

LIGHT SOURCE COMMUNICATIONS, LLC'S TELECOMMUNICATIONS AND
BROADBAND FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is executed on this ____ day of _____, 2024, by and between the CITY OF NORTH LAS VEGAS, a political subdivision of the State of Nevada ("City"), and LIGHT SOURCE COMMUNICATIONS, LLC, a Michigan limited liability corporation authorized to do business in the State of Nevada ("Company" or "Franchisee"). The City and Company may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, the City is a municipal corporation duly incorporated within the State of Nevada, and authorized pursuant to Section 2.285 of the North Las Vegas City Charter and NRS 268.088 to enter into this Franchise Agreement; and

WHEREAS, Company did, on June 1, 2024, file with the City, a written request for a franchise for the purpose of constructing, installing, operating, and maintaining Facilities within the City's Rights-of-Way for the provision of Services within the City's corporate limits; and

WHEREAS, said application coming on regularly for hearing on the 18th day of September, 2024, and it appearing by an Affidavit of Publication that due and legal notice of the filing of said application, and of the filing of the date, time and place for consideration of the same, has been given by publication in the Las Vegas Review Journal, a newspaper of general circulation within the City, to-wit:

In the issue of said newspaper published on the 21st day of August, 2024, 28th day of August, 2024, 4th day of September, 2024 and the 11th day of September, 2024; and

WHEREAS, the City, pursuant to North Las Vegas City Charter Section 7.020, on the 18th day of September, 2024, has determined that a Franchise, subject to the terms and conditions hereinafter set forth, be granted.

NOW THEREFORE, for and in consideration of the agreements and mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which each Party hereto acknowledges, the Parties hereby agree to the following terms and conditions:

1.0 Definitions. For the purpose of this Franchise Agreement, the following terms, phrases, words and their derivations shall have the meaning given in this Section. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined in this Section shall be given their common and ordinary meaning.

1.1 **"Broadband Internet Service"** means broadband internet access service as

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defined in 47 C.F.R. § 8.1(b).

- 1.2 **“CPCN”** means a Certificate of Public Convenience and Necessity issued by the Public Utilities Commission of Nevada authorizing the holder thereof to provide Telecommunications Service within the City.
- 1.3 **“Code”** means the official code of all of the City’s ordinances of a general and permanent character as may be adopted and amended by the City Council.
- 1.4 **“Director”** means the Director of the City’s Public Works Department or any successor department, or his or her designee.
- 1.5 **“Easement”** means an interest in and the right to use the real property of another, but not including licenses or leases.
- 1.6 **“Facilities”** are and refer to and include, but are not limited to, plant, works, systems, improvements and equipment owned, leased or otherwise used by the Company such as wires, fixtures, equipment, underground circuits, fiber optic infrastructure, and conduit in Rights-of-Way, easement and other property necessary or convenient for the transmissions, distribution, and/or connection of authorized services within the City.
- 1.7 **“Gross Revenues”** shall mean all revenues derived by Franchisee from any and all sources related to the use of the City ROW pursuant to this franchise agreement, including but not limited to any and all interstate and intrastate retail revenue of Company from Service provided to customers within the City, including also, but not limited to:

All revenue charged on a flat rate basis;

All revenue for intrastate long distance calls originating in the State of Nevada and billed to an account with an Internet Protocol physically located in the City;

All revenues from installation service charges;

All revenues from connection, disconnection or change-of-service fees;

All revenues from penalties or charges to customers for late payments or for checks returned from banks;

Recoveries of bad debts previously written off and revenues from the sale or assignment of bad debts. Gross revenues may be adjusted for net write-off of uncollectible accounts computed on the average annual rate for customers within the City;

Any and all revenues that are designated by City, State or Federal law to be subject to fees under this Franchise Agreement.

