

CITY OF COVINGTON FRANCHISE TAX

PAYMENT DUE BY THE 15TH OF EACH MONTH. MAIL TO THE
FOLLOWING ADDRESS:

CITY OF COVINGTON
ATTN: MR. GREG ENGLEMAN
FINANCE DIVISION
18 WEST PIKE STREET
COVINGTON, KENTUCKY 41011

MR. ENGLEMAN'S PHONE NUMBER IS 606-292-2201.

TAX WAS FIRST ASSESSED ON THE BILLS RENDERED ON 10/10/89.



the preseason choice to capture the league championship. "These coaches stuck me with this to bug me," said Georgetown coach Kevin Donley, whose Tigers finished second to Cumberland College last fall. "I'm surprised." Cumberland, which shared the title with Evansville and Georgetown in the league's inaugural season in 1987, was picked to finish second among the seven teams. Georgetown received five first-place votes and 35 points while Cumberland had two first-place votes and 31 points. Union was third with 26 points, followed by Evansville with 20, Kentucky Wesleyan 18, Campbellsville 9 and Tennessee Wesleyan 8 in the non-scholarship league. "I think Cumberland is the team to beat," said Donley.

COMMISSIONERS' ORDINANCE NO. 0-57-89

AN ORDINANCE AUTHORIZING AND DIRECTING THE COVINGTON CITY CLERK TO ADVERTISE AND RECEIVE BIDS FOR A FRANCHISE DEFINED HEREIN FOR THE USE AND OCCUPATION OF CERTAIN PARTS OF THE STREETS, ALLEYS, AND PUBLIC GROUNDS IN THE CITY FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRICAL ENERGY WITHIN THE CITY OF COVINGTON, KENTUCKY, AND DEFINING THE TERMS AND CONDITIONS THEREOF, AND REJECTING ANY AND ALL BIDS RECEIVED IN RESPONSE TO COMMISSIONERS' ORDINANCE NO. 0-53-89.

WHEREAS, there are certain public utilities operating their respective businesses within the corporate limits of the City of Covington, Kentucky, without current valid franchise from the City; and

WHEREAS, the City Commissioners have found and determined that all public utilities operating within the City of Covington, (hereinafter City) utilize public streets and rights-of-way for their operation and that such utilization is a valuable property right and benefit said utilities in that such utilities would be required to invest substantial capital and right-of-way costs in acquisition without the use thereof, and such use of utilities results in certain damages to public improvements thereon so that a public purpose would be served by requiring all public utilities operating within the City to be covered by the terms of the franchise herein; and

WHEREAS, the Constitution of the Commonwealth of Kentucky, Section 163 and Chapter 96 of the Kentucky Revised Statutes, authorize municipal corporations to require public utilities operating within their boundaries to operate under franchise agreements and to grant utilities the right to use public properties on such conditions as seem proper, and further, KRS 82.082 authorizes a city to exercise such powers within its boundaries as are not in conflict with other state law.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF COVINGTON, KENTON COUNTY, KENTUCKY:

The City Clerk of the City of Covington is hereby authorized and directed to advertise and receive bids for a franchise defined herein for the use and occupation of certain parts of the streets, alleys and public grounds in this City for the Transmission and distribution of electric energy for light, heat, power and other purposes. In said advertisement, the City Clerk shall define the terms of the franchise as defined herein and the conditions upon which it is to be granted by publishing the proposed ordinance at least once on a date not less than eight (8) nor more than twenty-one (21) days before the date the bids shall be submitted in The Kentucky Post accompanied by a notice that bids for the franchise must be submitted on or before the 23rd day of August, 1989, at 10:00 a.m.

