



Town of Upper Marlboro

REGULAR TOWN MEETING

14211 School Lane, Upper Marlboro, Maryland, 20772

Tuesday, December 20, 2022 at 7:00 PM

AGENDA

This meeting will be conducted via Zoom Video Teleconference. As the Town Hall remains closed to the public at this time, citizens may participate by video or phone

<https://uppermarlbormd->

[gov.zoom.us/j/89477738284?pwd=Qk9JdkpHeUJreVhnM1g5ZTZpRERUdz09](https://uppermarlbormd-gov.zoom.us/j/89477738284?pwd=Qk9JdkpHeUJreVhnM1g5ZTZpRERUdz09)

Passcode: 742459; **Webinar ID:** 894 7773 8284; **Dial-in only:** 301-715-8592

1. Public Hearing | 7:00 PM

Open for public comment. Three (3) minutes per speaker.

ORDINANCE: 2022-09

INTRODUCED: November 22, 2022

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE TOWN OF UPPER MARLBORO GRANTING A RENEWAL OF THE CABLE FRANCHISE TO COMCAST OF MARYLAND, LLC AND AUTHORIZING A FRANCHISE AGREEMENT; AND GENERALLY RELATING TO CABLE TELEVISION.

REGULAR TOWN MEETING AGENDA: 7:10 PM

2. Call to Order

3. Roll Call

4. Pledge of Allegiance

5. Review of Agenda

6. Consent Agenda

A. Meeting Minutes

B. Financial Report

C. Public Safety Report

D. Public Works Report

E. Administrative Report

7. Reports

A. Arts Council Committee Report

B. CERT Committee Report

C. Events Committee Report

D. Green Team Committee Report

E. Greenwill Consulting Committee Report

F. Historical Committee Report

G. Sustainable Communities Committee Report

H. Commissioner Reports

8. Business

Public comment will be taken prior to Business line items (3 minutes per item)

A. Ordinance 2022-08 Amend 2019-02 Town Committees (Board Vote)

B. Ordinance 2022-09 Comcast Cable Franchise Agreement (Board Vote)

[C.](#) Resolution 2022-30 Police License Plate Reader (Board Vote)

[D.](#) Police Department Employment Agreements (Board Vote)

[E.](#) FY 2022 Audit Approval (Board Vote)

9. Administrative Updates

10. Public Comment

For items not necessarily on the immediate agenda (3 minutes per item)

11. Preliminary Approval of Next Meeting Agenda

12. Adjournment

PUBLIC COMMENT PROCEDURES

Your Town government appreciates citizen input. To maximize effective resolutions on resident's issues, we encourage Town residents and businesses to contact us at Town Hall weekdays: 9 a.m. – 5 p.m., or by written correspondence (or email to info@uppermarlboromd.gov). You are always welcome to schedule an appointment with the President or a Commissioner to discuss municipal problems and quality-of-life issues one-on-one and work together towards a satisfactory solution.

Agendas for meetings are posted on our website and notices of legislative items are also posted on the Town's social media accounts (Facebook, Twitter & Instagram).

Our meetings are open to the public, and we ask that residents who want to comment to please follow the rules that have been established by **"RESOLUTION 2022-05: A RESOLUTION FOR THE ADOPTION OF NEW RULES OF ORDER AND REGULATIONS FOR PUBLIC MEETINGS OF THE BOARD OF COMMISSIONERS FOR THE TOWN OF UPPER MARLBORO."**

Citizen Input:

- Members of the public may speak for three (3) minutes, during Public Comment Time, at Regular Town meetings of the Board of Commissioners according to procedures established by the Board.
- A sign-up sheet will be placed on the side table in the room for people to sign-in if they wish to speak. They will be called to speak at the podium in the order in which they were signed-in. If the meeting is held virtually, the public will be able to "raise their hand" or chat with the Town Clerk to sign up to speak.
- Each speaker is limited to one presentation per agenda item allowing for public comment per meeting and a maximum timed limit of three (3) minutes unless another limit is established.
- If the subject matter does not pertain to Town business the Mayor shall advise the individual and/or make recommendations as to how they may get the issue addressed.
- Citizens speaking on agenda items shall restrict their comments to the subject matter listed.
- Citizens speaking on non-agenda items shall only speak on matters pertaining to Town business or issues which the Board would have the authority to act upon if brought forth as an agenda item.
- The Board may not act upon or discuss any issue brought forth as a non-agenda item; except to: Make a statement of specific factual information given in response to the inquiry, or a recitation of existing policy in response to the inquiry.
- Proper respect, decorum, and conduct shall prevail at all times. Impertinent, slanderous, misleading, or personal attacks are strictly prohibited. Violators may be removed from the Commission chambers.
- No placards, banners or signs may be displayed in the Board chambers or Town Hall. Exhibits relating to a presentation are acceptable.
- Arguing, intimidation or other disruptive behavior is prohibited. Discussion and/or debate are acceptable only on items specifically listed on the agenda, or that are municipal issues and must be complete within the three-minute comment period allotted to the speaker.

Each individual speaker must stand, state their name and home of record (street name only) and approach the Board to a designated position in order to be recognized by the Chair of the Board, and to be heard by the recording Clerk, as well as others in attendance.

When the meeting is held on a virtual platform, please sign-in with your First and last name and raise your hand to comment on an item.

All meetings are subject to closure in accordance with the State Open Meetings Act—House Bill 17.



Town of Upper Marlboro

Town Hall, 14211 School Lane Tel: (301) 627-6905 info@uppermarboromd.gov
 Upper Marlboro, MD 20772 Fax: (301) 627-2080 www.uppermarboromd.gov
 Mailing address: P.O. Box 280 • Upper Marlboro, MD 20773-0280

Town of Upper Marlboro November 2022 Treasurer Report Budget vs. Actuals: FY23 Budget July 2022 - July 2023

	Total		
	ACTUAL	BUDGET	OVER (UNDER) BUDGET
Income			
Revenue			
4000 Property Taxes	723,866	1,054,540	(330,674)
4200 Fines, Licenses, Permits	216,608	275,376	(58,768)
4300 Intergovernmental	68,681	404,899	(336,218)
4400 Miscellaneous Revenue	10,667	95,119	(84,452)
4500 Grants	482,311	1,497,788	(1,015,477)
Total Revenue	\$ 1,502,133	\$ 3,327,722	\$ (1,825,589)
Expenses			
5000 General Government	276,389	838,010	(561,621)
6000 Public Safety	238,512	765,293	(526,781)
7000 Public Works	157,564	484,344	(326,780)
8000 Grants & Awards	302,849	1,220,075	(917,226)
9000 Capital Outlays	20,000	20,000	-
Total Expenses	\$ 995,314	\$ 3,327,722	\$ (2,332,408)
NET INCOME	\$ 506,819	\$ -	\$ 506,819



Town of Upper Marlboro

Town Hall, 14211 School Lane Tel: (301) 627-6905 info@uppermarlboromd.gov
Upper Marlboro, MD 20772 Fax: (301) 627-2080 www.uppermarlboromd.gov
Mailing address: P.O. Box 280 • Upper Marlboro, MD 20773-0280

Town of Upper Marlboro November 2022 Treasurer Report Budget vs. Actuals: FY23 July 2022 - June 2023

Key Monthly Items

1. FY23 YTD Increase in fund balance is 506K
2. Revenues look as to be expected 5 months into the fiscal year, 45% of annual budget has been raised.
3. Expenses YTD are at 30% of annual budget, expectation through October is 42%
4. Cash balance is 7 months of budgeted spending

Bank Accounts

1000 Checking Account (Premis) 6968	591,701
1001 Petty Cash	650
1010 Payroll Account (Premis) 6976	2,222
1040 Parking Meter Checking (M&T)	132,808
1045 Speed & Red Light (M&T) 0013	86,752
1050 ARPA Checking 4957	336,749
1117 WesBanco (CD)	105,142
1140 MLGIP (MM)	789,176
Total Bank Accounts	\$ 2,045,200

Town of Upper Marlboro Police Department

14211 School Lane, Upper Marlboro, Maryland 20772 Tel: (301) 627-6905



David A. Burse
Chief of Police

For ALL Police Calls dial 911 or the Non-Emergency number at 301-352-2100

Monthly Town Police Department Report For the Month of November 2022

Incidents Reported in Town:

Commercial Alarm 4	Check on Welfare 1	Family Dispute 1
Unknown Trouble 2	Exparte Call 1	Fight Call 1
Vehicle Accident 2	Property Damage 2	Disorderly Call 7
Miscellaneous Call 1	Traffic Hazard 1	Lost Property 1
Traffic Complaint 2	Hold-up Alarm 1	Missing Person 2
Trash Dumping 1	Attempt Suicide 1	Armed Person 1
Domestic Call 4	Assist Call 1	Lost Property 2

Chief Burse participated in the Prince George’s Chiefs Association meeting.

Chief Burse participated in the Maryland Chiefs of Police meeting.

Chief Burse, Sgt. Irby and Pfc. Anderson conducted high visibility patrols throughout the Town.

Chief Burse attended the Breakfast before Business meeting.

Chief Burse, Sgt. Irby participated in the Swearing-in of Bowie State University Police Chief Cummings.

Chief Burse, Sgt. Irby, Cpl. Johnson, Pfc. Anderson, and Code Officer Stewart participated in the Funeral Service for Sheriff High.

Chief Burse participated in the weekly Prince George’s County Police Crime meeting.

Chief Burse participated in the State of Maryland Delegation Meeting.



Town of Upper Marlboro

Town Hall, 14211 School Lane
Upper Marlboro, MD 20772

Tel: (301) 627-6905
Fax: (301) 627-2080

info@uppermarlbormd.gov
www.uppermarlbormd.gov

Mailing address: P.O. Box 280 • Upper Marlboro, MD 20773-0280

Date: Monday Nov 14, 2022

Subject: Public Works' Status Report

RE: November 2022 – Monthly Status Report

Public Works Related

- PWD received last of cleaning proposals and reviewed to give recommendations.
- PWD reached out to refuse contractor Burch about isolated collection issues.
- PWD and Foreman dropped off collected food items to the Food Bank.
- PWD submitted questions for review by Town Attorney pertaining to hold harmless agreement, and scrap refuse recycling.
- PWD attended the State Delegation Legislative meeting.
- PWD attended the PGC DPW&T virtual snow summit.

Maintenance and Beautification

- PWC began testing lights and Christmas items ahead of Christmas Town Market.
- PWC began winterizing of Town equipment.
- PWD reached out to Chris Fitzpatrick of PEPCO to recommend areas of concern ahead of tree trimming in Town.
- Christmas Town decorations install began on pedestrian mall.

Street and Sidewalk / Mead & Hunt Update

- PWC worked with CC Officer Stewart to fix broken meters along Main St.
- MDOT Sidewalk upgrades began along MD725 at Annie's Cleaners. Currently on Main St at W Court Dr.
- Work on residential lateral connection service sewer line wrapped up on Church St.
- Continued conversations on Contract amendment language. Looking to resolve issue for contract kickoff mid December.

Refuse Accumulations

- Bulk day accumulations for solid wastes (Landfill) are tons. Bulk day accumulations for yard waste collections are tons.

Sincerely,

Darnell F. Bond III
Public Works Director

Sarah Franklin
President

sfranklin@uppermarlbormd.gov

Janice Duckett
Commissioner / Treasurer
jduckett@uppermarlbormd.gov

Thomas Hanchett
Commissioner
thanchett@uppermarlbormd.gov

Karen Lott
Commissioner
klott@uppermarlbormd.gov

Charles Colbert
Commissioner
ccolbert@uppermarlbormd.gov



Town of Upper Marlboro

Town Hall, 14211 School Lane Tel: (301) 627-6905 info@uppermarlboromd.gov
Upper Marlboro, MD 20772 Fax: (301) 627-2080 www.uppermarlboromd.gov
Mailing address: P.O. Box 280 • Upper Marlboro, MD 20773-0280

MEMORANDUM

To: Board of Town Commissioners
From: Kyle Snyder, Town Administrator
Date: Friday December 8th, 2022
Re: December 2022 Monthly General Government Report

Commissioners,

Below is the update on some of the projects and statistics from the Town of Upper Marlboro General Government undertaken in November 2022.

We are working on boarding a new part-time events coordinator and actively recruiting an Administrative Assistant/Bookkeeper. The town is still distributing COVID-19 tests at Town Hall during office hours.

Major Projects Underway	
Event Planning	Staff has been coordinating a donation drive site at Town Hall, as well as the Christmas Towne & Tree Lighting Event.
Codification	Municode has advanced the Town’s project, with a meeting set up in February between the Clerk, Town Admin, Town Attorney, and Municide Team.
Annual Audit	Audit is complete and submitted to the State. Audit up for formal Board approval at the December Town meeting.
Town Financial Policies & Legislation	Approved at the November Town meeting, John is working to advertise the Charter Amendment
Grant Applications	The Town has been awarded a \$5,000 from a PEPCO Grant for emergency generators!
Playground	Permitting submitted to the County, the construction completion date is set for mid-May 2023. Town Administrator is holding bi-weekly meetings with the contractor as we go through the permitting and scheduling the construction timeline.
Beautification	Gen Gov staff are working with Town DPW to purchase and coordinate beautification efforts before the horse shows and also working with State & County agencies on their projects.
ParkMobile	Staff working with Park Mobile to set up the new mobile parking system and integrate it with the Town’s existing IPS enforcement and parking equipment.
Annexation	Working with Town Annexation Legal team on drafting Annexation Resolution 2023-01 for Phase 3 Annexation.
State Highway Projects	Working with SHA teams on 1) Main St/ Water St sidewalk update 2) Water Street bridge 3) Water Street repaving (Completed!), 4) Ritchie Marlboro Rd exit reconstruction (Completed!)

Office Statistics:

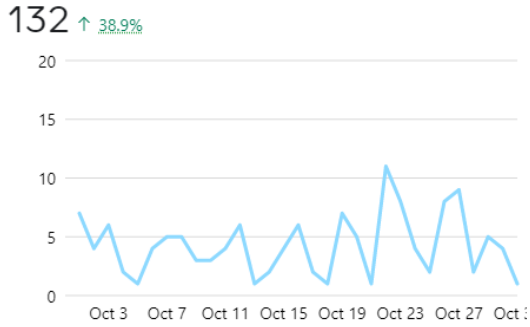
- Phone Call Volume: 1,119 incoming calls (average of 59 calls per working day M-F)

- Room Rentals: 1
- Notaries: 2
- Parking Permits: 8
- Food Truck Permits: 0

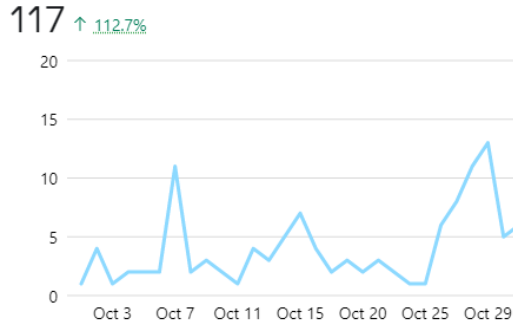
Outreach Statistics:
Facebook & Instagram-

New likes and follows

Facebook Page new likes ⓘ



New Instagram followers ⓘ



Reach

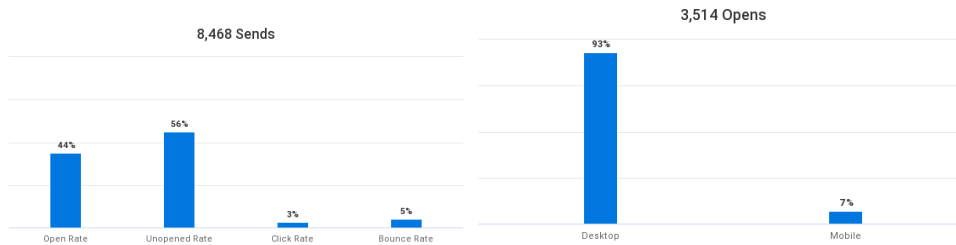
Facebook Page reach ⓘ



Instagram reach ⓘ



Constant Contact-



**BOARD OF COMMISSIONERS
FOR THE
TOWN OF UPPER MARLBORO**

ORDINANCE: 2022-08
SESSION: Regular Town Meeting
INTRODUCED: November 22, 2022

AN ORDINANCE TO AMEND ORDINANCE 2019-02 TO AUTHORIZE AND PROVIDE FOR THE APPOINTMENT AND GOVERNANCE OF ALL COMMITTEES AND OTHER BODIES NOT OTHERWISE PRESCRIBED BY THE CHARTER OR OTHER LAW TO PROVIDE FOR CERTAIN PRACTICES, PROCEDURES AND GOVERNANCE OF SUCH BODIES; BY PRESCRIBING AND PROVIDING FOR THE MEMBERSHIP, CREATION AND COMPOSITION OF CERTAIN BODIES; BY PROVIDING FOR CERTAIN APPOINTMENT PROCEDURES, COMPENSATION AND BUDGETING, TERMS OF APPOINTMENT AND REMOVAL, CONDUCT OF MEETINGS, APPOINTEE LIABILITY AND INDEMNIFICATION, COMMUNICATIONS; AND GENERALLY RELATING TO THE PRACTICES, PROCEDURES AND REQUIREMENTS FOR APPOINTED BODIES OF THE TOWN OF UPPER MARLBORO

WHEREAS, the Board of Commissioners of the Town of Upper Marlboro has authority pursuant to state law and Section 82-17 (Exercise of Powers) of the Town Charter to create committees and other bodies to further the public interest of the Town; and

WHEREAS, Section 82–16(2)(p) (Departments) of the Town Charter authorizes the Board to create, change, and abolish offices, departments, or agencies, other than offices, departments, and agencies established by said Charter; to assign additional functions or duties to offices, departments or agencies, established by said Charter, but not including the power to discontinue or assign to any other office, department, or agency, any function or duty assigned by said Charter to a particular office, department, or agency; and

WHEREAS, Section 82–16(2)(l) (Community Services) of the Town Charter authorizes the Board to provide, maintain, and operate community and social services for the preservation and promotion of the health, recreation, welfare, and enlightenment of the inhabitants of the Town.

WHEREAS, the Board of Commissioners finds it to be in the best interest of the Town to amend Ordinance 2019-02 as indicated below.

NOW, THEREFORE, BE IT ORDAINED, by the Board of Commissioners of The Town of Upper Marlboro sitting in regular session this _____ day of _____, 2022 the following:

TOWN OF UPPER MARLBORO COMMITTEE AND OTHER APPOINTED BODIES PRACTICES AND PROCEDURES ORDINANCE

SECTION 1: AUTHORITY, PURPOSE, SCOPE AND DEFINITIONS.

A. Authority. Pursuant to Title 5, Subtitle 2 of the Local Government Article of the Md. Ann. Code, and Sections 82–16(2)(p) and 82-17 of the Town Charter, the Board of Commissioners and the President shall be authorized pursuant to this Ordinance or any other duly enacted ordinance to create and establish certain offices, committees and other appointive bodies as deemed necessary to serve the best interests of the Town.

B. Purpose. In addition to authority stated in Subsection A, the purpose of this Ordinance is to authorize and set forth the practices, procedures and requirements for all Town appointed bodies serving the Town. Every committee or other appointed body shall have a specific statement of purpose and function as approved by the Appointing Authority or otherwise prescribed by law. ~~Unless otherwise prescribed by Charter, ordinance or resolution, the size of each body shall be dictated by its duties and responsibilities as determined by the appointing authority or bylaws approved by the Board of Commissioners.~~ THE SIZE OF EACH BODY SHALL BE NO LESS THAN THREE AND NO MORE THAN FIVE PEOPLE.

C. Scope. Unless otherwise provided elsewhere in the ordinances of the Town, the Town Charter or by authorized resolution, the provisions of this Ordinance shall apply to all committees or other appointed bodies established by Charter, separate legislation of the Board of Commissioners, or by order of the President, as permitted by law.

D. Definitions. The following definitions shall apply to this Ordinance:

- (1) “Appointing authority” means the Board of Commissioners or the President, as permitted by the Town Charter or State law.
- (2) “Appointed official” means a person designated by an Appointing Authority to occupy a Town office or perform some delegated power, function or duty on behalf of the Town government. AN APPOINTED OFFICIAL INCLUDES A PERSON APPOINTED TO SERVE ON A BOARD, COMMISSION, BODY OR COMMITTEE OF THE TOWN.
- (3) “Committee” means an ad hoc or standing body or individual to whom either the President or the Board of Commissioners have delegated or committed a particular duty in the expectation of their acts or recommendations being confirmed by the Appointing Authority. A committee’s purpose may be solely advisory in nature. A committee may also include a standing group of

persons with managerial, supervisory, governmental, planning or investigatory functions having certain expressly delegated powers or functions.

SECTION 2: PRACTICES, PROCEDURES AND GOVERNANCE.

A. General. All appointees of the various committees and other appointed bodies of the Town, shall abide by the rules, policies and practices stated in this Ordinance or by any other duly approved ordinance, resolution, including any approved organizational bylaws, or order to ensure the proper conduct of Town business, proper administrative interaction with agencies outside of the municipality, and proper administration of employees, appointees and other bodies of the Town of Upper Marlboro.

B. Reports. At each Town regular or other designated meeting, a report from each committee or other appointed body shall be made by the chairperson or other proper designee to the Board of Commissioners.

C. Limitations. Unless otherwise provided by State law, the Town Charter, an ordinance or written resolution, including any organizational bylaws passed pursuant to this Ordinance, or another enabling ordinance, a committee or other appointed body shall not have any authority to act on behalf of the Board of Commissioners or the President, nor shall such committees or other appointed bodies conduct hearings or take testimony or public comment unless specifically authorized by resolution or recorded motion of the Board of Commissioners or as otherwise permitted by law. Organizational bylaws shall be approved by the Board of Commissioners.

D. Compensation and budget.

(1.) Appointed body members shall receive no compensation, although they may be reimbursed for actual expenses incurred in the performance of their duties in accordance with appropriations for the various bodies or purposes as made by the Board of Commissioners.

(2.) In general, an individual committee or other body may not always have a defined budget. If a committee or other appointed body anticipates a need to expend funds not currently budgeted, it may request such funds through the President’s office. Such a request ~~is subject to a~~ **MUST BE REVIEWED** and **EVALUATED FOR** need, availability of funds, and ~~approval~~ **APPROVED** by ~~the President~~ and **Board OF COMMISSIONERS**. For those bodies having budgeted funds set aside for their purposes, no contract shall be entered into except as authorized by Town procurement law.

E. Qualifications. The President shall appoint all members of any appointed bodies created by ordinance or authorized resolution unless otherwise prescribed by other law. Unless prescribed otherwise by law including any approved bylaws of the body, all bodies shall have appointees who shall meet the following qualifications for appointment: (i.) A member shall be a resident **OR BUSINESS OWNER (INCLUDING NON-STOCK AND NOT FOR PROFIT ORGANIZATIONS) RESIDING OR DOING**

BUSINESS IN EITHER THE Town’S CORPORATE LIMITS OR THE GREATER UPPER MARLBORO AREA AS DESCRIBED BY THE APPROPRIATE CORRESPONDING POSTAL ADDRESS, (ii.), a member shall not be a person employed by or under contract to the Town except as a non-voting member or liaison, and (iii.) a member shall not be a convicted felon, unless otherwise waived by a unanimous vote of the Board of Commissioners.

F. Terms of appointment and removal. Unless otherwise prescribed by law, the terms of appointment for the various appointed bodies shall generally be one year; however, certain appointments may be for two years. Bodies formed for specific purposes may not have definite terms and may exist only until the ordained or ordered purpose is accomplished. The following requirements shall also apply to terms of appointment, and removal or suspension of members:

- (1.) COMMITTEE MEMBERS SHALL BE APPOINTED IN JANUARY OF EVERY EVEN YEAR AND SERVE FOR A TERM OF TWO YEARS; AND
- (24.) Upon appointment and as a condition thereof, an Appointed Official shall take and subscribe to the oath or affirmation of office as provided for in Section 82-85 of the Town Charter;
- (32.) Members are free to resign at any time, should their personal circumstances prevent continued effective service. A letter of resignation or other writing shall be submitted to the Town Clerk ~~but the resignation shall not become effective until approved by the Appointing Authority;~~ and
- (43.) Excessive absenteeism, excluding short term illness or necessary travel, is cause for removal of a committee member or other appointee. Unless otherwise prescribed by law, a body’s appointee may be removed from office for cause or without cause by the President.

G. Meetings. The body or committee ~~chairperson~~ shall be responsible for setting the proposed meeting agenda, unless the body decides on another procedure. A commissioner AND/OR A STAFF MEMBER may be assigned to coordinate with each body and may assist in drafting the agenda, scheduling meetings, and in the preparation and distribution of meeting materials. The following operating policies and procedures shall also apply:

- (1.) Except for those committees and other bodies that have adopted their own bylaws or rules of procedure, as approved by the Board of Commissioners, and unless otherwise specified by law, the most recent edition of Robert’s Rules of Order shall generally be followed when conducting meetings;
- (2.) All committee and other body meetings shall be open to the public after reasonable notice is given and conducted in accordance with the State of Maryland’s Open Meetings Law. A body may convene in closed session only for those reasons set forth in State Government Article, Section 10-508(a) of the Annotated Code of Maryland and a body should consult with the Town Clerk prior to considering doing so;

(3.) Certain bodies may have standing meeting times, while others may meet on an “as needed” basis. Unless otherwise prescribed by law, each committee or body may meet as frequently as necessary to carry out its responsibilities. A body may also cancel a meeting from time to time if there are no agenda items in need of consideration or if a quorum cannot attend. A quorum for conducting business shall be a simple majority of the membership of the committee or other body;

(4.) Minutes should be KEPT IN ACCORDANCE WITH STATE LAW AND TOWN REGULATIONS REGARDING MEETINGS, BE brief and SHOULD essentially reflect decisions, motions, consensus, votes or recommendations of the body. A copy of the minutes should be sent to the Town Clerk for custodial purposes, who shall forward a copy to the Appointing Authority; and

(5.) The Board of Commissioners recognizes the importance of civil discourse at all levels of the government including for those who volunteer their time and services on behalf of the Town. Bodies and committees should conduct themselves so as to maintain public confidence in their municipal government and in the performance of the public trust. Disruptive behavior may result in removal FROM THE MEETING by the CHAIRPERSON OR THE COMMITTEE of any person responsible for such behavior.

F. TOWN PROPERTY. PROPERTY PURCHASED WITH TOWN FUNDS EITHER DIRECTLY OR THROUGH REIMBURSEMENT IS THE PROPERTY OF THE TOWN OF UPPER MARLBORO. ITEMS DONATED TO A COMMITTEE ARE THE PROPERTY OF THE TOWN OF UPPER MARLBORO AND SHALL NOT BE DISPOSED OF WITHOUT PROPER AUTHORITY.

SECTION 3: LIABILITY AND INDEMNIFICATION; COMMUNICATIONS.

A. Member liability. Appointed officials or members of a Town appointed body are considered municipal officials, regardless of whether they receive compensation. Subject to certain exceptions and limitations, state law allows a municipality to indemnify its officials and employees from personal financial loss, while acting in a discretionary capacity, without malice, and within the scope of the official's authority. The Town has purchased liability insurance policies for this purpose and intends to indemnify and defend its duly appointed committee or other body members in substantially the same manner as its other appointed and elected officials.

B. Email usage. The use of electronic mail creates certain issues related to the state open meetings and public records laws. There is no distinction in the law between written and electronic records. As a result, it is likely that email messages written or received in the capacity of a committee or body member are public records which must be made available for public inspection in the same manner as hardcopy documents. Use of one’s own home computer and personal email accounts may not exempt such communications depending on the context. Unless subject to a privilege provided for by law, employees

and committee members acting in their official capacity should have no expectation of privacy in their use of electronic mail for town purposes. Appointees are encouraged to establish or obtain separate email accounts from the Town or another provider dedicated solely for their use as a Town official.

C. Public Speaking AND COMMUNICATION FROM TOWN OR TOWN COMMITTEE EMAIL OR SOCIAL MEDIA ACCOUNTS. An individual appointed member has a right to speak publicly as a private citizen but should not purport to represent the Town, the body or committee or exercise the authority of the body or committee except when specifically authorized by that body to do so. If members identify themselves as members when speaking as private citizens, it may be perceived that they speak for the body or committee. Such a perception should be avoided. A MEMBER WHO CREATES THIS PERCEPTION MAY HAVE THEIR ACCESS REMOVED FROM TOWN AND COMMITTEE ACCOUNTS AND MAY BE REMOVED FROM THE COMMITTEE BY THE BY THE APPOINTING AUTHORITY.

BE IT FURTHER ENACTED AND ORDAINED by the Board of Commissioners of the Town of Upper Marlboro, Maryland that this ordinance shall become effective at the expiration of twenty (20) calendar days following approval by the Board of Commissioners.

BE IT FURTHER ENACTED AND ORDAINED by the Board of Commissioners of the Town of Upper Marlboro, Maryland that this Ordinance shall be posted in the Town Hall office, and it or a fair summary thereof, shall be published once in a newspaper of general circulation in the Town.

Adopted this _____ day of _____, 2022.

Attest:

THE TOWN OF UPPER MARLBORO,
BOARD OF COMMISSIONERS

Sarah Franklin, President

John Hoatson, Town Clerk

Reviewed and Approved for Legal Sufficiency

_____ Date: _____
Kevin J. Best, Esq.

**BOARD OF COMMISSIONERS
FOR THE
THE TOWN OF UPPER MARLBORO**

ORDINANCE: 2022-09
SESSION: Regular Town Meeting
INTRODUCED: November 22, 2022

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE TOWN OF UPPER MARLBORO GRANTING A RENEWAL OF THE CABLE FRANCHISE TO COMCAST OF MARYLAND, LLC AND AUTHORIZING A FRANCHISE AGREEMENT; AND GENERALLY RELATING TO CABLE TELEVISION

WHEREAS, pursuant to §5-201 *et seq.* of the Local Government Article, Annotated Code of Maryland, the Town of Upper Marlboro (hereinafter, the “Town”) has the power to pass such ordinances as it deems necessary to protect the health, safety and welfare of the citizens of the municipality; and

WHEREAS, the Board has the ordinance making power under §5-204(d) of the Local Government Article, Annotated Code of Maryland to grant non-exclusive cable franchises; and

WHEREAS, the Board has the power under §82-16(2)(y) (Franchises) of the Town Charter to pass ordinances not contrary to the laws and Constitution of this State, for the specific purposes: to grant and regulate franchises to water companies, electric light companies, gas companies, telegraph and telephone companies, transit companies, taxicab companies, and any others which may be deemed advantageous and beneficial to the Town, provided that no franchise shall be granted for longer period than fifty years; and

WHEREAS, the Town entered into a cable franchise agreement with Comcast of Maryland, LLC which ended in 2015, but has been extended during the negotiation of the renewal of the franchise agreement; and

WHEREAS, through a consortium of participating municipalities, the Board authorized the negotiation of the renewal of the franchise agreement with Comcast of Maryland, LLC and said proposed agreement has been prepared and presented to the Board; and

WHEREAS, pursuant to this Ordinance, the Town shall provide for the holding of a public hearing within the proposed franchise area, following reasonable notice to the public, at which every franchisee or applicant and its applications or requests shall be examined and the public and all interested parties afforded a reasonable opportunity to be heard; and

WHEREAS, the Comcast Cable Franchise Agreement of 1999 required construction of a Prince George's County Intergovernmental Network (“I-Net”) governed by a committee represented by the county and all participating municipalities (“PM’s”) with infrastructure and connectivity to 174 sites, and a functional purpose of connecting authorized users, including specific governmental, educational, and public facilities, with connectivity via the network offering participating governments a communication vehicle to reduce costs for services otherwise provided through commercially leased lines (e.g., Dial-Up, DSL (Digital Subscriber Line), ISDN (Integrated Services Digital Network), etc.); and

**BOARD OF COMMISSIONERS
FOR THE
THE TOWN OF UPPER MARLBORO**

WHEREAS, the elected leadership of the County and PM's regarding a joint franchise agreement have been asked to approve a 10-year cable franchise renewal with Comcast and the consortium has asked the PM's to pass their ordinances before January 1, 2023, in order to make the County's legislative deadlines after the New Year; and

WHEREAS, the major features of the new collective franchise agreement are as follows: (i) 5% of gross revenues as a franchise fee, (ii) 3% of gross revenues as support for PEG (includes I-Net/C-Net), (iii) up to 3 municipal PEG channels with option for county to utilize unused channels; (iv) the I/C-Net is preserved for 10 years until transitioned to a government network, (v) provide new service at cost and maintain existing connections to government buildings; (vi) free build out or extension of service area up to 350 ft. from network, and (vi) provides for two company offices in the county for equipment pick up and drop off; and

WHEREAS, the Board of Commissioners have determined that it is in the public interest to renew the cable franchise with Comcast of Maryland, LLC, within the corporate limits of the Town, on condition that Comcast of Maryland, LLC. enter into a franchise agreement in substantially the form as attached to this Ordinance.

Section 1. NOW THEREFORE, BE IT ORDAINED AND ENACTED, by the Board of Commissioners of the Town of Upper Marlboro, the renewal of the non-exclusive right to construct and operate a cable television system along the public rights of way in the Town of Upper Marlboro is hereby granted to Comcast of Maryland, LLC, subject to the provisions a franchise agreement between the Town and Comcast Cable, LLC, which is incorporated by reference herein in a form substantially similar to that attached as Exhibit A to this Ordinance. The Mayor of the Town of Upper Marlboro is authorized to endorse the franchise agreement on behalf of the Town.

Section 2. BE IT FURTHER ORDAINED AND ENACTED by the Board of Commissioners of the Town of Upper Marlboro that upon formal introduction of this proposed Ordinance, which shall be by way of a motion duly seconded and without any further vote, the Town Clerk shall distribute a copy to each Board member and shall maintain a reasonable number of copies in the office of the Town Clerk and shall post at Town Hall, to the official Town website, to the Town-maintained e-mail LISTSERV, if any, and on the Town cable channel, if any, and if time permits, in any Town newsletter, the proposed ordinance or a fair summary thereof together with a notice setting out the time and place for a public hearing thereon and for its consideration by the Board.

The public hearing, hereby set for _____ on the ____ day of _____ 2022, shall follow the publication by at least seven (7) days, may be held separately or in connection with a regular or special Board meeting and may be adjourned from time to time. All persons interested shall have an opportunity to be heard. After the hearing, the Board may adopt the proposed ordinance with or without amendments or reject it. This proposed Ordinance shall be posted by the Town Clerk as is or as a fair summary of the Ordinance and notice of its adoption at Town Hall, to the official Town website, to the Town-maintained e-mail LISTSERV, on the Town cable channel, and in any regularly published Town newsletter.

Section 3. BE IT FURTHER ORDAINED AND ENACTED, by the Board of Commissioners of the Town of Upper Marlboro that the Town hereby adopts by reference Subtitle 5A. - Cable Television and

**BOARD OF COMMISSIONERS
FOR THE
THE TOWN OF UPPER MARLBORO**

Telecommunications of the Prince George’s County Code, adopted by reference herein along with this Ordinance (the “Town Cable Code”).

Section 4. BE IT FURTHER ORDAINED AND ENACTED, that if any section or part of a section of this ordinance shall be held invalid by a court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance nor the context in which such section or part of section so held invalid shall appear, except to the extent that an entire section or part of section may be inseparably connected in meaning and effect with the section or part of section to which such holding shall directly apply.

Section 5. AND BE IT FURTHER ORDAINED AND ENACTED, by the Board of Commissioners of the Town of Upper Marlboro, Maryland that this ordinance shall become effective at the expiration of twenty (20) calendar days following approval by the Board of Commissioners.

Section 6. AND BE IT FURTHER ORDAINED AND ENACTED by the Board of Commissioners of the Town of Upper Marlboro, Maryland that this ordinance shall be posted in the Town Hall office, and it shall be published once in a newspaper of general circulation in the Town

Adopted this _____ day of _____, 2022.

ATTEST:

THE TOWN OF UPPER MARLBORO

John Hoatson, Town Clerk

Sarah Franklin, President

Date: _____

Charles Colbert, Commissioner

Janice Duckett, Commissioner

Thomas Hanchett, Commissioner

Karen Lott, Commissioner

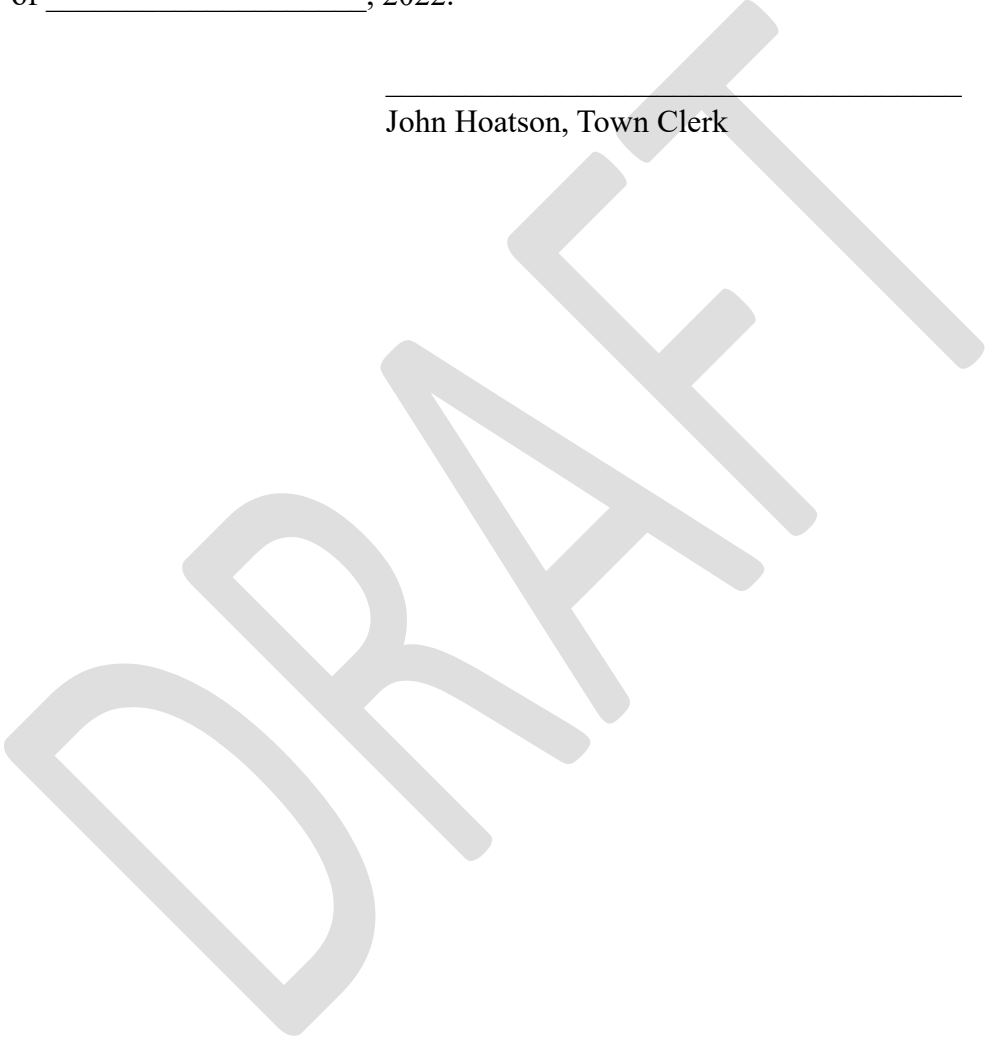
**BOARD OF COMMISSIONERS
FOR THE
THE TOWN OF UPPER MARLBORO**

CERTIFICATION

I, the undersigned, hereby certify that I am the Town Clerk of the Town of Upper Marlboro and that the Board of Town Commissioners of the Town of Upper Marlboro at a public meeting at which a quorum was present adopted this Ordinance, and that said Ordinance is in full force and effect and has not been amended or repealed.

In witness whereof, I have hereunto set my hand and seal of the municipal corporation, this _____ day of _____, 2022.

John Hoatson, Town Clerk



Updated 12/5/22

Page 1

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~DRAFT FOR REVIEW AND APPROVAL~~ Date: _____

Style Definition: TOC 1: Right: 0", Space After: 6 pt, Line spacing: At least 0 pt

CABLE FRANCHISE AGREEMENT
BETWEEN

~~THE TOWN BOARD OF COMMISSIONERS OF~~ THE TOWN OF UPPER MARLBORO,
MARYLAND
AND COMCAST OF MARYLAND, LLC

Style Definition: Legal5_L2: Indent: Left: 0", Tab stops: Not at 4.54"

Formatted: Font color: Black, Condensed by 0.15 pt

Formatted: Condensed by 0.15 pt

Date: _____

Updated 12/5/22

Page 2

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

TABLE OF CONTENTS

Formatted: Justified, Indent: Left: 2.1"

<u>ARTICLE</u>	<u>PAGE</u>
1. DEFINITIONS.....	5
2. GRANT OF AUTHORITY: LIMITS AND RESERVATIONS	10
3. PROVISION OF CABLE SERVICE	15
4. SYSTEM OPERATION	18
5. SYSTEM FACILITIES	26 18
6. PEG SERVICES	23
7. PROGRAM GUIDE.....	26
8-7. FRANCHISE FEES	31
98. CUSTOMER SERVICE	32
10- BOOKS AND-9..... <u>REPORTS AND RECORDS</u>	32
11. INSURANCE AND INDEMNIFICATION.....	35
12. TRANSFER OF FRANCHISE.....	39
13. RENEWAL OF FRANCHISE.....	40
14. ENFORCEMENT AND TERMINATION OF FRANCHISE	40
15. COMPETITIVE EQUITY	44
16. MISCELLANEOUS PROVISIONS.....	46

Formatted: Right: 0.5", Tab stops: 6.38", Right,Leader: ... + Not at 6.5"

Formatted: Font: +Body (Calibri), 11 pt

Formatted: Right: 0.5", Tab stops: 6.38", Right,Leader: ... + Not at 6.5"

EXHIBITS

Exhibit A: Institutional Network Settlement Agreement

- Settlement Exhibit 1 –Participating Municipalities
- Settlement Exhibit 2 – List of 186 Sites
- Settlement Exhibit 3 – Maintenance Standards
- Settlement Exhibit 4 – Annual Fees for CNET
- Settlement Exhibit 5 – Cable Modem Locations and Pricing

- Exhibit B: List of Public Buildings
- Exhibit C: Participating Municipalities
- Exhibit D: Line Extension Policy
- Exhibit E: PEG Channel Listing
- Exhibit F: PEG Origination Points
- Exhibit G: Customer Service Standards
- Exhibit H: Performance Bond

Updated 12/5/22

Page 3

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

Exhibit I: Form of Annual Report
Exhibit J: Form of Quarterly Report

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

THIS CABLE FRANCHISE AGREEMENT (the "Agreement") is entered into as of this _____ day of _____, 2022 (the "Effective Date") by and between ~~the Town Board of Commissioners of the~~ The Town of Upper Marlboro, a municipal corporation under the laws of the State of Maryland (hereinafter sometimes referred to as the "Town" or "Franchisor"), and Comcast of Maryland, LLC, a company duly organized and existing under the laws of the State of Maryland (hereinafter sometimes referred to as "Franchisee").