“Gross Revenues” shall not include: (a) any tax passed through to consumers on behalf of governmental agencies received by the Company for services provided to customers through use of Facilities; (b) any charges passed through to the customers for interconnection with the local exchange provider; (c) any proceeds from the sale of bonds, mortgages or other evidence of indebtedness, securities or stocks; (d) any long-haul wholesale revenue; and (e) any revenue other than intrastate revenue collected from retail customers. Company is not required to measure each category of revenue separately; provided that in the event of an audit by the City, Company will be required to provide an appropriate justification for amounts reported as Gross Revenue under this Franchise Agreement.

- 1.8 “**Network**” means the Facilities that Company uses to serve its customers.
- 1.9 “**Rights-of-Way**” means surface above and below any and all present and future public streets, avenues, highways, alleys, bridges and other public ways, (excluding railroad rights-of-way) of the City within the City limits. This includes, any and all easements secured in favor of the City.

The term “Rights-of-Way” does **not** include any easements held by the City on, over or about real property owned or controlled by a party other than the City, unless those easements are used for streets, avenues, highways, alleys, or other public ways, and Company obtains consent to access such easements from the third-party that owns or controls the real property upon which such easement is granted for the purposes described in this agreement.

- 1.10 “**Services**” means communications services of any kind or nature, including Broadband Internet Service and/or Telecommunications Service to be provided by the Company pursuant to this Franchise Agreement.
- 1.11 “**Telecommunications Service**” means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used. This definition is intended to include commercial mobile service (“CMS”), competitive access service, and alternative local Telecommunications Services to the extent they are offered to the public or to such classes of users as to be effectively available to the public. Telecommunications Services expressly excludes cable services or open video systems as defined in Title VI, of the Communications Act of 1934, as amended, by the Telecommunications Act of 1996.

“Telecommunications Service” shall not include (a) broadband internet access service as defined in 47 C.F.R. § 8.1(b) or (b) cable services as defined in Title 47, Chapter 5, Subchapter V-A of the United States Code, as amended (47 USCA 521, et seq.) or as recognized by the Federal Communications Commission (FCC). Before proposing to provide such services in the City, Company agrees to obtain the required Certificate of Authority issued by the Nevada Secretary of State pursuant to Chapter 711 of the Nevada Revised Statutes (NRS), as amended and a separate business license from the City for the provision of this service.

2.0 Grant of Franchise.

- 2.1 City grants to Company, subject to the terms, conditions, and limitations contained in this Franchise Agreement, a franchise with permission to rent, use and occupy Rights-of-Way within the corporate limits of the City, as same now exist or may be increased or reduced in the future, to provide the Services, including the right and privilege to erect, construct, maintain and operate its Facilities within the Rights-of-Way necessary or convenient for the transmission and distribution of the Services, including private property easements on which preliminary subdivision plats have been approved by the City for the provision of public utilities within the corporate limits of the City as the same now exist or may be increased or reduced in the future.
- 2.2 Company shall be subject to all requirements of City ordinances, rules, regulations and specifications hereafter enacted or established in so far as such ordinances are not in violation of any State or Federal regulation.
- 2.3 This Franchise Agreement does not grant Company the right to provide any “video service” as such term is defined by Nevada Revised Statutes Chapter 711.141.
- 2.4 This Franchise Agreement does not authorize any attachments to City owned poles or other infrastructure or other real property (other than Rights-of-Way), nor does it authorize placement of Facilities in any City conduit. Any such use by Company shall require and be subject to a separately negotiated agreement with the City.
- 2.5 If Company seeks to install underground facilities by any means including if approved, micro-trenching or similar non-invasive technology and construction methods in the construction, maintenance or operation of its Facilities, such methods shall be (a) implemented pursuant to the standards and guidelines approved by the City’s Public Works Director, including his recommendation of use of and/or installation of conduit and (b) as generally set forth in an **Exhibit A** attached hereto.