A franchise is defined as follows and includes the terms and conditions upon which it shall be granted:

Section 1 - Creation of Franchise

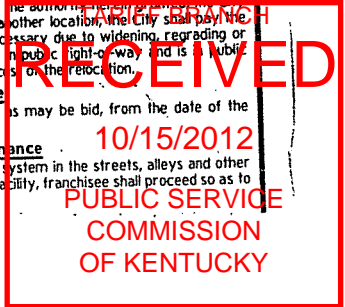
The Purchaser and Grantee of this franchise or its legal representatives, successors and assigns, hereinafter called the Purchaser be and is subject to the conditions hereinafter contained, hereby authorized and empowered to acquire, purchase, construct, maintain and operate in and through parts of the present and future corporate limits of this City which are within territory certified, for provision of retail electric service, to Owen County Rural Electric by the Public Service Commission of Kentucky pursuant to the provisions of KRS 278.016 to 278.018, as appearing on maps of such certified territories issued by and on file with such Commission, as such certified territories so defined have been or hereafter or modified by written agreement between such Cooperative and Union Light, Heat & Power Company (such parts of this City being hereafter referred to as "the said parts of the City"), a system or works for the transmission and distribution of electrical energy from points either within or without the corporate limits of this City, to said parts of the City and the inhabitants thereof, and from and through said parts of this City to persons and corporations beyond the limits thereof, and for the sale of same for light, heat, power and other purpose, and for such purposes to erect and maintain poles and other structures, wires and other apparatus necessary or convenient for the operation of said system, upon, across, under, and along each and all the streets, alleys, and public grounds, within the said parts of this City; to have and hold, as by law authorized, any and all real estate, easements, water and other rights necessary or convenient for its said purpose; to use any and all such streets, alleys and public grounds within said parts of this City while constructing or operating said electric system or works; and to cross any and all streets and streams in the said parts of the City for the purpose of constructing, maintaining or extending such poles, wires and other apparatus necessary or convenient for the operation of said system, upon, across, under, and along each and all of the streets, alleys, and public grounds, within the said parts of this City; to have and hold, as by law authorized, any and all real estate, easements, water and other rights necessary or convenient for its said purpose; to use any and all such streets, alleys and public grounds within said parts of this City while constructing or operating said electric system or works; and to cross any and all streets and streams in the said parts of the City for the purpose of constructing, maintaining or extending such poles, wires and other apparatus as may be necessary or convenient for the proper distribution of electric energy in and through the said parts of the City. Such right to maintain shall include the right to remove and/or trim trees in accordance with the Purchaser's customary procedures. If, after any pole or other structure or facility has once been erected or placed, in exercise of the authority granted to the City, the Commission shall order the removal of said pole, structure or facility to another location, the City shall pay the cost of making such relocation; except that, if the relocation is made necessary due to widening, regrading or reconstruction of a street or highway and a pole was originally erected in public light-of-way and is a utility right-of-way immediately prior to the relocation, Purchaser will pay the cost of the relocation.

Section 2 - Term of Franchise

The Franchise herein shall be for minimum term of ten (10) years, as may be bid, from the date of the Franchise as awarded by the City Commissioners.

Section 3 - Operation and Maintenance

In the maintenance and operation of its transportation and distribution system in the streets, alleys and other public places and in the course of any new construction or addition to its facility, franchisee shall proceed so as to cause the least possible inconvenience to the general public.



its best," said Downing. can't be more exciting that game. Never have I experienced the kind of excitement on the football field throughout a game. It was the greatest game I've ever been associated with." Cumberland went on to set a 10-0 record overall and a national ranking while Georgetown posted a 7-3 mark. Cumberland lost in the first-round of the national playoffs. Georgetown has the NA Division II's top returning player back, senior Mitch Burn, who rushed 275 times for 1,466 yards and 16 touchdowns a year ago. He is the school's all-time rusher with 3 yards. Cumberland has the store No. 2 returning...

Section 4 Franchise requirements

In addition to any other franchise requirements hereunder or made or adopted herein as provided, the following requirements shall apply to any Franchise granted hereunder.

(a) Franchise Fee 0 In consideration of the granting and exercise of a Franchise herein, and in further consideration of the grant to the Franchisee the right to make use of public streets, alleys, or other public ways in the City, since such public properties are valuable properties acquired and maintained at great expense to the taxpayers of the City, and the grant to Franchisee of the right to use same is a valuable property right without which the Franchisee would be required to invest substantial capital in right-of-way costs and acquisitions, Franchisee shall pay to the City during the entire life of the Franchise a sum equal to a maximum of three (3%) percent annually of the Franchisee's gross service revenues, for sales generated within the corporate limits. Franchisee shall pay such sum monthly, on the 15th day after the end of each month and shall furnish to the City a certified copy by a public accountant of its gross revenues received.

