or bodily injury (including death), property damage, or other harm for which recovery of

damages is sought, to the degree that it is found by a court of competent jurisdiction to be caused by the negligence, gross negligence, or wrongful act of Grantee, any agent, officer, director, representative, employee, affiliate, or subcontractor of Grantee, or its respective officers, agents, employees, directors, or representatives, while installing, repairing, operating, or maintaining Facilities in the Public Right-of-Way.

- c. If Grantee and the City are found jointly liable by a court of competent jurisdiction, liability shall be apportioned comparatively in accordance with the laws of this state without, however, waiving any governmental immunity available to the City under state law and without waiving any defenses of the parties under any state or federal law. This section is solely for the benefit of the City and Grantee and does not create or grant any rights, contractual or otherwise, to any other person or entity.
- d. Grantee or City shall promptly advise the other in writing of any known claim or demand made against Grantee or the City in any way related to or arising out of Grantee's activities in the Public Right-of-Way.

**SECTION 7. INSURANCE REQUIREMENT AND PERFORMANCE BOND.**

- a. During the term of this Contract Franchise, Grantee shall obtain and maintain insurance coverage at its sole expense, with financially reputable insurers maintaining an AM Best rating of A- or higher and that are licensed to do business in the State of Kansas. Should Grantee elect to use the services of an affiliated captive insurance company for this purpose, that company shall possess a certificate of authority from the Kansas Insurance Commissioner. Grantee shall provide not less than the following insurance:
  - (1) Workers' compensation as provided for under any worker's compensation or similar law in the jurisdiction where any work is performed with an employers' liability limit equal to the amount required by law.
  - (2) Commercial general liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not a claims-made basis, with a limit of not less than TWO MILLION DOLLARS (\$2,000,000) combined single limit per occurrence for bodily injury, personal injury, death, and property damage liability. The Grantee may meet the policy limit requirements above in combination with commercial general liability policies and umbrella liability policies. The City shall be included and identified as an additional insured with respect to liability arising from Grantee's operations under this Contract Franchise.
- b. As an alternative to the requirements of subsection (a), Grantee may demonstrate to the satisfaction of the City that it is self-insured and as such Grantee has the ability to provide coverage in an amount not less than ONE MILLION AND NO/100THS



DOLLARS (\$1,000,000.00) per occurrence and TWO MILLION AND NO/100THS DOLLARS (\$2,000,000.00) in aggregate, to protect the City from and against all claims by any person whatsoever for loss or damage from personal injury, bodily injury, death, or property damage occasioned by Grantee, or alleged to so have been caused or occurred.

- c. Grantee shall, as a material condition of this Contract Franchise, prior to the commencement of any work and prior to any renewal thereof, deliver to the City a certificate of insurance or evidence of self-insurance, satisfactory in form and content to the City, evidencing that the above-required insurance is in full force and effect and will not be cancelled with respect to areas and entities covered without first giving the City thirty (30) days prior written notice. In the event of a claim giving rise to a question of coverage, Grantee shall make available to the City on request the applicable policy a certified copy of the policy in effect, so that limitations and exclusions can be evaluated for sufficiency and propriety of overall coverage.
- d. Grantee shall, as a material condition of this Contract Franchise, prior to the commencement of any work and prior to any renewal thereof, deliver to the City a performance bond in the amount of FIFTY THOUSAND AND NO/100THS DOLLARS (\$50,000.00), payable to the City to ensure the appropriate and timely performance in the construction and maintenance of Facilities located in the Public Right-of-Way. The required performance bond must be with good and sufficient sureties, issued by a surety company authorized to transact business in the State of Kansas, and satisfactory to the City Attorney in form and substance.

## **SECTION 8. REVOCATION AND TERMINATION.**

In case of failure on the part of Grantee to comply with any of the provisions of this Contract Franchise, or if Grantee should do or cause to be done any act, omission, or thing prohibited by or in violation of the terms of this Contract Franchise, Grantee shall forfeit all rights, privileges, and franchise(s) granted herein, and all such rights, privileges, and franchise(s) granted herein shall cease, terminate, and become null and void, and this Contract Franchise shall be deemed revoked or terminated; provided, however, that said revocation or termination shall not take effect until the City has completed the following procedures: Before the City proceeds to revoke and terminate this Contract Franchise, it shall first serve a written notice upon Grantee, setting forth in detail the act, omission, thing, neglect, or failure complained of, and Grantee shall have sixty (60) days thereafter in which to cure same and comply with the conditions and requirements of this Contract Franchise. If, at the end of such sixty (60) day period, the City deems that the conditions have not been complied with, , the City shall take action to revoke and terminate this Contract Franchise by an affirmative vote of the City Council present at the meeting and voting, setting out the grounds upon which this Contract Franchise is to be revoked and terminated; provided, however, to afford Grantee due process, Grantee shall first be provided reasonable notice of the date, time, and location of the City Council's consideration, and shall have the right to address the City Council regarding such matter. Upon any determination by the City Council to revoke and terminate this

Contract Franchise, Grantee shall have thirty (30) days to appeal such decision to the District Court of Johnson County, Kansas. This Contract Franchise shall be deemed revoked and terminated at the end of this thirty (30) day period, unless Grantee has instituted such an appeal. If Grantee timely institutes such an appeal, such revocation and termination shall remain pending and subject to the court's final judgment; provided, however, that the failure of Grantee to comply with any of the provisions of this Contract Franchise or the doing or causing to be done by Grantee of anything prohibited by or in violation of the terms of this Contract Franchise shall not be a ground for the revocation or termination thereof when such act or omission on the part of Grantee is due to any cause or delay beyond the control of Grantee or to bona fide legal proceedings. Nothing herein is intended to prevent either party from invoking any other remedy that may otherwise exist at law or in equity.

