

**CHAPTER 19**  
**FRANCHISE CITIZENS TELEPHONE COOPERATIVE**

Section 19-1. Construct

An ordinance granting to Citizens Telephone Cooperative, its successors and assigns, of Floyd, Virginia 24091, Town of Floyd, County of Floyd, State of Virginia, herein referred to as Grantee, an exclusive franchise to erect, construct, equip, own, maintain, and operate within and through the Town of Floyd, Virginia, wires, buried cables, lines, poles, cross-arms, appurtenances, and other fixtures and facilities for conducting a telephone business and exchange and communications distribution center. Grantee also has the right and authority to use all streets, alleys, and public grounds of Grantor now owned or hereafter acquired for the purpose of erecting and maintaining poles, wires, and other necessary facilities for operation of the telephone service, including but not limited to underground and wireless distribution fixtures and facilities, and such other modes of communication as shall become available to Grantee during the term of this franchise.

Section 19-2. Right to purchase.

Grantee has the right to purchase, erect, equip, maintain, own, lease, and operate machinery, equipment, structures, and other facilities that are necessary to maintain and operate the telephone service within the Town of Floyd and through the Town of Floyd to such areas as Grantee now furnishes or in the future may furnish telephone service and the right to buy, hold, own, or lease any real estate necessary for such business.

Section 19-3. Right to furnish service. collect tolls. etc.

The Franchise granted in this Ordinance includes the exclusive right to furnish telephone service to all public and private customers in the Town of Floyd, Virginia; the right to collect reasonable tolls and charges for service; the right to install and maintain public telephone booths on public grounds at such locations, and of such design and appearance, as may be desired by Grantee; and such additional rights as are usually granted to and enjoyed by telephone companies. Therefore, be it ordained by the town council of the Town of Floyd, County of Floyd, State of Virginia:

ARTICLE I.  
GRANT OF FRANCHISE

Section 19-4. Scope and description.

The Town of Floyd, in the County of Floyd, State of Virginia, herein referred to as Grantor, hereby grants to Grantee a franchise of a scope and description as hereinabove stated.

ARTICLE II.  
TERMS

Section 19-5. Term.

The Franchise is granted for a term of forty (40) years commencing with the date on which it is accepted.

Grantee shall file an written acceptance of the franchise with the Town Clerk of Grantor within sixty (60) days after the date of this Ordinance. The franchise shall go into effect only when such acceptance has been filed.

ARTICLE III.

## GENERAL CONDITIONS

### Section 19-6. Comprehensive Liability Insurance.

Grantee agrees to carry in force, during the pendency of this franchise, Comprehensive Liability Insurance with combined single limit coverage of \$500,000 with a \$10,000.00 excess umbrella coverage to insure against any liability due to loss or damage for bodily injury, death and property damage occasioned by the activities of Grantee under this franchise.

### Section 19-7. Modification of Rates.

The granting of this franchise is made upon the express condition that the exercise of the same shall be subject to such regulations as may be adopted by the Commonwealth of Virginia or the Grantee for the purpose of securing efficiency of public service at reasonable rates from said company, its successors and assigns, in said Town of Floyd, and the maintenance of the property and works of said company in good order throughout the term of this franchise.

### Section 19-8. Additions to Area of Grantor.

In the event of additions of area to Grantor either by annexation, consolidation or otherwise, this franchise shall be deemed to automatically include such additional area which might be acquired by Grantor during the term of this franchise.

### Section 19-9 Expansion of Grantee's Facilities.

Any facilities and appurtenances in streets, alleys, and public places, identical to the franchised system, that have been, or at any future time acquired, leased, or utilized in any manner by Guarantee are thereupon to be deemed authorized by and shall be subject to all the provisions of the franchise.

## ARTICLE IV. CONSIDERATION

### Section 19-10 Consideration - Franchise.

Within sixty (60) days from the date of this Ordinance, Grantee shall pay to Grantor the advertising and legal costs incurred by Grantor in effecting this Ordinance, which shall be deemed the initial purchase price of the franchise. Grantee shall be subject to pay the usual and ordinary real estate tax, personal property tax and motor vehicle license tax at the regular rate properly and regularly determined by the Grantor from time to time, if not prohibited by law or Grantee exempt by law and in addition Grantee shall, during the term of the franchise, pay to Grantor, in lieu of any and all other taxes, licenses, permits, fees, etc., a sum equal to one-half of one percent of the receipts generated by the local service base rate of telephones located within the corporate limits of the Town of Floyd, said sum to be paid annually on or before the 1st day of October of each and every year during the term of this franchise.

In the event of holding over after expiration or other termination of the franchise, grantee shall render compensation pursuant to the provisions of this Ordinance until the effective date of a new franchise.

## ARTICLE V ASSIGNMENT OF FRANCHISE

### Section 19-11. Assignment of franchise

Grantee shall have the right to assign the franchise and otherwise transfer it and sell, lease, license, or permit others to use or transfer in any manner any interest in all or any part of its facilities that are

installed or operated hereunder.

ARTICLE VI  
EFFECT OF INVALIDITY

Section 19-12. Effect of invalidity

The franchise is granted pursuant to the laws of the Commonwealth of Virginia relating to the granting of such rights and privileges by municipal corporations. If any article, section, sentence, clause, or phrase of this Ordinance is for any reason held illegal, invalid, or unconstitutional, such invalidity shall not affect the validity of the Ordinance or any of the remaining portions. The invalidity of any portion of this Ordinance shall not abate, reduce, or otherwise affect any consideration or other obligation required of Grantee.

This franchise was passed and approved on the 8th day of September 1984.