(b) Any Franchise payments to the City by Franchisee shall not be in lieu of any occupational, income, license, or property tax, or similar levy, assessment, fee, or charge which would otherwise apply to be payable by Franchisee.

(c) Franchisee shall file with the City Clerk of the City of Covington, Kentucky, and shall thereafter during the entire term of this Franchise, maintain in full force and effect, a corporate surety bond or other adequate surety agreement in the amount and kind specified in this Ordinance and conditioned that in the event Franchisee shall fail to comply with any one or more of the provisions of Franchise, then there shall be recoverable, jointly and severally, from the principal and surety, any damages or costs suffered or incurred by the City or by any customer of Franchisee herein, including attorneys' fees and costs of any action, or proceedings, and including the full amount of any compensation, indemnification, cost of removal of any property or other costs which may be incurred to the principal amount of such bond; and said condition shall be a continuing obligation during the entire term of this Franchise, and thereafter, until Franchisee shall have satisfied in full any and all obligations to the City and any of its customers hereunder, or other person or entity, which arise out of or pertaining to this Franchise. Neither the provisions of this section, nor any bond accepted by the City pursuant hereto, nor any damages recovered by the City thereunder shall be construed to excuse faithful performance by the Franchisee or limit the liability of the Franchisee under any Franchise issued pursuant to this Ordinance.

(d) Upon acceptance of such Franchise, Franchisee shall file with the City Clerk of the City of Covington, Kentucky, and shall thereafter during the entire term of such franchise, maintain in full force and effect a single limit comprehensive liability policy of insurance with limits of not less than \$500,000 each occurrence and \$1,000,000 aggregate, and which shall insure Franchisee, and shall provide primary coverage for the City, its officers, boards, commission, agents, and employees against liability for loss or damage for personal injury, death, and property damage occasioned by any activity or operation of Franchisee under such Franchise and which shall contain and include a standard cross-liability endorsement thereto.

(e) Franchisee shall indemnify and hold harmless, the City of Covington, Kentucky, its officers, boards, commissions, agents, and employees, against and from any and all claims, demands, causes of actions, actions, suits, proceedings, damages, costs or liabilities (including costs or liabilities of the City with respect to its employees), of every kind and nature whatsoever, including, but not limited, to damages for injury or death or damage to persons or property, and regardless of the merit of any of the same, against all liability to others, and against any loss, costs and expense resulting or arising out of any of the same, including any attorney fees, accountant fees, expert witness or consultant fees, court costs, per diem expense, traveling and transportation expense, or other costs or expense arising out of or pertaining to actions of Franchisee in the exercise or the enjoyment of any privilege hereunder by Franchisee, or the granting thereof by the City.

(f) Defense of litigation. Franchisee shall, at its sole risk and expense, upon demand of the City made by and through the City Attorney, appear in and defend any and all suits, actions, or other legal proceedings, whether judicial, quasi-judicial, administrative, legislative, or otherwise, brought or instituted or had by third persons or duly constituted authorities, against or affecting the City, its officers, boards, commissions, agents, or employees, and arising out of or pertaining to action of Franchisee in the exercise or the enjoyment of such Franchise, or the granting thereof by the City.

(g) Franchisee shall abide by all provisions of this Franchise, and shall further agree that it will not, at any future time, set up against the City the claim that the provisions of this Franchise are unreasonable, arbitrary or void.

Section 5

The Purchaser or Purchasers of the Franchise or Franchises created hereunder shall provide the highest and best service in accordance with accepted standards of the industry and shall maintain a convenient place to be open at reasonable hours for the purpose of paying bills and transacting business with the public, and further, shall keep and maintain such personnel as are reasonably necessary to provide the service so franchised hereby and to respond to customer complaints and to correct defective service.