#### **SECTION 9. RESERVATION OF RIGHTS.**

- a. The City specifically reserves its right and authority as a public entity with responsibilities towards its citizens, to participate to the full extent allowed by law in proceedings concerning Grantee's rates and services to ensure the rendering of efficient Telecommunication Services and any other services at reasonable rates, and the maintenance of Grantee's property in good repair.
- b. In granting its consent hereunder, the City does not in any manner waive its legal, regulatory, or other rights and powers under and by virtue of the laws of the State of Kansas as the same may be amended, its Home Rule powers under the Constitution of the State of Kansas, as the same may be amended, nor any of its rights and powers under or by virtue of present or future ordinances of the City.
- c. In granting its consent hereunder, Grantee does not in any manner waive its regulatory or other rights and powers under and by virtue of the laws of the State of Kansas as the same may be amended, or under the Constitution of the State of Kansas, nor any of its rights and powers under or by virtue of present or future ordinances of the City.
- d. In entering into this Contract Franchise, neither the City's nor Grantee's present or future legal rights, positions, claims, assertions, or arguments before any administrative agency or court of law are in any way prejudiced or waived. By entering into this Contract Franchise, neither the City nor Grantee waive any rights, but instead expressly reserve any and all rights, remedies, and arguments the City or Grantee may have at law or in equity, including, without limitation, to argue, assert, and/or take any position as to the legality or appropriateness of any present or future laws, non-franchise ordinances or rulings.

#### **SECTION 10. FAILURE TO ENFORCE.**

The failure of either the City or the Grantee to insist in any one or more instances upon the strict

performance of any one or more of the terms or provisions of this Contract Franchise shall not be construed as a waiver or relinquishment for the future enforcement or enforceability of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by the City or Grantee unless said waiver or relinquishment is expressly stated in writing and signed by both the City and Grantee.

#### **SECTION 11. TERM AND TERMINATION DATE.**

- a. This Contract Franchise shall be effective for a term beginning on the Effective Date of this Contract Franchise and ending two (2) years after the Effective Date as set forth herein. Thereafter, this Contract Franchise will automatically renew for up to eight (8) additional two-year (2) terms, unless (i) either party notifies the other party of its intent to terminate the Contract Franchise at least ninety (90) days before the termination of the then current term, or (ii) either party has violated any provision hereof. The additional terms shall be deemed a continuation of this Contract Franchise and not as a new franchise or amendment.
- b. Upon the written request of either the City or the Grantee, this Contract Franchise shall be renegotiated at any time in accordance with the requirements of state law upon the occurrence any of the following events: changes in federal, state, or local laws, regulations, ordinances, or orders that materially affect any rights or obligations of either the City or the Grantee, including but not limited to the scope of the Contract Franchise granted to Grantee or the compensation to be received by the City hereunder.
- c. If any clause, sentence, section, or provision of this Contract Franchise or K.S.A. § 12-2001, and amendments hereto and thereto, is held to be invalid or unenforceable by a court or administrative agency of competent jurisdiction, provided such order is not stayed, either the City or Grantee may elect to terminate this entire Contract Franchise. In the event of such invalidity or unenforceability, if Grantee is required by law to enter into a contract franchise with the City, the parties agree to act in good faith to promptly negotiate a new contract franchise.
- d. Amendments under this Section, if any, shall be made by Contract Franchise ordinance as prescribed by statute. This Contract Franchise shall remain in effect according to its terms, pending completion of any review or renegotiation provided by this section.
- e. In the event the parties are actively negotiating in good faith a new contract franchise ordinance or an amendment to this Contract Franchise upon the termination of this Contract Franchise, the parties by written mutual agreement may extend the termination date of this Contract Franchise to allow for further negotiations. Such extension period shall be deemed a continuation of this Contract Franchise and not as a new contract franchise ordinance or amendment.

**SECTION 12. POINT OF CONTACT AND NOTICES.**

Grantee shall at all times maintain with the City a local point of contact who shall be available at all times to act on behalf of Grantee in the event of an emergency. Grantee shall provide the City with said local contact's name, address, telephone number, fax number and e-mail address. Emergency notice by Grantee to the City may be made by telephone or email communication to the Public Works Director. All other notices between the parties shall be in writing and shall be made by personal delivery, depositing such notice in the U.S. Mail, Certified Mail, return receipt requested, or by facsimile. Any notice served by U.S. Mail or Certified Mail, return receipt requested, shall be deemed delivered five (5) calendar days after the date of such deposit in the U.S. Mail unless otherwise provided. Any notice given by facsimile is deemed received by the next business day. "Business day" for purposes of this section shall mean Monday through Friday, excepting the City's published observed holidays.