WHEREAS, Franchisee has been operating a Cable System pursuant to a nonexclusive cable franchise granted in 1999 and has applied to the County to renew its nonexclusive franchise to own, construct, reconstruct, install, maintain, repair, extend and operate a cable system in the County, and the County desires to issue a renewal franchise to Franchisee under appropriate terms and conditions; and

WHEREAS, the Town is a "local franchising authority" in accordance with Title VI of the Communications Act of 1934, as amended (*see* 47 U.S.C. §522(10)), and is authorized to grant one or more nonexclusive cable system franchises pursuant to ~~the Charter of the Town of Upper Marlboro, § Section 82-16(2)(y), Ordinance 2022-09 and Subtitle 5A. Cable Television and Telecommunications of the Prince George's County Code, adopted by reference herein (the "Town Cable Code~~ Ordinance 06-05, known as the Town Cable Communications Regulatory Code (the "Cable Code" or "Cable Ordinance"); and

WHEREAS, the Town and Franchisee have previously reached agreement on the terms and conditions set forth herein, including the terms and conditions for provision and maintenance of institutional network capacity as set forth in that certain Settlement Agreement between Prince George's County, Md. and Participating Municipalities and Comcast of Maryland, LLC for the Indefeasible Right of Use of Institutional Network Facilities, and Provision of Cable Modem Services, attached hereto as Exhibit A; and

WHEREAS, the Town has identified the future cable related needs and interests of the Town and its residents, has considered the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for constructing, maintaining, operating and repairing its Cable System are adequate, in a full public proceeding affording due process to all parties; and

WHEREAS, the Town has relied on Franchisee's representations regarding its financial, technical, and legal qualifications and its plans for installing, constructing, reconstructing, maintaining, operating, and repairing its Cable System; and

WHEREAS, based upon Franchisee's representations and information, the ~~Board~~ Upper Marlboro governing body has determined that, subject to the provisions of Cable Code, the terms and conditions set forth herein, and provisions of Applicable Law the renewing of the nonexclusive cable franchise to Franchisee is consistent with the public interest.

NOW, THEREFORE, in consideration of the Town's renewal of a cable franchise to Franchisee and Franchisee's agreement to the terms and conditions set forth herein, and for other good and valuable consideration, the receipt and adequacy of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usage set forth in the Cable Code are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1 *Access Channel*: Any Channel on the Cable System set aside under this Agreement for public, educational, or government use in accordance with Applicable Law.

1.2 *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3 *Applicable Law*: All federal, state, and local laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations including, but not limited to, FCC resolutions, orders, rules, and regulations, the Cable Code, and all administrative and judicial decisions interpreting the same.

1.4 *Basic Service*: Any service tier which includes the retransmission of local television broadcast signals and/or the transmission or retransmission of PEG Channels required by this Agreement.

1.5 *Cable Code*: Ordinance ~~2022-09 and Subtitle 5A. — Cable Television and Telecommunications of the Prince George's County Code, adopted by reference herein (the "Town Cable Code")~~; 06-05, known as the Town Cable Communications Regulatory Code, or "Cable Ordinance," as amended from time to time.

1.6 *Cable Service or Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6). If during the course of this Agreement any service is classified to be or not to be a "Cable Service" by a court of competent jurisdiction in a decision that constitutes a binding legal precedent on the Town or Franchisee, or by the FCC in a decision that is binding on the Town or Franchisee, then the term "Cable Service" as used in this Agreement shall be interpreted in accordance with such decision.

1.7 *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7).

1.8 *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4).

1.9 *Complaint*: Complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesies.

1.10 *Communications Act*: The Communications Act of 1934, as amended.

1.11 *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies, operations, or management of a Person, the Cable System, or the Franchise, including working control in whatever manner exercised, including, without limitation, working control through ownership, management, debt instruments, or negative control, as the case may be, of a

Person, the Cable System, or the Franchise. A rebuttable presumption of the existence of Control of, or a Controlling interest in, a Person shall arise from the beneficial ownership, directly or indirectly, by any Person or group of Persons acting in concert (other than underwriters during the period in which they are offering securities to the public) of five percent (5%) or more of voting interests or fifty percent (50%) or more of nonvoting interests of such Person. Control or Controlling interest as used in this Agreement may be held simultaneously by more than one (1) Person or group of Persons. Notwithstanding the preceding sentence, if one (1) Person owns a majority of the voting interests of a Person, the Cable System, or the Franchise, such owner shall be presumed to have sole Control of and to possess the sole Controlling interest in such Person, the Cable System, or the Franchise unless another Person exercises *de facto* control (as that term is defined under the precedents of the FCC) of the Controlled Person, the Cable System, or the Franchise, in which case such other Person also shall have Control and a Controlling interest.

1.12 *Drop*: The cable or wire that connects the distribution portion of a Cable System to a Subscriber's premises.

1.13 *Economically and Technically Feasible*: Capable of being provided through technology that has been demonstrated to be feasible for its intended purpose, in an operationally workable manner and in a manner whereby the Cable System has a reasonable likelihood of being operated on reasonably profitable and commercially practicable terms.

1.14 *Educational Access Channel*: An Access Channel available for the use by educational institutions in, or for the benefit of, the Franchise Area as designated by the Town.

1.15 *FCC*: The United States Federal Communications Commission, its designee, or any successor governmental entity thereto.

1.16 *FCC's 621 Order*: Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992, MB Docket No. 05-311, Third Report and Order, 34 FCC Rcd 6844 (2019).

1.17 *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to control. This includes, but is not limited to, severe or unusual weather conditions, pandemic, strike, labor disturbance, lockout, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, fire, flood, or other act of God, and sabotage.

1.18 *Franchise*: The franchise granted by this Agreement as defined in ~~Ordinance 2022-09 and Section 5A-102(a)(19) of Subtitle 5A—the Cable Television and Telecommunications of the Prince George's County Code.~~

1.19 *Franchise Area*: The territorial confines of the Town, and any areas added or annexed thereto during the Term of the Franchise, excluding therefrom any incorporated municipalities therein.

1.20 *Government Access Channel*: An Access Channel available for the use by the Town and other governmental entities as may be authorized by the Town.

Updated 12/5/22

Page 7

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

1.21 *Gross Revenue*: Any and all cash, credits, property or consideration of any kind or nature that constitute revenue within the meaning of the Cable Communications Policy Act of 1984, as the same may be amended derived directly or indirectly by Franchisee or any Affiliate from the operation of the Cable System to provide Cable Service in the Franchise Area. All Parties acknowledge that Franchisee maintains its books in accordance with generally accepted accounting principles (GAAP). Disputes regarding the classification of revenue and other accounting issues shall be resolved based on Generally Accepted Accounting Principles (GAAP), provided that the Franchisor reserves its right to challenge Franchisee's interpretation of GAAP, and even if GAAP is properly applied that Franchisor reserves the right to challenge on the basis that such an interpretation is in conflict with 47 U.S.C. 542. Gross Revenue on bundled services will be calculated as provided in Section 7.5. Gross Revenue shall include all items permitted to be included in gross revenues for the calculation of franchise fees under Applicable Law, including, by way of example and description but not by way of limitation, the following: all Subscriber and customer revenues net of bad debts, including revenue for:

~~1.21.1~~ 1.21.1 Basic Service, digital service tiers, pay per view services, video on demand services, expanded services and premium services;

Formatted: Legal5_L3

~~1.21.2~~ 1.21.2 all fees charged to any Subscribers for or in connection with any and all Cable Service provided by Franchisee over the Cable System in the Franchise Area, including without limitation, broadcast fees, administrative fees, DVR fees, fees for program guides, fees for the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; cable franchise fee, PEG fee, and FCC regulatory fee pass through to Subscribers; fees for repair calls unless unrelated to the provision of Cable Service; fees for provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or otherwise;

~~1.21.3~~ 1.21.3 revenues from the sale or lease of access channel(s) or channel capacity;

~~1.21.4~~ 1.21.4 compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services via a Cable Service on the Cable System, such as a home shopping channel or a similar service, subject to the exceptions below;

~~1.21.5~~ 1.21.5 Cable Service revenue generated by Franchisee or by any Affiliate through any means that have the primary effect of avoiding the payment of compensation that would otherwise be paid to the Town for the Franchise granted in this Agreement and not as part of a legitimate business objective or venture independent of Cable Service;

~~1.21.6~~ 1.21.6 a pro rata portion of all revenue derived by Franchisee or any Affiliate pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Franchise Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Franchise Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be

Updated 12/5/22

Page 8

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

netted against advertising revenue included in Gross Revenue except as specifically provided herein.

Gross Revenue shall not include the following:

1.281.21.7 Revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System including professional service fees and insurance and/or bonding costs which revenues have been reflected in the Gross Revenues of Franchisee;

Formatted: Legal5_L3

1.291.21.8 Bad debts written off by Franchisee in the normal course of its business, but reported as revenues; provided, however, that bad debt recoveries and adjustments to bad debt shall be properly reflected and included in Gross Revenue during the period collected or adjusted;

1.301.21.9 refunds, rebates or discounts made to Subscribers or other third parties, such as leased access providers, to the extent such refunds, rebates or discounts represent an actual refund or rebate of or a reduction in the price paid by Subscribers or other third parties;

1.341.21.10 for purposes of this Franchise, any revenues generated by services that are Non-Cable Services;

1.321.21.11 any revenue of Franchisee or any other Person which is received from the sale of merchandise through any Cable Service distributed over the Cable System, except for that portion of such revenue which is paid to Franchisee as a commission or a fee for cablecasting such programming;

1.331.21.12 revenue from the sale of Cable Service on the Cable System in a resale with respect to which the buyer is obligated to collect and pay a franchise fee to the County;

1.341.21.13 any tax of general applicability imposed upon Franchisee or upon Subscribers by a ~~Town~~city, state, federal or any other governmental entity and required to be collected by Franchisee from Subscribers and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable franchise fees);

1.351.21.14 the provision of Cable Services to customers without charge, including, without limitation, the provision of Cable Services to public institutions as required or permitted herein, provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue;

1.361.21.15 sales of capital assets or sales of surplus equipment;

1.371.21.16 program launch fees and other programmer reimbursements to the extent such fees and reimbursements were not paid directly to Franchisee;

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~1.381.21.17~~ directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing;

~~1.391.21.18~~ investment income; and

~~1.401.21.19~~ agency commission fees for unaffiliated third party advertising sales agencies.

~~1.411.22~~ *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20).

~~1.421.23~~ *Institutional Network or I-Net*: as it is defined under the Communications Act, 47 U.S.C. §531(f), means a communication network which is constructed or operated by the cable operator and which is generally available only to subscribers who are not residential subscribers.

~~1.431.24~~ *Liability or Liabilities*: Any and all charges, damages, expenses, penalties, fines, costs, claims, liabilities, obligations, debts, attorneys' and other fees of every kind and character, known and unknown, contingent or otherwise. Liability or Liabilities shall also mean any damage or loss to any real or personal property of, or any injury to or death of, any Person or the County or any Participating Municipality.

~~1.441.25~~ *Non-Cable Services*: Any service that does not constitute a Cable Service including, but not limited to, Information Services and Telecommunications Services.

~~1.451.26~~ *Non-Residential Subscriber*: A Subscriber other than a Residential Subscriber.

~~1.461.27~~ *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 night per week and some weekend hours.

~~1.471.28~~ *Normal Operating Conditions*: Those service conditions which are within the control of the Franchisee. Conditions that are not within the control of the Franchisee include, but are not limited to, natural disasters, pandemic, civil disturbances, power outages, telephone network outages, and severe weather conditions. Conditions that are ordinarily within the control of Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System.

~~1.481.29~~ *Participating Municipalities or Participating Municipality*: Those municipalities listed as such in Exhibit C hereto and incorporated herein by reference. Except where the context clearly provides or would require a contrary construction or interpretation, the term Town shall include or mean County and Participating Municipality.

Formatted: No underline

Formatted: No underline

~~1.491.30~~ *Parties*: Comcast of Maryland, LLC and the Town ~~of Upper Marlboro~~.

~~1.501.31~~ *PEG*: Public, Educational, and Governmental.

~~1.51~~1.32 *PEG Channels*: Refers collectively to all Public Access Channels, Educational Access Channels, and Government Access Channels required by this Agreement.

~~1.52~~1.33 *Person*: An individual, partnership, association, corporation, joint stock company, trust, limited liability company, organization, governmental jurisdiction, and any other form of entity, but such term shall not include the Town.

~~1.53~~1.34 *Plant Mile*: The length in miles or fractions thereof of strand-bearing or underground cable as measured on the right-of-way from pole to pole or from pedestal to pedestal.

~~1.54~~1.35 *Public Access Channel*: An Access Channel available for public access programming.

~~1.55~~1.36 *Public Benefit Corporation*: Any non-profit, tax-exempt organization that has as a primary purpose the provision of services of an educational, health, civic, charitable, or similar nature within the Town.

~~1.56~~1.37 *Public Building*: Any facility (owned or leased) of the County or a Participating Municipality located in the County.

~~1.57~~1.38 *Public Rights-of-Way or Public Right-of-Way*: The surface of, and the space across, in, over, along, above and below, any public street, highway, freeway, bridge, tunnel, park, parkway, land, path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle, waterway, or similar property, or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way utilized for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Town in the Franchise Area which Town rights-of-way, consistent with the purpose for which they were dedicated, may be utilized for the purpose of installing, operating, repairing, and maintaining a Cable System. Public Rights-of-Way also means any easement now or hereafter held by the Town within the Franchise Area for the purpose of public travel, or for utility or public service use utilized for compatible uses and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Town and the Franchisee to the use for the purposes of installing, operating, and maintaining the Franchisee’s Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System. Public Rights-of-Way shall not include any Town buildings, structures, or other improvements, regardless of whether they are situated in a Public Right-of-Way. No reference herein to a Public Right-of-Way shall be deemed to be a representation or guarantee by the Town that its interest or other right to control the use of such property is sufficient to permit the use of such property for the Franchisee’s purposes hereunder, and Franchisee shall be deemed to gain only those rights to use such property as are properly in the Town and as the Town may have an undisputed right to give to Franchisee for the purposes of this Agreement.

~~1.58~~1.39 *Region*: The area within the Washington, D.C. Designated Market Area (“DMA”) as defined by the FCC.

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~1.59~~1.40 *Resident*: Any occupant who resides in a residential dwelling in the Town or a Participating Municipality, including, without limitation, occupants of apartment houses, one- and two family dwellings, rooming houses, condominiums, town homes, nursing homes and mobile home parks.

~~1.60~~1.41 *Residential Subscriber*: A Resident who is a Subscriber.

~~1.61~~1.42 *Service Interruption*: The loss of picture or sound or the substantial deterioration thereof.

~~1.62~~1.43 *Standard Installation*: Installations where the point of utility ingress at the customer's dwelling unit premises are within three hundred and fifty (350) foot drop distance of the nearest point of Franchisee's trunk and distribution system.

~~1.63~~1.44 *Subscriber*: A Person who legally receives Cable Service over the Cable System, whether or not a fee is paid for that Service.

~~1.64~~1.45 *System Outage*: A Service Interruption of at least 4 hours affecting more than 10% of Subscribers.

~~1.65~~1.46 *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46).

~~1.66~~1.47 *Title VI*: Title VI of the Communications Act.

~~1.67~~1.48 *Transfer*: shall mean any transaction subject to review under the Cable Code, subject to the following further clarifications:

~~1.68~~1.48.1 any ownership or other right, title, or interest in a publicly traded corporation controlling the Franchisee or its Cable System shall not constitute a Transfer unless more than 50% of such ownership is transferred, sold, assigned, leased, or sublet, directly or indirectly; or

Formatted: Legal5_L3

~~1.69~~1.48.2 for the Franchisee, any ownership or other right, title, or interest cognizable under FCC regulations of fifty percent or more in an entity other than a publicly traded corporation controlling the Franchisee, its Cable System, or any person that is a cable operator of the Cable System (or in the Franchisee itself, if it is a publicly traded corporation) is transferred, sold, assigned, leased, or sublet, directly or indirectly, to an entity that does not presently control such entity other than a publicly traded corporation; or

~~1.70~~1.48.3 there is any transfer of control of a Franchisee other than to an entity already under common ownership or control with Franchisee; or

~~1.71~~1.48.4 the Franchisee or Cable System, or control of the same is transferred to another entity other than to an entity already under common ownership or control with Franchisee; or

~~1.721.48.5~~ any change or substitution occurs in the managing general partners of a Franchisee, where applicable, other than to an entity already under common ownership or control with Franchisee; or

~~1.731.48.6~~ Franchisee, or its corporate parents at any level, enter into any transaction that materially increases the debt that is to be borne by the System directly or indirectly, in a manner that creates an adverse effect on system rates or services; *provided that*

~~1.741.48.7~~ Transfer shall not include transactions in which the Franchisee is reorganized within another corporation owned, owning, or commonly controlled with the Franchisee, if such transaction does not materially affect the ultimate control of the Franchisee or the sources and amounts of funds available to the Franchisee.

~~1.751.48.8~~ For purposes of this subsection ~~1.50~~, "control" includes actual working control in whatever manner exercised and is not limited to majority stock ownership. Control also includes direct or indirect control, such as through intervening subsidiaries.

~~1.761.49~~ *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20).

2. GRANT OF AUTHORITY: LIMITS AND RESERVATIONS

2.1 *Grant of Authority*: Subject to the terms and conditions of this Agreement and of Applicable Law, the Town hereby grants to Franchisee and Franchisee accepts from the Town a Franchise with the right and privilege to own, construct, reconstruct, install, repair, operate and maintain a Cable System over, under, through, upon, across and along the Public Rights-of-Way within the Franchise Area, for the purpose of providing Cable Services. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed or conveyed by the grant of the Franchise by this Agreement. This Agreement and the Franchise granted in connection herewith grant no right or power not expressly provided herein, but shall not be read to prohibit Franchisee from offering any service over the Cable System that federal or state law authorizes by reason of the granting this Franchise, provided any requirements for State and Town authorization or registration not inconsistent with federal and state law are satisfied.

2.2 *County and Participating Municipalities' Regulatory Authority*. The Parties acknowledge that the Franchisee intends to provide Non-Cable Services by means of the Cable System. The Parties acknowledge that this Franchise does not encompass or reflect the full extent of the County's or Participating Municipalities' authority over the Franchisee and, notwithstanding any provision hereof, the Parties reserve all of their rights under state and federal law regarding the scope of such authority. The Franchisee also acknowledges that, subject to state and federal law, the County and Participating Municipalities have the authority to regulate the placement, construction, repair, and maintenance of physical facilities located in the Public Rights-of-Way, including the Cable System. Finally, nothing in this Franchise shall be deemed a waiver of any right or authority the County or Participating Municipalities may have now or in the future with respect to: regulation of information services or telecommunications services; or the use of the Cable System to provide such services, *provided* nothing herein shall

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

be deemed a concession by Franchisee that such right or authority exists or may be exercised consistent with Applicable Law.

2.3 *Term:* This Agreement and the Franchise shall be effective as of the Effective Date and shall terminate ten (10) years from the Effective Date (the "Term") unless terminated sooner or renewed in accordance with this Agreement or under Applicable Law. The Parties shall memorialize the Effective Date in writing.

2.4 *Grant Not Exclusive:* The Franchise and the rights granted herein to use the Public Rights-of-Way to provide Cable Services are not and shall not be exclusive, and the Town reserves the right to grant other franchises, licenses, permits and authorizations to others to use or be in the Public Rights-of-Way, or any portions thereof, for cable services and cable systems, or for any other purpose, and to use said Public Rights-of-Way itself, during the term of the Franchise and any renewal or extension thereof. Any such rights which are granted shall not by their terms reduce or detract from the authority granted under the Franchise and this Agreement.

2.5 *Franchise Subject to Federal Law:* The Franchise and this Agreement are subject to and shall be governed by all applicable provisions of federal law as it may be amended, including but not limited to the Communications Act.

2.6 *No Waiver:* The failure of either party to this Agreement to exercise a right, require compliance or performance under this Agreement, the Franchise, or Applicable Law, or to declare a breach of this Agreement shall not be deemed to constitute a waiver of such right, or such compliance or performance, or of such breach, nor excuse a party from complying or performing in accordance with this Agreement, the Franchise, or Applicable Law, unless such right, performance, or breach has been specifically waived in writing.

2.7 *Effect of Acceptance of Franchise:* By accepting the franchise granted by the Town and by entering into this Agreement, Franchisee:

2.82.7.1 Except as may be otherwise provided in this Agreement, shall comply with the provisions of the Cable Code and this Agreement, subject to Subsection 2.10.1;

Formatted: Legal5_L3

2.92.7.2 Acknowledges and accepts the Town's legal right to grant the Franchise and to enter into this Agreement, and to enact and enforce laws, ordinances, rules, and regulations related to the Franchise and the operations contemplated therein;

2.102.7.3 Acknowledges and agrees that the Franchise has been granted, and that this Agreement has been entered into, pursuant to processes and procedures consistent with Applicable law, and that Franchisee will not raise any claim to the contrary, or allege in any claim or proceeding against the Town or which may affect the Town that any provision, condition, or term, of the Cable Code, of any law or ordinance granting the Franchise, or of this Agreement, at the time of acceptance of the Franchise, was or is arbitrary, unreasonable, or void, or that the Town had no power or authority to make or enforce any such provision, condition, or term;

2.112.7.4 Agrees solely in the unique context of this Franchise that any costs incurred by or on behalf of the Franchisee or its Affiliates (i) associated with the provision of

Formatted: Font color: Black

Formatted: Legal5_L3, Tab stops: 1.75", List tab

Updated 12/5/22

Page 14

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

support for PEG access or activities and/or (ii) associated with the provision of support or activities in connection with or relating to the I-Net or any I-Net related activities, will not constitute franchise fee payments within the meaning of 47 U.S.C. § 542 or otherwise except as may be compelled by law and subject to Section 2.12 herein.

2.122.8 *Incorporation of Cable Code*: The Cable Code as of the Effective Date shall be and is incorporated herein by reference except that to the extent there is a conflict between the terms of the Code and this Franchise, the terms of this Franchise shall control. All Parties agree that there is no limitation on any Franchisor to enforce right-of-way rules and regulations consistent with Applicable Law.

2.132.9 *Limitation of Town Liability*: In any proceeding involving any claim against the Town, or any other governmental entity, or any elected official, official, member, employee, or agent thereof, arising from a decision of approval or disapproval with respect to a grant, renewal, revocation, transfer, or amendment of the Franchise, or from any change in the Cable Code or law, ordinance, rule, or regulation affecting the Franchisee or the Cable System, any relief, to the extent such relief is required or granted, shall be limited to equitable, injunctive and/or declaratory relief. Franchisee shall notify the §Town in writing if it applies for or seeks any waivers, exceptions, or declaratory rulings affecting the Cable System from the FCC or any other federal, state, or local regulatory agency.

2.142.10 Construction of Agreement:

2.152.10.1 The provisions of this Agreement shall be liberally construed to effectuate their objectives. Any amendments to the Cable Code after the Effective Date (other than amendments that constitute an exercise of police power covered by Section 2.11 below) shall be consistent with state and federal law, and shall not abrogate any contractual rights of Franchisee contained herein or otherwise alter any of Franchisee’s material rights, benefits, obligations or duties specified in this Franchise or impose any new obligations or duties.

Formatted: Legal5_L3

2.162.10.2 Nothing herein shall be construed to limit the scope or applicability of Section 625 Communications Act, 47 U.S.C. § 545.

2.172.11 *Police Powers*: Nothing in this Agreement shall be construed to limit the lawful exercise of the Town’s police powers. However, if the lawful exercise of the Town’s police power results in any material alteration of the terms and conditions of this Agreement, then the Parties shall modify this Agreement to the mutual satisfaction of both Parties to permit the Franchisee to comply with such exercise of police power with as little adverse impact on the Franchisee as possible. Any modifications shall be in writing.

2.182.12 *Offsets Against Franchise Fees*. With respect to any franchise requirement that Franchisee believes must be treated as a franchise fee under Applicable Law, this Franchise and contemporaneous agreements between the Parties identify those requirements and describes how the Parties will treat those requirements.

2.192.12.1 Provided, nothing in this Franchise relieves Franchisee of any obligation it may have to reduce franchise fees collected or PEG fees collected, or to refund

Formatted: Legal5_L3

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

money to subscribers where an offset reduces the franchise fee being paid by Franchisee, or prevents Town from enforcing any duty to pay refunds if such duty exists.

2.202.12.1.1 If a change in law, or decisions of agencies or courts binding on the Parties requires that other franchise requirements be treated as franchise fees, Franchisee will identify the requirements and the value of the requirements at least 120 days prior to taking any offset. Nothing herein prevents the Town from disputing the treatment of any requirement.

2.212.12.1.2 The Parties may also agree upon such alternative performance as may be mutually agreeable.

2.222.13 The Parties may pursue any remedies available at law or equity to (1) determine whether an offset is required with respect to a franchise requirement identified by Franchisee and the proper amount of an offset; and (2) recover any offsets that are determined to have been improperly taken.

3. PROVISION OF CABLE SERVICE

3.1 *Density Requirement:* Franchisee shall make Cable Service available to residential dwelling units in all parts of the Franchise Area meeting the minimum density requirements set forth herein. Franchisee may make Cable Service available to businesses in the Franchise Area at its discretion.

3.2 Line extensions will be provided without additional charge, other than for new developments as addressed in 3.2.1 below, where the average density of the new extension is equal to or greater than twenty (20) residential dwelling units per strand mile and the homes are within 350 foot distance of the proposed distribution plant path; measuring mileage and units from the nearest point from active Cable System trunk or feeder plant (Starting Point) to the closest point (in distance from the starting point) from which a location may be served with a drop (Ending Point), usually the point of vehicular egress and access to the location.

3.33.2.1 For new developments where density will exceed the minimum density requirements set forth above, Franchisee will extend service at the same time as other utilities are placed for the development, except where it is denied reasonable access to the development or where timely notice is not provide to Franchisee.

Formatted: Legal5_L3

3.43.2.2 In other cases, Franchisee will commence Cable System construction to such area within six (6) months of the earlier of: (1) receiving notice and verification that the density requirement has been met, or (2) after receiving a request for service, and determining that density standards are now satisfied. Construction will be completed within a reasonable period of time considering the nature of the work required. Franchisee shall not be in non-compliance for delays caused by additional time required for permits, pole make-ready work, easement negotiations or other factors outside its control.

3.53.3 *Line Extension to Low Density Areas:* Franchisee shall extend Cable Service to potential Subscribers upon request where the density standards of Section 3.2 are not satisfied in accordance with the terms and conditions of the Line Extension Cost Sharing Formula attached

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

hereto as Exhibit D which Exhibit D is incorporated herein by reference. The Town may require Franchisee to verify the actual cost of the extension versus the estimated cost to determine whether refunds are due to or under-collections are due from the participating customers. Franchisee shall also extend service if Town, or any other governmental authority, agrees to pay the cost of the extension that a customer would be required to bear under the Line Extension Cost Sharing Formula.

3-63.4 Availability of Cable Service: Franchisee shall not discriminate between or among any individuals in the availability of Cable Service. In the areas in which Franchisee provides Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a Standard Installation charge, all Residential Subscriber dwelling units that are within three hundred and fifty (350) feet drop distance of trunk or feeder lines not otherwise already served by Franchisee's Cable System. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, actual additional costs incurred for Residential Subscriber dwelling unit connections that exceed three hundred and fifty (350) feet drop distance and actual costs incurred to connect any Non-Residential Subscriber unit.

3-73.5 Cable Service to Public Buildings: Franchisee will provide service to Public Buildings designated in Exhibit B as provided below. Franchisee must provide one hundred twenty (120) days' notice of any location where it intends to charge for service or equipment, so that the County or a Participating Municipality may notify Comcast to suspend service and take such other steps as may be appropriate under Applicable Law. The foregoing applies only to the extent federal law and the FCC's 621 Orders classify courtesy service as franchise fees or otherwise prohibit courtesy services. In the event that the Communications Act or subsequent FCC Orders provides that the County or a Participating Municipality may require complimentary services, facilities or equipment at no charge, or at a lower charge, it may request the same in accordance with this paragraph and Exhibit B upon no less than one hundred twenty (120) days' notice to Franchisee.

Formatted: No underline

Formatted: No underline

3-83.5.1 Franchisee shall provide Basic Service and reception devices (converter boxes or digital television adapters if required) to each Public Building as set forth in the attached Exhibit B. Additional tiers of service and devices may be purchased at the County's or a Participating Municipality's discretion. The County or a Participating Municipality may substitute a location on Exhibit B with a new service location so long as that location is within three hundred (300) feet drop distance of existing trunk or feeder lines. If it is necessary to extend Franchisee's trunk or feeder lines more than three hundred (300) feet drop distance from the serving terminal, solely to provide Service to any such Public Building, the County or a Participating Municipality shall pay for, or require the owner of the Public Building to pay for, such extension in excess of three hundred (300) feet drop distance, shall release Franchisee from the obligation to provide Service to such Public Building, or postpone Franchisee's obligation to provide Service to such Public Building.

Formatted: Legal5_L3

3-93.5.1.1 The first service drop for each site that is within 300 feet of the feeder or distribution line shall be installed at no charge.

3-103.5.1.2 Each Public Building served pursuant to this section shall be entitled to one service outlet activated for Basic Service. Additional outlets may be installed

subject to standard fees for additional outlets. The Parties recognize that this service obligation only pertains to the standard digital basic channels offered by Franchisee and does not include any pay per view services or similar premium or on-demand services.

3.143.5.1.3 Franchisee will provide up to three converters or other equipment necessary to enable viewing of the activated service per Public Building.

3.123.5.2 The County and Participating Municipalities, or the owner of the Public Building if another entity, shall be responsible for the cost of any "terminal equipment," including TV monitors, VCRs, or computers.

3.133.5.3 The Franchisee shall be permitted to recover from any building owner entitled to service under this section the direct cost of installing, when requested to do so, more than one (1) outlet or concealed inside wiring or a service outlet requiring more than three hundred (300) feet of drop cable even if the service must be provided at no charge.

3.143.5.4 The cost of inside wiring, additional drops or outlets, and additional converters requested by the owner of a Public Building within these specified Public Buildings, including those drops or outlets in excess of those currently installed, are the responsibility of the owner of the Public Building. If the owner of a Public Building requests the Franchisee to provide such services or equipment, the owner of the Public Building will pay the Franchisee for those costs.

3.153.5.5 If there is a change in the Franchisee's technology that affects the ability of the Public Buildings to receive the services set forth in this section, the Franchisee shall be required to replace, at the Franchisee's expense, all the digital converters provided to the Public Buildings as required in sub-subsection 3.5.1 in order to ensure continued reception of services.

3.163.6 If it is Economically and Technically Feasible to do so, Franchisee at its option may deliver the services it would be required to deliver under this Section to points designated by the Town in an IP format, and permit the Town to distribute those signals to Public Buildings that would be eligible to receive such services. Town shall notify Franchisee as to each Public Building to which service is redistributed, and as to that building, Franchisee shall have no further obligation to provide the services or equipment required by Section ~~Error! Reference source not found.~~3.5.1 directly to that Public Building.

3.173.7 *Service and Programming Enhancements*: If the Franchisee or an Affiliate provides a new Cable Service, or substantially more Cable Services, on a commercially deployed basis in the Region, then the Franchisee, within eighteen (18) months, shall provide comparable Cable Services to and in the Franchise Area, unless the Franchisee reasonably determines and demonstrates in writing to the Town that doing so would not be Economically and Technically Feasible or that there is insufficient Subscriber demand for such Cable Service.

4. SYSTEM OPERATION

4.1 Cable System Tests:

Updated 12/5/22

Page 18

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

4.24.1.1 The Town may require Franchisee to conduct tests of the Cable System to assess compliance with applicable FCC technical standards:

Formatted: Legal5_L3

4.34.1.1.1 ~~If the~~ Town or Franchisee receive complaints about signal quality that may be indicative of non-compliance with technical standards; or

4.44.1.1.2 ~~Based~~based on Town's own testing, or on reports submitted by Franchisee;

4.54.1.1.3 ~~Or~~ on new or rebuilt portions of the Cable System.

4.64.1.2 Tests will be conducted in a manner consistent with industry standards. If the tests show that any portion of the Cable System is not compliant, Franchisee will promptly seek to identify the cause of the non-compliance, and take such steps as may be necessary to ensure that the Cable System does comply, and retest to confirm compliance. A report of the test, noting errors found and corrected, and reporting pre-correction and post-correction results, will be submitted to Town within thirty (30) days of the completion of the test.

4.74.1.3 Franchisee will retain records of tests it performs on the Cable System (whether or not required by the Town) and provide copies of those tests on request.

4.84.1.4 Under Normal Operating Conditions Franchisee will notify the Town within 2 hours of any outage that affects more than 500 subscribers if the outage cannot be resolved within 24 hours. Franchisee's notice shall include the cause of the outage, the number of nodes and subscribers and geographic areas affected, and when service was restored. Such notice shall be provided as soon as possible, but no later than 24 hours when not under Normal Operating Conditions

4.94.2 Town Rights to Observe and Perform Tests.

4.104.2.1 The Town shall have the right to witness and/or review all required tests. Franchisee shall provide the Town with at least two (2) business days' notice of, and opportunity to observe, any Town-required tests performed on the Cable System.

Formatted: Legal5_L3

4.114.2.2 Town shall have the right to conduct tests on the Cable System, which test may be subjective, objective or both, with the Town bearing its own expenses. Franchisee will cooperate with Town in the conduct of those tests. Town will provide Franchisee at least ten (10) business days' notice of any test that requires it to attach a device to portions of the Cable System other than the drop at a Public Building service location.

5. SYSTEM FACILITIES

5.1 *System Characteristics:* Franchisee's Cable System shall meet or exceed the following requirements:

5.25.1.1 Shall be designed with an initial analog and digital carrier passband between 50 and 860 MHz;

Formatted: Legal5_L3

~~5.35.1.2~~ Shall be designed to be an active two-way plant for Subscriber interaction, if any, required for selection or use of Cable Service;

~~5.45.1.3~~ Shall have a modern design when built, utilizing an architecture that will permit additional improvements necessary for high quality and reliable service throughout the term of this Franchise;

~~5.55.1.4~~ Shall have protection against outages due to power failures, so that back-up power is available at a minimum: for 24 hours at each headend and at all hubs; and for no less than two hours at each power supply site other than headend and hubs. Franchisee will conduct ongoing monitoring of power supplies;

~~5.65.1.5~~ Shall be comprised of facilities and equipment of good and durable quality, generally used in high-quality, reliable Systems of similar design;

~~5.75.1.6~~ Shall have personnel, facilities and equipment sufficient to cure violations of any applicable FCC technical standards and to ensure that the Cable System remains in compliance with the standards specified in Subsection 5.1.16;

~~5.85.1.7~~ Shall have personnel, facilities and equipment as necessary to maintain, operate, and evaluate the Cable System to comply with any applicable FCC technical standards, as such standards may be amended from time to time;

~~5.95.1.8~~ Shall have facilities and equipment designed to be capable of continuous twenty four (24) hour daily operation in accordance with applicable FCC standards except as caused by a Force Majeure event;

~~5.105.1.9~~ Shall have facilities and equipment designed, built and operated in such a manner as to comply with all applicable FCC requirements regarding (i) consumer electronic equipment and (ii) interference with the reception of off-the-air signals by a Subscriber;

~~5.115.1.10~~ Shall have facilities and equipment designed, built and operated in such a manner as to protect the safety of the Cable System workers and the public;

~~5.125.1.11~~ Shall have available sufficient trucks, tools, testing equipment, monitoring devices and other equipment and facilities and trained and skilled personnel required to enable Franchisee to substantially comply with Applicable Law, including applicable customer service standards and including requirements for responding to System Outages;

~~5.135.1.12~~ Shall have all facilities and equipment and qualified technical personnel available as required to properly test the Cable System and conduct an ongoing and active program of preventive maintenance and quality control and to be able to quickly respond to customer complaints and resolve System problems. Upon request, Franchisee shall provide the Town with available copies of its Cable System maintenance and quality control plan; provided, this requirement does not prevent Franchisee from designating such materials as confidential in accordance with Section 9;

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

5.145.1.13 Shall, if applicable, have antenna supporting structures (i.e., towers) and all wireless facilities that are part of the Cable System designed in accordance with all applicable state and local building codes, as amended, and shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration, the FCC, and all other applicable codes and regulations;

5.155.1.14 Shall have all facilities and equipment available to ensure it will transmit or cablecast PEG signals in substantially the same form that the signal was received without substantial alteration or deterioration. All closed-captioned programming retransmitted over the Cable System shall include the closed-captioned signal in a manner that renders that signal available to Subscriber equipment used to decode the captioning;

5.165.1.15 Shall provide parental control capability over the use of Cable Services on the System, provided, however, that Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls;

5.175.1.16 Shall conform to or exceed all applicable FCC technical performance standards, as amended from time to time, and any other future applicable technical performance standards which the Town is permitted by a change in law to enforce, and shall substantially conform in all material respects to applicable sections of the following standards and regulations to the extent such standards and regulations remain in effect and are consistent with accepted industry procedures:

5.185.1.16.1 Occupational Safety and Health Administration (OSHA) Safety and Health Standards;

5.195.1.16.2 National Electrical Code;

5.205.1.16.3 National Electrical Safety Code (NESC);

5.215.1.16.4 Obstruction Marking and Lighting, AC 70/7460 i.e., Federal Aviation Administration;

5.225.1.16.5 Constructing, Marking and Lighting of Antenna Structures, Federal Communications Commission Rules, Part 17; and

5.235.1.16.6 The Building Code of the Town (~~Ord. 2017-01~~), as amended.

5.245.1.17 Shall include optional equipment so that any pay-per-view programming can only be activated by the positive action of a Subscriber using, for example, a personal identification number or other individual selection procedure; and

5.255.1.18 Shall comply with all requirements of Applicable Law, including, but not limited to, the Americans with Disabilities Act. Franchisee shall comply with FCC rules on transmission of closed captioning for the hearing-impaired. For hearing-impaired Subscribers, Franchisee shall provide information concerning the cost and availability of equipment to

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

facilitate the reception of all Basic Services for the hearing impaired. In addition, Franchisee must provide information (upon request) regarding TDD/TTY (or equivalent) equipment, and a publicly listed telephone number for such equipment, that will allow hearing impaired Subscribers to contact Franchisee.

5.265.2 Status Monitoring. Status monitoring capability shall be a feature of the electronics in the Cable System and of the backup power in the Cable System set forth in 5.1.4 of this Agreement.

5.275.3 Equipment Compatibility: Franchisee shall comply with all FCC regulations regarding scrambling or other encryption of signals, Subscriber premises equipment, equipment compatibility, and facilities and equipment that permit Subscribers to fully utilize the capabilities of consumer electronic equipment while receiving Cable Service. FCC regulations governing compatibility with consumer electronics equipment, as they may be amended from time to time, including, but not limited to, 47 C.F.R. § 76.630, are incorporated herein by reference.

5.285.4 System Maintenance:

5.295.4.1 Franchisee shall, when practicable, schedule and conduct maintenance on the Cable System so that interruption of service is minimized and occurs during periods of minimum Subscriber use of Franchisee’s Cable System. Franchisee shall provide reasonable prior notice to Subscribers and the Town before interrupting service for planned maintenance or construction, except where such interruption is expected to be two (2) hours or less in duration or between the hours of 12:00 a.m. to 6:00 a.m. (which is Franchisee’s maintenance window). Such notice shall be provided by methods reasonably calculated to give Subscribers actual notice of the planned interruption.

Formatted: Legal5_L3

5.305.4.2 Consistent with best practice in the industry, Franchisee must regularly inspect its Cable System to ensure the Cable System complies with all applicable safety codes; all equipment cabinets are closed, locked and in good condition; and all wiring, cable and equipment is neatly placed. Franchisee will have a process for investigating reports from the Town regarding locations needing repair and shall confirm completion of the repair in a timely manner.

5.315.4.3 Franchisee must remove portions of the Cable System no longer in use. This obligation includes the need to remove abandoned main boxes and pedestals, and to repair or replace damaged facilities. Franchisee may request that it be permitted to abandon underground facilities in place in lieu of removal, and Franchisor may grant such request, subject to appropriate conditions.

5.325.4.4 Failure to maintain the System as outlined above could result in penalties as provided by law and this Agreement, or the Town may elect to remove abandoned equipment should Franchisee fail to act within Thirty (30) days of notice. In the event that Town must act, it may recover all reasonable fees from the Performance Bond provided herein.

