

**RESOLUTION NO. 683**

**A RESOLUTION CONSENTING TO THE ASSIGNMENT AND TRANSFER OF THE CABLE TELEVISION FRANCHISE FROM NORTH SANTIAM COMMUNICATIONS TO UVISION, LLC.**

WHEREAS, in accordance with Stayton Municipal Code ("SMC") 4.04.030 and the authority granted by the Stayton City Council through Resolution No. 578, (adopted January 22, 1996), the City of Stayton ("City") entered into a five (5) year Cable Franchise Agreement ("Agreement", also referred to as "Franchise") with SCS Communications and Security (dba North Santiam Communications) ("Franchisee"), beginning February 17, 1996;

WHEREAS, the Agreement requires that the Franchisee must obtain the City's prior consent for any assignment of the Franchise by the Franchisee;

WHEREAS, the Stayton City Council has received a request from the "Franchisee" to assign the cable television franchise to Uvision, LLC, ("Uvision");

WHEREAS, City has determined that Franchisee has reasonably fulfilled its obligations under the Franchise;

WHEREAS, Uvision proposes that it has the financial, technical, and legal ability to fulfill the obligations of the Franchise and that the assignment of the Franchise will benefit and serve the public interest; and,

WHEREAS, the Stayton City Council deems it to be in the best interests of the citizens of Stayton that the proposed transfer and assignment of the Franchise be permitted, to be accompanied by certain assurances and conditions: a) provide a performance bond of \$60,000 which shall be in addition to the \$15,000 bond presently required by the Cable Franchise Agreement, and, b) the unconditional guarantee of performance of the Cable Franchise Agreement by Uvision.

NOW THEREFORE,

BE IT RESOLVED that:

1. The City consents to the transfer and assignment to Uvision of all Franchisee's rights, title, powers and privileges in and under the Cable Franchise Agreement and related assets.
2. Upon the closing of the sale of Franchisee's cable system to Uvision ("Closing"), Uvision shall become bound by the terms of the Cable Franchise Agreement and shall perform and discharge all lawful obligations and duties under the Franchise that arise on or after the Closing.

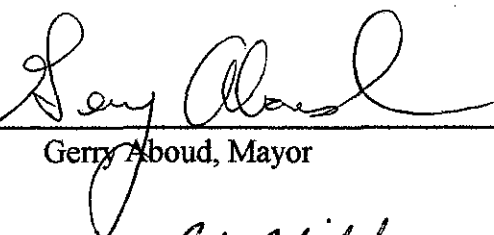
3. Conditions:
- a) prior to Closing, Uvision shall provide evidence to City that it has obtained, and shall maintain in force throughout the term of the Franchise, and any extensions thereof, a performance bond in the sum of \$60,000, said bond is in addition to the \$15,000 bond required in the Cable Franchise Agreement, which shall remain in place for the duration of the franchise term or any extensions thereof;
  - b) prior to Closing, Uvision shall provide to the City a form, acceptable to the City, of its unconditional guarantee as to the performance of all obligations under the terms of the Franchise;
  - c) the City shall receive from Uvision, written agreement of conditions a) and b) above before or at the time of Closing.
4. City releases North Santiam Communications from all obligations and liabilities under the Cable Franchise Agreement that relate to periods from and after Closing.
5. City consents to the granting of a security interest in the Franchise by Uvision for the purposes of securing financing.
6. City shall not unreasonably withhold its consent to any request by Uvision, following Closing, for the assignment of the Franchise to an affiliate of Uvision.

This resolution shall become effective upon adoption by the Stayton City Council on January 16, 2001.

ADOPTED BY THE STAYTON CITY COUNCIL this 16<sup>th</sup> day of January, 2001.

CITY OF STAYTON

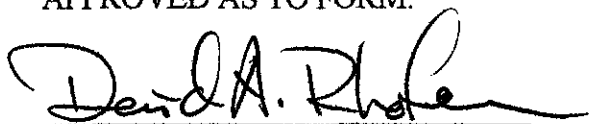
Signed: 1-18, 2001

By:   
Gerry Aboud, Mayor

Signed: 1-18, 2001

Attest:   
Chris Childs, City Administrator

APPROVED AS TO FORM:

  
David A. Rhoten, City Attorney