**The City:**

The City of Westwood  
4700 Rainbow Blvd.  
Westwood, KS 66205  
ATTN: City Administrator  
(913) 362-1550

**With a copy to:**

Ryan B. Denk  
MVP Law  
10 E. Cambridge Cir., Ste. 300  
Kansas City, KS 66103  
(913) 573-3310  
[rdenk@mvplaw.com](mailto:rdenk@mvplaw.com)

**Grantee:**

Kansas Fiber Network  
10875 Benson Drive, Ste. 130  
Overland Park, KS 66210

913-213-2929  
[netdev@ksfiber.net](mailto:netdev@ksfiber.net)

**With a copy to:**

or to such replacement addresses that may be later designated in writing.

**SECTION 13. TRANSFER AND ASSIGNMENT.**

This Contract Franchise is granted solely to the Grantee and shall not be transferred or assigned without the prior written approval of the City; provided, however, that such transfer or assignment may occur without written consent of the City to a wholly owned parent or subsidiary, or between wholly owned subsidiaries, or to an entity with which Grantee is under common ownership or control, upon written notice to the City within 60 days of occurrence. The parties acknowledge

that the City's consent, which shall not be unreasonably withheld, shall be solely with regard to the transfer or assignment of this Contract Franchise. In the event of any transfer or assignment of either this Contract Franchise or Grantee's business or assets, Grantee shall: (i) timely notify the City of the successor entity; (ii) provide a point of contact for the successor entity; and (iii) advise the City of the effective date of the transfer or assignment. Additionally, Grantee's obligations under this Contract Franchise with regard to indemnity, bonding, and insurance shall continue until the transferee or assignee has taken the appropriate measures necessary to assume and replace the same, the intent being that there shall be no lapse in any coverage as a result of the transfer or assignment.

#### **SECTION 14. CONFIDENTIALITY.**

Information provided to the City under K.S.A. § 12-2001 related to this Contract Franchise shall be governed by confidentiality procedures in compliance with K.S.A. 45-215 and 66-1220a, *et seq.*, as amended. Grantee agrees to indemnify and hold the City harmless from any and all penalties or costs, including attorneys' fees, arising from the actions of Grantee, or of the City, at the written request of Grantee, in seeking to safeguard the confidentiality of information provided by Grantee to the City under this Contract Franchise.

#### **SECTION 15. ACCEPTANCE OF TERMS.**

Grantee shall have sixty (60) days after the final passage and approval of this Contract Franchise to file with the City Clerk its acceptance in writing of the provisions, terms, and conditions of this Contract Franchise, which acceptance shall be duly acknowledged before an officer authorized by law to administer oaths; and when so accepted, this Contract Franchise and acceptance shall constitute a contract between the City and Grantee subject to the provisions of the laws of the State of Kansas, and such contract shall be deemed effective on the later date Grantee files acceptance with the City (the "Effective Date").

#### **SECTION 16. PAYMENT OF PUBLICATION COSTS.**

In accordance with Kansas Statute, Grantee shall be responsible for payment of all costs and expense of publishing this Contract Franchise, and any amendments hereof.

#### **SECTION 17. SEVERABILITY.**

If any clause, sentence, or section of this Contract Franchise, or any portion thereof, shall be held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remainder, as a whole or any part thereof, other than the part declared invalid; provided, however, that the City or Grantee may elect to declare the entire Contract Franchise is invalidated if the portion declared invalid is, in the judgment of the City or Grantee, an essential part of the Contract Franchise; further provided that, if Grantee is required by law to enter into a contract franchise

with the City, the parties agree to act in good faith in promptly negotiating a new contract franchise, and this Contract Franchise shall remain in effect according to its terms pending completion of any renegotiation provided by this Section 16.

**SECTION 18. FORCE MAJEURE.**

This nonexclusive Contract Franchise, grant, and privilege is granted under and subject to all applicable laws and under and subject to all of the orders, rules, and regulations now or hereafter adopted by governmental bodies now or hereafter having jurisdiction. However, each and every provision hereof shall be reasonably subject to acts of God, fires, strikes, riots, floods, war, pandemics, and other disasters beyond Grantee's or the City's control.

**SECTION 19. EFFECTIVE DATE OF ORDINANCE.**

This Contract Franchise shall take effect and be in force from and after its passage, approval by the City, acceptance by the Grantee, and publication in the official City newspaper.

PASSED by the City Council this 11<sup>th</sup> day of January, 2024.

APPROVED by the Mayor this 11<sup>th</sup> day of January, 2024.

CITY OF WESTWOOD, KANSAS

\_\_\_\_\_  
David E. Waters, Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Abby Schneweis, City Clerk

Approved as to form:

\_\_\_\_\_  
Ryan Denk, City Attorney