5.335.5 Offices:

5.33.15.5.1 Franchisee shall maintain two (2) offices, operating during Normal Business Hours, that are geographically dispersed throughout the County to best serve the distribution of customers, and at which Franchisee shall receive and resolve complaints, including without limitation those regarding service, equipment malfunctions, exchanges and billing and collection disputes, and at which customers may make payments and drop off equipment. As an alternative to taking customer payments and equipment at Franchisee's offices Franchisee may contract with third-party payment centers for the purpose of taking customer payments and equipment. Nothing in this section shall require Franchisee to relocate any office from its location as of the Effective Date.

5.33.25.5.2 Upon thirty (30) days written notice to the Town, Franchisee reserves the right to relocate any existing office within the County so long as such local office locations satisfy the standards set forth below.

5.33.35.5.3 Franchisee affirms its commitment to locate its stores or third-party service locations geographically in such a way to ensure its customers have convenient access regardless of income or neighborhood demographic and based on non-discriminatory business considerations such as historical foot-traffic patterns, availability of retail space at acceptable pricing, proximity to public transportation options, and similar business factors.

5.33.45.5.4 Franchisee shall provide prepaid mailers to customers to receive or return equipment. Franchisee shall provide free pick up and drop off in Prince George's County for customers who identify themselves as having mobility issues.

5.33.55.5.5 Franchisee must have reasonable procedures in place that permit the customer, without additional cost, to conduct any business that could have been conducted at customer service office(s) by telephone and/or online.

5.33.65.5.6 After the fifth anniversary of this Franchise, at the request of Franchisee, the Parties shall negotiate in good faith a possible of reduction in the number of offices to one (1) taking into consideration the level of foot traffic at the closing office, the availability of third-party service locations, and the ability to comply with 5.5.3 above.

5.345.6 Interconnection:

5.34.15.6.1 The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area at suitable locations as determined by the Franchisee for PEG channel sharing purposes. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

5.34.25.6.2 At the request of the Town, the Franchisee shall, to the extent permitted by Applicable Law and its contractual obligations to third parties, use every reasonable effort to negotiate an interconnection agreement with any other franchised cable system in the County or any Participating Municipality for the sharing of the PEG Channels on the Cable System, and shall interconnect on reasonable terms subject to full reimbursement of the Franchisee's costs.

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

5.34.35.6.3The Franchisee shall in good faith cooperate with the Town in implementing interconnection of the PEG signals with communications systems beyond the boundaries of the Town at no cost to the Franchisee. Interconnections existing as of January 1, 2022, will continue to be provided.

5.35.7 Emergency Alert System:

5.35.15.7.1The Franchisee shall install and thereafter maintain for use by the Town an Emergency Alert System ("EAS") consistent with State and regional EAS requirements.

5.35.25.7.2This EAS shall at all times be operated in compliance with FCC requirements. Subject to the foregoing, the EAS shall be activated by a representative of the Town through the State and regional EAS system, without the assistance of the Franchisee, for emergency broadcasts in the event of a civil emergency or for reasonable tests.

5.35.35.7.3The Town will provide reasonable notice to the Franchisee prior to any test use of the EAS. The Franchisee shall cooperate with the Town in any such test.

5.36.5.8 Home Wiring: Franchisee shall comply with all applicable FCC requirements, including any notice requirements, with respect to home wiring. Prior to a Subscriber's termination of Cable Service, the Franchisee will not restrict the ability of a Subscriber to remove, replace, rearrange or maintain any cable wiring located within the interior space of the Subscriber's dwelling unit, so long as such actions are consistent with FCC standards. The Franchisee may require a reasonable indemnity and release of liability in favor of the Franchisee from a Subscriber for wiring that is installed by such Subscriber.

6. PEG SERVICES

6.1 PEG Channels

6.26.1.1 **Generally.** The term "County" when used in this Section to refer to an entity, does not include the Participating Municipalities. Subject to the other provisions of this Section, Franchisee will deliver to every Subscriber eight (8) County-wide standard definition (SD) PEG Channels for PEG use by the County, and up to three (3) SD PEG Channels for PEG use for each Participating Municipality (the Narrowcast PEG Channels) in accordance with subsection 6.1.2, below. High definition (HD) channels will be made available as provided in Section 6.1.3. County-wide channels shall be carried in incorporated and unincorporated areas of the County. Narrowcast PEG Channels will be distributed to customers within a Participating Municipality's jurisdiction. In addition to the eight County-wide SD Channels, the County may also distribute Narrowcast PEG Channels in unincorporated areas, and may also program Narrowcast PEG channels within a Participating Municipality when the channel is not being used by that Participating Municipality with the consent of the Participating Municipality, so long as the programming does not duplicate programming already shown on another PEG channel in the County. The County or any Participating Municipality may designate a Public Benefit Corporation or other third party, non-profit entity to manage any of the PEG channels. The entity that manages a PEG channel, whether a Franchisor or some other entity, is referred to as a "PEG Provider."

Formatted: Legal5_L3

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

6.36.1.2 SD Narrowcast PEG Channels.

6.46.1.2.1 A Participating Municipality may continue to program the number of SD Narrowcast PEG Channels, up to three (3), that it programs as of the Effective Date of this Agreement, as documented in Exhibit E hereto.

6.56.1.2.2 A Participating Municipality who as of the Effective Date of this Agreement has not activated a Narrowcast PEG Channel may require Franchisee to make available one (1) activated SD Narrowcast PEG Channel within its jurisdiction and any required return line and equipment required to transport the PEG programming from the point where the signal will originate, within one hundred and eighty (180) days of a written request therefor and consistent with the requirements with this Section. Except for feed lines for the one (1) activated SD channel identified above, costs for return feeds shall be as set forth in Section 6.1.10 below.

6.66.1.2.3 A Participating Municipality that is not programming three SD Narrowcast PEG Channels as of the Effective Date of this Agreement may request to program additional SD Narrowcast PEG Channels (up to the maximum of three). The channel must be activated, within one hundred and twenty (120) days of a written request, so long as existing return feeds and equipment can support the Narrowcast PEG Channel, and within 180 days in the event the existing return feeds and equipment cannot support the additional Narrowcast PEG Channel. Costs for return lines shall be as set forth in Section 6.1.10 below.

6.76.1.3 High Definition ("HD") PEG Channels Signals.

6.86.1.3.1 Any HD PEG channels being carried as of the Effective Date will continue to be provided as listed in Exhibit E hereto. The SD version of any PEG channel carried in HD may be discontinued upon 30-days' notice to the County and customers.

6.96.1.3.2 The County may require Franchisee to provide up to three County-wide HD channels, all of which shall be controlled by the County. The first two County-wide HD channels were launched prior to the Effective Date. The third County-wide HD channels may be requested at any time after the Effective Date provided that Franchisee shall have 90 days from the County's notice to launch the channel. All Parties agree that Franchisee shall have 180 days to launch the channel if a fiber build is required,

6.106.1.3.3 Each Participating Municipality may require Franchisee to carry one Narrowcast HD PEG Channel. The Narrowcast HD Channel may be requested at any time. A second Narrowcast HD PEG Channel may be requested any time six months after the Effective Date of this Franchise. Franchisee must begin carrying the Narrowcast HD PEG Channel within 90 days of a written request therefore, or 180 days if a fiber build is required. The SD version of the channel may only be discontinued by Franchisee following 30-days' notice to the Franchisor and subscribers.

Formatted: Font color: Black

Formatted: Font color: Black

Formatted: Font color: Black

Formatted: Font color: Black

6.116.1.4 Responsibility for Content; Provision of Signal to Franchisee. The County will provide the content that will be carried on the County-wide PEG Channels, and each Participating Municipality will provide the content carried on the Narrowcast PEG Channels.

6-126.1.5 Additional HD PEG Channels. Franchisee agrees that it will provide additional HD PEG Channels if it is providing all Basic Service channels (other than PEG Channels) in a higher definition format than SD. Then, at either party's option, all PEG channels may also be made available in HD and the Franchisee may cease carriage of the remaining SD PEG channels. In the event Franchisee discontinues providing SD channels, the PEG channel obligation shall not exceed eight (8) County-wide and three (3) Narrowcast PEG channels per Participating Municipality in HD.

6-136.1.6 Franchisee's Right To Reclaim PEG Channels. As required by the Communications Act, the County and Participating Municipalities will permit Franchisee to use any activated PEG channel when it is not being used for PEG programming. Franchisee shall give the County or Participating Municipality at issue written notice that it believes a channel is substantially unused. The County or Participating Municipality will respond within 60 days either verifying that the channel is substantially unused and may be reclaimed by Franchisee or to present a plan for commencing substantial utilization of the channel within the next 30 days. Franchisee reserves the right to utilize for its own purposes any portion of non-activated PEG Channels in its discretion. The County or a Participating Municipality, upon no less than ninety (90) days' notice, may elect to reclaim and utilize such PEG Channels, or the portion being used by Franchisee for their intended purpose, which notice shall briefly explain how the channel, or portion being reclaimed, will be used.

6-146.1.7 Provision of PEG Channels To All Subscribers. PEG Channels shall be provided as part of the basic tier of service so long as there is a basic tier to which each Subscriber must subscribe, and otherwise, shall be delivered to every Subscriber without any additional fee or charge in addition to the fee or charge the subscriber is paying for the commercial Cable Services the Subscriber receives. PEG Channels shall require no equipment other than the equipment used by a Subscriber to receive commercial Cable Services. Provided, that if a Subscriber does not have the equipment necessary to receive commercial Cable Services in HD, Subscriber will not be able to view PEG Channels in HD without buying or leasing the appropriate HD equipment and subscribing to HD service.

6-156.1.8 Channel Delivery Requirements. Each PEG Channel from the point of delivery to Franchisee shall be delivered to Subscribers without material degradation so that each PEG Channel is as accessible, recordable, viewable and available in the same resolutions and at a quality equal to the quality of the primary signal of local broadcast stations carried on the System; provided, Franchisee is not required to deliver a signal in a higher quality format than is delivered to the Franchisee. Franchisee may implement HD carriage of PEG Channels in any manner (including selection of compression, utilization of IP, and other processing characteristics) that produces a signal as accessible, functional, useable and of a quality equivalent from the perspective of the viewer to other HD channels of the same resolution carried on the Cable System.

6-166.1.9 PEG Channel Assignments. The Franchisee shall carry the programming on each of the respective PEG Channels as indicated in Exhibit E with the existing channel assignments. The Franchisee shall use its best efforts to provide HD PEG Channels with channel assignments that are consecutive or near consecutive, and near other local HD Channels or if that is not possible, that are in the lowest available HD Channel sequence. The Franchisee

shall not arbitrarily or capriciously change such channel assignments, and the Franchisee shall minimize the number of such changes; provided, however, that the Franchisee may change such channel assignments as it deems appropriate so long as the Franchisee: (i) gives the access channel programmer forty-five (45) days' notice of such change; (unless commercially impracticable); (ii) provides notices of the change in at least two monthly subscriber bills, one of which must be in advance of the change, and the second promptly after the change; and (iii) reimburses the Franchisors the following amounts to defray the costs incurred for making logo and other changes necessitated by channel designation changes and public awareness of new channel numbers: \$10,000 to the County for each County-wide PEG Channel relocated and \$2,000 to each Participating Municipality that is programming an affected narrowcast PEG channel for each channel it is programming, with a cap of \$70,000 for channel relocations occurring at the same time. If the cap would be exceeded applying the formula above, a maximum of \$35,000 would go to the County, with the remainder going to the Participating Municipalities, and divided pro rata among the Participating Municipalities who are programming affected PEG channels.

6.176.1.10 Connection to System from PEG Origination Points.

6.186.1.10.1 General obligations.

(A). The location where the Franchisee receives a PEG signal from a PEG Provider is a "PEG Origination Point." The PEG Origination Points are set forth in Exhibit F. The connections from the PEG Origination Points are "PEG Return Feeds," and may be comprised of video encoders or a similar device that places the PEG signal on the connection, network transport equipment, fiber optic links, a decoder or similar device that allows the PEG signal to be inserted for downstream transmission to subscribers, and related components. The demarcation point at which a PEG Provider provides a PEG signal to the Franchisee is referred to as the "PEG Signal Handoff." For PEG Return Feeds provided by Franchisee, the PEG Signal Handoff is the input of the encoder or similar device. Franchisee is responsible for providing, maintaining and upgrading as necessary connections from PEG Origination Points to the Franchisee's headend or other point where the PEG signals are inserted on the proper channels for downstream distribution to Subscribers, subject only to the provisions of this Section 6.1.10. This obligation requires Franchisee to take such steps as may be necessary so that the signals provided to Franchisee at the PEG Origination Points can be delivered to Subscribers in compliance with Section 6.1.8. PEG Providers are responsible for the provision, quality and content of the signal delivered to the PEG Signal Handoff. This includes, without limitation, upgrades that may be required so that the connection supports HD signals. The Parties believe all existing PEG Origination Points and PEG Return Feeds are listed in Exhibit F, but the Parties intend that Exhibit F will be amended to include any PEG Return Feeds or PEG Origination Point that existed prior to the Effective Date.

(B). At each PEG Origination Point as set forth in Exhibit F, Franchisee shall provide and maintain a sufficient number of encoders and

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

decoders or similar devices for the receipt of PEG signals from PEG Providers as necessary to provide simultaneous connections for all signals delivered to Franchisee at that PEG Origination Point. Franchisee shall incur no costs for space or utilities necessary for the location and operation of its equipment at a PEG Origination Point.

6.18.16.1.10.2 Payment for PEG Return Feeds

Formatted: Legal5_L4

(A). PEG Return Feeds as set forth in Exhibit F, and any sites added as of the Effective Date of this Agreement, will be provided, maintained and upgraded at no cost to the PEG Providers except that, for so long as federal law requires maintenance costs associated with such lines to be treated as a franchise fee, Franchisee may invoice PEG Providers for its actual cost of maintenance of the return line which costs shall not exceed \$2,500 per return line per year. A PEG Return Feed, for purposes of the maintenance fee, does not include any facility maintained under an I-Net agreement with the Franchisor.

(B). If a PEG Provider moves its PEG Origination Point, or adds additional PEG Origination Points beyond those provided for in subsection (A) or Exhibit F, Franchisee shall provide a connection to the new PEG Origination Point upon request. Franchisee may charge the requesting PEG Provider its construction costs for relocating or adding the PEG Return Feeds, not including the cost of providing and installing encoders and decoders or similar devices, which costs shall be borne by Franchisee. The PEG Provider may also elect to provide a PEG Return Feed itself, as contemplated in Section 6.1.10.3.

(C). Where Franchisee may charge for the PEG Return Feed, prior to commencing construction of the PEG Return Feed, it will provide an estimate of the cost of construction to the requesting Franchisor, and shall promptly commence and complete construction of the PEG Return Feed if the Franchisor agrees to pay for the connection and agrees to provides payment within 30 days of submission of an itemized invoice following the completion of the construction.

(D). If Franchisee determines that a PEG Return Feed must be relocated or a new PEG Return Feed must be provided, or if equipment must be changed because of an action or omission of the Franchisee, in each instance Franchisee will provide the relocated or new PEG Return Feeds and associated equipment.

6.18.26.1.10.3 A PEG Provider may elect to use their own network links (for example, the Institutional Network or County owned fiber) to transport PEG signals to Franchisee as follows:

Formatted: Legal5_L4

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

(A). For purposes of this Section 6.1.10.3, the PEG Signal Handoff Point is the output of the decoder or similar device located at the Franchisee's headend or other insertion location agreed upon by the Parties.

(B). Franchisee will provide a grant to allow the County or Participating Municipality to purchase the encoders and decoders necessary to support the simultaneous provision of each PEG signal on their own network links to a PEG Signal Handoff Point within the Franchisee's headend or other insertion location mutually agreed upon by the Franchisee and the PEG Provider in an amount not to exceed one-half of the actual cost of the encoders and decoders, up to a maximum of \$2,500 per PEG Channel. Encoders and decoders must be compatible with Franchisee's equipment. In the event a Participating Municipality covered by 6.1.2.3 elects to use their own network link to transport PEG signals as set forth in this Section 6.1.10.3 for its first PEG Origination Point, then the Franchisee shall offset the cost of the encoder/decoder up to a maximum of \$5,000 per device. However, the PEG Provider will be responsible for the configuration, management, maintenance and replacement of the encoder/decoder consistent with Section 6.1.10.3(C) below.

(C). PEG Providers, including those covered by this Section 6 that choose the technical solution set forth in Section 6.1.10.3 shall be responsible for the configuration, management, maintenance, replacement and monitoring of the encoders, decoders, and related components to the PEG Signal Handoff Point in the solution, as set forth in Section ~~4.1.1.1(A)~~ 6.1.10.3(A) Franchisee is responsible for the same beyond the PEG Signal Handoff Point.

~~6.18.36.1.10.4~~ The standard format currently being used by Franchisee, Internet Protocol (IP) streaming of PEG signals via standards-based Ethernet interfaces, supporting HD-SDI inputs and outputs with embedded audio to support input and output of PEG signals, is acceptable to the Franchisor. This paragraph does not prohibit Franchisee from altering encoders, decoders or similar equipment, or the PEG Return Feeds it provides over the term of the Franchise, provided other requirements of this PEG section are satisfied.

Formatted: Legal5_L4

~~6.18.46.1.10.5~~ In addition to the encoders and decoders provided herein, Franchisee will provide four additional pairs of encoders/decoders, in total, to be utilized by the PEG Providers. The PEG Providers shall be responsible for the configuration, management, maintenance, replacement and monitoring of these four pairs of encoders/decoders.

~~6.18.56.1.11~~ **Producer Agreement.** The Franchisors shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee, Franchisors, and any responsible educational institution from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory

Updated 12/5/22

Page 29

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or User; and for any other injury or damage in law or equity that results from the use of a PEG facility or Channel.

7.6.1.12 Program Guide.

Formatted: Legal5_L3

7.1.16.1.12.1 If a program guide or menu is managed by Franchisee, Franchisee will take the necessary steps so that PEG Channels and individual programs shall be listed on channel guides and menus in the same detail as for the primary signal of local broadcast channels, provided that, to the extent that the same Channel number is used to "narrowcast" different programming in different communities, program listings will only be provided to the extent it is Economically and Technically Feasible to do so.

7.1.26.1.12.2 If a program guide or menu is managed by a third party, Franchisee will make available to PEG Providers the information needed and take the necessary steps to authorize and facilitate a request by PEG Providers to place PEG Channel programming information on the interactive channel guide. Provided that, to the extent that the same Channel number is used to "narrowcast" different programming in different communities, program listings for individual programs need only be provided to the extent it is Economically and Technically Feasible to do so. The cost of such individual program listings shall be borne by the PEG Providers, and each such entity shall be responsible for providing the required programming description to the third party vendor used by the Franchisee to manage the digital guide.

7.26.2 PEG Capital Grant:

7.36.2.1 PEG Grant Description. Franchisee shall provide a capital grant to the Franchisors, for the benefit of the Franchisors, to be used for PEG and Institutional Network capital funding as determined by the Franchisors (the "PEG Capital Grant"), which shall be paid on a quarterly basis, concurrently with the franchise fee payment. This grant will be used for PEG and Institutional Network purposes, which include but are not limited to, studio facilities, studio and portable production equipment, editing equipment and program playback equipment and other similar capital costs. It also includes, but is not limited to, equipment, dark fiber, and other similar funding for the Institutional Network .

Formatted: Legal5_L3

7.46.2.2 Quarterly Grant Amount. The PEG Grant shall consist of three percent (3%) of the Franchisee's Gross Revenues for that quarter which shall be paid on a quarterly basis, concurrently with the franchise fee payment.

7.56.3 Recovery from Subscribers: To the extent permitted by federal law, the Franchisee shall be allowed to recover from Subscribers the costs of the PEG Grant or any other costs arising from the provision of PEG services and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

7.66.4 Modifications to System: If the Franchisee makes changes to the Cable System that require modifications to access facilities and equipment, Franchisee shall make any

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

necessary changes to the Franchisee's headend and distribution facilities or equipment within thirty (30) days so that PEG facilities and equipment may be used as intended in this Agreement.

7.76.5 Backup Facilities and Equipment: The Franchisee shall design, build, and maintain all PEG upstream feeds, interconnection, and distribution facilities so that such feeds function as reliably as Franchisee's Cable System as a whole within the County, and are no more likely to fail than is Franchisee's Cable System as a whole within the County.

7.86.6 Editorial Control: Except as expressly permitted by federal law, the Franchisee shall not exercise any editorial control over the content of programming on the PEG Channels (except for such programming as the Franchisee may cablecast on such PEG Channels).

7.96.7 Use of PEG Channels, Facilities, and Equipment:

7.116.7.1 Rules for Use of PEG Channels. The Franchisors, or the entity that manages a PEG Channel, may establish and enforce rules and procedures for use of the PEG Channels pursuant to Section 611(d) of the Communications Act, 47 U.S.C. §531.

Formatted: Legal5_L3

7.116.7.2 PEG Channel Transmission. The Franchisee will provide downstream transmission of the PEG Channels on its Cable System at no charge to the Town or other PEG access programmers other than as specified herein. Franchisee shall provide transport of the programming from the point of origination to the Franchisee's headend and to the downstream channels at no charge to the Town or other PEG access providers other than as specified herein.

7.126.7.3 No Commercial Use. As provided by Applicable Law, the Franchisors or their licensees, assigns, or agents shall not transmit on the PEG channels commercial programming except with Franchisee's consent. Commercial programming does not include programming allowed to be carried under the current agreements between the ~~Town~~City of Bowie and Franchisee, and the ~~City~~Town of ~~College Park~~Upper Marlboro and Franchisee to broadcast local news from Baltimore station WJZ or successor entity, which shall be permitted unless there is a change in law that would prohibit that use, or WJZ or successor entity no longer permits that use. Subject to the foregoing, nothing herein prevents Franchisee from taking action against a PEG Provider (or the Franchisors) before a court or agency of competent jurisdiction if a PEG programmer is using a PEG channel to carry programming it has no right to carry, or the PEG Channels are being used in a manner that violates federal law.

7.136.8 Responsibility with Respect to HD:

7.146.8.1 Provision of HD Signals to Demarcation Point. The PEG Providers shall be responsible for providing the HD Access Channel signal in an HD format commonly used in the industry to a demarcation point at the designated points of origination for the HD Access Channels.

Formatted: Legal5_L3

7.156.8.2 HD Equipment for Program Production. The PEG Providers are responsible for acquiring all equipment necessary to produce programming in HD.

8.7. FRANCHISE FEES

8.7.1 Franchise Fee Payments: Franchisee shall pay to the ~~Town~~County, and each Participating Municipality, as the case may be, on a quarterly basis, a Franchise fee of five percent (5%) of annual Gross Revenue. In accordance with Title VI of the Communications Act, the twelve (12) month period applicable under this Agreement for the computation of the Franchise fee shall be made on a calendar year basis. Such payments shall be made no later than thirty (30) days following the end of each of Franchisee's fiscal quarters. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise fee remittances within ninety (90) days following the close of the quarter for which such payments were applicable.

8.7.2 Supporting Information: Each Franchise fee payment shall be accompanied by a supporting detail certified by a financial representative of Franchisee showing the basis for the computation and the total amount of monthly Gross Revenue for the payment period.

8.7.3 Limitation on Franchise Fee Actions: The period of limitation for recovery of any Franchise fee payable hereunder shall be five (5) years from the date on which payment by Franchisee is due.

8.7.4 Audit: The Town shall have the right to audit the Franchisee's Franchise fee payments as provided in ~~Section 11-110(f) of the~~The Town's Cable Code. Any such audit fees paid by the Town shall not be determined based on a percentage of audit findings basis. Participating Municipalities may join in audits conducted by the County by having the County's auditor audit franchise fee payments to them. The ~~Town's~~Town's audit expenses shall be borne by the Town unless the audit discloses an undisputed underpayment of more than five (5%) percent of any quarterly payment, in which case the ~~Town's~~Town's reasonable and verifiable out-of-pocket costs of the audit shall be borne by Franchisee as a cost incidental to the enforcement of the Franchise, provided, however that the Franchisee's obligation to pay or reimburse the ~~Town's~~Town's verified audit expenses shall not exceed in the aggregate fifty thousand dollars (\$50,000) per audit. Any additional undisputed amounts due to the Town as a result of the audit shall be paid within thirty (30) days following written notice to Franchisee by the Town of the underpayment, which notice shall include a copy of the audit. If ~~recomputation~~re-computation from an undisputed amount results in additional revenue to be paid to the Town, Franchisee shall pay any applicable penalties and interest charges computed from such due date, as provided for in the Cable Code.

8.7.5 Bundled Services: To the extent revenues are received by Franchisee for the provision of a discounted bundle of services which include Cable Services and non-Cable Services, the Franchisee shall discount Cable Service revenues at no more than a pro rata share of the total discount applied to the bundled services (within a reasonable variation). The pro rata share shall be based on the prices for those services as specified in Franchisee's rate cards when those products are sold on a standalone basis. If Franchisee does not offer a component of the bundled package separately, it shall declare a stated retail value for each component as reflected on its books and records or based on reasonable comparable prices for the service for the purpose of determining franchise fees based on the package discount.

Updated 12/5/22

Page 32

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

8.67.6 No Limitation on Taxing Authority:

8.77.6.1 Nothing in this Agreement shall be construed to limit any authority of the Town to impose any tax, fee, or assessment of general applicability.

Formatted: Legal5_L3

8.87.6.2 The Franchise fee payments required by this Section shall be in addition to any and all taxes of a general nature or other fees or charges which the Franchisee shall be required to pay to the Town or to any state or federal agency or authority, as required herein or by law, all of which shall be separate and distinct obligations of the Franchisee. The Franchisee shall not have or make any claim for any deduction or other credit of all or any part of the amount of said Franchise fee payments from or against any of said Town taxes or other fees or charges which the Franchisee is required to pay to the Town, except as required by law or expressly provided in this Agreement. The Franchisee shall not apply nor seek to apply all or any part of the amount of said Franchise fee payments as a deduction or other credit from or against any of said Town taxes or other fees or charges, each of which shall be deemed to be separate and distinct obligations of Franchisee, nor shall the Franchisee apply or seek to apply all or any part of the amount of any of said taxes or other fees or charges as a deduction or other credit from or against any of its Franchise fee obligations, each of which shall be deemed to be separate and distinct obligations of the Franchisee. The Franchisee may designate a Franchise fee as a separate item in any bill to a Subscriber, but shall not designate or characterize it as a tax.

9.8. CUSTOMER SERVICE

Customer Service Requirements are set forth in Exhibit G.

Formatted: No underline, Underline color: Blue

10.9. REPORTS AND RECORDS

10.19.1 *Open Books and Records*: Subject to Applicable Law, upon reasonable written notice to Franchisee, which shall be no less than thirty (30) days, the Town shall have the right to require Franchisee to provide and to inspect and copy at any time during Normal Business Hours and on a nondisruptive basis at a mutually agreed location in the Town, all books and records, including all documents in whatever form maintained including electronic media ("books and records") to the extent that such books and records relate to the Cable System and to Franchisee's provision of Cable Service in the Franchise Area and which are appropriate to monitoring or ensuring compliance with the terms of this Agreement. Such notice shall specify the purpose of the review so that Franchisee may organize the necessary books and records for access by the Town. Franchisee shall not be required to disclose any of its or an Affiliate's books and records not relating to the provision of Cable Services in the Town. Franchisee shall have no obligation to produce information other than in the form in which it is maintained in the ordinary course of business. Franchisee may seek relief from a court of competent jurisdiction if it believes a request does not comply with this section or Applicable Law, but may not withhold requested information without doing so.

10.29.2 *Voluminous Records*: If any books, records, maps, plans, or other requested documents are too voluminous, not available locally in the Town, or for security reasons cannot be copied and moved, then the Franchisee may request that the inspection take place at a location mutually agreed to by the Town and Franchisee, provided that Franchisee must make necessary

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

arrangements for copying documents selected by the Town after its review, and pay reasonable additional expenses incurred by the Town in inspecting or copying documents at such agreed upon location. If books, records, maps, plans, or other requested documents are provided electronically to Town or its designees in formats that are readable and searchable using commonly available software, the production will be treated as a local production.

10.39.3 Proprietary Books and Records:

10.49.3.1 If Franchisee believes that the requested information is confidential and proprietary, the Franchisee must provide the following documentation to the Town: (i) specific identification of the information; (ii) statement attesting to the reason(s) Franchisee believes the information is confidential; and (iii) a copy of the confidential documents requested appropriately marked. The Town shall take reasonable steps, consistent with Applicable Law, to protect the proprietary and confidential nature of any books, records, Franchise Area maps, plans, or other Town-requested documents that are confidential and proprietary under Maryland law and are designated as such by Franchisee. Subject to the foregoing, access to the Franchisee's records shall not be denied by the Franchisee on the basis that said records contain confidential or proprietary information. Nothing herein requires or prevents the Parties from agreeing to different methods for production and copying where appropriate to protect confidential information from disclosure.

Formatted: Legal5_L3

10.59.3.2 Subsection 9.3.1 shall in no way limit the Town's right to obtain copies of any and all necessary documents of Franchisee (the "Auditing Documents") to enable the Town to conduct an audit of the Franchisee's Franchise fee payments pursuant to Section 7.4; provided, however, that if the Town receives a demand from any Person for disclosure of any Auditing Documents designated by Franchisee as confidential, then the Town shall provide the Franchisee with sufficient notice of any such disclosure requests and with a copy of such written request made by the Person demanding access to the Auditing Documents, such that the Franchisee has sufficient time to seek protection of such Auditing Documents from public inspection under the Maryland Public Information Act. Unless otherwise ordered by a court or agency of competent jurisdiction, the Town agrees, to the extent permitted by state and federal law, that it shall deny access to the Franchisee's information marked confidential as set forth above to any Person.

10.69.3.3 Any such documents copied pursuant to this Subsection shall be returned to Franchisee once the Town's document review or audit is completed and all amounts determined to be due and owing to the Town have been paid.

10.79.4 *Redaction*: The Franchisee shall take all reasonable steps required to ensure that it is able to provide the Town with all information that must be provided or may be requested under this Agreement or Applicable Law, including the issuance of appropriate subscriber privacy notices. Franchisee shall be responsible for redacting any data that Applicable Law prevents it from providing to the Town. Nothing in this Section shall be read to require Franchisee to violate federal or state law protecting subscriber privacy.

Updated 12/5/22

Page 34

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~10.89.5~~ *Complete and Accurate Records*: Franchisee shall keep complete and accurate books of account and records of its business and operations under and in connection with this Agreement.

~~10.99.6~~ *Retention of Materials*: Unless otherwise provided in this Section, all materials and information specified in this Section shall be maintained for no less than five (5) years or until any audit including such information has been completed and any amounts found to be due and owing to the Town have been paid.

~~10.109.7~~ *Uses of System*: Franchisee will notify the Town of all Cable Services offered over the Cable System as promptly as practicable after each such product or Cable Service is instituted.

~~10.119.8~~ *Annual Report*: Unless this requirement is waived in whole or in part by the Town, Franchisee shall submit a written report for the previous calendar year to the Town, in a form materially the same as Exhibit I hereto, by April 1 of each year. For Participating Municipalities, the report shall be the report provided to the Town. The annual report requirements in this Section 9.8 shall satisfy all reporting requirements pursuant to Section ~~11-112(e)93.12(d)~~ of the Cable Code.

~~10.129.9~~ *Quarterly Report*: Unless this requirement is waived in whole or in part, no later than forty-five (45) days after the end of each calendar quarter, Franchisee shall submit a written report to the County regarding the preceding quarter, in a form materially similar to Exhibit J hereto. For Participating Municipalities with fewer than 1,000¹ subscribers, the report shall be the report provided to the County. The quarterly report requirements in this Section 9.9 shall satisfy all reporting requirements pursuant to Section ~~11-112(e)93.12(f)~~ of the Cable Code.

~~10.139.10~~ *Special Reports*: Unless this requirement is waived in whole or in part by the Town, Franchisee shall deliver the following special reports to the Town not more than ten (10) business days after the occurrence of the event:

~~10.149.10.1~~ A copy of any notice of deficiency, forfeiture, or other document issued by any state or federal agency instituting any investigation or civil or criminal proceeding regarding the Cable System or Franchisee, to the extent the same may affect or bear on operations in the Town; and

Formatted: Legal5_L3

~~10.159.10.2~~ A copy and brief explanation of any request for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy by the Franchisee or by any partnership or corporation that owns or controls the Franchisee directly or indirectly.

~~10.169.11~~ *Records Required*: Franchisee shall at all times maintain:

¹ At 1,000 subscribers there are four Participating Municipalities that would get captured, College Park, Greenbelt, Bowie, and Laurel.

Updated 12/5/22

Page 35

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

10.179.11.1 Records of all Complaints received for a period of three (3) years after receipt by Franchisee, or longer if such period of time is standard for the account records of each customer;

Formatted: Legal5_L3

10.189.11.2 Records of outages exceeding one hour for a period of three (3) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

10.199.11.3 Records of service calls for repair and maintenance for a period of three (3) years after resolution by Franchisee, or longer if such period of time is standard for the account records of each customer, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

10.209.11.4 Records of installation/reconnection and requests for service extension for a period of three (3) years after the request was fulfilled by Franchisee, or longer if such period of time is standard for the account records of each customer, indicating the date of request, date of acknowledgment, and the date and time service was extended. A file, which shall be provided to the Town on request, showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

11.10. INSURANCE AND INDEMNIFICATION

11.10.1 *Insurance Coverages and Limits:* During the Term of this Agreement and any period of removal (if any) of the Cable System following the end of the Term, Franchisee shall maintain, or cause to be maintained, in full force and effect and at its sole cost and expense the following types and minimums or limits of insurance:

11.210.1.1 Workers' compensation insurance and employer's liability insurance meeting Maryland statutory requirements with minimum limits of One Million Dollars (\$1,000,000) for each accident.

Formatted: Legal5_L3

11.310.1.2 Commercial general liability insurance with minimum limits of Ten Million Dollars (\$10,000,000) as the combined single limit for each occurrence and in the aggregate of bodily injury, personal injury, and property damage. The policy shall provide contractual liability insurance, and shall include coverage for products and completed operations liability, independent contractor's liability, and property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage.

11.410.1.3 Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Franchisee and its employees, with personal protection insurance and property protection insurance to comply with the provisions of the Maryland no-fault insurance law, with minimum limits of Two Million Dollars (\$2,000,000) as the combined single limit for each occurrence for bodily injury and property damage.

11.510.2 *Types of Policies:* The coverage amounts set forth in Section 10.1 may be met by a combination of underlying and umbrella policies so long as in combination the limits equal

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

or exceed those stated. Such coverage may be satisfied through the required Commercial General Liability policy, a standalone policy, or a combination of the two, provided that the required types and limits of coverage are satisfied.

~~11.6~~10.3 *Period of Coverage:* The liability insurance policy or policies required by Section 10.1 shall:

~~11.7~~10.3.1 Be maintained by the Franchisee throughout the Term of this Agreement and such other period of time during which the Franchisee operates or is engaged in the removal of the Cable System, whichever period is longer, and for one hundred twenty (120) days thereafter; and

Formatted: Legal5_L3

~~11.8~~10.3.2 Provide coverage for acts and omissions occurring throughout the Term of this Agreement and such other period of time during which the Franchisee operates or is engaged in the removal of the Cable System.

~~11.9~~10.4 *Insurance Companies:* All insurance shall be effected under valid and enforceable policies, issued by insurers licensed to do business by the State of Maryland or surplus line carriers on the Maryland Insurance Commissioner’s approved list of companies qualified to do business in Maryland. All insurance carriers and surplus line carriers shall be rated A- or better by A.M. Best Company.

~~11.10~~10.5 *Additional Insureds:* All required insurance policies, except for workers’ compensation policies, shall name “~~The Town of University Park~~Upper Marlboro” a municipal corporation of the State of Maryland and all associated, affiliated, allied and subsidiary entities of the Town, now existing or hereafter created, and their respective elected officials, officers, boards, commissions, and employees as their respective interests may appear,” and shall to the same extent and degree include all Participating Municipalities, as additional insureds (referred to as the “Additional Insureds”). Each policy which is to be endorsed to add Additional Insureds under this Agreement shall contain cross-liability or severability of interests wording with respect to each additional insured, as follows or with the same effect:

“In the event of a claim being made hereunder by an additional insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder, except as it pertains to the limits of liability.”

~~11.11~~10.6 *Evidence of Insurance:* On or before the Effective Date, at any time of any material and adverse policy change or cancellation during the term of this Agreement, or upon Town request, certificates of insurance for each insurance policy required to be obtained by Franchisee in compliance with this Agreement shall be filed and maintained with the Town. The acceptance of a form of certificate by the Town shall not change or reduce Franchisee’s obligation to provide the required insurance pursuant to Section 10.1.

~~11.12~~10.7 *Notice and Substitute Prior to Expiration:* Franchisee will provide or cause to be provided notice if any insurance policy is cancelled or not renewed and shall, prior to

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

expiration or non-renewal, obtain insurance complying with the requirements of this Franchise. Franchisee shall, as soon as reasonably practicable following the renewal or replacement of any insurance policy required of the Franchisee by this Section, provide to the Town evidence acceptable to the Town Manager or his/her designee of the renewal or replacement of the policy. Further, the Franchisee shall notify the Town of any materially adverse modification of the coverages and other requirements of this Article 10 or the discontinuation of coverage under any such policy, together with a plan to correct such modification or discontinuation, within ten (10) business days after receipt of notice of such discontinuance of any insurance policy required of the Franchisee by this Section. Further, the Franchisee shall notify the Town of any materially adverse modification of the coverages and other requirements of this Article 10 or the discontinuation of coverage under any such policy, together with a plan to correct such modification or discontinuation, within ten (10) business days after receipt of notice of such discontinuance.

11.1310.8 *Insurance Primary; Not Limiting:* The legal Liability of the Franchisee or any Affiliate to the Town or any Person for any of the matters which are the subject of the liability insurance policies required by Section 10.1, including, without limitation, the Franchisee’s indemnification obligation set forth in Section 10.11 of this Agreement, shall not be limited by such insurance policies nor by the recovery of any amounts under such policies, except to the extent necessary to avoid duplicative recovery from or payment by the Franchisee.

11.1410.9 *Review of Limits:* Commencing on the fifth anniversary of the Effective Date and once every five (5) years thereafter during the Term of this Agreement, the Town may review the insurance coverages to be carried by Franchisee. If the Town reasonably determines that additional coverages or higher limits of coverage are reasonably necessary to protect the interests of Town, the Additional Insureds, or the public, the Town shall notify the Franchisee of its determination, and the Town and Franchisee shall negotiate for appropriate modifications in coverages or limits. The Franchisee shall obtain and maintain such mutually agreed to modified insurance at its sole cost and expense.

11.1510.10 *Group Coverages:* Franchisee may meet the insurance requirements of Section 10.1 by participating in, or being included in, or by being covered under policies covering multiple Affiliate entities. All of the insurance related provisions of this Agreement shall apply to such multiple Affiliate policies as the same would apply any policy issued separately to the Franchisee to meet its obligations hereunder.

11.1610.11 *Indemnification:* The Town shall give Franchisee written notice of a matter requiring indemnification hereunder as soon as possible, but in no event more than thirty (30) days after the date the Town receives notice, or otherwise is made aware, of such matter. Such notice shall in any event be delivered to Franchisee sufficiently in advance of the time for Franchisee’s response to a third-party claim in order that Franchisee will be able to timely respond and the defense against such claim will not be prejudiced. Upon receipt of timely notice Franchisee shall:

11.1710.11.1 Defend, indemnify and hold harmless the County, each Participating Municipality, and their respective elected officials, officers, employees, agents,

Formatted: Legal5_L3

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

boards, and commissions, from and against all Liabilities, special, incidental, consequential, punitive and all other damages, costs and expenses arising out of or resulting from Franchisee's:

~~11.18~~10.11.1.1 construction, maintenance, repair, upgrade, enhancement, rebuild or removal of the Cable System and conduct of the operation of the Cable System; and

~~11.19~~10.11.1.2 except as provided in Section 10.14 below, distribution of any Cable Service over the Cable System, including but not limited to any claim against the Franchisee for invasion of the right of privacy, defamation of any Person or the violation or infringement of any copyright, trade mark, trade name, service mark, or patent, or of any other intellectual property right of any Person.

~~11.20~~10.12 *Defense and Settlement*: In any action in which the Franchisee defends the Town, the Franchisee shall consult with the Town prior to proposing, accepting, or rejecting a settlement and prior to filing any pleading which might estop the Town with respect to any question of fact or law. Franchisee shall provide the defense of any claims brought against the Town by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the Town, which shall not unreasonably be withheld. Nothing herein shall be deemed to prevent the Town from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided, however, that after consultation with the Town, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such settlement include the full release of the Town and the Town does not consent to the terms of any such proposed settlement or compromise, Franchisee shall not settle the claim or action, but its obligation to indemnify the Town shall in no event exceed the amount of such proposed settlement.

~~11.24~~10.13 *Limitations on Indemnification*: As between the Town and the Franchisee or any Affiliate, the foregoing Liability and indemnity obligations of the Franchisee pursuant to this Agreement shall not apply to claims arising solely from:

~~11.22~~10.13.1 Any willful misconduct or negligence of any Town elected official, officer, employee, agent, attorney, consultant or independent contractor causing any claim or damages;

Formatted: Legal5_L3

~~11.23~~10.13.2 The content of Cable Services over the PEG Channels, including any emergency alert system to the extent that such claims do not arise out of Franchisee's willful misconduct or negligence; or

~~11.24~~10.13.3 The content of Cable Services over Public Access Channels and Educational Access Channels to the extent that such claims do not arise out of Franchisee's willful misconduct or negligence;

~~11.25~~10.14 *Town's Liability*: The Town shall be responsible, and shall indemnify and hold harmless the Franchisee, for the willful misconduct and negligent actions of its elected officials, officers, employees and agents subject to, and to the extent of, all defenses, immunities, limitations, and provisions of Applicable Law, including, but not limited to, the Local

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

Government Tort Claims Act. In addition, the Town shall be responsible for its own acts of willful misconduct or negligence, or breach of obligation committed by the Town for which the Town is legally responsible, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the Town for acts of the Town which constitute willful misconduct or negligence, on the part of the Town, its officers, employees or agents.