Section 6

The Purchaser or Purchasers of the Franchise created hereby shall have the right to break, take up and remove such portion or part of any pavement to make such excavation in the streets and public ways of the City as may be deemed necessary to provide the service so franchised hereby; provided, however, that any such work first be properly approved pursuant to Chapter 157 or 96 of the Code of Ordinances of the City of Covington, including any subsequent amendments thereto, and further provided that any such work or project so commenced by Franchisee hereunder be promptly and diligently prosecuted to completion and upon such completion Franchisee shall pay, and satisfy, and shall cause to be paid and satisfied any judgement, decree, order, directive, or demand rendered, made, or issued against Franchisee, the City, its officers, boards, commissions, agents, or employees in any of these premises, and such indemnity shall exist and continue without reference to or limitation by the amount of any bond, policy of insurance, deposit, undertaking, or other assurance required hereunder, or otherwise; provided, that neither Franchisee nor City shall make or enter into any the streets, alleys, sidewalks and public ways of the City shall exist in as good condition and repair as before such work was commenced, pursuant to Chapter 157 or 96 of the Code of Ordinances of the City of Covington, or as be hereafter amended. Further, the Franchisee shall, upon request by the City, move and adjust any of its facilities or properties as shall be located on City property on right-of-way at its own expense, during construction or reconstruction of the improvements on such property or right-of-way, and such movement or adjustment shall be accomplished within thirty (30) days after request by the City. In the event of noncompliance with the foregoing, the Franchisee shall be liable to the City or the contractor, as the case may be, for damages for delay in construction occasioned thereby.

Section 7

The consideration paid by Franchisee hereunder shall be the full and complete consideration of the Franchise, privilege, and right granted by the City of Covington, and shall be expressly in lieu of any street or alley rental or of any charge for the use or occupancy of said streets, alleys, or public places in the City.

Section 8

The Franchise created hereby shall not be transferred, assigned, nor delegated without the written consent of the City.

Section 9

It shall be the duty of the City Clerk as soon as practical after the passage of this Ordinance to offer for sale the Franchise and privileges involved herein. Said Franchise shall be sold to the best available bidder(s). The City Clerk shall give notice by advertising pursuant to KRS Chapter 424 for request for bids and the time for receipt of same. Any utility subject to the terms and provisions of this Ordinance may provide for in its bid any special or extraordinary matters or circumstances which relate or apply to its particular business; all subject, however, to the right of rejection of any such bid by the City of Covington.

After the time set for receipt of bids hereunder, the City Clerk shall report and submit to the City Commission at the time of its next regular meeting the bids and proposals for its approval. The City Commission reserves the right for and on behalf of the City to reject any and all bids for said Franchises and privileges, and the City Commission may direct by Resolution or Ordinance said Franchise or Franchises to be again offered for sale from time to time until a satisfactory bid or bids shall be received and approved. Each such bid shall be accompanied by a deposit and each bidder shall post bond in accordance with the provisions of KRS 96.020; provided, however, that such deposit and bond need not be made by any bidder which owns and operates within the corporate limits of the City, the plant and equipment sufficient to render the service or services required by this Ordinance.

Section 10

Any Franchisee hereunder shall furnish to the City written notice by certified mail of the filing of any application with the Public Service Commission of Kentucky for an increase in rates and charges or for a certificate of public convenience and necessity for capital investment, which notice shall be given concurrently with such filing.

Section 11

In the event that no bids are received for the Franchises hereunder, or in the event that the City does not accept any bids received hereunder, then beginning on the 1st day of September, 1989, and continuing thereafter until modified by Ordinance, each and every public utility engaged in operating its respective business within the corporate limits of the City of Covington which does not hold a valid current Franchise from the City of Covington to operate within the corporate limits shall have imposed upon it the terms, conditions, and payment of Franchise fees set out hereunder, for the right, power and privilege of engaging and operating its respective business within the corporate limits and the right, power and privilege of using the streets, alleys, and other public ways or places in the City for and on behalf of the operation of its business.

Section 12

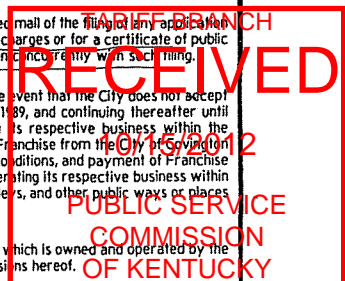
Any utility, agency, or other entity providing services herein contemplated which is owned and operated by the City or a subordinate agency thereof is excluded from the terms and provisions hereof.

Section 13

All ordinances or parts thereof in conflict herewith, are to the extent of such conflict, hereby repealed.

Section 14

That this ordinance shall take effect and be in full force when passed, published, and recorded according to law.



which arise out of or pertaining to this Franchise. Neither the provisions of this section, nor any bond accepted by the City pursuant hereto, nor any damages recovered by the City thereunder shall be construed to excuse faithful performance by the Franchisee or limit the liability of the Franchisee under any Franchise issued pursuant to this Ordinance.