12.11. TRANSFER OF FRANCHISE

~~12.11.1~~ *Non-Affiliate Transfers:* Subject to Section 617 of the Communications Act, 47 U.S.C. Section 537, and Section 11.3 below, no Transfer shall occur without the prior consent of the Franchisor, provided that such consent shall not be unreasonably withheld, delayed or conditioned. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of Franchisee in this Agreement or the Cable System in order to secure indebtedness, or for transactions otherwise excluded under Section 1.5948 above.

~~12.211.2~~ *Affiliate Transfers:* In the event that Franchisee transfers the Franchise to an Affiliate, or the Control of Franchisee is transferred to an Affiliate ~~as provided in Subsection 1.13~~, Franchisee shall notify the Town of the transfer at least thirty (30) days before the transfer and, at that time, describe the nature of the transaction and submit complete information describing who will have direct and indirect ownership and control of the Cable System after the transaction.

~~12.311.3~~ Conditions of Transfer:

If the Franchise is transferred the transferee shall:

~~12.3.11.3.1.1~~ Warrant that it has read, accepts, and agrees to be bound by this Agreement;

Formatted: Legal5_L4

~~12.3.211.3.1.2~~ Agree to assume all responsibility for all liabilities, acts and omissions, known and unknown, of its predecessor Franchisee, for all purposes, including renewal;

~~12.3.311.3.1.3~~ Agree that the transfer shall not permit it to take any position or exercise any right which could not have been exercised by its predecessor Franchisee;

~~12.3.411.3.1.4~~ Warrant that the transfer will not substantially increase the financial burdens or substantially diminish the financial resources available to Franchisee, or otherwise adversely affect the ability of Franchisee to perform this Agreement;

~~12.3.511.3.1.5~~ Notify the Town that the transfer is complete within five (5) business days of the date the transfer is completed.

If Control of the Franchisee is transferred:

Updated 12/5/22

Page 40

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~12.3.6~~11.3.1.6 Franchisee shall provide the information required by Sections 11.3.1.1 through 11.3.1.5, and agree that the transfer shall have no effect on its obligations under the Franchise, within thirty (30) days of the transaction.

Formatted: Legal5_L4

~~12.4~~11.4 *Cost Reimbursement*: To the extent that Town’s consent to a Transfer of Franchise is required, Franchisee (or transferee) shall reimburse Town for reasonable expenses incurred in reviewing that the transferee has the technical, legal, financial and operational ability to operate the Cable System to provide Cable Service. In no case shall Franchisee reimburse the Town for expenses exceeding \$15,000. This supplements ~~Section 11.114~~any relevant provisions of the Cable Code.

13.12. RENEWAL OF FRANCHISE

~~13.1~~12.1 *Communications Act*: The Town and Franchisee agree that any proceedings undertaken by the Town that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Communications Act, 47 U.S.C. Section 546.

~~13.2~~12.2 *Informal Renewal*: Notwithstanding anything to the contrary set forth herein, Franchisee and the Town agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the Town and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the Town may grant a renewal thereof.

~~13.3~~12.3 *Consistency*. Franchisee and the Town consider the terms set forth in this Article 12 to be consistent with the express provisions of 47 U.S.C. Section 546.

14.13. ENFORCEMENT AND TERMINATION OF FRANCHISE

~~14.1~~13.1 *Noncompliance Notice*: In the event that the Town believes that Franchisee has not complied with the terms of this Agreement or the Cable Code, the Town shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem, the Town shall notify Franchisee in writing of the exact nature of the alleged noncompliance (for purposes of this Article, the “Noncompliance Notice”).

~~14.2~~13.2 *Franchisee’s Right to Cure or Respond*: Unless a shorter time period is provided in Section 13.10 below, Franchisee shall have thirty (30) days from receipt of the Noncompliance Notice to: (i) respond to the Town, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by the nature of the noncompliance, such noncompliance cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such noncompliance and notify the Town of the steps being taken and the date projected that they will be completed.

~~14.3~~13.3 *Notice of Violation*: In the event that (i) Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) in the event that Franchisee has not remedied (or commenced to remedy in the case of an item requiring a longer cure period) the alleged noncompliance within thirty (30) days or the date projected pursuant to Section 13.2(iii) above, the Town shall provide Franchisee with a written notice

Updated 12/5/22

Page 41

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

specifying the nature and extent of the violation (“Notice of Violation”) and the liquidated damage being assessed.

~~14.4~~13.4 *Enforcement*: Subject to applicable federal and state law, in the event that after the expiration of thirty (30) days from the receipt of the Notice of Violation, if Franchisee is still in default, the Town may:

~~14.5~~13.4.1 Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

Formatted: Legal5_L3

~~14.6~~13.4.2 Commence an action at law for monetary damages or seek other equitable relief; or

~~14.7~~13.4.3 Collect amounts due, including by drawing on the Performance Bond pursuant to Section 13.7 hereof or the letter of credit pursuant to Section 13.8 hereof, if any amounts due are not timely paid thirty (30) days after the Notice of Violation, and to the extent applicable, as provided in Section ~~11-11~~393.14(c) of the Cable Code.

~~14.8~~13.4.4 Franchisee shall have a right to contest the Notice of Violation by submitting a written objection and request for a hearing before the Mayor and Council of the Town.

~~14.9~~13.5 *Substantial Default*: In the case of a substantial material default of a material provision of this Agreement or the Cable Code, the Town may seek to revoke the Franchise in accordance with Section 13.6 below.

~~14.10~~13.6 *Revocation*: If, after following the procedures set forth in Sections 13.1 through 13.4 above, the Town seeks to revoke the Franchise, it shall provide written notice of this intent to the Franchisee and a hearing before the Mayor and Council. The Franchisee shall have ninety (90) days from receipt of the notice of intent to revoke to respond or to object in writing and to state its reasons for such objection. The Town shall cause to be served upon the Franchisee, at least thirty (30) business days prior to a public hearing, a written notice specifying the time and place of such hearing and stating its intent to consider whether the Franchise should be revoked.

~~14.11~~13.6.1 At the designated hearing Franchisee shall be provided a fair opportunity for full participation including the right to be represented by legal counsel and to introduce relevant evidence. A complete verbatim record and/or a transcript shall be made of such hearing.

Formatted: Legal5_L3

~~14.12~~13.6.2 Following any determination by the ~~Mayor and Council~~Upper Marlboro governing body to revoke, the Town shall promptly provide Franchisee with a written decision setting forth its reasoning. To the extent permitted by Applicable Law, Franchisee may challenge a revocation of the Franchise by the ~~Mayor and Council~~Town Board of Commissioners to an appropriate court.

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

14.13.6.3 The Town may, at its sole discretion, take any lawful action which it deems appropriate to enforce the Town’s rights under the Franchise in lieu of revocation of the Franchise.

14.13.7 *Performance Bond*: On or before the Effective Date, the Franchisee shall provide the Town with security for the performance of this Agreement in the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000). The form of this security may, at Franchisee’s option, be a performance bond, letter of credit, cash deposit, cashier’s check or any other security acceptable to the Town. If Franchisee posts a performance bond (“Performance Bond”) the Performance Bond shall be in the form attached to this Agreement as Exhibit H. The Performance Bond shall be issued by a surety meeting the requirements of Section 10.4. In the event that a Performance Bond provided pursuant to this Agreement is not renewed or is cancelled, Franchisee shall provide new security pursuant to this Section within thirty (30) days of such cancellation or failure to renew.

14.13.7.1 *Cancellation by Surety*: Neither cancellation, nor termination nor refusal by surety to extend the Performance Bond, nor inability of the Franchisee to file a replacement bond or replacement security for its obligations, shall constitute a loss to the Town recoverable under the bond.

Formatted: Legal5_L3

14.13.7.2 *Confirmation of Withdrawals*: Within five (5) days after a draw, the Town shall notify the Franchisee of the date and amount of the draw.

14.13.8 Security Fund:

14.13.8.1 In addition to the Performance Bond required pursuant to Section 13.7 above, Franchisee shall post a security fund with the Town in the form of a letter of credit or cash, as determined in the sole discretion of Franchisee, in the amount of Twenty Thousand Dollars (\$20,000) (the “Security Fund”). A letter of credit shall be in a form reasonably acceptable to the Town. The Security Fund shall be used to: (i) ensure the faithful performance by Franchisee of its obligations under this Agreement and compliance with all orders, permits, and directions of any agency of the Town having jurisdiction over Franchisee’s acts or defaults under the Cable Code; (ii) payment of any claims, liens, and taxes due to the Town that arise by reason of the operation or maintenance of the Cable System; (iii) failure of Franchisee to pay the Town sums due under the provisions of this Agreement and the Cable Code; (iv) reimbursement of costs borne by the Town to correct Franchisee violations not corrected by Franchisee after notice and the opportunity to cure as provided herein; and (v) monetary remedies, penalties, or damages assessed against Franchisee due to Franchisee violations. If the Franchise is revoked for cause by reason of the default of Franchisee under the Cable Code and Section 13.6 of this Agreement, the Security Fund deposited under this Section shall become the property of the Town. If there is no outstanding default by Franchisee at the end of one hundred eighty (180) days after the termination of the Franchise, Franchisee shall be entitled to the return of all or any part of the Security Fund that remains on deposit and to any accrued interest.

Formatted: Legal5_L3

14.13.8.2 Within five (5) days after a draw, the Town shall notify the Franchisee of the date and amount of, and reason for, the draw. In the event that the Security

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

Fund is in the form of cash, amounts withdrawn from the Security Fund pursuant to this Subsection shall be replenished by Franchisee by delivering to the Town or its designee for deposit in the Security Fund a cash amount equal to the amount so withdrawn within thirty (30) days of its receipt of notice from the Town of the date and amount of such withdrawal, unless Franchisee files a written challenge of the draw with the Town ~~Council~~Board of Commissioners or in a court of law. In the event the security deposit is in the form of a letter of credit, Franchisee shall replenish the Security Fund by either restoring the Letter of Credit to its full original amount or by establishing a new letter of credit in the amount of Twenty Thousand and No/100 Dollars (\$20,000) within thirty (30) days of its receipt of notice from the Town of the date and amount of such withdrawal, unless Franchisee files a written challenge of the draw with ~~the Town~~ CouncilBoard of Commissioners or in a court of law. Within thirty (30) days of receipt of the new letter of credit, the Town shall return the previously issued letter of credit to Franchisee. Franchisee shall be entitled to a full refund of all amounts determined to be improperly drawn from the Security Fund.

~~14.20~~13.9 *Code Penalties:* At no time throughout the Franchise term shall the Franchisee be liable for penalties under Section 5A-114(b) of the Cable Code and Liquidated Damages, set forth below, in excess of an aggregate of Two Hundred Fifty Thousand Dollars (\$250,000)per year, provided however that the Town retains all other legal rights and remedies, including without limitation specific performance and injunction, for failure to comply with the Franchise Agreement, regardless of whether the cap has been reached.

~~14.21~~13.10 *Liquidated Damages:* Because the Franchisee's failure to comply with provisions of the Franchise and this Franchise Agreement will result in injury to the Town, and because it will be difficult to estimate the extent of such injury, the Town and the Franchisee agree to the following liquidated damages to be effective during the Term of the Franchise for the following violations of the Franchise and of this Agreement, which represent both parties' best estimate of the damages resulting from the specified violation. Such damages shall not be a substitute for actual performance by the Franchisee of a financial payment, but shall be in addition to any such actual performance. The Town, or designee, shall have the authority to waive or reduce the liquidated damage amounts herein for good cause. Cure periods listed below shall begin to run at the time the Franchisee is notified in writing of a violation by the Town, unless otherwise specified below.

~~14.22~~13.10.1 For failure to submit any required plans indicating expected dates of installation of various parts of the System: \$400/day for each violation for each day the violation continues after Notice of Violation;

Formatted: Legal5_L3

~~14.23~~13.10.2 For a Transfer without approval: \$2,000/day for each violation for each day after the Notice of Violation that the violation continues;

~~14.24~~13.10.3 For failure to comply with requirements for public, educational and governmental use of the System: \$1,000/day for each violation for each day the violation continues after the Notice of Violation;

~~14.25~~13.10.4 For failure to supply information, reports, or filings lawfully required under this Agreement, by law, or by the Town: \$500 per day for each violation for each

Updated 12/5/22

Page 44

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

day the violation continues after a thirty day cure period, which shall begin to run on the due date of any regularly scheduled report and on the date of a deadline reasonably set by the Town for any report or information request not regularly scheduled, unless the Franchisee shows that it was not in fact aware of the requirement in question, in which case the thirty day cure period shall begin to run upon written notice of such requirement by the Town to the Franchisee;

~~14.26~~13.10.5 For violation of customer service standards: \$200 per day or per violation, if the violation continues after the Notice of Violation;

~~14.27~~13.10.6 For failure to file, obtain or maintain any required letter of credit or performance bond in a timely fashion: \$200 per day for each day the violation continues after Notice of Violation;

~~14.28~~13.10.7 For failure to restore damaged property or to remove or repair equipment, including without limitation damaged or out-of- service pedestals, cabinets, cables or other System equipment: \$200 per day, in addition to the cost of the restoration as required elsewhere herein or in a Franchise Agreement, for each day the violation continues after Notice of Violation-;

~~14.29~~13.10.8 For violation of technical standards established by the FCC: \$100 per day for each day the violation continues after Notice of Violation.

~~14.30~~13.10.9 For knowingly and intentionally signing a false report or statement: \$1,000/report or document.

~~14.31~~13.10.10 For failure to comply with the line extension requirements of this Agreement: \$250 per day for each violation for each day that the violation continues after Notice of Violation.

15.14. COMPETITIVE EQUITY

~~15.14.1~~Competitive Equity: The Town has the authority to grant franchises that allow entities to construct and operate facilities in the Public Rights-of-Way that may be used to provide video programming services to residences that compete with Franchisee's services. If Town grants such a franchise to an entity that provides competitive video programming services to residences that contains material terms and conditions that differ from Franchisee's material obligations under this Franchise, then the parties agree that they will, pursuant to the processes set forth in this Section 14, either negotiate the terms of this Franchise to include any material terms or conditions that the Town imposes upon the new entrant, or negotiate amendments to the Franchise to insure that the regulatory and financial burdens on each franchisee are materially equivalent. "Material terms and conditions" include franchise provisions related to: Franchise fees and Gross Revenues; number of PEG Channels and their funding; customer service standards; required reports and related record keeping; and liquidated damages. The parties agree that this provision shall not require an identical franchise or authorization for a competitive entity so long as the regulatory and financial burdens in entirety on each entity are materially equivalent.

~~15.2~~14.2Exemptions: The following are exempt from this Section 14:

Updated 12/5/22

Page 45

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~15.3~~14.2.1 video programming services delivered over wireless networks;

Formatted: Legal5_L3

~~15.4~~14.2.2 video programming services delivered via means over systems that are not subject to the Town's franchising authority or upon which the Town may not impose similar requirements, under state or federal law, including a system described in 47 U.S.C. Section 651(a)(2);

~~15.5~~14.2.3 Cable franchises to occupy the Public Rights-of-Way granted, including by renewal or extension, to an entity on or before the effective date of this Franchise;

~~15.6~~14.2.4 telecommunication services; or

~~15.7~~14.2.5 interstate information services.

~~15.8~~14.3 *Limits on Relief.* The Parties agree that:

~~15.9~~14.3.1 Franchisee may not withhold, delay or enjoin any performance or otherwise refuse to comply with its obligations whether or not it believes it is entitled to relief under this Section;

Formatted: Legal5_L3

~~15.10~~14.3.2 Any relief shall be prospective only, and limited to the relief agreed upon, or the modifications obtained through any renewal of this Franchise, or in a court of law;

~~15.11~~14.3.3 The Town will not be liable for any damages to Franchisee for any breach of this provision; and

~~15.12~~14.3.4 Franchisee may not obtain any relief from obligations it may have under settlements or other contracts with the Town via this provision.

~~15.13~~14.4 *Modifications Process, Initiation:* The modifications process provided for herein shall only be initiated by written notice provided by Franchisee to Town or ~~the~~ Town to Franchisee regarding specified franchise obligations. The applicable Party's notice must: (1) identify the specific terms or conditions in the competitive cable services franchise which are materially different from Franchisee's obligations under this Franchise; (2) identify the Franchise terms and conditions for which the Party is seeking amendments; (3) provide text for any proposed Franchise amendments with a written explanation of why the proposed amendments are necessary and consistent; and (4) if notice is given by Franchisee, confirm whether Franchisee is willing to accept any additional obligations that may be contained within the new franchise that are not contained within its franchise.

~~15.14~~14.5 *Negotiation.* Upon receipt of Franchisee's written notice as provided under Section 14.4, the Town and Franchisee agree that they will use best efforts in good faith to negotiate the proposed Franchise modifications to achieve competitive equity of regulatory and financial burdens, and that such negotiation will proceed and conclude within a one hundred eighty (180) ~~day time~~daytime period, unless that time period is reduced or extended by mutual agreement of the parties. If the Town and Franchisee reach agreement on the Franchise

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

modifications pursuant to such negotiations, then the Town shall amend this Franchise to include the modifications insofar as permitted under Town law.

~~15.15~~14.6 *Failure To Reach Agreement*: If the Town and Franchisee fail to reach agreement in such negotiations, the Party requesting modification may elect to shorten the remaining term of this Franchise to not more than thirty-six (36) months and shall be deemed to have timely invoked the formal renewal rights and procedures set forth in §626 of the Communications Act, or may seek relief in court.

~~15.16~~14.7 *Scope*: Franchisee acknowledges that it is not entitled to any modification of this Franchise based on franchises that are now in effect in the Town, or for any new franchise that is issued for less than 10% of the area of the Town; or that may be issued by any other franchising authority.

~~15.17~~14.8 *Actual Providers*: Notwithstanding anything contained herein to the contrary, Town shall not be obligated to amend this Franchise unless the new entrant is actually providing video programming services under a franchise granted by Town.

16.15. MISCELLANEOUS PROVISIONS

~~16.1~~15.1 *Actions of Parties*: In any action by the Town or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned unless otherwise specifically provided herein.

~~16.2~~15.2 *Binding Acceptance*: This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns.

~~16.3~~15.3 *Severability of Immaterial Terms*: Subject to Section 15.4, if any immaterial term, condition, or provision of this Agreement shall, to any extent, be held to be invalid or unenforceable, the remainder hereof shall be valid in all other respects and continue to be effective.

~~16.4~~15.4 *Preemption*: In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the County or Participating Municipality.

~~16.5~~15.4.1 If, subsequent to the Effective Date, there is a change in federal law or state law that eliminates the authority of local governments to require and grant cable television franchises for the provision of Cable Service, then to the extent permitted by law this Franchise shall survive such legislation and remain in effect for the term of this Franchise

Formatted: Legal5_L3

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~16.6~~15.4.2 In the event that federal or state laws, rules or regulations preempt, or substantially preempt, the material provisions of this Agreement, the Franchisee agrees to enter into a new agreement governing Franchisee’s provision of Cable Services in the Franchise Area to the extent such an agreement is not preempted by federal or state laws, rules or regulations and is consistent with this Agreement.

~~16.7~~15.5 *Force Majeure*: Franchisee shall not be held in default under, or in noncompliance with, the provisions of this Agreement, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure. In the event that any such delay in performance or failure to perform affects only part of the Franchisee’s capacity to perform, the Franchisee shall perform to the maximum extent it is able to perform and shall take all reasonable steps within its power to correct such cause(s) in as expeditious a manner as possible.

~~16.8~~15.6 *Governing Law*: This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland without regard to conflicts of law principles. All actions or suits brought hereunder or arising out of this Agreement shall be brought in the appropriate State or Federal courts in Maryland.

~~16.9~~15.7 *Notices*: Unless otherwise expressly stated herein, notices required under this Agreement shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

~~16.9.1~~15.7.1 Notices to Franchisee shall be mailed to:

Franchisee ~~(Comcast)~~
1215 East Fort Avenue
Suite 103
Baltimore, MD 21230
Attention: Government Affairs Department

with copies to:

Comcast Cable Northeast Division
676 Island Pond Road
Manchester, NH 03109
Attention: Government Affairs Department

~~16.9.2~~15.7.2 Notices to the Town shall be mailed to:

Town Administrator
~~The~~ Town of Upper Marlboro
~~14211 School Lane~~
~~3820 40th Avenue~~
Upper Marlboro, ~~MD 20772~~ Maryland
~~20722~~

Formatted: Font: 11 pt

Updated 12/5/22

Page 48

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~16.10~~15.8 *Entire Agreement*: This Agreement and the Exhibits hereto constitute the entire agreement between Franchisee and Town, and it supersedes all prior or contemporaneous agreements, representations or understanding (whether written or oral) of the parties regarding the subject matter hereof.

~~16.11~~15.9 *Amendments*: This Agreement shall not be modified except by a written instrument approved in accordance with Applicable Law and executed by all parties.

~~16.12~~15.10 *Captions*: The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

~~16.13~~15.11 *Recitals*: The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

~~16.14~~15.12 *Effect of Revocation on Use of System To Provide Non-Cable Services*: If the Town revokes a franchise, or if for any other reason Franchisee abandons, terminates, or fails to operate or maintain service to its Subscribers, and the Franchisee does not have other authority to maintain and operate its facilities in the Public Rights-of-Way, the Town may, subject to Applicable Law:

~~16.15~~15.12.1 require the former franchisee to remove its facilities and equipment at the Franchisee's or surety's expense, or at the expense of both, after determining that the Cable System cannot be economically maintained and operated;

Formatted: Legal5_L3

~~16.16~~15.12.2 acquire ownership of the Cable System at an equitable price on the recommendation of the Town ~~Manager~~Administrator and with the approval of the ~~Mayor and Council~~Board of Commissioners; or

~~16.17~~15.12.3 after a public hearing, sell, assign, or transfer all or part of the assets of a Cable System abandoned by a Franchisee for the best price offer obtainable. However, the legal, character, financial, technical, and other qualifications of the purchaser must meet Town approval. The Town must pay any consideration received in excess of the ~~Town's~~Town's costs, and after other creditors and Subscriber claims have been satisfied, to the original Franchisee.

~~16.18~~15.13 *Independent Review*: ~~The~~ Town and Franchisee each acknowledge that they have received independent legal advice in entering into this Agreement. In the event that a dispute arises over the meaning or application of any term(s) of this Agreement, such term(s) shall not be construed by the reference to any doctrine calling for ambiguities to be construed against the drafter of the Agreement.

~~16.19~~15.14 *Franchisee Bears Its Own Costs*: Unless otherwise expressly provided in this Agreement, all acts that the Franchisee is required to perform must be performed at the Franchisee's own expense.

Updated 12/5/22

Page 49

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

~~16.20~~15.15 *Town Bears Its Own Costs*: Unless otherwise expressly provided in this Agreement, all acts that the Town is required to perform must be performed at the Town's own expense.

~~16.21~~15.16 *Jurisdiction and Venue*: Franchisee and the Town agree that any court action to enforce or interpret the terms of this Agreement shall be brought and maintained exclusively in the Circuit Court for Prince George's County, Maryland, provided, however, that with respect to any matter which may be tried in a federal jurisdiction venue shall be in the U.S. District Court for the District of Maryland, provided, further, that the chosen forum has subject matter jurisdiction over the action and, in the case of an action originally brought in the Circuit Court, without prejudice to the exercise of any right of removal created by federal law.

[SIGNATURE PAGE FOLLOWS]

Updated 12/5/22

Page 50

Formatted: Widow/Orphan control, Tab stops: 6.5", Right + Not at 3.25" + 6"

AGREED TO THIS ____ DAY OF _____, 2022.

COMCAST OF MARYLAND, LLC

By: _____

Print Name: _____

Title: _____

ATTEST:

THE TOWN OF UPPER MARLBORO

Formatted: Font: 11 pt

~~CITY OF COLLEGE PARK~~

By: _____
~~John Hoatson~~ Kyle Snyder, Town Clerk ~~Administrator~~ Sarah Franklin, Mayor _____

Formatted: Not Expanded by / Condensed by

Formatted: Not Highlight

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Formatted: Indent: Left: 0", First line: 0.5"

Kevin J. Best, Town Attorney

EXHIBIT A:

SETTLEMENT AGREEMENT BETWEEN PRINCE GEORGE’S COUNTY, MD, PARTICIPATING MUNICIPALITIES AND COMCAST OF MARYLAND, LLC FOR THE INDEFEASIBLE RIGHT OF USE OF INSTITUTIONAL NETWORK FACILITIES, AND PROVISION OF CABLE MODEM SERVICES

Formatted: No underline
Formatted: Space Before: 11.6 pt
Formatted: Left, Indent: Left: 0.2"

This Agreement is entered into as of January 1, 2023 ("Effective Date") by and between Comcast of Maryland, LLC ("Comcast"), and Prince George’s County, Maryland ("County"), and the Participating Municipalities identified in Exhibit 1.

Formatted: Left, Indent: Left: 0.11"
Formatted: No underline

WHEREAS, Comcast, the County and certain Participating Municipalities entered into cable franchise agreements in 1999 (“the 1999 Franchise Agreements”); and

Formatted: List Paragraph, Indent: First line: 0"

WHEREAS, pursuant to Section 6 (h) of the 1999 Franchise Agreement, Comcast constructed an institutional network (“C-Net”) partially funded through a capital equipment grant provided by Comcast, and partially funded by the Participating Municipalities and constructed by Comcast, which C-Net consists of dark fibers; and

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

WHEREAS, the County and certain of the Participating Municipalities were each given an indefeasible right of use (“IRU”) to use the C-Net; and

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

WHEREAS, the County and Comcast agree that the FCC’s 3rd Report and Order on Section 621 of the Cable Act provides Comcast’s the right to collect a fee for the C-Net while the County and Participating Municipalities assert the prior Franchise entitles them to perpetual, free use of the C-Net; and

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

WHEREAS, the Parties have agreed to resolve the dispute through this Settlement Agreement by agreeing: (1) that the County’s and Participating Municipalities’ financial obligations around the C-Net shall be limited to the amounts set forth herein; (2) that the County’s and Participating Municipalities’ claims as to the ongoing use of the C-Net shall terminate at the end of this Settlement Agreement; and (3) that Comcast agrees solely for the limited purpose of this settlement agreement that fees as set forth herein may be treated by the County and all municipalities identified in Exhibit C of the Franchise Agreement as PEG capital expenses; and (4) that Comcast shall not offset costs related to the C-Net from franchise fees pursuant to the FCC’s 621 Orders; and

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

WHEREAS access to and use of the C-Net is managed by the Prince George’s Intergovernmental Network Community Coordinating Committee (“PGINCCC”) and within each jurisdiction by the respective Participating Municipality; and

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

WHEREAS, the County, Participating Municipalities and Comcast agree that the continued operation of the C-Net within the County is in the public interest, and the purpose of this Agreement is to agree upon the terms of the IRU, to ensure that the County and all of the

Formatted: Indent: Left: 0"
Formatted: List Paragraph, Indent: First line: 0"

Participating Municipalities have a functioning institutional network that is adequately maintained to provide continuous paths for communications between and among sites; and

- WHEREAS, the C-Net is connected to the FiberNet, defined below, and it is the intent of the parties to provide a means by which the C-Net may be connected to the FiberNet and via those networks, to additional locations, without Comcast being required to dedicate additional capacity on its network to public, educational or government use of an institutional network, except as part of the maintenance of the C-Net; and

Formatted: Indent: Left: 0"
 Formatted: List Paragraph, Indent: First line: 0"

NOW THEREFORE, in consideration of the foregoing recitals, which are incorporated herein, the mutual benefits and undertakings described herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

Formatted: Indent: Left: 0.09"

1. DEFINITIONS

- (a) "Actual Cost" means the cost to Comcast of materials and labor necessary to perform maintenance of C-Net facilities, as further described in Exhibit 3.
- (b) "Authorized Users" means the County, Participating Municipalities, Prince George's County Public Schools and their agencies and subdivisions; all political subdivisions of the State located within the external boundaries of the County, and their agencies and subdivisions.
- (c) "C-Net" means the fiber and associated facilities on Comcast's side of the Demarcation Point, constructed or extended by Comcast pursuant to the 1999 Franchise Agreements to serve the proposed 186 sites listed in that agreement, all described in Exhibit 2.
 - (i) LFAs may substitute sites so long as the LFA bears all expenses associated with the move.
 - (ii) Parties also agree that nothing in this Agreement prevents LFAs from adding sites on the LFA's side of the Demarcation Point.
- (d) "Demarcation Point" for purposes of this Agreement shall be:
 - (i) At C-Net sites, the patch panel, termination block, or other termination device located at each of the County's or Participating Municipalities' C-Net sites, at the point closest to Comcast's facilities where the device transmits signals to and from the C-Net provided by Comcast;
 - (ii) At the Comcast headend, or at hub sites where the County or Participating Municipalities have equipment used in the operation of the C-Net, the inputs and outputs of the County or Participating Municipality equipment;
 - (iii) At other locations where FiberNet cables are spliced directly to the C-Net fibers, the splice point or splice box used for the connection is the Demarcation Point, and is on Comcast's side of the Demarcation Point.
- (e) "Effective Date" means January 1, 2023.

Formatted: Font: 11 pt
 Formatted: Font: 11 pt

- (f) “FiberNet” refers to fiber optic networks constructed by County or Participating Municipalities separately, or in conjunction with other Maryland communities (including, without limitation the Inter-County Community Broadband Network) and used in part for governmental communications, as the same exist now, or may be expanded.
- (g) “Fiber Specifications” means all fiber is single mode and meets manufacturer’s specifications for performance along the route and at each splice point. Splices occurring along the C-Net fiber routes shall meet generally accepted industry standards for workmanship and optical transmission performance
- (h) “Franchise Agreement” means that agreement between LFAs and Comcast to operate a cable system in Prince Georges County for the purpose of providing cable service.
- (i) “Institutional Network” or “I-Net” refers collectively to the interrelated C-Net and FiberNet networks.
- (j) “LFAs” or “Local Franchising Authorities” refers collectively to the County and the Participating Municipalities.
- (k) “Maintenance” is interpreted broadly to include repair, restoration, rebuilding, replacement, removal, relocation, location, and similar work required to ensure that the C-Net is in good condition; properly and safely installed and satisfying all applicable specifications, including the Fiber Specifications; federal, state, and local code requirements; applicable permitting requirements; and utility pole attachment licenses.
- (l) “Outage” refers to an instance when a user cannot for a period of more than one hundred and twenty (120) minutes, because of a problem resulting from the failure of any network component provided by Company, transmit video, voice, and/or data communications on the C-Net. “Outage” conditions shall not include scheduled preventive maintenance as long as the County is notified no less than seven (7) days in advance and the Company considers requests for rescheduling maintenance to times less disruptive to the County, or cases of Force Majeure.

2. TERM

- (a) The Term of this Agreement shall be ten (10) years unless terminated earlier by LFAs in accordance with the terms and conditions of this Agreement.
- (b) Additional Term. Nothing herein shall prevent Comcast, the County, or any Participating Municipality from extending the term of this Agreement by mutual agreement.

3. OWNERSHIP AND INDEFEASIBLE RIGHT OF USE

- (a) All right, title, and interest in the C-Net shall always remain exclusively with Comcast. Subject to the terms and conditions of this Agreement, Comcast grants each of the LFAs individually an exclusive and indefeasible right of use (IRU) in the C-Net

that serves only facilities within each LFA’s respective boundaries, and the LFAs jointly an exclusive and infeasible IRU in the remainder of the C-Net, which consists of fiber connections to Comcast hubs, nodes and headend (the “Joint Facilities”).

- (b) The IRU granted herein does not convey to the LFAs any legal title to any real or personal property; provided that, to the fullest extent permitted by law, and solely for the Term of this Agreement, as to those portions of the C-Net for which an LFA holds the IRU (whether separately, or jointly with other LFAs), the IRU grants the LFAs all beneficial title and interest in the C-Net, and the LFAs shall be the beneficial owners of the C-Net, possessing equitable title thereto, and shall have the exclusive and infeasible right of use of the C-Net (jointly, with respect to the Joint Facilities) as if the LFAs were the absolute owner thereof. Notwithstanding anything herein to the contrary, upon the Effective Date, the grant of the IRU in the C-Net shall be deemed fully performed, shall vest in the LFAs and shall be deemed severable and non-executory.

Formatted: Font: 11 pt

4. ACCESS.

- (a) LFAs shall be granted access to Comcast’s headend site, LFA designated splice locations and other C-Net related facilities within one (1) hour of request during Normal Business Hours subject to reasonable security requirements of Comcast for such facilities. Comcast shall not be required to allow outside third-party personnel access to its headend or other such sensitive, secure facilities without prior notification from the LFAs. At the headend, C-Net fibers shall continue to be terminated and labeled using industry standard connectors in an area within the headend facility (the Headend C-Net Service Area). The LFAs shall have 2 racks available in Comcast’s headend and hub sites with sufficient heating and air conditioning. 10 kW power shall be available for the Headend C-Net Service Area, including backup power. The Parties shall negotiate in good faith, if the need for additional power arises in the future, to develop agreeable terms for such power. The IRU includes unrestricted access to the C-Net except as stated herein, including entering splice locations and LFA-designated splice trays without prior notice to Comcast, provided that if LFA access results in interruption of Comcast’s services three times during the term of this Agreement, access shall thereafter only take place with advance notice and supervision by a Comcast employee if so elected by Comcast and subject to an hourly fee for the supervision by a Comcast employee.
- (b) The Company may notify the County that it wants to relocate the I-Net equipment and facilities from the Company’s headend site to a County-based facility, on 120 days’ notice. The costs of such relocation shall be borne by the Company. The County and the Company shall work cooperatively toward such relocation, including the exchange of relevant cost and engineering information. The relocation shall take place pursuant to a written plan by the Company addressing the equipment and facilities that must be moved, the retrofitting of the County facility if needed, the scheduling of the relocation, and the timing and logistics of the cutover from the Company’s headend to the new location.

5. USE OF C-NET FACILITIES.

- (a) Subject to the restrictions set forth in this Agreement, the C-Net may be used for any lawful, noncommercial, governmental and educational purpose, and for transport of signals for public, educational and government access channels. The LFAs shall not use or permit any third party to use the C-Net for resale or for the transmission of third-party traffic. For purposes of this Section 5, “third-party traffic” shall mean communications not involving at least: (i) one Authorized User, or (ii) a regional government or educational authority in which Authorized Users participate.
- (b) Required Rights: Comcast represents and warrants that it has obtained all required regulatory authorizations, construction permits, and appropriate agreements for installation and use of the C-Net installed in ducts, on poles, or in trenches on public or private property as of the Effective Date of this Agreement, and that the same will be maintained in full force and effect. The LFAs shall have a non-exclusive right to use and occupy all conduits, strand, pole attachments, sheaths and other property solely to the extent currently used by the C-Net (including but not limited to replacement conduits, strand, pole attachments, sheaths and other property). The rights granted herein are expressly made subject to each and every limitation, restriction or reservation affecting the Required Rights and consistent with all of the terms and conditions set forth in this Agreement. To the extent Comcast incurs additional expense for pole attachments, or other required approvals, to maintain the Required Rights, such additional costs shall be paid for by the LFAs.
- (c) An LFA may, at the LFA’s cost, interconnect the C-Net with the FiberNet. An LFA may request that interconnection to the C-Net on the Comcast side of the Demarcation Point be permitted at any location, including Comcast’s headend and hub sites. Permission by Comcast shall not be unreasonably denied. Comcast shall perform the connection and may charge the LFAs its costs therefore. LFAs are responsible for configuring their network so that interconnection does not result in the C-Net being used in a manner prohibited by this Section.
- (d) An LFA shall not sublease, barter, sell, or give away capacity on the C-Net without Comcast’s prior written consent. The limitations in this Section apply only to the C-Net.
- (e) The LFAs shall have the right to attach LFA equipment to the C-Net subject to the provisions below:
 - (i) Prior written consent from Comcast is required when an LFA wishes to attach devices to the C-Net at locations where the C-Net fibers are bundled with other Comcast fibers, which consent shall not be unreasonably denied. Prior to attaching equipment to the C-Net on Comcast’s side of the Demarcation Point, the LFA will coordinate with Comcast to ensure that the equipment and associated cabling, and power supplied, can be connected safely to the network at logical splice points consistent with sound engineering practice.
 - (ii) The County and Participating Municipalities accept sole responsibility for any and all end user electronics or other equipment necessary to make their

respective C-Net sites or equipment operational from the Demarcation Point.

- (iii) LFA equipment may not be attached to the C-Net if it would cause Comcast to violate applicable safety codes or cause Comcast to be in violation of the terms and conditions of any pole attachment agreement, conduit, easement or other required authorization. If an attachment by the LFA directly to the C-Net on a pole is treated as a Comcast attachment by the pole owner, and the pole owner charges Comcast additional pole attachment fees for the attachment, the LFA will pay the additional fees.
- (f) LFAs may permit other municipal or governmental agencies and subdivisions to use the C-Net within its jurisdictional boundaries and may maintain or enter into agreements for joint management and use of C-Net with other jurisdictions, subject to the restrictions on use set forth herein or in the Franchise Agreement. Comcast bears no responsibility for managing the use of the C-Net or for resolving conflicts that may arise regarding the use of the C-Net.
- (g) Nothing in this agreement is intended to alter or to require renegotiation of any existing arrangement among the LFAs for use of the C-Net, so long as such terms are consistent with the terms of this Agreement.
- (h) The fee and cost obligations of the LFAs are subject to the LFA appropriations process, but Comcast is not required to perform work until fees and costs are appropriated.

6. PAYMENT AND MAINTENANCE OBLIGATIONS.

(a) Comcast shall maintain the C-Net in accordance with the standards set forth in Exhibit 3. The LFAs shall pay Comcast an annual fee of \$185,256 adjusted by an increase of 1.85% on the anniversary date of the Effective Date as set forth in Exhibit 4. The payments shall be made in advance on an annual basis, with the first annual payment due within thirty (30) days of the effective date of this Agreement, and subsequent payments due on the anniversary of the effective date. Payment is subject to the appropriation of funds, but Comcast need not maintain the C-Net until and unless the annual fee is paid. In consideration for the settlement of the dispute over the C-Net as stated herein, Comcast agrees that the County and all municipalities identified in Exhibit C of the Franchise Agreement, may use PEG Capital Funding provided for in the cable franchise to pay the fee set forth herein and Comcast shall not offset costs related to the C-Net against franchise fees pursuant to the FCC's 621 Orders.

Formatted: Font: 11 pt

Formatted: Font: 11 pt

- (b) Other than as set forth herein, Comcast shall bear no responsibility whatsoever for any installation, construction, maintenance or operation of C-Net or FiberNet facilities.
- (c) Other than construction related to fulfillment of its maintenance obligations in Exhibit 3 with respect to the C-Net Comcast shall have no obligation to construct any additional facilities for the C-Net, but may do so at its option, subject to written agreement with the LFAs.
- (d) No fees related to the C-Net, other than the fees specified in this agreement, may be charged by Comcast to the LFAs or Authorized Users.

7. CABLE MODEMS

The County and Participating Municipalities shall have 90 days from the Effective Date to transition to a Comcast Business Service Internet Plan for the cable modem accounts listed in Exhibit 5 or to cancel service. Comcast agrees there will be no charge for the cable modem accounts listed in Exhibit 5 during this 90-day transition period.

8. NOTICES

Notices shall be provided by the Parties hereunder in the same manner and to the same persons as provided in the 2022 Franchise Agreement, except as specified below.

- (a) Payments made to Comcast hereunder shall be made by check or otherwise to the address specified on the invoice.
- (b) Comcast and the LFAs shall exchange escalation contact lists, as may be updated from time to time, to facilitate cooperation and coordination in meeting C-Net maintenance objectives and with regard to other aspects of their respective operations, and to provide notices required in connection with Section 6 and Exhibit 3.

9. LIENS AND ENCUMBRANCES

Neither Party, directly or indirectly shall create or impose any lien on the property of the other Party, or on the rights or title relating thereto, or any interest therein, or in this Agreement. Each Party will promptly, at its own expense, take such action as may be necessary to duly discharge any lien created by it on the property of the other. However, nothing in this Agreement shall be so construed as to prohibit Comcast from permitting the creation or imposition of a lien or security interest on facilities that it owns, provided that the same is subject to the rights of the LFAs under this Agreement.

10. INDEMNIFICATION: WARRANTIES

- (a) Comcast agrees to indemnify and hold the LFAs harmless against any and all loss, liability, damage and expense (including reasonable attorneys' fees) arising out of any demand, claim, suit or judgment for damages to any property or bodily injury to any persons, including, without limitation, the agents and employees of either Party hereto which may arise out of or be caused by such Party, its employees, servants, contractors, and/or agents in connection with the construction and maintenance of the C-Net under the terms of this Agreement but not arising from Outages unless such an Outage was the result of the negligent, intentional or reckless acts or omissions of Comcast, subject to any and all defenses and limitations of liability provided by law. Provided, the indemnity does not apply to claims that may arise from the failure of an application the LFAs are using over the C-Net. By way of example, if the LFAs choose to use the C-Net to support emergency services to the public and an individual is harmed due to a network problem preventing a timely emergency response, Comcast shall have no indemnification obligation and makes no warranty to the suitability for such purposes.

- (b) There are no third-party beneficiaries to this agreement. Comcast makes no warranty to any person other than as set forth in this agreement.
- (c) Without waiving common law and other governmental immunities and the provisions §5-301 et seq., Local Government Tort Claims Act, Courts and Judicial Proceedings Article, Annotated Code of Maryland, each of the LFAs shall be responsible for its own acts of willful misconduct or negligence or breach of obligation committed by it for which it is legally responsible, with respect to any activity or function conducted by any Person other than Comcast pursuant to this Agreement, subject to any and all defenses and limitations of liability provided by law.

11. **DAMAGES LIMITATION**

(a) Neither Party shall be liable to the other for special, exemplary, incidental, consequential punitive or indirect losses or damages (whether foreseeable or not) as result of the performance of nonperformance of its obligations under this Agreement, or its acts or omissions related to this Agreement or its use of facilities and equipment that are subject to this Agreement, whether or not arising from sole, joint, or concurrent negligence, contract, breach of warranty, strict liability or violation of law, even if advised of the possibility of such damages. The limitations do not reach damages that the LFAs may incur as a result of being required to obtain a substitute for the C-Net as a result of a breach.

Formatted: Indent: Left: 0.5", Hanging: 0.5"

12. **DEFAULT AND TERMINATION**

- (a) The County and the Participating Municipalities may terminate this agreement at any time on ninety (90) days' notice at which point all work by Comcast on the C-Net shall cease; but the County and Participating Municipalities shall remain liable for work authorized and performed prior to notice being given.
- (b) On termination, County and Participating Municipalities may abandon any facilities at the hubs, headends or on the C-Net in place, or it shall promptly remove the equipment. Comcast shall provide access to its network as necessary to permit prompt removal of equipment. The LFA equipment shall be deemed abandoned if not removed or other arrangements agreed to within 180 days after termination.

13. **WAIVER**

The failure of either Party hereto to enforce any of the provisions of this Agreement, or the waiver thereof in any instance, shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall nevertheless be and remain in full force and effect.

14. **FORCE MAJEURE**

Formatted: Font: 11 pt

The obligations of the Parties hereto are subject to Force Majeure, defined in the same manner as in the Franchise Agreement. Neither Party shall be held in default under, or in noncompliance with, the provisions of this Agreement, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure. In the event that any such delay in performance or failure to perform affects only part of a Party's capacity to perform, the Party shall perform to the maximum extent it is able to perform and shall take all reasonable steps within its power to correct such cause(s) in as expeditious a manner as possible. Provided that, the failure of Comcast to maintain the C-Net shall give rise to the rights of the County and Participating Municipalities to maintain the C-Net themselves, whether or not the failure is due to *force majeure*.

15. SEVERABILITY

If any provision of this Agreement is found contrary to law or unenforceable by any court, the remaining provisions shall be severable and enforceable in accordance with their terms, unless such unlawful or unenforceable provision is material to the transactions contemplated hereby, in which case the Parties shall negotiate in good faith to attempt to reach agreement on a substitute provision for at least ninety (90) days prior to exercising any remedy that may be available at law or equity. During that negotiation period, the parties will comply with the terms and conditions of this agreement unless expressly precluded from doing so by Applicable Law.

16. DISPUTES

If the LFAs dispute any invoiced cost or expense, they shall give the Company written notice specifying the item disputed, and the reason therefore. The LFAs shall not withhold payment for any cost or expense which is not disputed. The Parties shall, in good faith, diligently pursue resolution of any disputed item.

17. MISCELLANEOUS

- (a) This Agreement shall inure to the benefit of, and shall be binding on the Parties' respective successors and permitted assigns. This Agreement may not be assigned by Comcast without the prior written consent of the LFAs, but that consent will not be unreasonably refused, so long as the successor in interest will be the owner of Comcast's Cable System and a party to a franchise agreement with the County and the Participating Municipalities.
- (b) This Agreement may not be modified or amended, nor any of its terms waived, except by a writing signed by duly authorized representatives of the Parties.
- (c) This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland without regard to conflicts of law principles. All actions or suits brought hereunder or arising out of this Agreement shall be brought in the appropriate State or Federal courts in Maryland.

Formatted: Font: 11 pt

Formatted: Body Text, Indent: Left: 0", Right: 0", Line spacing: single

- (d) This Agreement is freely and voluntarily entered into by the Parties, without any duress or coercion, and after each Party has consulted with its counsel. Each Party hereto has carefully and completely read all of the terms and provisions of this Agreement.
- (e) Neither Party, nor any of its Affiliates, will take any action to challenge any provision of this Agreement as contrary to federal or state law or FCC regulations; nor will they participate with any other person or entity in such challenge excluding future changes in law. If any provision of this Agreement is found to be unenforceable in a final judicial or administrative proceeding, the Parties shall enter into good-faith negotiations with the intent of reaching an agreement that would place the Parties in substantially the same position as if this Agreement were fully enforceable. If the negotiations do not result in agreement between the Parties within sixty days from the date of the final decision referred to in the preceding sentence, then either Party may call for binding arbitration within thirty days. Such arbitration shall have the goal of placing the Parties in the same positions they would occupy if this Agreement had been fully enforceable. The Parties shall select an independent, mutually acceptable arbitrator, who shall have available the full range of appropriate remedies. The arbitrator's decision shall be final and binding on both Parties. The Parties will each pay their own costs to appear before the arbitrator and will share the arbitrator's costs equally.
- (f) This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto.
- (g) Capitalized terms not defined herein have the same meaning as those terms in the 2022 Franchise Agreement.
- (h) This Agreement shall be effective upon the above-referenced date when it is executed on behalf of the Parties.

Formatted: Space After: 12 pt

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized representatives of each Party as follows:

~~AGREED TO THIS ____ DAY OF _____, 2022.~~

~~COMCAST OF MARYLAND, LLC~~

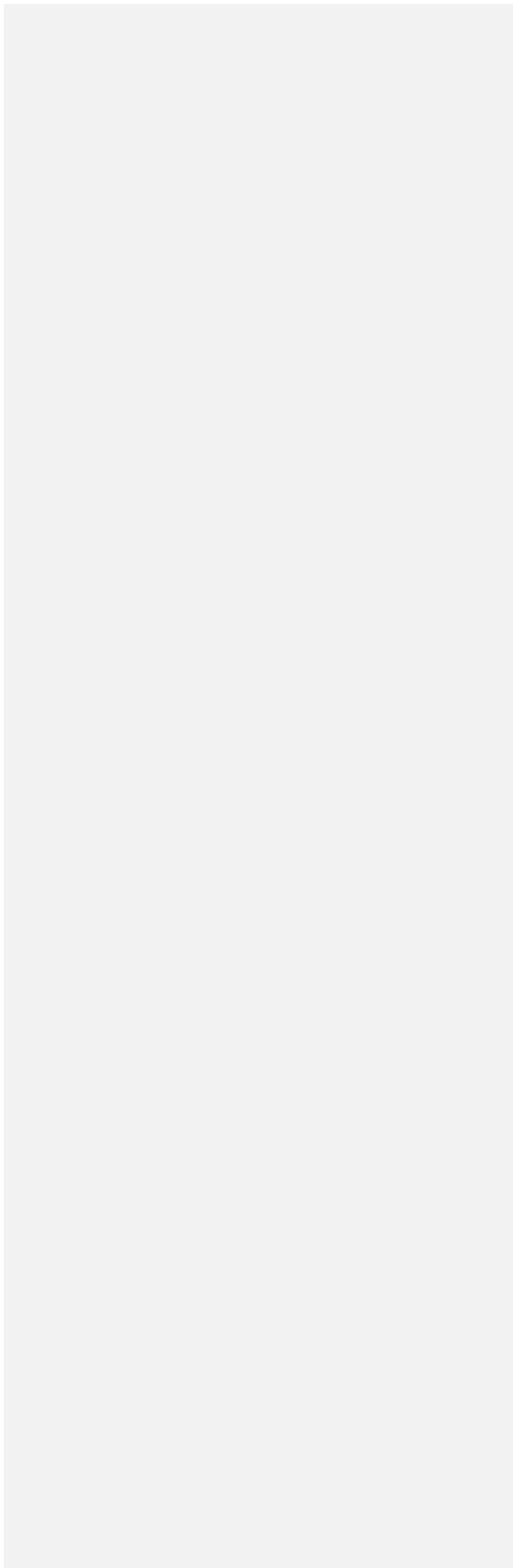
By: _____

Print Name: _____

Title: _____

~~ATTEST: _____ THE TOWN OF~~

SIGNATURES



UPPER MARLBORO

By: _____
John Heatson, Town Clerk Sarah Franklin, Mayor

SETTLEMENT - EXHIBIT 1

Participating Municipalities

- Town of Berwyn Heights*
- City of Bowie*
- Town of Brentwood*
- City of College Park*
- Town of Colmar Manor*
- Town of ~~Cottage City~~ Upper Marlboro*
- City of District Heights*
- Town of Edmonston*
- Town of Fairmount Heights
- City of Glenarden*
- City of Greenbelt*
- Town of Landover Hills*
- City of Laurel*
- City of Mount Rainier*
- City of New Carrollton*
- Town of North Brentwood*
- Town of University Park*
- Town of Upper Marlboro#

The Town of Upper Marlboro participated in the 1999 Franchise part of the County

Formatted

Formatted: Style, Left, Right: 0", Line spacing: Exactly 13.65 pt

Formatted: Underline, Font color: Black

Formatted: Style, Left, Indent: Left: 0", Hanging: 2.71", Right: 0", Line spacing: Exactly 13.65 pt

SETTLEMENT - EXHIBIT 2

SITE NO.	SITE NAME	SITE ADDRESS
1	Bladensburg HS	5610 Tilden Road or 4200 57th Ave, Bladensburg, MD 20710
2	Bowie HS	15200 Annapolis Rd Bowie, MD 20715
3	Central HS	200 Cabin Branch Rd Capitol Heights, MD 20743
4	Crossland HS	6901 Temple Hill Rd. Temple Hills, MD 20748
5	Duval HS	9880 Good Luck Rd, Lanham MD 20706
6	Eleanor Roosevelt HS	7601 Hanover Pkwy, Greenbelt, MD 20770
7	Fairmount Heights HS	7001 Beltz Dr. Forestville, MD 20747
8	Forestville HS	7001 Beltz Dr. Forestville, MD 20747
9	Frederick Douglas HS	8000 Croom Rd. Upper Marlboro, MD 20772
10	Friendly HS	10000 Allentown Rd. Fort Washington, MD 20744
11	Gwynn Park HS	13800 Brandywine Rd. Brandywine, MD 20613
12	High Point HS	3601 Powder Mill Rd. Beltsville, MD 20705
13	Largo HS	505 Largo Rd. Upper Marlboro, MD 20774
14	Laurel HS	8000 Cherry Lane, Laurel, MD 20707
15	Northwestern HS	7000 Adelphi Rd. Hyattsville, MD 20782
16	Oxon Hill HS	6701 Leyte Dr. Oxon Hill, MD 20745
17	Parkdale HS	6001 Good Luck Rd. Riverdale, MD 20737
18	Potomac HS	5211 Boydell Avenue, Oxon Hill, MD 20745
19	Suitland HS	5200 Silver Hill Rd, District Heights, MD 20747
20	Surrattsville HS	6101 Garden Drive, Clinton, MD 20735
21	Charles Herbert Flowers HS	10001 Ardwick-Ardmore Dr. Springdale, MD 20774
22	Tall Oaks Vocational HS	2112 Church Rd. Bowie, MD 20721
23	Andrew Jackson MS	3500 Regency Pkwy, District Heights, MD 20747
24	Benjamin Stoddart MS	2501 Olson St. Marlow Heights, MD 20748
25	Benjamin Tasker MS	4901 Collington Rd. Bowie, MD 20715
26	Bucklodge MS	2611 Buck Lodge, Hyattsville, MD 20783
27	Charles Carroll MS	6130 Lamont Dr. New Carrollton, MD 20784
28	Drew Freeman MS	2600 Brooks Drive. Suitland, MD 20746
29	Dwight D Eisenhower MS	13725 Briarwood Dr. Laurel, MD 20708
30	Eugene Burroughs MS	14600 Berry Rd, Accokeek, MD 20607
31	Gardner Shuggart MS	2000 Calloway St. Temple Hills, MD 20748
32	Greenbelt MS	8950 Edmonston Rd or 6301 Breezewood Dr, Greenbelt, MD 20770
33	Gwynn Park MS	8000 Dyson Rd. Brandywine, MD 20613
34	Hyattsville MS	6001 42nd Avenue, Hyattsville, MD 20781
35	James Madison MS	7300 Woodyard Rd. Upper Marlboro, MD 20772
36	Kenmoor MS	2500 Kenmoor Dr. Hyattsville, MD 20785

SITE NO.	SITE NAME	SITE ADDRESS
37	Kettering MS	65 Harrington Dr. Upper Marlboro, MD 20772
38	Lord Baltimore MS/Isaac J. Gourdine MD	8700 Allentown Rd. Fort Washington, MD 20744
39	Martin Luther King Jr. MS	4545 Ammendale Rd. Beltsville, MD 20705
40	Nicholas Orem MS	6100 Editors Park Dr. Hyattsville, MD 20782
41	Oxon Hill MS	9570 Fort Foote Rd. Fort Washington, MD 20744
42	Robert Goddard MS	9850 Good Luck Rd. Lanham, MD 20706
43	Stephen Decatur MS	8200 Pinewood Dr. Clinton, MD 20735
44	Thomas G. Pullen MS	700 Brightseat Rd. Hyattsville, MD 20785
45	Thomas Johnson MS	5401 Barker Pl. Lanham, MD 20706
46	Thurgood Marshall MS	4909 Brinkley Rd. Temple Hills, MD 20748
47	Walker Mill MS	800 Karen Blvd. Capitol Heights, MD 20743
48	William Wirt MS	6200 Tuckerman St. Riverdale, MD 20737
49	SASSCER/Board of Education	14201 School Ln. Upper Marlboro, MD 20772
50	Belair Staff Development Center	3021 Belair Dr. Bowie, MD 20715
51	Bladensburg Instructional Center	5150 Annapolis Rd. Bladensburg, MD 20710
52	Facilities Administration Building	13300 Old Marlboro Pike, Upper Marlboro, MD 20772
53	ISSC (PGCPS)	9201 East Hampton Dr. Capitol Heights, MD 20743
54	Oxon Hill Staff Dev. Ctr.	7711 Livingston Rd. Oxon Hill-Glassmanor, MD 20745
55	Bonnie F. Johns Center	8437 Landover Rd., Greater Landover, MD 20785
56	RICA Center	9400 Surratts Rd., Cheltenham, MD 20623
57	UM Conference Center	3501 University Boulevard East, Adelphi, MD 20783
58	UMUC Pontiac St	4716 Pontiac Street College Park, MD 20740
59	UM Space/ Science Bldg	Stadium Dr & Regents Dr, University of Maryland College Park, MD 20742
60	PG Community College	301 Largo Rd., Largo, MD 20774
61	Bowie State University	14000 Jericho Park Rd., Bowie, MD 20715
62	Glen Dale Comm Ctr	7800 Central Ave., Landover, MD 20785
63	Accokeek Library	15773 Livingston Rd, Accokeek, MD 20607
64	Ernest Everett Just MS	1300 Campus Way North., Bowie, MD 20721
65	Fire Dept. Services	6820 Webster Street., Hyattsville, MD 20784
66	PD- MNP/SOD	6700 Riverdale Rd. East Riverdale, MD 20737
67	PGC Jefferson Ave Warehouse	7600 Jefferson Ave, Landover, MD 20785
68	PD District 2/Bowie	601 SW Crain Hwy., Upper Marlboro, MD 20774

SITE NO.	SITE NAME	SITE ADDRESS
69	PGC PD District 4 (Eastover)	5135 Indian Head Hwy, Oxon Hill, MD 20745
70	PD District 5/Clinton	6707 Groveton Dr., Clinton, MD 20735
71	PGC PD District 6/Beltsville	4321 Sellman Rd. Beltsville, MD 20705
72	PGC PD-Training	13401 Dille Drive., Upper Marlboro, MD 20772
73	PGC HD-Cheverly	3003 Hospital Drive., Hyattsville, MD 20785
74	Central Reg Health Dept	5408 Silver Hill Rd., District Heights, MD 20747
75	HD-DYER/Southern Regional	9314 Piscataway Rd., Clinton, MD 20735
76	PGC Fleet Maintenance	8019 Central Ave., Capitol Heights, MD 20743
77	PGC Public Works Marburger	8400 D'Arcy Rd., District Heights, MD 20747
78	PGC DER-Landfill	3500 Brown Station Rd., Upper Marlboro, MD 20774
79	TRIP Center to LGC	8400 D'Arcy Rd., District Heights, MD 20747
80	PGC DOC-Jail	13400 Dille Dr., Upper Marlboro, MD 20772
81	Lanham-CAB	14741 Gov. Oden Bowie Dr., Upper Marlboro, MD 20772
82	Beltsville Library	4319 Sellman Rd., Beltsville, MD 20705
83	Bladensburg Library	4820 Annapolis Rd, Bladensburg, MD 20710
84	Bowie Library	15210 Annapolis Road., Bowie, MD 20715
85	Fairmount Heights Library	5904 Kolb St., Fairmont Heights, MD 20743
86	Glenarden Library	8724 Glenarden Pkwy., Glenarden, MD 20706
87	Greenbelt Library	11 Crescent Rd., Greenbelt, MD 20770
88	Hillcrest Heights Library	2398 Iverson St., Hillcrest Heights, MD 20748
89	Hyattsville Library	6530 Adelphi Rd., Hyattsville, MD 20782
90	Largo Kettering Library	9601 Capital Lane., Upper Marlboro, MD 20774
91	Laurel Library	507 7th Street., Laurel, MD 20707
92	New Carrollton Library	7414 Riverdale Rd., New Carrollton, MD 20784
93	Oxon Hill Library	6200 Oxon Hill Rd., Oxon Hill, MD 20745
94	Spaulding Library	5811 Old Silver Hill Rd., District Heights, MD 20747
95	Surratts-Clinton Library	9400 Piscataway Rd., Clinton, MD 20735
96	Upper Marlboro Library	14730 Main St., Upper Marlboro, MD 20772
97	DPWT Greenbelt SHA	9300 Kenilworth Avenue, Greenbelt, MD 20770
98	DPWT Iverson @ 26th Ave	Iverson St & 26th Avenue
99	DPWT Lottsford Rd @ Arena Dr	Arena Dr & Lottsford Rd
100	DPWT Sheriff Rd E @ William Paca	Sheriff Rd & William Paca
101	DPWT Ritchie Rd @ Walker Mill Rd	Ritchie Rd & Walker Mill Rd

SITE NO.	SITE NAME	SITE ADDRESS
102	DPWT Ardwick Ardmore Rd.	Ardwick-Ardmore Rd & Pennsy Dr
103	Sheriff Rd @ Giant Food Warehouse	Sheriff Rd & Giant Food West
104	DPWT Marlboro Pike @ Donnell Dr	Marlboro Pike E & Donnell Dr
105	DPWT Marlboro Pike @ County Rd	Marlboro Pike Mid & Silver Hill Rd
106	DPWT Paint Branch @ River Rd	Paint Branch Pkwy & River Rd
107	DPWT Alexander Ferry Rd	Old Alex. Ferry Rd & Malcolm Rd
108	DPWT Walker Mill @ Rochelle Ave	Walker Mill Rd & Rochelle Avenue
109	PGC Vehicle Audits	4920 Richie Marlboro Rd., Upper Marlboro, MD 20772
110	PGC Animal Control	3750 Brown Station Road Upper Marlboro, MD
111	Animal Control (Old site)	8311 D'Arcy Rd., Forestville, MD 20747
112	PGC Hyattsville Judicial Center	5000 Rhode Island Ave., Hyattsville, MD 20781
113	PGCTV	9475 Lottsford Rd, Largo, MD 20774
114	PGC Hyattsville District Court	4990 Rhode Island Ave., Hyattsville, MD 20781
115	Lakeside	14432 Old Mill Rd, Upper Marlboro MD 20772
116	Berwyn Heights Town Office	5700 Berwyn Avenue., Berwyn Heights, MD 20740
117	Berwyn Heights Public Works	8418 Ballew Avenue, Berwyn Heights, MD 20740
118	Berwyn Heights Senior Center	8603 57th Avenue, Berwyn Heights, MD 20740
119	Bowie Belair Mansion	12207 Tulip Grove Dr. Bowie, MD
120	Bowie Belair Stables	2835 Belair Dr. Bowie, MD
121	Bowie Parks & Grounds Maintenance Bldg.	3106 Mitchellville Rd., Bowie, MD 20716
122	Bowie Ice Arena	3330 Northview Dr. Bowie, MD 20716
123	Bowie Tulip Grove House	12209 Tulip Grove Rd. Bowie. MD
124	Bowie Playhouse	6314 Crain Highway., Bowie, MD
125	Bowie Harmel House	2608 Mitchellville Rd. Bowie, MD
126	Bowie Water Plant	2912 Bradford Ln. Bowie, MD
127	Bowie Public works, Wastewater and Recycling	16550 Annapolis Rd. Bowie, MD
128	Bowie Ampitheater	3330 Northview Dr. Bowie, MD 20716
129	Bowie Senior Center	14900 Health Center Drive Bowie, MD 20716

SITE NO.	SITE NAME	SITE ADDRESS
130	Bowie Comm. Ctr.	3209 Stonybrook Dr. Bowie, MD
131	Bowie Huntington Comm. Ctr.	13022 Eighth St. Bowie, MD 20720
132	Bowie Community Ctr Pittsfield	1717 Pittsfield Ln, Bowie, MD 20716
133	College Park Public Services	4601A Calvert Road, College Park, MD 20740
134	College Park Youth & Family Svcs.	4912 Nantucket Rd., College Park, MD 20740
135	College Park Housing Authority	9014 Rhode Island Ave, College Park, MD 20740
136	College Park Senior Program/Spellman House apartments	4711 Berwyn House Rd., College Park, MD 20740
137	Cottage City Upper Marlboro Town Hall	3820 40th Avenue, Brentwood, MD 20722
138	District Heights Municipal	2000 Marbury drive district heights md 20747
139	Edmonston Town Hall	5005 52nd Ave, Hyattsville, MD 20781
140	Edmonston Town Hall	5005 52nd Ave, Hyattsville, MD 20781
141	Glenarden City Hall	8600 Glenarden Pkwy, Glenarden, MD 20706
142	Greenbelt City Hall	25 Crescent Rd, Greenbelt, MD 20770
143	Landover Hills Town Hall	6904 Taylor St., Hyattsville, MD 20784
144	Mt. Rainier City Hall	1 Municipal Pl, Mt. Rainier, MD 20712
145	Mt. Rainier City Hall	1 Municipal Pl, Mt. Rainier, MD 20712
146	New Carrollton City Hall	6016 Princess Garden Parkway, New Carrollton, MD 20784
147	New Carrollton Public Works	6318 Westbrook Dr. New Carrollton, MD 20784
148	University Park Town Hall	6724 Baltimore Ave., University Park, MD 20782
149	North Brentwood Town Hall	4300 39th place, Brentwood MD, 20722
150	PGC National Harbor @ Fleet St	National Harbor & Fleet St.
151	Brentwood Town Hall	4009 Wallace Rd., North Brentwood, MD 20722
152	Ritchie OTN	1107 Ritchie Rd. Capitol Heights, MD 20743
153	Ritchie OTN	1107 Ritchie Rd. Capitol Heights, MD 20743
154	Ritchie OTN	1107 Ritchie Rd. Capitol Heights, MD 20743
155	Ritchie	1107 Ritchie Rd. Capitol Heights, MD 20743
156	Livingston	9611 Livingston Rd., Fort Washington, MD 20744
157	Livingston	9611 Livingston Rd., Fort Washington, MD 20744
158	Hyattsville	4314 Farragut St. Hyattsville, MD 20781
159	Hyattsville	4314 Farragut St. Hyattsville, MD 20781

SITE NO.	SITE NAME	SITE ADDRESS
160	Hyattsville	4314 Farragut St. Hyattsville, MD 20781
161	Lanham OTN	9609 Annapolis Rd., Lanham, MD 20706
162	Lanham OTN	9609 Annapolis Rd., Lanham, MD 20706
163	Lanham/Annapolis Rd.	9609 Annapolis Rd., Lanham, MD 20706
164	Bowie	2614 Kenhill Dr. Bowie, MD 20715
165	Bowie	2614 Kenhill Dr. Bowie, MD 20715
166	Bowie	2614 Kenhill Dr. Bowie, MD 20715
167	LGC	9201 Basil Court, Largo, MD 20774
168	LGC	9201 Basil Court Largo, MD 20774
169	LGC	9201 Basil Court, Largo, MD 20774
170	LGC	9201 Basil Court Largo, MD 20774
171	LGC-Inet Services	9201 Basil Court Largo, MD 20774
172	Southern Regional Service Center	7007 Bock Road, Fort Washington, MD 20744
173	Greenbelt Community Center/Gate	15 Crescent Rd., Greenbelt, MD
174	Greenbelt youth Center	99 Centerway, Greenbelt, MD
175	Greenbelt Aquatic/Fitness Center	101 Centerway, Greenbelt, MD
176	Greenbelt Police Department	550 Crescent Rd., Greenbelt MD
177	Greenbelt Public works	555 Crescent Rd, Greenbelt MD
178	Greenbelt SHL Rec	6101 Cherrywood Lane., Greenbelt, MD
179	Greenbelt Museum	10 Crescent Rd., Greenbelt MD
180	Bladensburg City Hall	4229 Edmonston Rd, Bladensburg, MD 20710
181	Colmar Manor Town Hall	3701 Lawrence St, Colmar Manor, MD 20722
182	Riverdale Town Hall	5004 Queensbury Rd, Riverdale, MD 20737
183	Hyattsville Municipal Ctr/Town Hall	4310 Gallatin St, Hyattsville, MD 20781
184	College Park City Hall	4500 Knox Rd, College Park, MD 20740
185	Bowie Boathouse	3330 Northview Dr. Bowie, MD 20716
186	College Park Public Works	9219 51st Ave, College Park, MD 20740

SETTLEMENT - Exhibit 3

Maintenance Standards

1. Comcast shall perform all maintenance of the C-Net up to the Demarcation Point. Notwithstanding any other provision of this Agreement, in any case where Comcast could charge costs to the LFAs, but may be reimbursed for costs by a third party (as may be the case, for example, if a third party damages the C-Net), LFAs may not be charged.

Formatted: Font: 11 pt

2. The Maintenance Standards and pricing set forth herein assume that the LFAs continue to manage the C-Net through PGINCCC or its successor. The costs set forth herein are the costs for the C-Net serving all LFAs, collectively. In the event an LFA opts to manage its rights separately, it will be billed separately for the portion of the C-Net for which it holds an IRU, and the fee in Section 6 will be allocated to that entity proportionately based on the number of sites served in that LFA and the cost to entities that continue to manage the C-Net jointly will be reduced by the amount so allocated. The LFAs must give Comcast written notice at least 60 days prior to the anniversary of the Effective Date (when the next annual payment would be due) to allow for the transition of invoicing. Changes in management described herein occurring after the annual payment is made shall not obligate Comcast to refund any amounts already paid for that year. The LFAs are responsible for no costs associated with maintenance of the C-Net.

3. LFAs personnel shall notify Comcast's technicians in the event of an emergency involving the C- Net, or when routine maintenance of the C-Net is required. Upon determination of an emergency or "Outage", the County or Participating Municipality shall immediately notify the Comcast XOC by telephone at **1-800-441-6917** or through such other notification procedure as the Parties may establish. Upon notice from an LFA of an outage, or if Comcast becomes aware of an Outage that may affect the C-Net from its internal monitoring systems, Comcast shall respond as follows:

Within two (2) hours of receiving notice of a maintenance problem, Comcast's technicians shall arrive on-site to begin troubleshooting problems.

4. Material charges shall be applied whenever Comcast uses its own materials for maintenance. The LFAs will be charged Comcast's Material Cost.

Formatted: Font: 11 pt

5. General. In performing maintenance, the following shall also apply:

- 5.1 Beyond the fee set forth in Section 6 of this Settlement Agreement, the LFAs shall not have to pay for the costs for maintenance of the C-Net, except as specifically provided herein.
- 5.2 Comcast recognizes that restoration of the C-Net is equally as important as restoration of Cable Service to Subscribers.
- 5.3 The LFAs shall be responsible for absorbing all associated make ready and/or permit costs for work done solely to benefit them. For joint use construction between the LFAs and Comcast, Comcast shall absorb those costs.
- 5.4 In the event that any portion of the C-Net must be relocated, replaced or rebuilt for any reason, Comcast shall notify the LFAs as soon as is practical. Comcast shall further notify the LFAs of the reason(s) for the relocation, replacement or rebuilding and the impact said relocation,

replacement or rebuilding is expected to have on the Institutional Network. Relocations required by the LFAs shall be paid for by the LFA requiring the relocation.

- 5.5 Replacement Fibers. At any time following the Effective Date, if any of the fibers constituting the C-Net do not operate within the Fiber Specifications, Comcast shall replace the fiber or provide alternative equivalent capacity at no additional cost to the LFAs other than as specified herein.
- 5.5.1 The Parties recognize that the precise route of the C-Net (including the location of C-Net sites) may change from time to time. However:
 - 5.5.2 No construction that alters the fiber routes or pathways, fiber terminations or operation of the Institutional Network may commence without Comcast providing the LFAs prior notice of at least thirty (30) days, except for emergencies.
 - 5.5.3 Changes made must provide the LFAs with substantially the same quality of service and approximately the same route as existed before the C-Net was moved. In no event may the number of fibers that an LFA is authorized to use pursuant to this Agreement be reduced, nor may any change prevent any LFA from exercising its rights pursuant to this Agreement.
 - 5.5.4 The costs of any changes to or relocations of the C-Net that are made in Comcast's discretion or for any cause other than those specified in **5.5.5** below, including any costs incurred by the LFAs in moving their equipment and extending FiberNet to the new location of the C-Net, shall be borne by Comcast and shall not be borne by the LFAs.
 - 5.5.5 The LFAs shall be responsible for Actual Cost of any relocation work required at any given time for cable provided solely for LFA use and not collocated with Comcast fiber.

Formatted: Font: 11 pt
Formatted: Font: 11 pt

SETTLEMENT - Exhibit 4

Annual Fee:

Year 1	\$185,256.00
Year 2	\$188,683.24
Year 3	\$192,173.88
Year 4	\$195,729.09
Year 5	\$199,350.08
Year 6	\$203,038.06
Year 7	\$206,794.26
Year 8	\$210,619.96
Year 9	\$214,516.42
Year 10	\$218,484.98

- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt
- Formatted: Font: 11 pt

SETTLEMENT - Exhibit 5

Formatted: Font: 11 pt

Cable Modem Pricing

Formatted: Font: 11 pt

An LFA, prior to the expiration of the 90-day period set forth in Section 7, may choose the level of service desired for each location. All speeds listed are download speeds. Prices are guaranteed for a two-year period. One GB service may be available on a location-by-location basis. All terms of service shall be Comcast's standard business services terms.

- 100mb - \$79.99 / month
- 200mb - \$99.99 / month
- 300mb - \$139.99 / month
- 600mb - \$189.99 / month

EXHIBIT B**List of Public Buildings**

2016 A,ROOM	14741	GOV ODEN BOWIE	UPPER MARLBORO
2016 B,ROOM	14741	GOV ODEN BOWIE	UPPER MARLBORO
ACADAMY ,ANDREW JACKSON	3500	REGENCY PKWY	DISTRICT HEIGHTS
ACQUATIC CTR,GREENBEL	101	CENTERWAY	GREENBELT
ADMIN OFFICE,COUNTY	14741	GOV ODEN BOWIE DIS	UPPER MARLBORO
ADMIN OFFICE,COUNTY	14741	GOV ODEN BOWIE DIS	UPPER MARLBORO
ADMIN OFFICE,COURT	14735M	MAIN ST	UPPER MARLBORO
ADMIN,ARMISTEAD	8418	BALLEW AVE	COLLEGE PARK
ANNEX,BOWIE	3021	BELAIR DR	BOWIE
ANNEX,SUITLAND	5200B	SILVER HILL RD	DISTRICT HEIGHTS
APP MAINT DIV,PGFD	4200	FORESTVILLE RD	DISTRICT HEIGHTS
APPLE GROVE,ELEM SCH	7400	BELLEFIELD AVE	FORT WASHINGTON
AREA OFFICE,NORTHERN	7711	LIVINGSTON RD	OXON HILL
AREA OFFICE,SOUTHERN	6501	LOWLAND DR	LANDOVER
ARMORY,LAUREL	422	MONTGOMERY ST	LAUREL
ARROWHEAD,ELEM SCH	2300	SANSBURY RD	LARGO
ASSEMBLY,JURY	14735	MAIN ST	UPPER MARLBORO
BARACK OBAMA,PGCPS	12700	BROOKE LN	UPPER MARLBORO
BARNABY MANOR,ELEM SCH	2411	OWENS RD	OXON HILL
BEN FOULOIS,ELEM SCH	4601	BEAUFORD RD	MORNINGSIDE
BEN STODDERT,MID SCH	2501	OLSON ST	CAMP SPRINGS
BLADENSBURG ES,PGCPS	4915	ANNAPOLIS RD	BLADENSBURG
BLADENSBURG,TOWN OF	4229	EDMONSTON RD	BLADENSBURG
BLADENSBURG,VFD	4213	EDMONSTON RD	BLADENSBURG
BLDG RM #270,COUNTY	9201	BASIL CT	LARGO
BONNIE JOHNS,PGCPS	8437	LANDOVER RD	LANDOVER
BOWIE MD,CITY OF	2614	KENHILL DR	BOWIE
BOWIE STATION,PG POLIC	601	CRAIN HWY	MITCHELLVILLE
BOWIE WSTE MA,CITY OF	16550	ANNAPOLIS RD	BOWIE
BOWIE,CITY OF	2912	BRADFORD LN	BOWIE
BRANCH ELMTY,PAINT	5101	PIERCE AVE	COLLEGE PARK
BRENT SCH,MARGARET	5816	LAMONT TER	NEW CARROLLTON
BRENTWOOD,NORTH	4009	WALLACE RD	N BRENTWOOD
CALVARY,MOUNT	6704	MARLBORO PIKE	DISTRICT HEIGHTS
CEDAR HEIGHTS,COMM CTR	1200	GLEN WILLOW DR	FAIRMOUNT HGT
CENER JUDICIA,CONFEREN	14735D	MAIN ST	UPPER MARLBORO

CENTER,COMMUNIT	5051	PIERCE AVE	COLLEGE PARK
CENTER,COMUNITY	7901	CYPRESS ST	LAUREL
CENTER,HUNTINGTON	13022	8TH ST	BOWIE
CENTRAL SERVI,OFFICE	3415	N FOREST EDGE RD	DISTRICT HEIGHTS
CENTRAL SERVI,OFFICE O	1400	MCCORMICK DR	LARGO
CENTRAL SERVICES,OFFICE OF	1301	MCCORMICK DR	LARGO
CENTRAL,HIGH SCH	200	CABIN BRANCH RD	CAPITOL HEIGHTS
CHAPEL FORGE ECC,PGCPS	12711	MILAN WAY	BOWIE
CITY HAL,BOWIE	2614	KENHILL DR	BOWIE
CITY HALL,BOWIE	15901	EXCALIBUR RD	BOWIE
CITY HALL,CHEVERLY	6401	FOREST RD	CHEVERLY
CITY HALL,HYATTSVI	4310	GALLATIN ST	HYATTSVILLE
CITY HALL,HYATTSVI	4310	GALLATIN ST	HYATTSVILLE
CITY HALL,LAUREL	8103	SANDY SPRING RD	LAUREL
CITY HALL,LAUREL	8103	SANDY SPRING RD	LAUREL
CITY ICE RINK,BOWIE	3330	NORTHVIEW DR	BOWIE
CITY OF SEA P,POLICE D	6011	ADDISON RD	CAPITOL HEIGHTS
CHFY TOWN POLICE, COTTAGE	3820	40TH AVE	UPPER MARLBORO COTTAGE CITY
CLINTON GROVE ES,PGCPS	9420	TEMPLE HILL RD	CLINTON
COLLEGE PARK,CITY HALL	9217	51ST AVE	COLLEGE PARK
COLLEGE PARK,CITY HALL	8400	BALTIMORE AVE	COLLEGE PARK
COLMAR MANOR,TOWN OF	3701	LAWRENCE ST	COLMAR MANOR
COLUMBIA PARK,ELEM SCH	1901	KENT VILLAGE DR	LANDOVER
COMM CENTER,DEERFLD	13000	LAUREL BOWIE RD	LAUREL
COMM CTR,GOODLUCK	8601	GOOD LUCK RD	LANHAM
COMM FAC,CEN	7911	ANCHOR ST	LANDOVER
COMMISSION,CABLE	14741	GOV ODEN BOWIE	UPPER MARLBORO
COMMUNITY CTR,GREENBLT	15	CRESCENT RD	GREENBELT
COMMUNITY CTR,GREENBLT	6101	CHERRYWOOD LN	GREENBELT
COMMUNITY CTR,JEH	4400B	SHELL ST	CAPITOL HEIGHTS
COMMUNITY CTR,PEPPER MILL	610	HILL RD	CAPITOL HEIGHTS
COMNITY CNTR,KENTLAND	2411	PINEBROOK AVE	LANDOVER
CONCORDE,ELEM SCH	2004	CONCORD LN	DISTRICT HEIGHTS
COUNTY COUNCIL,OFFICE OF	14741	GOV ODEN BOWIE DR	UPPER MARLBORO
COUNTY OFFICE,OITC	1301	MCCORMICK DR	LARGO
COUNTY,PG POLIC	6707	GROVETON DR	CLINTON
CROSSLAND,HIGH SCH	6901	TEMPLE HILL RD	CAMP SPRINGS
CTAM,CABLE TE	120	WATERFRONT ST	OXON HILL
DENT ES,J FRANK	2700	CORNING AVE	FT WASHINGTON
DEPARTMENT,POLICE	7600B	BARLOWE RD	LANDOVER

Formatted: Font: 9 pt, Font color: Black

DEPARTMENT,POLICE	11108	FORT WASHINGTON RD	FORT WASHINGTON
DEPT PROTECT,POLICE	14741	GOV ODEN BOWIE	UPPER MARLBORO
DFMS,PGCPS	2600	BROOKS DR	DISTRICT HEIGHT
DIVISION,DPWT	9400	PEPPERCORN PL	LARGO
DOSWELL BROOK,ELEM SCH	1301	BROOKE RD	CAPITOL HEIGHTS
DUCKWORTH ELM,JAMES	11201	EVANS TRL	BELTSVILLE
EARLYCHLDHOOD,HOYER	2300	BELLEVIEW AVE	CHEVERLY
EDGAR A POE,ELEM SCH	2001	SHADYSIDE AVE	SUITLAND
EISENHOWER MS,DWIGHT	13725	BRIARWOOD DR	LAUREL
ELECTIONS,BOARD OF	1100	MERCANTILE LN	UPPER MARLBORO
ELEM SCHOOL,BEACON	6929	FURMAN PKWY	RIVERDALE
ELEM SCHOOL,CALVERTN	3400	BELTSVILLE RD	BELTSVILLE
ELEM SCHOOL,CARROLLTN	8300	QUINTANA ST	NEW CARROLLTON
ELEM SCHOOL,CT REED	9501	GREENBELT RD	LANHAM
ELEM SCHOOL,KENILWOR	12520	KEMBRIDGE DR	BOWIE
ELEM SCHOOL,KENMOOR	3211	82ND AVE	LANDOVER
ELEM SCHOOL,LAUREL	516	MONTGOMERY ST	LAUREL
ELEM SCHOOL,PERRYWOO	501	WATKINS PARK DR	UPPER MARLBORO
ELEM SCHOOL,R FROST	6419	85TH AVE	NEW CARROLLTON
ELEM SCHOOL,RIDGCRST	6120	RIGGS RD	HYATTSVILLE
ELEM SCHOOL,SPELLMAN	3324	64TH AVE	LANDOVER
ELEM SCHOOL,UNIV PK	4315	UNDERWOOD ST	UNIVERSITY PARK
ELEM SCHOOL,WHITEHAL	3901	WOODHAVEN LN	BOWIE
ELEM,GREENBEL	66	RIDGE RD	GREENBELT
ELEMEN SCHOOL,MATTAPON	11701	DULEY STATION RD	UPPER MARLBORO
ELEMENTARY SC,AVALON	4815	DALTON ST	CAMP SPRINGS
ELEMENTARY SC,SUITLAND	4650	HOMER AVE	SUITLAND
ELEMENTARY,ADELPHI	8820	RIGGS RD	HYATTSVILLE
ELEMENTARY,BADEN	13601	BADEN WESTWOOD	BRANDYWINE
ELEMENTARY,BELTSVIL	4300	WICOMICO AVE	BELTSVILLE
ELEMENTARY,BONDMILL	16001	SHERWOOD AVE	LAUREL
ELEMENTARY,CHEROKEE	9000	25TH AVE	HYATTSVILLE
ELEMENTARY,COOPER	3817	COOPER LN	LANDOVER HILLS
ELEMENTARY,DEERFLD	13000	BOWIE RD	LAUREL
ELEMENTARY,DODGE PK	3401	HUBBARD RD	LANDOVER
ELEMENTARY,GLENARDN		ECHOLS AVENUE	GLENARDEN
ELEMENTARY,GLENRIDG	7200	GALLATIN ST	LANDOVER HILLS
ELEMENTARY,HEATHER	12605	HEMING LN	MITCHELLVILLE
ELEMENTARY,HIGHBRID	7011	HIGH BRIDGE RD	BOWIE
ELEMENTARY,HOLLYWOO	9811	49TH AVE	COLLEGE PARK