(d) Upon acceptance of such Franchise, Franchisee shall file with the City Clerk of the City of Covington, Kentucky, and shall thereafter during the entire term of such franchise, maintain in full force and effect a single limit comprehensive liability policy of insurance with limits of not less than \$500,000 each occurrence and \$1,000,000 aggregate, and which shall insure Franchisee, and shall provide primary coverage for the City, its officers, boards, commission, agents, and employees against liability for loss or damage for personal injury, death, and property damage occasioned by any activity or operation of Franchisee under such Franchise and which shall contain and include a standard cross-liability endorsement thereto.

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(f) Defense of litigation. Franchisee shall, at its sole risk and expense, upon demand of the City made by and through the City Attorney, appear in and defend any and all suits, actions, or other legal proceedings, whether judicial, quasi-judicial, administrative, legislative, or otherwise, brought or instituted or had by third persons or duly constituted authorities, against or affecting the City, its officers, boards, commissions, agents, or employees, and arising out of or pertaining to action of Franchisee in the exercise or the enjoyment of such Franchise, or the granting thereof by the City.

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The consideration paid by Franchisee hereunder shall be the full and complete consideration of the Franchise, privilege, and right granted by the City of Covington, and shall be expressly in lieu of any street or alley rental or of any charge for the use or occupancy of said streets, alleys, or public places in the City.

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It shall be the duty of the City Clerk as soon as practical after the passage of this Ordinance to offer for sale the Franchise and privileges involved herein. Said Franchise shall be sold to the best available bidder(s). The City Clerk shall give notice by advertising pursuant to KRS Chapter 424 for request for bids and the time for receipt of same. Any utility subject to the terms and provisions of this Ordinance may provide for in its bid any special or extraordinary matters or circumstances which relate or apply to its particular business; all subject, however, to the right of rejection of any such bid by the City of Covington.

After the time set for receipt of bids hereunder, the City Clerk shall report and submit to the City Commission at the time of its next regular meeting the bids and proposals for its approval. The City Commission reserves the right for and on behalf of the City to reject any and all bids for said Franchises and privileges, and the City Commission may direct by Resolution or Ordinance said Franchise or Franchises to be again offered for sale from time to time until a satisfactory bid or bids shall be received and approved. Each such bid shall be accompanied by a deposit and each bidder shall post bond in accordance with the provisions of KRS 96.020; provided, however, that such deposit and bond need not be made by any bidder which owns and operates within the corporate limits of the City, the plant and equipment sufficient to render the service or services required by this Ordinance.

Section 10

Any Franchisee hereunder shall furnish to the City written notice by certified mail of the filing of any application with the Public Service Commission of Kentucky for an increase in rates and charges or for a certificate of public convenience and necessity for capital investment, which notice shall be given concurrently with such filing.

Section 11

In the event that no bids are received for the Franchises hereunder, or in the event that the City does not accept any bids received hereunder, then beginning on the 1st day of September, 1989, and continuing thereafter until modified by Ordinance, each and every public utility engaged in operating its respective business within the corporate limits of the City of Covington which does not hold a valid current Franchise from the City of Covington to operate within the corporate limits shall have imposed upon it the terms, conditions, and payment of Franchise fees set out hereunder, for the right, power and privilege of engaging and operating its respective business within the corporate limits and the right, power and privilege of using the streets, alleys, and other public ways or places in the City for and on behalf of the operation of its business.

Section 12

Any utility, agency, or other entity providing services herein contemplated which is owned and operated by the City or a subordinate agency thereof is excluded from the terms and provisions hereof.

Section 13

All ordinances or parts thereof in conflict herewith, are to the extent of such conflict, hereby repealed.

Section 14

That this ordinance shall take effect and be in full force when passed, published, and recorded according to law.

MAYOR

ATTEST:

CITY CLERK

Passed 8/8/89 (first reading)
(second reading)

PUBLISHED in The Kentucky Post, the 12th day of August, 1989.

TARIFF BRANCH
RECEIVED

10/15/2012

PUBLIC SERVICE
COMMISSION
OF KENTUCKY