ELEMENTARY, HYATTSVILLE	5311	43RD AVE	HYATTSVILLE
ELEMENTARY, KINGSFOR	1401	ENTERPRISE RD	BOWIE
ELEMENTARY, LAMONT	7101	GOOD LUCK RD	HYATTSVILLE
ELEMENTARY, LEWISDAL	2400	BANNING PL	HYATTSVILLE
ELEMENTARY, NORTHVIEW	3700	NORTHVIEW DR	BOWIE
ELEMENTARY, OAKLAND	13710	BOWIE RD	LAUREL
ELEMENTARY, RIVERDALE	5006	RIVERDALE RD	RIVERDALE
ELEMENTARY, ROCKLEDG	7701	LAUREL BOWIE RD	BOWIE
ELEMENTARY, TEMPLETO	6001	CARTERS LN	RIVERDALE
ELEMENTARY, WOODMORE	12500	WOODMORE RD	BOWIE
ELEMENTARY, WOODRIDG	5001	FLINTRIDGE DR	LANDOVER HILLS
ELEMENTARY, YORKTOWN	7301	RACE TRACK RD	BOWIE
ELEMENTARY, MAGNOLIA	8400	NIGHTINGALE DR	LANHAM
ETHICS/ACCOUNT, OFFICE	9201	BASIL CT	LARGO
EXECUTIVE, COUNTY	1301	MCCORMICK DR	LARGO
FAB, PGCP	13300	OLD MARLBORO PIKE	UPPER MARLBORO
FAMILY SRVS, DEPT	6420	ALLENTOWN RD	CAMP SPRINGS
FINANCE, OFFICE OF	1301	MCCORMICK DR	LARGO
FIRE CHIEF, EMS DEPT OF THE	9201	BASIL CT	UPPER MARLBORO
FIRE COMMISSION, PG CO	6820	WEBSTER ST	LANDOVER HILLS
FIRE DEPT 41, BELTSVIL	3939	POWDER MILL RD	BELTSVILLE
FIRE DEPT, B H VOL	8811	60TH AVE	BERWYN HEIGHTS
FIRE DEPT, LANDOVER	6801	68TH AVE	LANDOVER HILLS
FIRE DEPT, LANHAM	7609	ANNAPOLIS RD	LANDOVER HILLS
FIRE DEPT, PG	6330	RIGGS RD	HYATTSVILLE
FIRE DEPT, RIVERDAL	4714	QUEENSBURY RD	RIVERDALE
FIREHOUSE #2, KENTLAND	10400	CAMPUS WAY S	LARGO
FIREHOUSE 1, KENTLAND	7701	LANDOVER RD	LANDOVER
FLINTSTONE ES, PGCP	800	COMANCHE DR	FOREST HEIGHTS
FLOWERS HS, CHUBBERT	10001	OLD ARDWICK ARDMR R	SPRINGDALE
FOREST HGTS, ELEM SCH	200	TALBERT DR	FOREST HEIGHTS
FORESTVILLE, HIGH SCH	7001	BELTZ DR	DISTRICT HEIGHTS
FRANCIS EVANS, ELEM SCH	6720	OLD ALEX F RD	CLINTON
FRANCIS S KEY, MID SCH	2301	SCOTT KEY DR	DISTRICT HEIGHTS
FRED DOUGLAS, HIGH SCH	8000	CROOM RD	UPPER MARLBORO
FSB, PGCP	4801	BROWN STATION RD	UPPER MARLBORO
G G SHUGART, MID SCH	2000	CALLAWAY ST	CAMP SPRINGS
GAYWOOD ES, PGCP	6701	97TH AVE	LANHAM
GEORGES CC, PRINCE	301	LARGO RD	LARGO
GEORGE'S CTY, PRINCE	9201	BASIL CT	LARGO

GLASSMANOR,ELEM SCH	1011	MARCY AVE	OXON HILL
GOODARD JR HI,ROBERT	9850	GOOD LUCK RD	LANHAM
GOUR MIDLE SC,ISAAC	8700	ALLENTOWN RD	FORT WASHINGTON
GOV'T BLDG,LIBRARY	11	CRESCENT RD	GREENBELT
GREEN VALLEY,ELEM SCH	2215	CHADWICK ST	CAMP SPRINGS
GREENBELT,CITY OF	25	CRESCENT RD	GREENBELT
GROVE ELEM,TULIP	2909	TRAINOR LN	BOWIE
HANSON MONTAS,JOHN	6360	OXON HILL RD	OXON HILL
HARRISON ELE,,JAMES	13200	LARCHDALE RD	LAUREL
HEIGHTS ELEM,CAPITAL	601	SUFFOLK AVE	CAPITOL HEIGHTS
HGTS COMM CTR,BERWYN	6200	PONTIAC ST	BERWYN HEIGHTS
HIGH SCHOOL,BLAD	5610	TILDEN RD	BLADENSBURG
HIGH SCHOOL,DEMATHA	4313	MADISON ST	HYATTSVILLE
HIGH SCHOOL,DUVAL	9880	GOOD LUCK RD	LANHAM
HIGH SCHOOL,HIGHT	3601	POWDER MILL RD	BELTSVILLE
HIGH SCHOOL,LAUREL	8000	CHERRY LN	LAUREL
HIGH SCHOOL,NORTHWT	7000	ADELPHI RD	UNIVERSITY PARK
HIGH SCHOOL,PARKDALE	6001	GOOD LUCK RD	RIVERDALE
HIGH SCHOOL,ROOSEVLT	7601	HANOVER PKWY	GREENBELT
HIGHLAND ELEM,CAROLE	1610	HANNON ST	TAKOMA PARK
HILL LAKE ELM,SPRGHILL	6060	SPRINGHILL DR	GREENBELT
HILL TOWN HAL,,LANDOVER	6904	TAYLOR ST	LANDOVER HILLS
HILL VOL FD,SILVER	3900	OLD SILVER HILL	SUITLAND
HILLCREST HGT,ELEM SCH	4305	22ND PL	CAMP SPRINGS
HILLS ELEMEN,CARMODY	401	JADELEAF AVE	CAPITOL HEIGHTS
HOOD,AGER ELM	6111	AGER RD	UNIVERSITY PARK
HOUSE,COURT	14735	MAIN ST	UPPER MARLBORO
HTS ELEM,ROGERS	4301	58TH AVE	BLADENSBURG
INDIAN QUEEN,ELEM SCH	9551	FORT FOOTE RD	FORT WASHINGTON
JAMES RANDALL,ELEM SCH	5410	KIRBY RD	CLINTON
JB MASON,PGCPS	2720	IVERSON ST	CAMP SPRINGS
JOHN BAYNE,ELEM SCH	7010	WALKER MILL RD	CAPITOL HEIGHTS
KENNEDYSCHOOL,,DORA	8950	EDMONSTON RD	GREENBELT
KETTERING,ELEM SCH	11000	LAYTON ST	LARGO
KETTERING,MID SCH	65	HERRINGTON DR	LARGO
LANGLEY PARK,SR CTR	1500	MERRIMAC DR	HYATTSVILLE
LANGLEY PK MCCORMICK,PGCPS	8201	15TH AVE	HYATTSVILLE
LARGO,HIGH SCH	505	LARGO RD	LARGO
LAW,OFFICE	1301	MCCORMICK DR	LARGO
LEWIS,DONALD	15950	DORSET RD	LAUREL
LONGFIELDS,ELEM SCH	3300	NEWKIRK AVE	DISTRICT HEIGHTS
LOWER CAMPUS,ACCOKEEK	14400	BERRY RD	ACCOKEEK

MAINTENANCE,FLEET	8019	CENTRAL AVE	CAPITOL HEIGHTS
MANAGE & BUDGET,OFFICE OF	1301	MCCORMICK DR	LARGO
MANAGEMENT,WASTE	3500	BROWN STATION RD	SPRINGDALE
MANOR COM CTR,GLASS	1101	MARCY AVE	OXON HILL
MARLBORO HALL,PGCC	301	LARGO RD	LARGO
MARLTON,ELEM SCH	8506	OLD COLONY DR S	UPPER MARLBORO
MARSHALL MIDD,THURGOOD	4909	BRINKLEY RD	CAMP SPRINGS
MASSIE ACADEM,SAMUEL P	3301	REGENCY PKWY	DISTRICT HEIGHTS
MATHEW HENSON,ELEM SCH	7910	SCOTT RD	LANDOVER
MATHIAS SCHL,SAINT	9473	ANNAPOLIS RD	LANHAM
MCHENRY ELEM,JAMES	8909	MCHENRY LN	LANHAM
MELWOOD,ELEM SCH	7100	WOODYARD RD	UPPER MARLBORO
MIDDLE SCHOOL,BUCKLDG	2611	BUCK LODGE RD	HYATTSVILLE
MIDDLE SCHOOL,CARROLL	6130	LAMONT DR	NEW CARROLLTON
MIDDLE SCHOOL,GREENBELT	6301	BREEZEWOOD DR	GREENBELT
MIDDLE SCHOOL,HYATTS	6001	42ND AVE	HYATTSVILLE
MIDDLE SCHOOL,KENMORE	2500	KENMOOR DR	LANDOVER
MIDDLE SCHOOL,M L KING	4545	AMMENDALE RD	BELTSVILLE
MIDDLE SCHOOL,N OREM	6100	EDITORS PARK DR	UNIVERSITY PARK
MIDDLE SCHOOL,WM WIRT	6200	TUCKERMAN ST	RIVERDALE
MIDDSCHOOL,BENJAMIN	4901	COLLINGTON RD	BOWIE
MONTPELIER ES,PGCPS	9200	MUIRKIRK RD	LAUREL
N FORESTVILLE,ELEM SCH	2311	RITCHIE RD	DISTRICT HEIGHTS
NEW CARROLTON,CITY OF	6016	PRINCESS GDN PKWY	LANHAM
OGLE MIDD SCH,SAMUEL	4111	CHELMONT LN	BOWIE
OITC,PGC	9201	BASIL CT	LARGO
OLD FHHS,PGCPS	1401	NYE ST	FAIRMOUNT HEIGHTS
OVERLOOK,ELEM SCH	3298	CURTIS DR	CAMP SPRINGS
OWENS SCIENCE,HOWARD	9601	GREENBELT RD	LANHAM
OXON HILL,ELEM SCH	7701	LIVINGSTON RD	OXON HILL
P E WILLIAMS,ELEM SCH	9601	PRINCE PL	LARGO
PANORAMA,SPEC CEN	2002	CALLAWAY ST	CAMP SPRINGS
PARK HIGH SCH,GWYNN	13800	BRANDYWINE RD	BRANDYWINE
PARK MID,GWYNN	8000	DYSON RD	BRANDYWINE
PATUXENT,ELEM SCH	4410	BISHOPMILL DR	UPPER MARLBORO
PHILLIP,SAINT	5414	HENDERSON WAY	MORNINGSIDE
PK FIRE DPT,COLLEGE	8115	BALTIMORE AVE	COLLEGE PARK
PK PUBLIC WK,COLLEGE	9217	51ST AVE	COLLEGE PARK
PLEASANT,SEAT	5720	ADDISON RD	FAIRMOUNT HGT
POLICE CRIM,LAUREL	13	C ST	LAUREL

POLICE DEPT,BERWYN H	5411	BERWYN RD	BERWYN HEIGHTS
POLICE DEPT,BOWIE	15901	EXCALIBUR RD	BOWIE
POLICE DEPT,CAPT	401	CAPITOL HEIGHTS BLVD	CAPITOL HEIGHTS
POLICE DEPT,GREENBLT	550	CRESCENT RD	GREENBELT
POLICE DEPT,PG CO	7600	BARLOWE RD	LANDOVER
POLICE DEPT,RIVERDALE	5004	QUEENSBURY RD	RIVERDALE
POLICE,MD PARK	7208	ALLENTOWN RD	FORT WASHINGTON
POLICE,PGC DEPT	4923	43RD AVE	HYATTSVILLE
POLICE,PGC DEPT	4923	43RD AVE	HYATTSVILLE
POLICE,PGC DEPT	4923	43RD AVE	HYATTSVILLE
POLICE,PGC DEPT	4923	43RD AVE	HYATTSVILLE
POLICE,PGCOUNTY	6700	RIVERDALE RD	RIVERDALE
POLICE,RAINER	3249	RHODE ISLAND AVE	MT RAINIER
POLICE,STATE	3500	FORESTVILLE RD	DISTRICT HEIGHTS
POLICE,US PARK	6501	GREENBELT RD	GREENBELT
POTOMAC LAND,ELEM SCH	12500	FORT WASHINGTON RD	FORT WASHINGTON
POTOMAC,HIGH SCH	5211	BOYDELL AVE	OXON HILL
PRINCETON,ELEM SCH	6101	BAXTER DR	SUITLAND
PUBLIC SRVCS,COLEGEPK	8400	BALTIMORE AVE	COLLEGE PARK
PUBLIC WORKS,BOWIE	16500	ANNAPOLIS RD	BOWIE
PUBLIC WORKS,BOWIE	16500	ANNAPOLIS RD	BOWIE
PUBLIC WORKS,COL PK	9219	51ST AVE	COLLEGE PARK
PUBLIC WORKS,DEPT	305	1ST ST	LAUREL
PUBLIC WORKS,DEPT OF	3715	WELLS AVE	MT RAINIER
PUBLIC WORKS,GREENBEL	555	CRESCENT RD	GREENBELT
RAINIER ELEM,MT	4011	32ND ST	MOUNT RAINIER
REDEEMER,HOLY	4905	BERWYN RD	COLLEGE PARK
REIG SPEC ED,ELIZABET	15542	PEACH WALKER DR	BOWIE
RIDGE ELEM,POINTER	1110	PARKINGTON LN	BOWIE
ROAD COMM CTR,TUCKER	1771	TUCKER RD	FORT WASHINGTON
ROOM COURTHOU,TRAINING	14735D	MAIN ST	UPPER MARLBORO
ROSE VALLEY,ELEM SCH	9800	JACQUELINE DR	FORT WASHINGTON
SAMUEL CHASE,ELEM SCH	5700	FISHER RD	CAMP SPRINGS
SANITARYLANDF,BROWNSTA	3500	BROWN STATION RD	SPRINGDALE
SASSCER,PGCPS	14201	SCHOOL LN	UPPER MARLBORO
SCHOOL,BRANDYWI	14101	BRANDYWINE RD	BRANDYWINE
SEABROOK ES,PGCPS	6001	SEABROOK RD	LANHAM
SEAT PLEASANT,ELEM SCH	6411	G ST	FAIRMOUNT HGT
SENIOR CLUB,BERWYN HEIGHTS	8603	57TH AVE	COLLEGE PARK
SENIOR HIGH,BOWIE	15200	ANNAPOLIS RD	BOWIE

SETON HS,ELIZABET	5715	EMERSON ST	BLADENSBURG
SKYLINE ES ADMIN,PGCPS	6311	RANDOLPH RD	MORNINGSIDE
SPECL SCHOOL,GLENDALE	6700	GLENN DALE RD	GLENN DALE
ST ATTY OFC,OFFICE	14735	MAIN ST	UPPER MARLBORO
ST POLICE,MARYLAND	10100	RHODE ISLAND AVE	COLLEGE PARK
STATE UNIVERS,BOWIE	14000	JERICOH PARK RD	BOWIE
STATION 46,KENTLAND	10400	CAMPUS WAY S	LARGO
STEPHEN DECATUR,PGCPS	8200	PINEWOOD DR	CLINTON
STONE ELEM,THOMAS	4500	34TH ST	MT RAINIER
SUITLAND,HIGH SCH	5200A	SILVER HILL RD	DISTRICT HEIGHTS
SURRATSVILLE,HIGH SCH	6101	GARDEN DR	CLINTON
SYLVANIA-WOOD,JUDGE	3000	CHURCH ST	GLENARDEN
TALL OAKS HS,PGCPS	2112	CHURCH RD	BOWIE
TALL OAKS,ACADEMY AT	2112	CHURCH RD	BOWIE
TANGLEWOOD,SPEC CEN	8333	WOODYARD RD	CLINTON
TAYAC ES,PGCPS	8600	ALLENTOWN RD	FORT WASHINGTON
TELEVISION,PG	9475	LOTTSFORD RD	LARGO
THOM CLAGGETT,ELEM SCH	2001	ADDISON RD S	DISTRICT HEIGHTS
THOM G PULLEN,MID SCH	700	BRIGHTSEAT RD	LANDOVER
THOMAS JOHNSON MS,PGCPS	5401	BARKER PL	LANHAM
TOWN HALL,BERWYN H	5700	BERWYN RD	BERWYN HEIGHTS
TOWN HALL,BRENTWOO	4300	39TH PL	BRENTWOOD
TOWN HALL,COTTAGE	3820	40TH AVE	COTTAGE CITYUPPER MARLBORO
TOWN HALL,RIVEDALE	5008	QUEENSBURY RD	RIVERDALE
TV ROOM,ACCOKEEK	301	LARGO RD	LARGO
UPPER CAMPUS,ACCOKEEK	14500	BERRY RD	ACCOKEEK
VALLEY VIEW,ELEM SCH	5500	DANBY AVE	OXON HILL
VANSVILLE SCH,VANSVILL	6813	AMMENDALE RD	BELTSVILLE
WALDON WOODS ES,PGCPS	10301	THRIFT RD	CLINTON
WALKER MILL,MID SCH	800	KAREN BLVD	CAPITOL HEIGHTS
WASH FOREST,ELEM SCH	1300	FILLMORE RD	FORT WASHINGTON
WHEATLEY,SPEC CEN	1200	RITCHIE RD	CAPITOL HEIGHTS
WILLIAM HALL ACAD,PGCPS	5200	MARLBORO PIKE	CAPITOL HEIGHTS
WM BEANES,ELEM SCH	5108	DIANNA DR	SUITLAND
WOODS ES,GLENARDEN	7801	GLENARDEN PKWY	GLENARDEN
WORKS BLDG,PUBLIC	6318	WESTBROOK DR	NEW CARROLLTON
YOUTH CENTER,GREENBLT	99	CENTERWAY	GREENBELT

EXHIBIT C
PARTICIPATING MUNICIPALITIES

- Town of Berwyn Heights
- Town of Bladensburg
- City of Bowie
- Town of Brentwood
- Town of Capitol Heights
- Town of Cheverly
- City of College Park
- Town of Colmar Manor
- ~~Town of Cottage City~~ **Upper Marlboro**
- City of District Heights
- Town of Eagle Harbor
- Town of Edmonston
- Town of Fairmount Heights
- Town of Forest Heights
- City of Glenarden
- City of Greenbelt
- City of Hyattsville
- Town of Landover Hills
- City of Laurel
- Town of Morningside
- City of Mount Rainier
- City of New Carrollton
- Town of North Brentwood
- Town of Riverdale Park
- City of Seat Pleasant
- Town of University Park
- Town of Upper Marlboro

Formatted: Font: Bold

Formatted: Font: Bold

EXHIBIT D**LINE EXTENSION POLICY**

Where potential Subscribers reside in an area of the Franchise Area with a dwelling density that does not meet the prescribed minimum density requirements set out in Section 3.2 of the Agreement ("Low Density Area"), Franchisee shall extend Cable Service to such potential Subscribers in the Low Density Area upon the request of one or more potential Subscriber under the following conditions:

The potential Subscribers agree to share in the cost of extension based upon the following cost calculation:

The cost of extending the Cable System to serve a Low Density Area shall be calculated by (i) dividing the total construction cost of extending the System to pass each of the requesting previously unpassed dwelling unit owners by the number of dwelling units requesting Cable Service in such area, and (ii) subtracting Franchisee's average construction costs ("ACC") per mile in the Franchise Area divided by 20. The resulting cost shall equal the per dwelling unit contribution to be paid by each dwelling unit owner requesting extension of Cable Service in that particular area of the County.

- The applicable formula shall be:
 - $\frac{C}{LEP} - \frac{CA}{P} = SC$
 - LEP
- Where:
 - C equals the total cost of construction from the nearest point of distribution plant, and may include the costs of upgrades to existing distribution plant (fiber extensions, node splits, and other costs) caused by the new plant (upon request Franchisee will provide documentation of the basis for the upgrade costs to existing plant);
 - LE equals the number of dwelling units requesting Cable Service in the proposed line extension area, who subsequently pay a contribution in aid;
 - CA equals the average cost of construction per mile in Prince George's County including the costs of upgrades to existing distribution plant as defined in C above (upon request Franchisee will provide documentation of the basis for the average cost of construction per mile in Prince George's County.);
 - P equals 20 as applicable under Section 3.2 of the Agreement; and
 - SC equals the per dwelling unit contribution in aid of construction in the proposed line extension area, to be paid by the persons requesting service.

More specifically:

If Franchisee receives a request for service, the Franchisee shall first determine the total construction costs of the extension. The "total construction costs" ("TCC") are defined as the actual turnkey cost to construct the entire extension required to serve the persons requesting services measuring from the Starting Point to the Ending Point, as specified

in Section 3.2 of the Agreement. The TCC includes all electronics, pole make-ready charges, labor and reasonable associated overhead, but not the cost of the house drop.

The Franchisee shall then determine its contribution toward the construction costs per participating dwelling unit by dividing the Franchisee's average construction costs ("ACC") per mile in the Franchise Area by the applicable density under Section 3.2 of the Agreement. For illustration, if the applicable density is 20, and the average construction cost in the Franchise Area is \$45,000, the Franchisee Contribution is \$2,250.00 per participating dwelling unit.

"Participating Dwelling Unit" is a residential dwelling unit for which a person requesting service pays a contribution in aid of construction. The Franchisee may require that one half of the payment be made prior to commencing final design, engineering, or construction of the project with the balance due upon completion of the project.

Persons requesting service shall bear the total construction costs on a pro rata basis less the Franchisee contribution. For illustration, a service extension with a TCC of \$35,000 and 10 Participating Dwelling Units would result in a contribution in aid of construction of (\$3,500 - \$2,250) \$1,250 per Participating Dwelling Unit.

The County may require Franchisee to provide it proof of the estimated and the actual cost of the extension.

Other than Standard Installation costs related to non-standard drop length, or customer requested services such as internal wiring or underground drops where not required by Code, and similar standard new customer fees, there will be no other charges to Subscribers or potential Subscribers related to the System extension.

EXHIBIT E

PEG CHANNEL LISTING (HD Channels to be so marked)

CHANNELS*	DESCRIPTION
69 / 1082	Countywide Public Safety Channel
70 / 1080	Countywide Government Channel (Council)
71 / 1081 HD	Narrowcast Municipal Channel
72 / 1072	Countywide University of Maryland
73 / 1073	Countywide University of Maryland Global
74 / 1074	Countywide Bowie State
75 / 1075 HD	Countywide Prince George's Community College
76 / 1070	Countywide Public Access – CTV
77 / 1077	Narrowcast Municipal Channel
78 / 1078	Narrowcast Municipal Channel
96 / 1079	Countywide PG County Public Schools*

***New channel numbers effective July 26, 2022.**

Need to confirm status of HD for PG County Public Schools

EXHIBIT F
PEG ORIENTATION POINTS

Berwyn Heights	City Hall
Bladensburg	Town Hall
Bowie	Gov Building
Bowie State University	Bowie State Campus
Brentwood	Town Hall
Capitol Heights	Town Hall
Cheverly	Town Hall
College Park	City Hall/Gov Building
Colmar Manor	Town Hall
Cottage City Upper Marlboro	Town Hall
District Heights	City Hall
Eagle Harbor	Town Hall
Edmonton	Town Hall
Fairmount Heights	Town Hall
Forest Heights	Town Hall
Glenarden	City Hall
Greenbelt	City Hall /Gov Building
Hyattsville	City Hall
Landover Hills	Town Hall
Laurel	City Hall
Morningside	Town Hall
Mt. Rainier	City Hall
New Carrollton	City Hall
North Brentwood	Town Hall
PGCC – Community college	PGCC Campus
PGCO Government	Gov Building
PGCO Public Schools	Gov Building
PGC Safety Channel	<i>(Request has been made to transfer from Anchor Street to Webster Street. This was already accomplished for Verizon.)</i>
Riverdale Park	Town Hall
Seat Pleasant	City Hall
University Park	City Hall
University of Maryland	UMD Campus
University of Maryland University College	UMD Campus
Upper Marlboro	Town Hall

Formatted: Indent: Left: 2.85", Space Before: 0.05 pt, Line spacing: Exactly 14.1 pt

EXHIBIT G
CUSTOMER SERVICE STANDARDS

This Exhibit sets forth the minimum customer service standards that the Franchisee must satisfy. In addition, and subject to the provisions of this Agreement, the Franchisee shall at all times satisfy any additional requirements established by applicable federal and state law or regulation, including, without limitation, consumer protection laws, and the requirements of the Cable Code, including Section ~~5A-10993.9~~, as the same may be amended from time to time.

I. DEFINITIONS

The Participating Municipalities, County and the Franchisee agree that the definitions found in the governing Franchise supplemented by the following definitions shall govern enforcement of and the Franchisee's obligations under the customer service standard requirements under this Exhibit C:

As Soon As Possible: As used in 47 C.F.R. § 76.1603(b), a minimum of thirty (30) days in advance of such change unless the change results from circumstances outside of the Franchisee's control (including failed retransmission consent or program carriage negotiations during the last 30 days of a contract), in which case notice shall be provided as soon as possible using any reasonable written means at the Franchisee's sole discretion, including notices that would replace the video feed in the event of a channel blackout (channel slates.).

Next Billing Cycle: As used in 47 C.F.R. § 76.309(c)(3)(i)-(ii) and in this Agreement, means the Subscriber's next available billing cycle.

Resolution of the Request: As used in 47 C.F.R. § 76.309(c)(3)(i)(A), means the Subscriber's Next Billing Cycle following determination by the Franchisee of the Subscriber's right to a refund.

II. RELATIONSHIP TO ~~COUNTY~~/TOWN CODE

Subject to Section 2.8 of the Franchise, nothing in this Exhibit shall be read to excuse Franchisee of any obligations under the ~~County~~/Town Code.

III. CUSTOMER SERVICE STANDARDS

A. Except as modified by a specific provision of this Exhibit, the Franchisee shall comply with the applicable customer service standards including those set forth by the FCC in 47 C.F.R. §§ 76.309(c), 76.1602, 76.1603, and 76.1619, as such standards may be amended.

A. Measurement of the standard in 47 C.F.R. § 76.309(c)(I)(ii) and § II(H) herein may include all calls received by the Franchisee at all call centers receiving calls from Subscribers, whether they are answered by a live representative or by an automated attendant.

B. No increase in rates or charges shall be implemented unless each Subscriber subject to the increase in rates and charges has been notified of the change at least thirty (30) days in advance of the change. In addition, the Franchisee shall provide oral or written notification of any pending increases to rates and charges to any Person who requests Cable

Service or becomes a Subscriber after any approval of increases to rates and charges but before the rate increase becomes effective.

C. The Franchisee shall employ an operator or maintain a telephone answering device twenty-four hours per day, each day of the year, to receive Subscriber complaints. During Normal Business Hours, Franchisee representatives must be available to respond to customer inquiries. After Normal Business Hours, Franchisee may use an answering service or machine so long as calls are answered the next business day. The Franchisee must hire sufficient staff so that it can adequately respond to customer inquiries, complaints, and requests for service in its office, over the phone, and at the Subscriber's residence.

D. The Franchisee shall establish maintenance service capable of promptly locating and correcting System Outages.

E. The Franchisee shall maintain a publicly-listed, toll-free telephone number that shall be available to Subscribers to request service calls, twenty-four hours per day, each day of the year. Franchisee shall have TDD/TTY (or equivalent) equipment, and a publicly listed telephone number for such equipment, that will allow hearing impaired customers to contact the Franchisee. Under Normal Operating Conditions, Cable System calls must be answered by a customer service representative or by an automated attendant, including the time a caller is put on hold, within 30 seconds after the connection is made. If the call needs to be transferred to a customer service representative, the transfer time may not exceed 30 seconds. Under Normal Operating Conditions, a Subscriber may receive a busy signal no more than three percent (3%) of the time. Although no special equipment is required to measure telephone answering and hold times, Franchisee should use its best efforts to document compliance. These requirements must be met ninety percent (90%) of the time, measured quarterly.

F. The Franchisee shall keep an emergency system maintenance and repair staff, capable of responding to and repairing System Outages or Service Interruptions, on a twenty-four (24) hour basis at all times, and under Normal Operating Conditions shall respond twenty-four (24) hours a day, seven (7) days a week.

G. Under Normal Operating Conditions, billing inquiries and requests for service, repair, and maintenance not involving Service Interruptions must be acknowledged by a trained customer service representative within twenty-four (24) hours, or prior to the end of the next business day, whichever is earlier. The Franchisee shall respond to all other inquiries within five (5) business days of receipt of the inquiry or complaint. Final resolution shall not be unreasonably delayed.

H. To the extent consistent with federal law, no charge shall be made to the Subscriber for repairs or maintenance of Franchisee-owned equipment or facilities, except for the cost of repairs to the Franchisee's equipment or facilities where it can be shown that the equipment or facility was damaged by a Subscriber.

I. If requested by a mobility-limited customer, the Franchisee shall arrange for pickup and/or replacement of converters or other Franchisee equipment at the Subscriber's address or by a satisfactory equivalent.

J. Under Normal Operating Conditions, the Franchisee must respond to a call from a Subscriber regarding a Service Interruption or other service problems within the following time frames:

- (1) Franchisee must begin work on Service Interruptions within twenty-four (24) hours, including weekends, of receiving a Subscriber's call reporting a Service Interruption or the need for repairs otherwise become known to Franchisee.
- (2) The Franchisee must begin actions to correct all other Cable Service problems the next business day after notification by the Subscriber or the County of a Cable Service problem.

K. The Franchisee's service representatives will have the ability to issue service credits to address customer complaints related to missed appointments and Service Interruptions.

L. In the event of a Service Interruption of one or more channels to any Subscriber, the Franchisee shall repair the Service Interruption as soon as possible. This obligation is satisfied if the Franchisee offers the Subscriber the next available repair appointment within the 24-hour period following the Service Interruption, or at the request of the Subscriber, to a mutually convenient later time for the repair call, and successfully repairs the Service Interruption during the agreed appointment. Under Normal Operating Conditions, if the Service Interruption is not repaired at the time of the scheduled appointment, the Subscriber will receive a pro rata credit of the Subscriber's monthly Cable Service bill for each 24-hour period, or segment thereof, that the Service Interruption continues beyond the scheduled repair call.

M. The Franchisee shall provide the following materials to each Subscriber at the time Cable Service is installed, at least annually thereafter, and at any time upon request. Copies of all such materials provided to Subscribers shall also be provided to the County and posted on the Franchisee's website:

- (1) a written description of products and services offered, including a schedule of rates and charges, a list of channel positions, and a description of programming services, options, and conditions;
- (2) a written description of the Franchisee's installation and service maintenance policies, and any other of its policies applicable to its Subscribers;
- (3) written instructions on how to use the Cable Service;
- (4) a written description of the Franchisee's billing and complaint procedures, including the address and telephone number of the County office responsible for receiving Subscriber complaints;
- (5) a copy of the service contract, if any;
- (6) notice regarding Subscribers' privacy rights pursuant to 47 U.S.C. § 551;
- (7) notice of the availability of universal remote controls and other compatible equipment (a list of which, specifying brands and models, shall be provided to any Subscriber upon request); and

N. Subscribers and the County will be notified of any changes in programming services or channel positions, and any significant changes in any other information required to be provided by this section in accordance with Applicable Law. Advance notice is not required for the launch of new channels when offered on a subscription basis or added to an existing service

tier at no additional cost to the Subscriber. The written notices required by this section may be provided electronically as permitted by 47 C.F.R. § 76.1600.

O. All Franchisee promotional materials, announcements, and advertising of residential Cable Service to Subscribers and the general public, where price information is listed in any manner, shall clearly and accurately disclose price terms. In the case of pay-per-view or pay-per-event programming, all promotional materials must clearly and accurately disclose price terms and in the case of telephone orders, the Franchisee shall take appropriate steps to ensure that price terms are clearly and accurately disclosed to potential customers before the order is accepted.

P. The Franchisee shall maintain a public file containing all documents required by the FCC's Public Inspection File rules and regulations.

Q. The Franchisee shall establish a clear procedure for resolving complaints filed by Subscribers. Complaints may be made orally, in writing (including by e-mail), at the complainant's option.

R. The customer service standards set forth herein shall be in addition to the rights and remedies provided by Title 13 of the Maryland Commercial Law Article (the Maryland Consumer Protection Act), as amended. This subsection does not evidence any consent or recognition by Franchisee of the legality of any provision of Title 13 of the Maryland Commercial Law Article (the Maryland Consumer Protection Act), as amended.

S. The Franchisee shall schedule and conduct maintenance on the Cable System so that interruption of Service is minimized and occurs during periods of minimum Subscriber use of the Cable System. Under Normal Operating Conditions, the Franchisee shall provide reasonable prior notice to Subscribers and the County before interrupting Service for planned maintenance or construction, except where such interruption is expected to be two hours or less in duration or when such interruption occurs between 12:00 A.M. and 7:00 A.M.. Such notice shall be provided by methods reasonably calculated to give Subscribers actual notice of the planned interruption.

T. The Subscriber's preference as to the point of entry into the residence shall be observed whenever feasible. Runs in building interiors shall be as unobtrusive as possible. The Franchisee shall use due care in the process of installation and shall restore the Subscriber's property to a condition reasonably comparable to its condition prior to installation. Such restoration shall be undertaken and completed promptly if an unsafe condition exists, or if not, as soon as possible after the work causing the damage is concluded and shall be completed within no more than thirty (30) days after the work causing the damage is concluded.

U. In locations where the Franchisee's System must be underground, drops must be placed underground as well. Except as federal law may otherwise require, in any area where the Franchisee would be entitled to install a drop above-ground, the Franchisee will provide the homeowner the option to have the drop installed underground if requested, but may charge the homeowner the difference between the actual cost of the above-ground installation and the actual cost of the underground installation.

V. The Franchisee shall use its best efforts to collect on delinquent Subscriber accounts before terminating Service. In all cases, the Franchisee shall provide the Subscriber with at least ten (10) working days' notice, with the telephone number to call to arrange payment

or to resolve disputes, prior to disconnection. Said notice may be part of the monthly billing statement.

W. Under Normal Operating Conditions, each of the following standards shall be met by Franchisee at least 95% of the time, as measured on a quarterly basis:

- (1) **Prompt Service.** The Standard Installations of 350 feet or less shall be performed within seven (7) business days after an order is placed, (Standard installations of 126 feet to 350 feet may require additional construction and need additional time), or at a later date requested by the Subscriber, subject to Section 3 of the Agreement.
- (2) **Repairs and Maintenance.** Repairs and maintenance for Service Interruptions and other repairs not requiring work within a Subscriber's premises must be responded to within 24-hours of the time the Subscriber reports the problem to the Franchisee or its representative or the interruption or need for repairs otherwise becomes known to the Franchisee. Work on all other requests for Service shall be responded to the next business day, or at a later time mutually agreeable to the Franchisee and the Subscriber. Franchisee shall exercise its best efforts to complete such work within three (3) days from the date of the initial request, except installation requests, provided that the Franchisee shall complete the work in the shortest time possible where, for reasons beyond the Franchisee's control, the work could not be completed in those time periods even with the exercise of all due diligence; the failure of the Franchisee to hire sufficient staff or to properly train its staff shall not justify the Franchisee's failure to comply with this provision.
- (3) **Service Times.** The Franchisee shall perform service calls, installations, and disconnects at least during Normal Business Hours. The Franchisee will offer Subscribers "appointment window" alternatives for arrival to perform installations, service calls and other activities of a maximum four (4) hours scheduled time block. At the Franchisee's discretion, the Franchisee may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber.
- (4) **Cancellation.** The Franchisee may not cancel an appointment with a Subscriber after the close of business on the business day preceding the appointment. If the Franchisee's representative is running late for an appointment with a Subscriber and will not be able to keep the appointment as scheduled, the Subscriber will be contacted, and the appointment rescheduled as necessary, at a time which is convenient for the Subscriber.

**EXHIBIT H
Franchise Bond
Bond No.**

KNOW ALL MEN BY THESE PRESENTS: THAT (NAME & ADDRESS) (HEREINAFTER CALLED THE PRINCIPAL), AND (NAME AND ADDRESS) (HEREINAFTER CALLED THE SURETY), A CORPORATION DULY ORGANIZED UNDER THE LAWS OF THE STATE OF (STATE), ARE HELD AND FIRMLY BOUND UNTO (NAME & ADDRESS) (HEREINAFTER CALLED THE OBLIGEE), IN THE FULL AND JUST SUM OF ____ DOLLARS (\$), THE PAYMENT OF WHICH SUM, WELL AND TRULY TO BE MADE, THE SAID PRINCIPAL AND SURETY BIND THEMSELVES, THEIR HEIRS, ADMINISTRATORS, EXECUTORS, AND ASSIGNS, JOINTLY AND SEVERALLY, FIRMLY BY THESE PRESENTS.

Formatted: Left

WHEREAS, the Principal and Obligee (~~The Town of Upper Marlboro~~) have entered into a Franchise Agreement (~~date~~) dated ____ which is hereby referred to and made a part hereof, and the Franchise Agreement is subject to the “Cable Code” as defined therein.

Formatted: Font: Bold

WHEREAS, said Principal is required to perform certain obligations under said Agreement.

WHEREAS, the Obligee has agreed to accept this bond as security against default by Principal of performance of its obligations under said Agreement and/or the Cable Code during the time period this bond is in effect.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall perform its obligations under said Agreement, then this obligation shall be void, otherwise to remain in full force and effect, unless otherwise terminated, cancelled or expired as hereinafter provided.

PROVIDED HOWEVER, that this bond is executed subject to the following express provisions and conditions:

1. In the event of default by the Principal, Obligee shall deliver to Surety a written statement of the details of such default within 30 days after the Obligee shall learn of the same, such notice to be delivered by certified mail to address of said Surety as stated herein.
2. This Bond shall be effective , 20____, and shall remain in full force and effect thereafter for a period of one year and will automatically extend for additional one year periods from the expiry date hereof, or any future expiration date, unless the Surety provides to the Obligee not less than sixty (60) days advance written notice of its intent not to renew this Bond or unless the Bond is earlier canceled pursuant to the following. This Bond may be canceled at any time upon sixty (60) days advance written notice from the Surety to the Obligee.

- 3. Neither cancellation, termination nor refusal by Surety to extend this bond, nor inability of Principal to file a replacement bond or replacement security for its obligations under said Agreement, shall constitute a loss to the Obligee recoverable under this bond.
- 4. No claim, action, suit or proceeding shall be instituted against this bond unless same be brought or instituted and process served within one year after termination or cancellation of this bond.
- 5. No right of action shall accrue on this bond for the use of any person, corporation or entity other than the Obligee named herein or the heirs, executors, administrators or successors of the Obligee.
- 6. The aggregate liability of the surety is limited to the penal sum stated herein regardless of the number of years this bond remains in force or the amount or number of claims brought against this bond.
- 7. This bond is and shall be construed to be strictly one of suretyship only. If any conflict or inconsistency exists between the Surety's obligations as described in this bond and as may be described in any underlying agreement, permit, document or contract to which this bond is related, then the terms of this bond shall supersede and prevail in all respects.

This bond shall not bind the Surety unless it is accepted by the Obligee by signing below.

IN WITNESS WHEREOF, the above bounded Principal and Surety have hereunto signed and sealed this bond effective this ____ day of _____, ~~2022~~2023.

Principal

Surety

By: _____ By: _____
Attorney-In-Fact

Accepted by Obligee: _____
(Signature & date above - Print Name, Title below)

Exhibit ~~H~~J



1215 East Fort Avenue, Suite 103
Baltimore, MD 21230

Date

Mayor Sarah Franklin
The Town of Upper Marlboro
14211 School Lane
Upper Marlboro, MD. 20772

XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXX

Dear Mayor FranklinXXXXXXXXXX:

I am pleased to submit to you the comprehensive customer service data highlighting Comcast's performance for ~~the Town of Upper Marlboro~~XXXX in Prince George's County, Maryland. As a reminder, everything that we provide to you is **proprietary and confidential company operating data**. Data provided herein is County-wide.

Please find herein and attached a:

1. Summary of the previous year's activities in development of the Cable System.
2. Summary of complaints.
3. Report of service calls.
4. Annual franchise fee statement.
5. 10-K Report.
6. List of current officers, directors, and ownership.
7. Franchisee rules and regulations, rates, fees, and charges.

Comcast is hereby requesting that all information not readily ascertainable or publicly available by proper means by other persons from another source provided herein be treated by Prince George's County, Maryland as proprietary information in accordance with the Maryland Public Information Act and the Franchise Agreement. This information is competitively sensitive and its disclosure would unfairly prejudice Comcast relative to its competitors, who would be reasonably likely to use such information to harm Comcast's business interests. This information is also not otherwise readily ascertainable or publicly available by proper means by other persons from another source in the same configuration as provided herein and is intended to be proprietary confidential business information, and is treated by Comcast as such.

All of us at Comcast appreciate your team's spirit of cooperation and dedication as we work together to provide quality cable service to Prince George's County. If you have any questions or concerns regarding this report, please feel free to me at (410) 497-0365.

Regards,

Andre Fountain
Senior Specialist, Government & Community Affairs

1. Summary of Activities in Development of the Cable System

Programming Changes:

Change	Program Name	Channel #	Completion Date
SD Channel Add			
HD Channel Add			
Transition SD to HD			
Channel Drop			

2. Summary of Complaints

Number of Complaints	Topic	Resolved	Unresolved
	Customer Service		
	Customer Equipment		
	Customer Education		
	Comcast Customer Premises Equipment		
	Billing		
	Video Issues		
	Installation		
	Cable Service Repair		
	Promotions/Discounts/Contract Expiration		
	Programming		
	Pedestal Repair/Cable Bury		
	Add or Remove Produce or Service		
	Sales		
	Service Order Issues		
	System Issues/Outage		
	Unauthorized Changes		
	Other		
	Total		

3. Report of Service Calls

Service Call by Reason	Total	% of Customer Base
Product Education		
Inside Problem		
Set Top Box/Remote		

Customer Equipment
Not Home
No Trouble Found
Outside Plant
Inside Wiring
Other

4. Annual Franchise Fee Statement

See attached quarterly franchise fee statements.

5. 10-K Report

Comcast's 10-K report can be found at <https://www.cmcsa.com/sec-filings/sec-filing/10-k/0001166691-21-000008>.

6. List of Current Officers, Directors, and Ownership

Information can be found in Comcast's 10-K report located at at <https://www.cmcsa.com/sec-filings/sec-filing/10-k/0001166691-21-000008>.

7. Franchise Rules and Regulations, Rates, Fees, and Charges

A copy of Comcast's Subscriber agreements related to the provision of Cable Services can be found at <https://www.xfinity.com/policies?pc=1>.

See attached Rate Card for rates, fees, and charges.

**Exhibit J
Prince George's County Report**

Q_202_

Call Center:*	Q3 202_	July	Aug	Sep
Total Calls	####	####	####	####
Percent Calls Answered in 30 Seconds	####	####	####	####
Percent Calls Transferred in 30 Seconds	####	####	####	####
Average Answer Time	####	####	####	####
Average Hold Time	####	####	####	####

Calls By Type:*	July	Aug	Sep
Billing	####	####	####
Repair	####	####	####
Retention	####	####	####
Sales	####	####	####

Outages:*	
Outages**	####
Total System Outages	####
System Outages repaired in 24 hours	####

A list of Outages** for the quarter is attached.
**Outages include those outages of at least 30 minutes affecting more than 100 Subscribers.

Installations:*	
Total Installs	####
Installs Within 7 Days	####

% Installed in 7 days refers to the percent of installations of new services completed within seven calendar days of the request or at a time later at the request of the subscriber.

Homes Passed:*	
	####

Cable Service Subscribers:	
Basic Only Subscribers	####

*Data is County-wide.

Outages Q_202_1

Actual Start	Actual End	Mins	TTRStart	TTRStop	Subs	Cause Descr
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Equipment Adjustment
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Residential Power
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Failed/Degraded Fiber
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Fiber/Coaxial/Plant Damage
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Fiber/Coaxial/Plant Damage
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Equipment Adjustment
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	HFC Plant Damage
1/1/1111 11:11	1/1/1111 11:14	###	1/1/1111 11:12	1/1/1111 11:14	####	Unplanned Outage

The Town of Upper Marlboro

RESOLUTION: **2022 - 30**
SESSION: **Regular Town Meeting**
DATED: **December 20, 2022**

A RESOLUTION OF THE TOWN BOARD OF COMMISSIONERS OF THE TOWN OF UPPER MARLBORO TO APPROVE THE ACCEPTANCE OF A FY23 LOCAL AGENCY LICENSE PLATE READER GRANT FROM THE MARYLAND STATE POLICE AND AUTHORIZE THE PURCHASE OF CAMERAS AND A LICENSE FROM A VENDOR

WHEREAS, the Board of Commissioners for the Town of Upper Marlboro has authority pursuant to §82-16(2)(bb) (Grants-in-Aid) of the Town Charter to pass ordinances allowing the acceptance of gifts and grants of federal or of state funds from the federal or state governments or any agency thereof, and to expend the same for any lawful public purpose, agreeably to the conditions under which the gifts or grants were made; and

WHEREAS, the Board of Commissioners for the Town of Upper Marlboro has authority pursuant to §82-16(2)(ss) (Police Force) of the Town Charter to pass ordinances to establish, operate, and maintain a police force, and that all Town policemen shall, within the municipality, have the powers and authority of constables in this State; and

WHEREAS, according to a letter received from the Maryland State Police dated October 25, 2022, the Town's application for the FY23 Local Agency License Plate Reader Grant has been approved in the amount of \$30,350.00; and

WHEREAS, the Board finds that Automatic License Plate Recognition (ALPR), also known as License Plate Reader (LPR), provides automated detection of license plates, and the LPR system consists of a high-speed camera, mounted either at a fixed location or on a mobile patrol vehicle, and a computer to convert data from electronic images of vehicle license plates into a readable format, and then compare the information against specified databases of license plates, and the system attaches camera identification, date, time, and location information, to include GPS coordinates, to the digital image and it is maintained electronically in a central location to provide a means of ensuring the license plate number was properly converted; and

WHEREAS, the Board further finds that with large numbers of agencies embracing this LPR technology, Maryland has embarked on a plan to network LPR data collected from these various agencies to one central server, housed at the Maryland Coordination and Analysis Center (MCAC) and LPR data housed on the central server is maintained for a period of one year and is made available to all law enforcement agencies, provided that the data search requested is related to a criminal investigation or relevant to the safety of officers and citizens; and

WHEREAS, the Board further finds that Maryland's License Plate Readers and Captured Plate Data Law, effective since October 1, 2014, placed language in Maryland Annotated Code, PS Article,

Section 3-509 to address authorized uses of Automatic License Plate Readers and captured plate data, and as a result, Maryland law enforcement agencies and the MCAC must implement certain procedures and regulations including the an audit policy for access to and use of automatic license plate reader data; and

WHEREAS, the Upper Marlboro Police Department has obtained a quote (Quote # 6002507) from Applied Technology Services (ATS), a Maryland Corporation in good standing with the State, in the amount of \$29,100.00 to purchase 2 ELSAG Plate Hunter cameras, technical support and an operation center license; and

WHEREAS, Ordinance 2022-06 (Purchasing and Contracts), Section 3.B states that expenditures for supplies, materials, equipment, construction of public improvements or contractual services involving Ten Thousand Dollars (\$10,000.00) to Seventy-Five Thousand Dollars (\$75,000.00), shall be made by the Board without requiring any quotes, advertisements offering sale, proposals or through the use of any other competitive procurement methods; however, a majority of the Board present and voting may elect to require any such competitive method so designated be used; and

WHEREAS, the Town Board of Commissioners hereby finds that sufficient funds have been appropriated to purchase 2 ELSAG Plate Hunter cameras, technical support and an operation center license from ATS, as referenced above, in the FY2023 Budget, which includes the scope of the subject Quote: 6002507 (Attachment A) issued 11/22/2022 by ATS.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners for The Town of Upper Marlboro hereby authorizes the President and/or the Chief of Police to execute a Proposal/Quote by ATS for an amount not to exceed \$29,100.00 and to execute any other relevant contract documents to effectuate the purpose of this Resolution.

AND, BE IT FURTHER RESOLVED, by the Board of Commissioners for The Town of Upper Marlboro, that the Chief of Police shall promulgate a directive in accordance with PS Art., §3-509 that substantially complies with the Model Audit Policy for LPR (August 27, 2014) prepared by the Maryland Coordination and Analysis Center (MCAC) and as described in the LGIT Risk Management Bulletin No 127 of September 2014 (Attachment B).

PASSED by the Board of Commissioners of the Town of Upper Marlboro, Maryland at a regular meeting on this 13th day of December 2022.

Attest:

THE TOWN OF UPPER MARLBORO
BOARD OF COMMISSIONERS

Sarah Franklin, President

Janice Duckett, Commissioner

Charles Colbert, Commissioner

Karen Lott, Commissioner

John Hoatson, Town Clerk

Thomas Hanchett, Commissioner

CERTIFICATION

I, the undersigned, hereby certify that I am the Town Clerk of the Town of Upper Marlboro and that the Board of Town Commissioners of the Town of Upper Marlboro at a public meeting at which a quorum was present adopted this Resolution, and that said Resolution is in full force and effect and has not been amended or repealed.

In witness whereof, I have hereunto set my hand and seal of the municipal corporation, this _____ day of December 2022.

John Hoatson, Town Clerk

Attachment A: ATS Quote

Attachment B: LGIT Risk Management Bulletin No 127

Customer Information:

Upper Marlboro Police Dept
 David Burse
 14211 School Lane
 Upper Marlboro, MD 20772

Quote Information:

Quote #: 6002507
 Version: 1
 Quote Date: 11/22/2022
 Expiration Date: 12/22/2022
 Customer Ref #:
 Contract Vehicle: MD DoIT
 Hardware/Associated Equipment and
 Services 2012 #060B2490022

Prepared By:

Paula Carter
 Major Accounts Manager
 410-344-1256 x815
 paulac@appliedtechnologyservices.com

Vendor Certifications:

DBE / MBE / SBE
 Minority Certified
 Small Business
 Woman-Owned

Hardware

Mfr	Mfr Part#	Description	Qty	MSRP	Price	Ext. Price
Elsag	140032	140032 - ELSAG Plate HunterTM M7 – 2 Camera (2) 410917 - GPS Antenna (GlobalSat Style) (2) 410052 - Ethernet Cable Shielded 25 ft (2) 413335 - M7 Trunk box Mounting Bracket - 1 piece (2) 421920U - M7 Trunk box, 1-2 Cameras (2) 421939U - M7 Cam 12mm 740nm (2) 421812 - M6 Universal 1 Cam Mount (2) 413308-16 - M7 Transportable Camera Cable - 16FT (2) 421940U - M7 Cam 16mm 740nm (Left hand) (2) 421812 - M6 Universal 1 Cam Mount (2) 413308-16 - M7 Transportable Camera Cable - 16FT (2) 413307 - M7 Permanent Power Cable (2) 412995 - Packing Foam Insert (2) 510033-CSC - Car System Version 6.X - EOC Connected	2	\$12,650.00	\$12,650.00	\$25,300.00
Elsag	210020	Tech Dispatch	1	\$1,275.00	\$1,250.00	\$1,250.00
Elsag	510322-5.X	EOC Operation Center License 5.X	2	\$1,275.00	\$1,275.00	\$2,550.00

Subtotal: **\$29,100.00**



Quote Summary

Description	Amount
Hardware	\$29,100.00
Total:	\$29,100.00

RISK MANAGEMENT BULLETIN

Issue No. 127

September 2014

Maryland's New License Plate Readers and Captured Plate Data Law

“Historically, privacy was almost implicit, because it was hard to find and gather information. But in the digital world, whether it's digital cameras or satellites or just what you click on, we need to have more explicit rules ---not just for governments but for private companies.” - Bill Gates

I. License Plate Reader Networks:

License Plate Reader (“LPR”) Networks use cameras mounted to traffic signals, road signs, and police cruisers to capture the movements of millions of vehicles in the United States. They do so by focusing on license plates, in which you have no expectation of privacy when they are publicly visible. The systems utilize LPRs, many of which are book-sized, to capture photo images that are translated into computer-readable text and compiled into an electronic list of plate numbers. The images capture the date, time, and location of the car. Police can then compare the license plate numbers against the license plates of stolen cars, of drivers wanted on bench warrants, or even of persons involved in missing persons cases. Next time you pass a police car, know that the officer may be far more interested in you than it appears.

The last ten years have seen nothing short of explosive growth in the use of LPR Systems. Why? Cost aside (and the systems are far from cost prohibitive), the ever present threat of terrorism since 9/11 has resulted in technological advances undreamed of a generation ago. From the federal government on down, law enforcement agencies are arming themselves, in many cases literally, with the tools and weapons to combat acts of terror, and not just to fight crime. In fact, the federal government, through the Department of Homeland Security (“DHS”), has fueled much of this growth. Many of LPR Systems in use by state and local governments today were funded by the DHS. Grants from the DHS are the primary funding arm for these networks. Beyond assistance to local governments, *The Washington Post* reported in February of this year that the DHS was seeking to have a private company provide a *national* license-plate tracking system – a system that would give the DHS access to vast amounts of information from commercial and law enforcement LPRs. The proposed “National License-Plate Recognition Database” would draw from license plate readers that scan the tags of every vehicle crossing their paths. According to the DHS solicitation, the system would help catch fugitive illegal immigrants. The proposal, however, failed to specify what – if any – privacy safeguards were to be put in place. And it is the lack of safeguards on such data that has fueled the debate. In this regard, the *Washington Post* article continued: “The [DHS] database could easily contain more than 1 billion records and could be shared with other law enforcement agencies, raising concerns that the movements or ordinary citizens who are under no criminal suspicion could be scrutinized.”

II. License Plate Reader Networks in Maryland:

Sixty-four law enforcement agencies in Maryland use LPR systems. The data collected by these agencies is networked to the Maryland Coordination and Analysis Center (“MCAC”), where it is retained on a central server for one year. Created in the wake of 9/11, MCAC was Maryland’s response

to the call by the U.S. Attorney General that the U.S. Attorney’s Office in every State create Terrorism Advisory Council (“ATAC”). The Maryland ATAC formed one of the first Fusion Centers in the United States to combine information sharing and analysis. That center became MCAC. Today, the MCAC coordinates the efforts of federal, state and local agencies to gather, analyze, and share intelligence information with law enforcement, public health, and emergency responder personnel. Until this year, however, the operation of local LPR systems has not been regulated by State law. That changed on May 2, 2014, when Governor O’Malley signed Senate Bill 699 into law.

III. Maryland’s New License Plate Readers and Captured Plate Data Law (Takes Effect on October 1, 2014)

This law, which goes into effect on October 1, 2014, specifies the procedures and protocols that a law enforcement agency must follow in connection with the operation of an “automatic license plate reader system” and use of “captured plate data.” MCAC, in cooperation with the Maryland Chiefs of Police Association and the Maryland Sheriffs Association, must develop a model audit policy for access to and use of LPR data by October 1, 2015.

The procedures to be adopted under the law must include: (1) an identification of MCAC or law enforcement agency personnel who are authorized to query captured plate data gathered by an LPR System; (2) an audit process to ensure that information obtained through the use of an LPR System is used only for legitimate law enforcement purposes including audits of requests made by individual law enforcement agencies or an individual law enforcement officer; and (3) procedures and safeguards to ensure that MCAC staff with access to the LPR database are adequately screened and trained.

As to the law enforcement agencies themselves, they may not use captured plate data unless the agency has a “legitimate law enforcement purpose,” which is defined as the investigation, detection or analysis of a crime or a violation of the Maryland vehicle laws or the operation of terrorist or missing or endangered person searches or alerts. An employee of a law enforcement agency who violates the law’s provisions is subject to maximum penalties of imprisonment for one year and/or a fine of \$10,000.

And, critically, the new law specifically precludes information gathered by automatic license plate readers systems from disclosure under the Maryland Public Information Act.

IV. What We Must Do Now and in the Future

That LPR technology is a tremendous aid in law enforcement and prevention of terrorism cannot rationally be disputed. Arguments to the contrary simply ignore the benefits of the technology. Rather, it is the protection and use of the scanned information that is at the forefront of the battles ongoing and to come. In fact, Maryland’s new License Plate Readers and Captured Plate Data law makes proper access controls and security of the data paramount.

With our new law, Maryland local governments and police agencies are at the forefront of the issues and concerns raised in this publication. They must not delay in addressing them. If not dealt with proactively now, they will be forced to do so later by judicial intervention and decree. If your police agency is using LPRs to any degree (even one), the department must adhere to Maryland’s new law that goes into effect on October 1, 2014. Policies and procedures must establish that data acquired through LPRs can only be accessed for legitimate law enforcement purposes. Further, proper auditing controls must be established so that the agency can report annually on their usage of data acquired through LPRs to ensure proper management and oversight of their systems.

You do not need to work in a vacuum. **Attached is a Model Audit Policy for Access to an Automatic License Plate Reader Data (Attachment A).** This model was developed in conjunction with Maryland’s new law and should be utilized by every agency using LPR technology.

This publication is designed to provide general information on the topic presented. It is distributed with the understanding that the publisher is not engaged in rendering legal or professional services. Although this publication is prepared by professionals, it should not be used as a substitute for professional services. If legal or other professional advice is required, the services of a professional should be sought.

Attachment A



MODEL AUDIT POLICY FOR ACCESS TO AND USE OF AUTOMATIC LICENSE PLATE READER DATA

Introduction

Automatic License Plate Recognition (ALPR) systems, also known as License Plate Reader (LPR) systems, provide automated detection and image capture of license plate information. The LPR system consists of high-speed cameras, mounted either at a fixed location or on a mobile patrol vehicle, and a computer to convert data from electronic images of vehicle license plates into an electronically readable format, which then compares the information against specified databases of license plates. If there is a match is detected, an audible sound occurs and a visual alarm shows the license plate image with the linked information. The system attaches camera identification, date, time, and location information, to include GPS coordinates to the digital image. The image is then maintained electronically in a central location.

The Maryland Coordination and Analysis Center (MCAC) operate a central server to upload and store, read and alarm LPR data from law enforcement agencies across the state of Maryland.

In 2014 Maryland Legislators replaced language in Maryland Annotated Code, Sections 3-509 and 4-326 to address authorized uses of Automatic License Plate Readers and captured plate data. As a result, Maryland law enforcement agencies and the MCAC must implement certain procedures and regulations. This law goes into effect October 1, 2014.

According to Maryland Annotated Code, Section 4-326 the Maryland Coordination and Analysis Center (MCAC) with the cooperation with the Maryland Chiefs of Police Association (MCPA) and the Maryland Sheriff's Association (MSA) have developed this audit policy for access to and use of automatic license plate reader data.

The audit procedures in this policy have been developed to assess the performance of agencies responsible for the operation of LPR systems within their jurisdiction. To assess agency performance, auditors will review policy and procedures regarding the proper use of LPR technology/systems.

Reporting requirements and audit results are due to the State Judicial Proceeding Committee, the House Judiciary Committee, and the Legislative Policy Committee, based on data from the previous year on or before March 1 of each year beginning in 2016.

Purpose

The purpose of this policy is to establish the *[name of agency]* with audit guidelines for assessment of access to and use of Automatic License Plate Reader data.

Policy

This policy applies to all personnel assigned to the *[name of agency]*.

Responsibilities

The *[Head of agency]* has overall responsibility for implementation of procedures as it relates to access to and use of Automatic License Plate Reader systems and data. This includes ensuring appropriate personnel are screened and trained in the use of LPR systems.

The *[Head of agency]* will have overall responsibility for LPR data collected or storage by their agency.

The *[Head of agency]* will designate an *[LPR Program Manager/Coordinator]* for the day to day operations of the LPR Program.

The *[Head of agency]* will implement audit procedures to include appointment of auditor and identification of certifying official.

The *[Head of agency]* will have responsibility for submission of audit results to certifying official and will have responsibility to present results of certified audit to appropriate legislative entities.

The *[LPR Program Manager/Coordinator]* will oversee daily operations of *[name of agency]* LPR Program. The *[LPR Program Manager/Coordinator]* will ensure records relating to access to and use of information within an LPR database are available for audit.

An Auditor(s) will have responsibility for implementing audit procedures, conducting reviews of appropriate documents and records, interviewing appropriate personnel, and reporting results of audit to *[Head of agency]*.

The Certifying official is responsible for validating results of audit. This includes ensuring audit procedures are followed, appropriate reviews were conducted, and audit documents conform with generally accepted audit practices. The Certifying official shall not be associated with the operation of the LPR Program; this official should not be assigned to *[name of agency]*.

Authorized LPR database users are responsible for full cooperation with auditors.

General Procedures

Access to data captured, stored, generated, or otherwise produced by LPR technology shall incorporate safeguards that provide system security and ensure only authorized users are accessing the data for legitimate law enforcement purposes. Each agency must adopt an audit process to ensure that only authorized users are accessing and sharing captured plate data for legitimate law enforcement purposes.

Agencies shall ensure that an audit trail is maintained with respect to compliance to all laws and regulations. Such audit trail shall include an electronic or written record to be maintained as verification that captured plate data is being accessed and used for legitimate law enforcement purposes. These records will be made available to auditors upon request for purposes of conducting inspections and to evaluate compliance with policy, procedures and law. The records to be maintained for the audit are:

- Which personnel in the MCAC or a Law Enforcement Agency are authorized to query captured plate data gathered by an Automatic License Plate Reader system (Maintain record of users who have the “right to know” and the “need to know”).
- Procedures and safeguards to ensure that agencies with access to the Automatic License Plate Reader Database are adequately screened and trained (Maintain records of all training curricula for relevancy and proficiency affirmation)
- Individual requests made by any Law Enforcement Officer or Agency for historical data collected by an LPR system or stored in an LPR database operated by the MCAC or any Law Enforcement Agency.

An example of recommended language for use in LPR Policy development addressing the training and audit trail requirements for use in auditing may be found in Appendix B.

Compliance Auditing

Each agency shall submit to an annual audit and shall include the elements of compliance. The audit will provide the following basic objectives:

- Reasonable assurance appropriate control systems have been established by the agency administrator to ensure compliance with laws and rules.
- Reasonable assurance that those with access to and use of LPR data have been properly screened and trained.
- Reasonable assurance the agency has instituted sufficient controls to guarantee queries are for legitimate law enforcement purposes.

- Reasonable assurance that the MCAC or any law enforcement agency using LPR systems have adopted procedures relating the operation and use of the system.
- Reasonable assurance that requests to query captured plate data, made to the MCAC and each law enforcement agency that maintains an LPR database, were conducted for a legitimate law enforcement purpose.
- Reasonable assurance that the information obtained through the use of an LPR system is shared and/or used for legitimate law enforcement purposes.
- To identify any breaches or unauthorized uses of the LPR database.

Sample audit checklists/worksheets may be found in Appendix C.

Audit Procedure

The *[name of agency]* shall submit to an audit *[quarterly, periodically, or annually]*.

The audit shall consist of a predetermined sample size of all relevant requests of data stored in any LPR database. The sampling shall be a random selection of at least 10 percent of relevant requests from that audit period, but no fewer than 50. In the event the total of requests is less than 50, all requests will be audited.

The following two steps shall be used to assess compliance:

1. **Administrative Interview:** An interview is conducted with *[identify of staff position]* to review agency procedures relating to the operation and use of LPR systems. To include completion of sample questionnaire in Appendix C.
2. **Data Quality Review:** In conjunction with the interview, a data quality review is conducted with *[identify of staff position]*. This entails comparison of requests to query the LPR database against agency case files and consultation with agency representatives. The accuracy, completeness, and validity are verified during the data quality review.

Audit results will be captured utilizing various checklists/worksheets. Auditors will compile a report of audit results.

The Auditors report, with appropriate additional documentation (worksheets, etc.), shall be provided to certifying official for validation.

Records containing inaccurate or incomplete data shall be documented by Auditor and provided to *[Head of agency or designee]* for appropriate action.

A record that requires corrective action is categorized as inaccurate, unable to location, or incomplete. Below is a description of each discrepancy:

- *Inaccurate:* Key fields in the LPR query record did not match the report, warrant, investigation or supporting document.
- *Unable to locate:* The report, warrant, investigation and/or supporting documentation that substantiates the LPR query could not be located.
- *Incomplete:* the report, warrant, investigation, or supporting documentation contains additional data that should be included in the LPR request record.

Beginning on or before March 1 of each year [beginning in 2016], the *[name of agency]* shall report to the Senate Judicial Proceeding Committee, the House Judiciary Committee, and the Legislative Policy Committee, and the Legislative Policy Committee, in accordance with 2-1246 of the State Government Article, on the lists of audits that were completed.

Appendix A

Definitions

Captured Plate Data: The dates, times, and characters appearing on a license plate, photographs, global positioning system coordinates, and any other data collected by or derived from an Automatic License Plate Recognition System. Captured plate data includes both active and historical data.

Historical Data: Any data collected by an LPR system and stored for future investigative or analytical use. The database which houses historical data may contain, but is not limited to dates, times, and characters appearing on a license plate, location of the read and an image of the individual motor vehicle license plate. Any data collected by an LPR system in accordance with this policy shall be considered collected for a legitimate law enforcement purpose.

Law enforcement Agency: A governmental police force, sheriff's office, security force or law enforcement organization in the State, a county, or a municipal corporation that by statute, ordinance, or common law is authorized to enforce the general criminal and traffic laws of the State.

Legitimate Law Enforcement Purpose: Applies to the access of Active or Historical Data and means the investigation, detection, analysis or enforcement of a crime, violations of the Maryland Motor Vehicle Administration (MVA) laws, for the operation of AMBER, SILVER or BLUE alerts for missing, endangered, or wanted person searches, terrorist watch list alerts, and for public safety. NOTE: "Legitimate law enforcement purpose" does not include video tolling, a technique using video or still images of a vehicle's license plate to identify the vehicle for payment.

Maryland Coordination and Analysis Center (MCAC): Is Maryland's Fusion Center which coordinates the efforts of federal, state, and local agencies to gather, analyze, and share information with law enforcement, public health, and emergency management personnel.

Appendix B

Sample Language for Establishing Training requirements and an Audit Trail within agency LPR Policy

The *[name of agency]* uses and has access to data captured, stored, generated, or otherwise produced by LPR technology. Safeguards are in place to provide system security and ensure only authorized users are able to access the data for legitimate law enforcement purposes.

It is the responsibility of *[identify a staff position(s)]* to ensure only appropriate staff have access to necessary systems and portals for LPR systems and captured plate data.

The *[name of agency]* will ensure that *[identify of position/unit]* is properly trained on the use of LPR systems and captured plate data. Staff is required to complete the following training prior to accessing any LPR systems: *[List all training requirements]*

Training #1: Proper use of Car System

Training #2: Proper use of Operations Center

The only authorized users are *[identify the position/unit]*

An audit trail shall be kept for all Individual requests for historical data stored in an LPR database operated by *[name of agency]*. The following information shall be maintained.

1. Date and time of the request; and
2. Purpose of the request; and
3. Incident or report number (physical record number) related to the query; and
4. The identity of the agency requesting the query (including if the requester is from a local, state, federal or out-of-state agency); and
5. The requester's name and contact information; and
6. The license plate number or other data elements used to query the LPR system.

The audit trail of requests shall by maintain for *[period of time]*.

Appendix C

SAMPLE AUDIT QUESTIONS (Step 1)

Goal	Question	Answer	Comments
1	Have procedures been adopted relating to the operation and use of the LPR system? [Cite policy number]	YES NO	
2	Are staff with access to the Automatic License Plate Reader database adequately screened and trained?	YES NO	
3	Does the agency maintain training records for each user?	YES NO	
4	Is the training curricula maintained?	YES NO	
5	Are training records annually reviewed for relevancy and effectiveness?	YES NO	
6	Does the agency accept law enforcement requests for historical plate data, collected by an LPR system?	YES NO	
7	If historical data is accessed, does the agency have an audit trail?	YES NO	
8	Is the audit trail maintained for 2 years?	YES NO	
9	Have audit procedures been adopted to ensure that information obtain through the use of an LPR system is used for legitimate law enforcement purposes?	YES NO	
AGENCY:		SCOPE OF AUDIT:	
COMPLETED BY:		DATE COMPLETED:	
REVIEWED BY:		DATE REVIEWED:	

SAMPLE AUDIT QUESTIONS (Step 2)

	Question # 1	Question #2	Question # 3	Question # 4	Question #5	Results
Record #	Report/Incident Number	Is the date and time of request documented?	Is the purpose of the request documented?	Does the request include the identity of the agency requesting the query?	Has the request been validated through the requesters agency?	Findings shall be listed as: Accurate, Inaccurate, Unable to locate or Incompletd
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						

The Town of Upper Marlboro
POLICE OFFICER EMPLOYMENT AGREEMENT
TWO-YEAR OR THREE-YEAR CONTRACT

An Agreement between the Town of Upper Marlboro, Maryland, hereinafter called "the Town", and _____ hereinafter called "the Police Officer."

WHEREAS, Section 82-15 of the Town Charter states that all subordinate officers and employees of the offices, departments, and agencies of the Town government shall be appointed and removed by the President, in accordance with rules and regulations in any merit system which may be adopted by the Board; and

WHEREAS, since the average cost to hire and deploy an officer is approximately \$4,000 without training, this employment agreement is used to help retain experienced officers for two years, or for a new officer, that will be sent to a training academy, for three years of continuous work; and

WHEREAS, the said officer agrees that if the officer leaves employment with the Town before the end of the 2- or 3-year term, whichever is applicable, then the officer will be required to pay back at least some of the money that the Town expended on said officer during the hiring process, equipping and training; and

WHEREAS the purpose of this Agreement is to ensure that the Town receives the services of a police officer for a minimum of two (2) years for experienced officers and three (3) years for new officers in order that the Town may recoup the investment of time and money expended in training and outfitting the Police Officer; and

WHEREAS, Ordinance 2022-06 in Section F (Employment Contracts) states that employees are normally recruited and hired as "at-will" employees without an employment contract and the terms of employment are governed by the Employee Handbook and other personnel policies and regulations; however, the Board may enter into employment contracts with individuals having unique skills, experience or special training and education, and employment contracts and recruitment shall not be subject to the competitive bid requirements governed by said Ordinance but shall be approved on an individual basis in accordance with the Charter and any other applicable law or policy; and

WHEREAS, pursuant to the Employee Handbook (2022 Edition) except for the Chief of Police, non-probationary police officers of more than one (1) year are not generally considered to be employed in an "at-will" status as they are subject to certain protections and requirements imposed by State law under the Maryland Police Accountability Act of 2021 codified as Public Safety Article, § 3-101 *et seq*; and

WHEREAS the Town desires to hire the Police Officer at the rank of: _____ and desires to modify such "at will" or merit employment contingent upon certain conditions stated herein below.

NOW THEREFORE, in consideration of good and valuable consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual benefits and promises herein made, the Police Officer and the Town agree as follows:

1. The Town agrees to enroll the above-named Police Officer in such training courses, approved by the Maryland Police and Correctional Training Commission, as are required to enable the Police Officer to properly perform his/her duties; without the expense to the Police Officer, and agrees to furnish the Police Officer with all necessary materials, equipment and uniforms required for the performance of his/her duties.
2. During the first twelve (12) months from the date of execution of this Agreement by said officer; unless the date is extended due to performance, the Police Officer is sworn in as a Police Officer for the Town; the Police Officer shall be regarded as a probationary employee in accordance with the Town's Employment Handbook, Probationary Period provisions.
3. In consideration of the benefits provided, the Police Officer agrees to remain employed by the Town, in employment for a period of at least three (3) years for new officers after satisfactory completion of all required training and preparation, and two (2) years for experienced or laterally hired officers and in the event of the Police Officer's failure to do so, the Police Officer agrees to reimburse the Town for all costs and expenses incurred by the Town for the Police Officer's training and preparation to be a Police Officer for the Town, regardless of whether the training and preparation is complete upon default by the Police Officer, and said cost and expenses expressly include any bonus amounts paid to the Police Officer in addition to any other amounts identified in Attachment A to this contract, which is attached hereto and incorporated by reference herein.
4. The Police Officer's obligation under Paragraph 3 shall be null and void if the Police Officer is removed from office for cause in accordance with the Town personnel rules or policies including any policies imposed by State Law.
5. The Mayor may waive the Police Officer's obligation under this agreement or may reduce it if in the Mayor's judgment, circumstances beyond the control of the Police Officer prevent the completion or performance of the contract.
6. Upon default by the Police Officer of the terms of Paragraph 3 of this agreement:
 - (A) Pursuant to the MD Code, Labor and Employment Art., § 3-503(2), the Police Officer expressly authorizes the Town to withhold all or part of the unpaid wages necessary to cover the costs and expenses incurred by the Town, including expenses related to materials, equipment, uniforms and professional training courses provided to the Police Officer for the training and for the performance of his/her professional duties; and
 - (B) The Police Officer hereby acknowledges that Attachment A to this contract represents the reasonable costs and expenses incurred by the Town as stated in the paragraph immediately above.

(C) The Mayor may prorate the amount owed to the Town by the Police Officer based on the number of months worked for the Town. The total amount owed would be reduced by 1/36th (2.78%) for each full month the Police Officer worked for the Town.

(D) In the event withholdings identified in Paragraph (A) do not cover the full amount necessary to cover the costs and expenses incurred by the Town, the Town may exercise any legal or equitable right or remedy which it may have at law or equity and any costs and expenses incurred by the Town enforcing its right or remedies under this agreement (including without limitations reasonable attorney fees). The parties agree to waive a jury trial on any matter connected to this contract.

IN WITNESS WHEREOF, the parties have executed this agreement on _____.

Police Officer

Date

Witness

Date

THE TOWN OF UPPER MARLBORO

By: _____
Chief of Police

Date

By: _____
Mayor

Date

[See Attachment A on separate page]

ATTACHMENT A

EXPLANATION OF TRAINING COSTS

DATE:

Training and equipment costs based on current figures as follows:

Academy Training Costs (in County)	\$ _____
Applicant Processing	\$ _____
Uniforms and Equipment	\$ _____
Field Training Officer Expense (\$40/ day for 20 days)	\$ _____
Other (_____)	\$ _____

_____ **Total: \$** _____

Signature of Police Officer

Date

Witnessed

Date

TOWN OF UPPER MARLBORO

TABLE OF CONTENTS

JUNE 30, 2022

Page

1 – 3

INDEPENDENT AUDITOR'S REPORT

REQUIRED SUPPLEMENTARY INFORMATION

4 – 10

- Management's Discussion and Analysis

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

11

- Statement of Net Position

12

- Statement of Activities

Fund Financial Statements

13

- Balance Sheet – Governmental Funds

14

- Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

NOTES TO BASIC FINANCIAL STATEMENTS

15 – 39

REQUIRED SUPPLEMENTARY INFORMATION

40

- Schedules of Required Pension-Related Supplementary Information

41

- Schedule of Revenues and Expenditures – Budget (Non-GAAP Basis) and Actual (Budgetary Basis) – General Fund – Unaudited

SUPPLEMENTAL SCHEDULES

42

- Schedule of Revenues – Budget (Non-GAAP Basis) and Actual – General Fund

43 – 45

- Schedule of Expenditures – Budget (Non-GAAP Basis) and Actual – General Fund

TOWN OF UPPER MARLBORO, MARYLAND

FINANCIAL STATEMENTS

JUNE 30, 2022

Lindsey + Associates LLC
Certified Public Accountants

Lindsey + Associates

110 West Road
Suite 220
Towson, MD 21284
410.955.9594 phone
410.955.9697 fax
www.lcacllm.com

Independent Auditor's Report

Board of Town Commissioners
Town of Upper Marlboro, Maryland

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Town of Upper Marlboro, Maryland (the "Town") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Upper Marlboro as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Upper Marlboro and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cottage City's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the pension-related supplementary information, and the budgetary comparison information on pages 4 through 10, 40, and 41, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of

TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

The following information includes our discussion and analysis of the financial performance of the Town of Upper Marlboro and provides an overview of the Town's financial activities for the year ended June 30, 2022. Please read it in conjunction with the transmittal letter and the Town's financial statements.

Financial Highlights

- The Town has two classifications for real property taxes. The residential tax rate increased to \$0.30 per \$100 of assessed value, while the commercial tax rate increased to \$0.54 per \$100 of assessed value. The Town's personal property tax rate remained at \$0.50 per \$100 of assessed value. For utility services that operated within the Town's limits, there is a public utility tax for those services. The public utility tax rate increased to \$1.50 per assessed value certified by SDAT.
- The Town received approximately \$331,800 in American Rescue Plan Act funding from the Federal government to combat the negative effects of the Covid 19 pandemic on the Town's citizens and businesses. The Board of Commissioners has drafted a five-year plan to utilize this funding. This budget includes spending for the Façade Improvement Plan, recycling bins for residents, Community playground improvements, and an offset of lost operating income during the fiscal years 2020 and 2021 due the pandemic. The Town will receive an additional funding in fiscal year 2023 of approximately \$331,800.
- During fiscal year 2022 the Town purchased a vacant lot on Main Street using state bond bill funds with plans of creating a small pocket park.
- The Town expended approximately \$265,000 on the Community Playground project, total estimated spending for this project is \$1,000,000 and construction is anticipated to continue through fiscal year 2023. The majority of the project is being paid using three State Playground grants and a \$270,000 bond bill.
- The Town donated \$5,000 to the Marlboro Churches Food Bank and \$15,000 to the Marlboro Fire Department.
- Town leased two police vehicles and ordered a Public Works truck (not yet built). A used F250 pickup truck was purchased for about \$20,000 using ARPA funds for public works.

financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Upper Marlboro, Maryland's financial statements as a whole. The schedule of revenues – budget and actual general fund and the schedule of expenditures – budget and actual general fund on pages 42 through 45 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of revenues – budget and actual general fund and the schedule of expenditures – budget and actual general fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Trinity Associates, LLC

November 11, 2022

TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities are government-wide statements that provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements report the Town's operation in more detail than the government-wide statements by providing information about the Town's most significant funds and individual parts.

Reporting the Town as a Whole

The Statement of the Net Position and the Statement of Activities

One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The statement of Net Position and the Statement of Activities reports information about the Town as a whole and about its activities in a way that helps to answer this question. These statements include all assets plus deferred outflows and liabilities plus deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report changes in the Town's net position. You can think of the Town's net position (the difference between assets plus deferred outflows and liabilities plus deferred inflows) as one way to measure the Town's financial health or position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, such as changes in the Town's property tax base and the condition of the Town's roads to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activity:

- Governmental Activity – All of the Town's basic services are reported here, including the police, general government, public works, economic development, and recreation. Taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type Activity – The Town currently has no business-type activities.

TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Reporting the Town's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the Town as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The town has two types of funds: governmental and fiduciary funds.

- Governmental funds - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic service it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the right of the fund financial statements.

**TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

The Town as a Whole

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

- General Government Rental, Licenses and Fees, and Parking Meters.
- Public Safety State Grants, Homeland Security Grant, and Vehicle Release Fees
- Public Works Highway User Revenues and Landfill Rebate Charges

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted to a specific purpose.

**TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Government-Wide Financial Information

The following is selected information as of June 30, 2022, and June 30, 2021.

	2021	2022
Current assets	\$ 1,058,528	\$ 1,672,647
Capital assets	2,588,890	3,064,391
Total assets	3,647,418	4,737,038
Deferred outflows	110,879	184,656
Total assets and deferred outflows	3,758,297	4,921,694
Current liabilities	280,716	162,189
Long-term liabilities	683,859	612,222
Total liabilities	964,575	774,411
Deferred inflows	43,281	254,200
Net position	2,527,334	2,832,879
Net investment in capital assets	-	-
Restricted	223,107	1,060,204
Unrestricted	2,750,441	3,893,083
Total net position	3,758,297	4,921,694
Total liabilities, deferred inflows and net position	-	-
Program revenues	-	-
Charges for services	-	-
Operating grants and contributions	-	-
Capital grants and contributions	291,916	541,158
General revenues	592,232	1,063,223
Income taxes	332,920	473,088
Property taxes	-	-
Other income	1,461,986	2,456,569
Total general revenues	1,753,902	2,997,727
Transfers	-	-
Total revenues and transfers	863,699	839,145
Expenses	414,080	533,893
General government	316,193	478,802
Public safety	1,597,709	1,855,085
Public works	156,193	1,142,642
Total expenses and transfers	1,594,248	2,750,441
Change in net position	2,750,441	3,893,083
Net position, beginning of year	-	-
Net position, end of year	-	-

TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Business-type Activities

The Town currently has no business-type activities.

The Town's Funds

The following schedule presents a summary of revenues and expenditures for the fiscal year ending June 30, 2022.

	FY2022 Amount	Percent of Total	Increase (Decrease) From FY21
Revenues			
Taxes	\$ 1,133,774	37%	\$ 67,948
Intergovernmental	1,640,847	54%	1,348,931
Fees, licenses and permits	250,361	8%	101,536
Miscellaneous	9,211	1%	(41,641)
Total Revenues	\$ 3,034,193	100%	\$ 1,476,774
Expenditures			
General government	\$ 782,665	32%	\$ 44,686
Public safety	499,819	20%	199,852
Public works	453,109	18%	208,243
Capital outlays	668,831	27%	606,221
Debt service	63,727	3%	31,202
Total Expenditures	\$ 2,468,151	100%	\$ 1,090,204

Fiscal year 2022 reflected significant increases in Town revenue and expenses. Intergovernmental revenues increased due to better than expected income tax collections, increased property tax and personal property tax rates and American Rescue Plan Act funding. Fees, licenses, and permits increased due to significantly more parking meter collections this year. Expenses increased due to added staff members and significant capital outlays for the Community Playground and additional Town vehicles.

TOWN OF UPPER MARLBORO, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Budgetary Highlights

Fiscal year 2022 results reflected revenues in excess of budget by approximately \$380,000, the majority of this excess was due to income tax collections. Actual expenses were approximately \$420,000 under budget in fiscal year 2022 due to grant funded projects which will occur in fiscal year 2023.

Capital Asset and Debt Administration

Capital Assets

The major capital projects and purchases this year include projects in the Town's Strategic Plan:

- Playground construction phases 2 and 3
- Roadway Survey and Design
- Downtown Street Scape Improvements

Debt

The Town is debt-free, with the exception of compensated absences, the net pension liability and five police vehicles and one public works truck.

Economic Factors and Next Year's Budget and Rates

There is consideration for residential and utility tax increases within the next fiscal year. Additionally, the Town is looking to expand its limits and annex more taxable property. This will require the Town to hire additional employees to serve its constituents.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Administrator at (301) 627-6905 or mail your questions to 14211 School Lane, Upper Marlboro, MD 20772.

TOWN OF UPPER MARLBORO, MARYLAND
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Total
ASSETS		
Current Assets		
Cash and cash equivalents - unrestricted	\$ 1,056,352	\$ 1,056,352
Investments	320,767	320,767
Taxes receivable	230,937	230,937
Accounts receivable	19,591	19,591
Security deposit	25,000	25,000
Prepaid expenses	20,000	20,000
Total Current Assets	1,672,647	1,672,647
Noncurrent Assets		
Net capital assets	3,064,391	3,064,391
Total Noncurrent Assets	3,064,391	3,064,391
TOTAL ASSETS	4,737,038	4,737,038
DEFERRED OUTFLOWS OF RESOURCES	184,656	184,656
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,921,694	\$ 4,921,694
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	\$ 104,726	\$ 104,726
Current portion of long-term debt	57,463	57,463
Total Current Liabilities	162,189	162,189
Noncurrent Liabilities		
Compensated absences	53,938	53,938
Net pension liability	384,235	384,235
Noncurrent portion of long-term debt	174,049	174,049
Total Noncurrent Liabilities	612,222	612,222
TOTAL LIABILITIES	774,411	774,411
DEFERRED INFLOWS OF RESOURCES	254,200	254,200
NET POSITION		
Net investment in capital assets	2,832,879	2,832,879
Unrestricted	1,060,204	1,060,204
TOTAL NET POSITION	3,893,083	3,893,083
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 4,921,694	\$ 4,921,694

The accompanying notes to these financial statements are an integral part of this statement.

TOWN OF UPPER MARLBORO, MARYLAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Expenses	Indirect Expense Allocation	Charges for Services	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	
				Operating Grants and Contributions	Other		Primary Governmental Activities	Total
Primary Governmental Functions/Programs								
Governmental Activities:								
Administration	\$ 89,145	\$ -	\$ -	\$ 146,908	\$ -	\$ -	\$ (69,237)	\$ (69,237)
Police	533,882	3,245	-	6,375	-	-	(520,763)	(520,763)
Public works	478,802	-	-	377,875	-	-	(100,927)	(100,927)
Interest expense	3,245	(3,245)	-	-	-	-	-	-
Total Governmental Activities	1,855,083	-	-	541,158	-	-	(1,313,927)	(1,313,927)
Total Primary Government	\$ 1,855,083	\$ -	\$ -	\$ 541,158	\$ -	\$ -	\$ (1,313,927)	\$ (1,313,927)
General revenues:								
Taxes								
Income taxes							1,063,223	1,063,223
Property taxes							473,088	473,088
Public Utilities							660,686	660,686
Licenses and permits							250,361	250,361
Interest and investment earnings							2,001	2,001
Miscellaneous							7,210	7,210
Total General Revenues							2,456,569	2,456,569
Change in Net Position							1,142,642	1,142,642
Net Position, beginning of year							2,759,441	2,759,441
Net Position, end of year							\$ 3,893,083	\$ 3,893,083

The accompanying notes to these financial statements are an integral part of this statement.

TOWN OF UPPER MARLBORO, MARYLAND
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	Total		Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities JUNE 30, 2022
	General Fund	Governmental Funds	
ASSETS			
Cash and cash equivalents - unrestricted	\$ 1,056,332	\$ 1,056,332	
Investments	320,767	320,767	
Accounts receivable	19,591	19,591	
Notes receivable	230,937	230,937	
Security deposit	25,000	25,000	
Prepaid expenses	20,000	20,000	
TOTAL ASSETS	1,672,647	1,672,647	
DEFERRED OUTFLOWS OF RESOURCES			
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,672,647	\$ 1,672,647	
LIABILITIES			
Accounts payable and accrued expenses	\$ 104,726	\$ 104,726	
TOTAL LIABILITIES	104,726	104,726	
DEFERRED INFLOWS OF RESOURCES			
FUND BALANCES			
Non-spendable	1,407,904	1,407,904	
Unassigned	1,407,904	1,407,904	
TOTAL FUND BALANCES	1,407,904	1,407,904	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,672,647	\$ 1,672,647	

The accompanying notes to these financial statements are an integral part of this statement.

TOWN OF UPPER MARLBORO, MARYLAND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Total		Net Change in Net Position of Governmental Funds JUNE 30, 2022
	General Fund	Governmental Funds	
REVENUES			
Taxes	\$ 1,133,774	\$ 1,133,774	
Fees, licenses, permits	250,361	250,361	
Intergovernmental	1,640,847	1,640,847	
Miscellaneous	9,311	9,311	
Total Revenues	3,034,193	3,034,193	
EXPENDITURES			
General Government	762,665	762,665	
Public safety	795,619	795,619	
Police	434,019	434,019	
Capital outlay	668,631	668,631	
Debt service			
Principal	60,482	60,482	
Interest	3,345	3,345	
Total Expenditures	2,466,121	2,466,121	
Excess of Revenues over (under) Expenditures and other financing sources (net)	568,072	568,072	
Other financing sources (uses)			
Proceeds from bond sale	230,438	230,438	
Proceeds from long-term debt	230,438	230,438	
Total other financing sources (uses)	460,876	460,876	
Excess of Revenues and other financing sources over (under) expenditures and other financing uses	796,480	796,480	
Fund balances, beginning of year	611,424	611,424	
Fund balances, end of year	\$ 1,407,904	\$ 1,407,904	

The accompanying notes to these financial statements are an integral part of this statement.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town of Upper Marlboro, Maryland was established in 1706 and incorporated in 1870. The Town is a municipal corporation governed by an elected mayor and an elected town council and provides the following services as authorized by its charter: public safety, sanitation, highways and streets, and general administration services. Its major sources of revenues are derived from real estate taxes, income taxes, personal property taxes, highway user revenues, and user fees.

The accounting policies of the Town of Upper Marlboro conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

In evaluating how to define the Town of Upper Marlboro, for financial reporting purposes, management has considered all potential component units. The decision whether to include a potential component unit in the reporting entity was made by applying the criteria set by the Governmental Accounting Standards Board. Component units are legally separate organizations for which the elected officials of the Town are financially accountable and a financial benefit or burden relationship exists. In addition, component units can be other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the Town's financial statements to be misleading. Based upon the application of criteria set by the Governmental Accounting Standards Board, there are no separate component units of the Town.

Basis of Presentation – Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The Town's funds are grouped into two broad fund categories.

Governmental funds include the General Fund. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The Town currently has no Fiduciary Funds.

Basis of Accounting

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Town, the primary government, as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. The Town has no business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting including the reclassification or elimination of internal activity (between or within funds). This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The government-wide statement of activities presents a comparison between expenses, and program revenues for each segment of the business-type activities of the Town, if any, and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect costs are allocated to programs. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Town. Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Fiduciary funds are excluded from the government-wide financial statements.

Separate financial statements are provided for governmental funds, proprietary funds, if any, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds, if any, are reported as separate columns in the fund financial statements.

Fund Financial Statements

Fund financial statements report detailed information about the Town. The focus of governmental and enterprise financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds, if any, are aggregated and presented in a single column.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Governmental Funds

Town activities pertaining to general government, public safety, and public works are reported in the governmental funds. All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental fund is:

- General Fund – This is the Town's primary operating fund. It is used to account for all financial resources except for those required to be accounted for in another fund.

The Town has no non-major funds.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e. collectible within the current year or within two months of year-end and available to pay obligations of the current period). These include property taxes, franchise taxes, investment earnings, charges for services and intergovernmental revenues.

Some revenues, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, some revenues are recorded as receivables and deferred inflows of resources.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on long-term debt, which has not matured, are recognized when paid.

Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition, excluding investments in the State of Maryland Local Government Investment Pool.

Investments

Investments held at June 30, 2022, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

Receivables

Receivables at June 30, 2022, consist of income tax, property tax, code liens and related interest, pedestrian bridge reimbursement, and admission and amusement tax revenue. Receivables are deemed collectible in full, and the allowance for doubtful accounts at June 30, 2022, is \$0.

Inventory of Supplies

Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental type funds and expenses in the proprietary type funds, if any, when used.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Deferred Outflows and Inflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Likewise, a deferred inflow of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

As of June 30, 2022, the balance of deferred inflows of resources in the fund financial statements consisted of income taxes of \$160,017, and the balance of deferred inflows and deferred outflows of resources in the government-wide financial statements consisted of \$184,656 and \$254,199 respectively, pertaining to pension payments.

Local Tax Reserve Fund

At June 30, 2022, the Town was advised by the State of Maryland that \$160,017 of the Local Tax Reserve Fund was allocable to the Town. The Town recorded receivable and deferred inflows of resources in the amount of \$160,017 in the fund financial statements. The change in this amount has been reflected as income tax revenue in the government-wide financial statements in accordance with full accrual accounting.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the Town as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statements. Infrastructure such as bridges, roads, curbs and gutters, streets, sidewalks, drainage systems and lighting systems are capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated. Intangible assets are recognized if they are identifiable, and are amortized over their useful lives if they do not have indefinite lives.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 15 to 50 years; improvements/infrastructure, 5 to 50 years; equipment, 2 to 20 years.

Restricted Reserves

The Town uses restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Interest Expense

Interest is expensed as incurred except when interest is incurred during the construction period and is capitalized as part of the cost of the asset.

Compensated Absences

Vested or accumulated vacation is accrued when earned by employees and a liability is recorded in the government-wide financial statements. No liability is recorded for nonvesting accumulated rights to receive sick pay benefits, as the Town does not pay these amounts when employees separate from service.

The Town pays all outstanding vacation leave at separation. A liability for vacation pay is recorded in the governmental fund financial statements only if it has matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). The total amount of accumulated vacation leave at June 30, 2022, is \$53,938.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues, expenditures, and expenses. Actual results could vary from the estimates that were used.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Equity Classifications

Equity is classified as net position and is displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings, and reduced or increased by deferred inflows and outflows attributable to the acquisition, construction or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on its use either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation and are reduced by liabilities and deferred inflows of resources related to those constraints.

Unrestricted net position – all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first and then unrestricted resources as needed.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

1. Non-Spendable Fund Balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of restrictions imposed externally by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by the Town Charter, Town Code or enabling legislation.
3. Committed Fund Balance – amounts that can be used only for specific purposes determined by a formal action by Town Board of Commissioners, the Town's highest level of decision-making authority, ordinance or resolution.
4. Assigned Fund Balance – amounts that are constrained by the Town's intent that they will be used for specific purposes but are neither restricted nor committed. Pursuant to the Town Charter, the Director of Finance and the Town Board of Commissioners are authorized to assign amounts for specific purposes.
5. Unassigned Fund Balance – all amounts not included in other spendable classifications.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The Town considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Town also considers committed fund balances to spend first when other unrestricted fund balance classifications are available for use.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

Budget Requirements, Accounting, and Reporting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the budget is legally enacted through passage of an ordinance.
2. The budget ordinance becomes effective July 1 and provides spending authority for the operations of the Town government.
3. Transfers of funds between departments must be made by ordinance and transfers within a department must be approved by the Board of Commissioners before becoming effective without the necessity of passing an ordinance.
4. The budget for the General Fund is adopted on a basis consistent with budget estimates.
5. The budget information presented in the accompanying financial statements includes all budget ordinances approved by the Board of Commissioners for the fiscal year ending June 30, 2022.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CASH AND INVESTMENTS

Deposit Policies

Statutes authorize the Town to invest in certificates of deposit, repurchase agreements, passbooks, banker's acceptance, and other available bank investments provided that approved securities are pledged to secure those funds deposited in an amount equal to the amount of those funds. In addition, the Town can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law and can invest in the State of Maryland Local Government Investment Pool.

The Town's deposits are insured or collateralized with securities held by the Town, its agent, or by the pledging financial institution's trust department or agent in the name of the Town.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Town's deposits may not be returned or the Town will not be able to recover collateral securities in the possession of an outside party. The Town's policy requires deposits to be insured by FDIC.

At year-end, the carrying amounts of the Town's deposits were \$1,055,602 and the bank balances totaled \$1,282,272. Of the bank balances, the entire amount was either insured by Federal Depository Insurance Corporation (FDIC), or balances exceeding FDIC limits are secured by a surety bond or collateral valued 102 percent of principal and accrued interest. Collateral is to be held by the Town, its agent, or by the pledging institution's trust department or agent in the name of the Town. At year end, the Town's bank balances were not exposed to any custodial credit risk because all deposits were fully collateralized.

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town has no policy regarding credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Town's policy provides that to the extent practicable, investments are matched with anticipated cash flows.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CASH AND INVESTMENTS – continued

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town's policy is to not concentrate investments in a single issuer.

For investments, **custodial credit risk** is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Town policy provides that investment collateral is held by a third-party custodian with whom the Town has a current custodial agreement in the Town's name.

Generally, the Town's investing activities are managed by the Director of Finance. Investing is performed in accordance with investment policies adopted by the Town Council complying with State Statutes and the Town Charter. Town funds may be invested in: 1) U.S. Treasury obligations; 2) U.S. Government Agency and U.S. Government-sponsored instrumentals; 3) Repurchase agreements (master repurchase agreement required); 4) Collateralized certificates of deposit (only Maryland commercial banks); and 5) Maryland Local Government Investment Pool.

Investments

As of June 30, 2022, the Town had the following investments:

Types of Investments	Fair Value/ Carrying Amount	Cost	Average Credit Quality/ Ratings
MD/GIP	\$ 215,625	\$ 215,625	AAAm
WebBanco CD	105,142	105,142	N/A
Total	\$ 320,767	\$ 320,767	

Note: Ratings are provided where applicable to indicate associated Credit Risk.
N/A indicates not applicable.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 – PROPERTY TAX

The Board of Commissioners holds an annual public hearing no later than May 31 for the residents to voice their opinion on the proposed tax rate and annual budget. The Board of Commissioners sets the tax rate by ordinance by June 30. Prince George's County (the County) tax offices are informed of the approved rate and the County tax bills have these amounts included in them.

Property taxes are levied as of July 1 on property values as of the same date. Town residents pay all taxes directly to the county. The County then forwards all payments made to the Town office. Tax billings are considered past due after September 30. The real and personal property tax rates for the year ended June 30, 2022 were \$0.30 per \$100 and \$0.50 per \$100 of assessed value, respectively.

Real estate taxes are levied on July 1 and are payable by September 30 of the same year. If the property is a residential owner-occupied property, and the owner pays at least half of the tax bill by September 30, and the remaining balance by December 31, there is no penalty or interest. This is by state law. If the property owner does not pay at least half of the tax bill by September 30, then they will pay penalty and interest starting October 1. If the tax bill is not paid in full by December 31, the property owner is subject to penalty and interest starting January 1.

If the property is a residential non-owner-occupied property, then the real property tax bill must be paid in full on or before September 30. The same holds true for commercial and industrial properties.

If the taxes remain unpaid the property is placed with Prince George's County for tax sale the following May.

Personal property taxes are levied throughout the year when the assessment is received from the State of Maryland. The taxes are payable within 30 days after levy. Penalties and interest are charged on any unpaid taxes after the thirty days has expired.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN

The Town participates in the Maryland State Pension System (the "System") described below and qualifies as a Participating Governmental Unit ("PGU"). The State Retirement Agency (the "Agency") is the Plan administrator and fiduciary. GASB No. 68 requires that a PGU recognize its proportionate share of the System's net pension liability (i.e., unfunded pension liability) and pension expense. The Town's proportionate share of the net pension liability is based on total System contributions and approximates \$384,235 as of the measurement date of June 30, 2021.

The Town has also adopted GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB No. 68. GASB No. 71 requires that contributions to the pension plan subsequent to the measurement date be recognized as a deferred outflow of resources. The Town's fiscal 2022 contribution of \$69,249 is therefore recognized as a pension-related deferred outflow of resources.

A. Description of Plan

Under the terms of the Contributory Pension System, a member may retire after 30 years of service regardless of age; at age 65 with two years of service; at age 64 with three years of service; at age 63 with four years of service; or at age 62 with at least 5 years of service. An employee may also take an early retirement with reduced benefits at age 55 with 15 years of service. A member terminating employment before attaining retirement age, but after completing five years of eligible service, becomes eligible for a vested pension allowance upon reaching age 62 except those employees hired after July 1, 2011 require ten years of eligible service to vest.

On retirement from service, a member of the plan shall receive an annual service retirement allowance based on the member's average final compensation and years of creditable service multiplied by a factor. The factor varies from 1.2% to 2.6% per eligible service year, depending on employee/employer contributions and other plan-specific provisions. Early retirement, where available, is subject to provisions that reduce the benefits received.

Benefits under the plan are established under the State Personnel and Pensions Article of the Annotated Code of Maryland.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Not being depreciated:				
Land	\$ 447,868	\$ 21,921	\$ -	\$ 469,789
Construction in progress	112,500	264,689	-	377,189
Subtotal	560,368	286,610	-	846,978
Depreciable capital assets:				
Infrastructure	220,991	21,415	-	242,406
Buildings and improvements	1,950,109	750	-	1,950,859
Machinery and equipment	119,658	97,699	-	217,357
Vehicles	458,723	262,358	27,939	693,142
Subtotal	2,749,481	382,222	27,939	3,103,764
Total capital assets	3,309,849	668,832	27,939	3,950,742
Accumulated depreciation:				
Infrastructure	50,353	15,982	-	66,335
Buildings and improvements	325,337	60,724	-	386,061
Machinery and equipment	42,480	39,768	-	82,248
Vehicles	302,789	76,857	27,939	351,707
Subtotal, accumulated depreciation	720,959	193,331	27,939	886,351
Net capital assets	\$ 2,588,890	\$ 475,501	\$ -	\$ 3,064,391

Depreciation was charged to functions as follows:

Government activities:	
General government	\$ 81,544
Public safety	65,306
Public works	46,481
Total government activities depreciation expense	\$ 193,331

The Town has no material construction commitments as of June 30, 2022.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

The Maryland State Retirement Agency issues a comprehensive annual financial report that includes disclosures regarding: plan assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The pension plans' fiduciary net position has been determined on the same basis used by the pension plans. The pension plans' financial statements are prepared on the accrual basis of accounting and are prepared in accordance with principles generally accepted in the United States of America that apply to governmental accounting for fiduciary funds. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Actual employer contributions billed to participating governmental units for the year ending June 30, 2021 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported in the Schedule of Employer Allocations. The contributions were not adjusted account for differences between actuarially determined contributions and actual contributions by the State of Maryland. This report can be obtained from the agency's office as follows:

State Retirement and Pension Systems of Maryland
120 E. Baltimore Street, Suite 1601
Baltimore Maryland, 21202-1600

Funding Policy

Obligations to contribute to the plans are under the Annotated Code of Maryland. Members of the pension plan contribute 7% of annual compensation during employment. The required contribution rate is determined on an actuarially determined basis. During the year ended June 30, 2022, the Town contributed \$69,249. The Town contributed 100% of its required contribution for the year ended June 30, 2022. For members of the pension plan, full service pension allowances equal 2% of average final compensation (AFC) up to a maximum benefit of 60% of AFC (30 years of credit).

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

Required contributions not funded by employee contributions are funded by the Town. The contributions by the Town to the State Plan for the current fiscal year takes place before December 31 and are based on the annualized gross base hourly rate in effect on June 30 of the preceding fiscal year. The Town contribution for the year ending June 30, 2022, was based on the annualized gross hourly rate in effect on June 30, 2021. Required employee contribution under the plan was 5% of the employee's gross base salary, excluding holiday, overtime and shift differential pay for fiscal year 2011 and is 7 percent for each fiscal year thereafter. The contribution requirements of plan members of the reporting entity are established and may be amended by the Maryland State Pension System Board of Trustees. The required and actual Town contributions for the fiscal years ended June 30 were as follows:

	Fiscal Year Ending June 30		
	2022	2021	2020
Retirement plan contributions	<u>\$ 69,249</u>	<u>\$ 58,071</u>	<u>\$ 47,894</u>

The Town contributed \$69,249 to the System for fiscal year 2022, which was actuarially determined based on statutory provisions. The Town has also recognized in Pension Expense its proportionate share of the System's deferred inflows of resources (an increase in Pension Expense) attributable to the net difference between projected and actual investment earnings on pension plan assets and its proportionate share of the System's deferred outflows of resources (a decrease in Pension Expense) attributable to changes in assumptions.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

Required disclosures aggregate for the plan:

Total pension liability	Maryland State Pension System
Total fiduciary net position	\$ 82,606,805,000
Town's proportionate share of total pension liabilities	67,604,500,000
Town's proportionate share of net pension liabilities	384,235
Total pension assets	0.00256%
Measurement date of collective net pension liability	\$ 67,604,500,000
Date of actuarial valuation	June 30, 2021
Deferred outflows related to pensions	June 30, 2021
Deferred inflows related to pensions	184,656
Pension expense/expenditures for the period	254,200
	(48,049)

Actuarial assumptions

The annual required contribution for the current year was determined as part of the actuarial valuation on July 1, 2020 rolled forward to June 30, 2021. The key assumptions used to perform the June 30, 2021 pension liability calculation for the System are as follows:

Actuarial Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Asset valuation method	5-year smoothed market, 20% collar
Inflation (b)	2.60% general, 3.10% wage
Salary Increases	3.10%
Discount Rate (a)	6.80%
Investment Rate of Return (b)	6.80%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period July 1, 2014 to July 30, 2018.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRRS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

- (a) Discount rate at prior measurement date was 7.40%
- (b) There were no benefit changes during the year. Adjustments to the roll-forward liabilities were made to reflect the following assumption changes in the 2021 valuation:
 - a. Investment return assumption decreased to 6.80%
 - b. Inflation assumption remained the same at 2.60%

The components of the net pension liability for the System as of June 30, 2021, calculated in accordance with GASB Statement No. 67, are shown in the following table:

Total pension liability	\$ 82,606,805,000
Plan Fiduciary Net Position	67,604,500,000
Net Pension Liability	<u>\$ 15,002,305,000</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>81.84%</u>
--	---------------

Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the Pension System's Board after considering input from the investment consultant(s) and actuary(s). For each major asset class that is included in the Pension System's target asset allocation, these best estimates are summarized in the following table:

Asset Class	Target Allocations	Long-term Expected Real Rate of Return
Public equity	37%	5.2%
Private equity	13%	6.5%
Rate sensitive	19%	-0.3%
Credit opportunity	9%	2.8%
Real assets	14%	4.3%
Absolute return	8%	1.8%
Total	100%	

TOWN OF UPPER MARLBORO, MARYLAND
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

Discount Rate

A single discount rate of 6.80% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 6.80%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the System's net pension liability, and the Town's proportionate share of the System's net pension liability, calculated using a single discount rate of 6.80%, a single discount rate that is 1-percentage point lower (i.e., 5.80%), and a single discount rate that is 1-percentage point higher (i.e., 7.80%).

	1% Lower - 5.80%	Current Rate - 6.80%	1% Higher - 7.80%
The System's Net Pension Liability	\$ 25,511,028,000	\$ 15,002,305,000	\$ 6,252,209,000
The Town's Proportionate Share of the Net Pension Liability	\$ 654,406	\$ 384,235	\$ 160,130

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Town's reported a liability of \$384,235 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2021, the Town's proportion was approximately 0.0025612 percent.

TOWN OF UPPER MARLBORO, MARYLAND
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2022

NOTE 6 – RETIREMENT PLAN – continued

For the year ended June 30, 2022, the Town recognized pension benefit of \$48,049. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Changes of assumptions	\$ 74,372	\$ 8,240
Differences in actual and expected experiences	-	29,450
Net difference between projected and actual earnings on pension plan investments	37,405	212,880
Contributions made subsequent to the measurement date	69,249	-
Changes in proportion and differences between employer contributions and share of contributions	3,630	3,630
Total	\$ 184,656	\$ 254,200

The deferred outflow of resources of \$69,249 relating to contributions subsequent to the measurement date will be recognized as a reduction of the Town's net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources are being amortized over a five-year period beginning in fiscal 2022. These unamortized amounts will be ratably recognized in pension expense over the next four years.

Net Pension Liability

The components of the Town's proportionate share of the Pension System's net pension liability as of the measurement date of June 30, 2021, were as follows:

Total pension liability	\$ 2,115,703
Plan Fiduciary Net Position	1,731,468
Net Pension Liability	\$ 384,235
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.84%

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – LONG-TERM DEBT

The following is a summary of the activity in the Town's long-term debt:

	Beginning Balance	Increases	Decreases	Ending Balance	Amount Due Within 1 Year
Governmental activities					
Compensated absences	\$ 82,973	\$ -	\$ 29,035	\$ 53,938	\$ -
Tax-Exempt Leasing Corp.	61,556	-	30,096	31,460	15,556
Tax-Exempt Leasing Corp.	-	115,438	13,634	101,804	27,932
Tax-Exempt Leasing Corp.	-	115,000	16,752	98,248	13,975
	<u>\$ 144,529</u>	<u>\$ 230,438</u>	<u>\$ 89,517</u>	<u>\$ 285,450</u>	<u>\$ 57,463</u>

During fiscal year 2020, the Town entered into a leasing agreement with Tax-Exempt Leasing Corp for three police vehicles. Principal and interest is payable bi-annually on January 15th and July 15th, beginning on January 15th, 2020. The annual interest rate over the life of the lease is 4.49%. The balance as of June 30, 2022 is \$31,460.

	Principal	Interest	Total
2023	\$ 15,556	\$ 706	\$ 16,262
2024	15,904	357	16,261
	<u>\$ 31,460</u>	<u>\$ 1,063</u>	<u>\$ 32,523</u>

During fiscal year 2022, the Town entered into a leasing agreement with Tax-Exempt Leasing Corp for two police vehicles. Principal and interest is payable bi-annually on May 5th and November 5th, beginning on May 5th, 2022. The annual interest rate over the life of the lease is 3.23%. The balance as of June 30, 2022 is \$101,804.

	Principal	Interest	Total
2023	\$ 27,932	\$ 3,064	\$ 30,996
2024	28,841	2,155	30,996
2025	29,780	1,216	30,996
2026	15,251	246	15,497
	<u>\$ 101,804</u>	<u>\$ 6,681</u>	<u>\$ 108,485</u>

During fiscal year 2022, the Town entered into a leasing agreement with Tax-Exempt Leasing Corp for a public works truck. Principal and interest is payable bi-annually on July 15th and January 15th, beginning on July 15th, 2022. The annual interest rate over the life of the lease is 3.36%. The balance as of June 30, 2022 is \$98,248.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – LONG-TERM DEBT - continued

	Principal	Interest	Total
2023	\$ 13,975	\$ 1,729	\$ 15,704
2024	28,659	2,749	31,408
2025	29,630	1,778	31,408
2026	25,984	774	26,758
	<u>\$ 98,248</u>	<u>\$ 7,030</u>	<u>\$ 105,278</u>

NOTE 8 – CONCENTRATIONS

The Town derives most of its revenues from the citizens of the Town. The Town is located in Prince George's County, Maryland.

NOTE 9 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to workers; and natural disasters.

The Town has an insurance agreement with the Local Government Insurance Trust (LGIT), a public entity risk pool. LGIT provides the Town's property, general, automobile, employees, police and public officials' legal liability insurance coverage.

This is a total risk and cost sharing pool for all participants. In the event that the Trust's General Fund falls into a deficit that cannot be satisfied by transfers from the Trust's capital and surplus accounts, the Trustees shall determine a method to fund the deficit. The Trust agreement empowers the Trustees to assess an additional premium to each deficit-year participant. Debt issues could also be used to fund a deficit.

Premiums are charged to the Town's General Fund, with no provision made for claim liability in addition to premiums, unless an assessment is made by the Trust. There have been no assessments during the year ended June 30, 2021, and the amount of settlements has not exceeded coverage for each of the past three years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Grants

The Town receives grants from time-to-time. Expenditures from certain grants are subject to audit by the grantor, and the Town is contingently liable to refund amounts received in excess of allowable expenditures. In the opinion of the Town's management, no material refunds will be required as a result of disallowed expenditures.

TOWN OF UPPER MARLBORO, MARYLAND
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2022

NOTE 11 – RISKS AND UNCERTAINTIES

The Pension Trust Fund is invested in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position available for benefits.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS

The Town offers no other post-employment benefits.

NOTE 13 - RECONCILIATION OF NON-GAAP BUDGET TO GAAP BUDGET

The financial statements and notes conform to GAAP. The budget is prepared on a basis not consistent with GAAP because the prior years' surplus is included in budgeted revenues and expenditures. The reconciliation between the non-GAAP budget and GAAP follows:

Budgeted excess of revenue over (under) expenditures - Non-GAAP basis	\$ -
Plus: Transfer to reserve fund	-
Less: Prior years' surplus - revenues	-
Budgeted excess of revenue over (under) expenditures - GAAP basis	<u>\$ -</u>

TOWN OF UPPER MARLBORO, MARYLAND
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2022

NOTE 14 – FUND BALANCE REPORTING

Fund balances for the Town's governmental funds consisted of the following as of June 30, 2022:

Unassigned Fund Balances

At June 30, 2022, the unassigned fund balance was \$1,407,904.

NOTE 15– NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued the following statements:

Statement No. 87, *Leases*, issued June 2018, effective for financial statements for fiscal years beginning after June 15, 2021 (postponed 18 months by Statement No. 95).

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, issued June 2018, effective for reporting periods beginning after December 15, 2020 (postponed one year by Statement No. 95).

Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, issued August 2018, effective for reporting periods beginning after December 15, 2019 (postponed one year by Statement No. 95).

Statement No. 91, *Conduit Debt Obligations*, issued May 2019, effective for reporting periods beginning after December 15, 2021 (postponed one year by Statement No. 95).

Statement No. 92, *Omnibus 2020*, issued January 2020, effective for reporting periods beginning after June 15, 2021 (postponed one year by Statement No. 95).

Statement No. 93, *Replacement of Interbank Offered Rates*, issued March 2020, effective for reporting periods beginning after June 15, 2020 (postponed one year by Statement No. 95).

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020, effective for reporting periods beginning after June 15, 2022.

Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, issued May 2020, effective immediately.

Statement No. 96, *Subscription-Based Information Technology Arrangements*, issued May 2020, effective for reporting periods beginning after June 15, 2022.

TOWN OF UPPER MARLBORO, MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15—NEW ACCOUNTING PRONOUNCEMENTS – continued

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, issued June 2020, effective for reporting periods beginning after June 15, 2021.

Statement No. 98, *The Annual Comprehensive Financial Report*, issued October 2021, effective immediately.

Statement No. 99, *Omnibus 2022*, issued April 2022, sections effective for reporting periods ending after June 15, 2022 and 2023.

Statement No. 100, *Accounting Changes and Error Corrections*, issued June 2022, effective for reporting periods beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*, issued June 2022, effective for reporting periods beginning after December 15, 2023.

The Town will implement these statements as necessary as of their effective dates. While the Town is still in the process of determining the effect of implementing these GASB statements, they are not expected to have a material effect on the financial position of the Town.

TOWN OF UPPER MARLBORO, MARYLAND
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Last Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Town's proportion (%) of collective net pension liability	0.00256%	0.00252%	0.00210%	0.0164%	0.0148%	0.0135%	0.0127%	0.0119%	0.0111%	0.0103%
Town's proportion share (\$) of collective net pension liability	\$ 384,235	\$ 569,425	\$ 433,796	\$ 343,641	\$ 320,090	\$ 294,469	\$ 274,227	\$ 254,000	\$ 233,773	\$ 213,546
Town's proportion share of collective net pension liability as a percentage of its covered payroll	\$ 674,136	\$ 648,244	\$ 571,486	\$ 390,180	\$ 377,400	\$ 292,900	\$ 313,260	\$ 292,900	\$ 272,900	\$ 252,900
Pension plan's fiduciary net position as a percentage of the total pension liability	51.00%	87.84%	75.91%	88.07%	84.81%	100.54%	93.92%	93.92%	93.92%	93.92%
	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	69.38%	65.79%	65.79%	69.38%

The years shown above reflect the June 30 measurement dates.

EMPLOYEES' RETIREMENT AND PENSION SYSTEM
FOR THE YEAR ENDED JUNE 30, 2020

	Last 10 Fiscal Years									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 69,249	\$ 58,071	\$ 47,894	\$ 32,659	\$ 30,128	\$ 24,313	\$ 29,841	\$ 29,841	\$ 29,841	\$ 29,841
Contributions in relation to the contractually required contribution	69,249	58,071	47,894	32,659	30,128	24,313	29,841	29,841	29,841	29,841
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Town's covered payroll	\$ 674,136	\$ 648,244	\$ 571,486	\$ 390,180	\$ 377,400	\$ 292,900	\$ 313,260	\$ 292,900	\$ 272,900	\$ 252,900
Contributions as a percentage of covered-employee payroll	10.3%	9.0%	8.4%	8.4%	8.0%	8.3%	9.5%	9.5%	9.5%	9.5%

These schedules are presented to illustrate the requirement to show information for 10 years. However, information prior to June 30, 2015 is not available.

TOWN OF UPPER MARLBORO, MARYLAND
 REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET (NON-GAAP BASIS) AND ACTUAL (BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes	\$ 987,793	\$ 1,107,996	\$ 1,133,774	\$ 25,778
Fines, licenses and permits	230,669	258,669	250,361	(8,308)
Intergovernmental	1,240,020	1,267,860	1,640,847	372,987
Miscellaneous	8,250	8,250	9,211	961
Transfer of Reserve	-	-	-	-
Total Revenues	\$ 2,466,732	\$ 2,642,775	\$ 3,034,193	\$ 391,418
Expenditures				
General government	\$ 1,433,380	\$ 1,219,500	\$ 1,212,277	\$ 7,223
Public safety	442,795	551,175	572,327	(21,152)
Public works	777,913	872,100	453,109	418,991
Total Expenditures	\$ 2,654,088	\$ 2,642,775	\$ 2,237,713	\$ 405,062

TOWN OF UPPER MARLBORO, MARYLAND
 SCHEDULE OF REVENUES
 BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	REVENUES		Variable Favorable (Unfavorable)
	Budget	Actual	
Taxes			
Real estate	\$ 206,215	\$ 234,647	\$ 28,432
Real estate taxes delinquent	189,540	189,281	(259)
Personal property	5,000	-	(5,000)
Public utilities	46,555	49,160	2,605
Total Taxes	660,686	660,686	-
Fines, licenses and permits	1,107,996	1,133,774	25,778
Parking permits	2,500	2,900	400
Parking meters	195,000	147,907	(47,093)
Parking fines	27,000	27,184	184
Cable franchise fee	13,000	16,003	3,003
Parking coin deposits	-	39,380	39,380
Business licenses	14,000	13,240	(760)
Parking cash payments	-	225	225
Public education/govt broadcasting	5,000	3,422	(1,578)
Trader's license fees	500	-	(500)
Food trucks	1,000	-	(1,000)
Room rentals	669	-	(669)
Permits	-	100	100
Total Fines and Permits	258,669	250,361	(8,308)
Intergovernmental			
Income tax	260,000	1,099,689	839,689
Disposal fee rebate	1,750	1,038	(712)
Highway user fee	27,725	45,297	17,572
Financial corporation tax	9,145	9,145	-
FIP grant	50,000	16,375	(33,625)
FIP recovery fund	331,540	331,540	-
State streetscape	450,000	-	(450,000)
Community Open Space	100,000	100,000	-
State police aid	16,400	16,374	(26)
Grants	21,300	21,389	89
Total Intergovernmental	1,267,860	1,640,847	372,987
Miscellaneous			
Interest earnings	2,500	2,001	(499)
Special events / donations	2,500	100	(2,400)
Miscellaneous receipts	3,000	7,110	4,110
Town Hall services - misc. rev.	250	-	(250)
Total Miscellaneous	8,250	9,211	961
TOTAL REVENUES	\$ 2,642,775	\$ 3,034,193	\$ 391,418

TOWN OF UPPER MARLBORO, MARYLAND
 SCHEDULE OF EXPENDITURES
 BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variable Favorable (Unfavorable)
Capital Outlay			
Amusement	\$ -	\$ -	\$ -
Community Open Space	130,000	264,689	(134,689)
Planning firm	20,000	16,465	3,535
Town hall repairs	-	2,905	(2,905)
Miscellaneous	190,000	145,553	44,447
Total Capital Outlay	340,000	429,612	(89,612)
Total General Government	1,219,500	1,212,277	7,223

Public Safety			
Salary expense	320,000	324,948	(4,948)
Officers	5,000	-	5,000
Overtime	325,000	324,948	50
Total Salary Expense			

Benefit expense			
Payroll taxes	25,000	27,301	(2,301)
Health benefits	10,000	9,318	682
Worker's comp.	28,000	27,782	218
Pension	30,000	27,525	2,475
FICA	93,000	91,726	1,274
Total Benefit Expense			

Operating expense			
Association dues	750	615	135
GOCCP Police state aid	16,400	4,423	11,977
Occupancy	16,500	13,800	2,700
Pre employment	4,500	4,828	(328)
Professional services	30,000	26,922	3,078
Mobile phones	5,000	3,279	1,721
Training and memberships	2,500	2,215	285
Supplies	4,500	4,859	(359)
Uniforms	2,000	1,798	202
Vehicle-fuel	5,000	10,203	(5,203)
Vehicle-maintenance	6,500	10,203	(3,703)
Vehicle-repairs	93,650	83,145	10,505
Total Operating Expense			

Capital outlay			
Equipment	7,000	8,781	(1,781)
Total Capital Outlay	7,000	8,781	(1,781)

Debt service			
Vehicles - debt service	32,525	63,727	(31,202)
Total Debt Service	32,525	63,727	(31,202)
Total Public Safety	551,175	572,227	(21,052)

TOWN OF UPPER MARLBORO, MARYLAND
 SCHEDULE OF EXPENDITURES
 BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variable Favorable (Unfavorable)
EXPENDITURES			
General Government			
Salary Expense	\$ 15,700	\$ 21,288	\$ (5,588)
Commissions	251,779	250,678	1,101
Administration	267,479	271,966	(4,487)
Municipal capital fund			
Benefit Expense			
Payroll taxes	27,000	22,805	4,195
Pension	22,000	20,855	1,145
FICA	11,000	10,980	20
Worker's comp.	34,800	23,087	9,713
Health/Retireal	16,500	16,549	(49)
Insurance & benefits	111,300	96,276	15,024
Total Administration			
Operating expense	25,000	25,651	(651)
Accounting	20,000	40,000	(20,000)
Audit	70,171	16,596	53,575
ARPA - loss	-	3,096	(3,096)
ARPA	-	750	(750)
Calibrations/Incremental	750	-	750
CERT	8,500	18,254	(9,754)
Committee expense	5,000	-	5,000
Events	11,500	15,578	(4,078)
Dues and subscriptions	70,000	16,375	53,625
Grants & Awards (FIP)	5,000	33,600	(28,600)
General Liability - claims	38,000	-	38,000
Government relations	750	-	750
Green team	13,500	13,940	(440)
Historical committee	25,000	14,908	10,092
Human resources services	78,000	80,028	(2,028)
IT support & equipment	17,000	13,530	3,470
Legal	38,000	34,867	3,133
Media relations	10,000	8,394	1,606
Merchant services fees	5,500	4,833	667
Mobile phones	2,000	1,365	635
Payroll processing	2,000	2,406	(406)
Public notices	8,500	13,290	(4,790)
Postage	(30,000)	(26,922)	(3,078)
Printing	3,200	5,500	(2,300)
Professional services	3,000	4,154	(1,154)
Office equipment	500	(233)	733
Other	45,000	46,461	(1,461)
Staff development & training	4,000	3,911	89
Supplies	2,100	3,856	(1,756)
Telephone	6,000	8,389	(2,389)
Town election	2,000	-	2,000
Town hall repairs	10,000	9,846	154
Trunk or treat	500,721	414,423	86,298
Utilities			
Total Operating Expense			

TOWN OF UPPER MARLBORO, MARYLAND
 SCHEDULE OF EXPENDITURES
 BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variable Favorable (Unfavorable)
Public Works			
Salary Expense	\$ 216,000	\$ 217,251	\$ (1,251)
Employee salaries	4,000	5,525	(1,525)
Overtime	220,000	222,726	(2,726)
Total Salary Expense			
Municipal capital fund			
Pension	19,000	18,662	338
Health benefits	37,000	38,399	(1,399)
FICA	18,000	18,323	(323)
Workmen's comp.	6,500	18,909	(12,409)
Total Benefit Expense	80,500	94,293	(13,793)
Operating expense			
Training and membership dues	500	100	400
Operating			
Uniforms	750	289	(289)
Maintenance repairs beautification	5,000	355	395
Mobile phones	1,500	5,206	(206)
Other	1,500	501	999
Portajob		269	1,231
Public works beautification		-	-
Recycling	10,000	10,708	(708)
Small tools/equipment	9,000	9,329	(329)
Testing (substance)		-	-
Streets maintenance	7,000	6,730	270
Utilities-highway lighting	23,000	22,345	655
Utilities-shop/telephones	2,500	1,094	1,406
Fuel	4,000	13,973	(9,973)
Vehicle maintenance and repairs	3,500	10,460	(6,960)
Septic tank	1,200	900	300
Waste collection	3,650	3,454	196
Waste disposal	45,500	50,327	(4,827)
Weather related expense	3,000	-	3,000
Total Operating Expense	121,600	136,040	(14,440)
Capital Outlay			
Streetscape expenses	450,000	-	450,000
Total Capital Outlay	450,000	-	450,000
Total Public Works	872,100	453,109	418,991
TOTAL EXPENDITURES	\$ 2,642,775	\$ 2,237,713	\$ 405,062

45

Lindsey + Associates

Lindsey + Associates LLC
 Certified Public Accountants
 110 West Beach
 Suite 220
 Towson, MD 21284
 410.851.1984 phone
 410.825.1597 fax
 www.laplinc.com

November 11, 2022
 Board of Town Commissioners
 Town of Upper Marlboro, Maryland

We audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Upper Marlboro, Maryland (the "Town") for the year ended June 30, 2022, and have issued our report thereon dated November 11, 2022. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility under U. S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 16, 2022 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U. S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Town. Such consideration was solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Town's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Town are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022, except as may be explained in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Difficulties Encountered in Performing the Audit

There were no difficulties encountered in performing audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We proposed adjustments to receivables, cash, and fixed assets. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representation from management that is included in the management representation letter dated November 11, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationships and our responses were not a condition to our retention.

We have also provided the Town's management with a letter dated November 11, 2022 pertaining to our audit findings and recommendations.

This information is intended solely for the use of the Members of Board of Town Commissioners and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