3.0 Duration.

- 3.1 This Franchise Agreement is granted for a period of five (5) years from and after the effective date of this Franchise Agreement through (Insert Termination Date), unless it is earlier terminated by either Party in accordance with the provisions herein.
- 3.2 The Parties, each in their sole discretion, may extend the term of this Franchise Agreement for an additional five (5) year period on mutually agreeable terms and conditions, provided that Company is not in default of any of its obligations under this Franchise Agreement at the time of extension.
- 3.3 At any time Company ceases to operate as a provider of the Services, City may, in

its sole discretion and upon six months' notice to Company, terminate this Franchise Agreement and require the removal of Company's Facilities from the Rights-of-Way, including the cost of any site remediation, at no cost to the City, without any liability to Company related directly or indirectly to such termination.

4.0 Business Licenses, Franchise Fees, and Taxes. Company shall be solely responsible for the payment of all lawful fees in connection with Company's performance under this Franchise Agreement, including:

4.1 Business Licenses, Fees, and Taxes.

- 4.1.1 At all times during which Company is authorized to provide Telecommunications Service within the City pursuant to a CPCN, Company shall maintain a valid unexpired business license specific to its Telecommunications Service business and pay all related quarterly license fees ("Quarterly License Fees") pursuant to Chapter 5.52 of the Code. For avoidance of doubt, the definition of Gross Revenues as set forth in this Franchise Agreement shall apply to the calculations of Quarterly License Fees.
- 4.1.2 In addition to the business license required by Subsection 4.1.1, Company shall maintain all other business licenses specific to any of Company's business activities other than those of providing Telecommunications Service, as such other business activities are specified in the Code. Company shall pay all license fees due from such other business activities separately from the payment of fees due for its Telecommunications Service business.
- 4.1.3 In addition to payment of the fees specified in Subsections 4.1.1 and 4.1.2, Company shall pay all lawful property taxes, ad valorem taxes and local improvement district assessments and all exactions, fees and charges that are generally applicable during Company's real property development or use as required by the Code.
- 4.1.4 If Company fails to timely pay any business license fees, Company will pay interest and penalties on such delinquent fees as specified by the applicable provisions of Title 5 of the Code.
- 4.1.5 Acceptance by the City of any payment due under this Section shall not be deemed to be a waiver by the City of any breach of Company's obligations under this Franchise Agreement or applicable law, and such acceptance shall not preclude the City from later establishing that a larger amount was actually due or from collecting or receiving a refund of such balance.

4.2 Franchise Fees.

- 4.2.1 In the event that the business license fees required by Section 4.1 above are declared illegal, unconstitutional, or void for any reason, Company shall be

contractually bound to pay the City as a franchise fee for its use of the Rights-of-Way, as provided for herein, an aggregate amount equal to the amounts which otherwise would have been paid as Quarterly License Fees (“Telecommunications Franchise Fees”).

- 4.2.2 Notwithstanding any fees required under Section 4.1 or Subsection 4.2.1 above, Company will pay City a franchise fee in the amount of five percent (5%) of Gross Revenues earned during a calendar quarter from the provision of Broadband Internet Service (“Broadband Franchise Fee” and, together with any applicable Quarterly License Fees or Telecommunications Franchise Fees, the “Franchise Fees”).
- 4.2.3 The Franchise Fees required to be paid pursuant to this Franchise Agreement shall be paid quarterly by the fifteenth day of the second month following the end of each calendar quarter for which payment or portion thereof is due. Company shall furnish to the City with each payment of compensation required by this Section a written statement, showing the amount of Gross Revenue of Company subject to fees under this Franchise Agreement for the period covered by the payment.
- 4.2.4 If Company fails to timely pay any amounts due for Franchise Fees, Company will pay, in addition to the unpaid fees, a sum of money equal to twelve percent (12%) of the amount due, including penalties and accrued interest, for each month and/or fraction thereof during which the payment is due and unpaid.
- 4.2.5 Acceptance by the City of any payment shall not be deemed to be a waiver by the City of any breach of this Franchise Agreement occurring prior thereto, nor shall the acceptance by the City of any such payments preclude the City from later establishing that a larger amount was actually due or from collecting any balance due to the City.

5.0 Construction Plans and Drawings.

- 5.1 Before Company may conduct any work involving excavation, new construction, or relocation work:
- 5.2 Company shall file maps and drawings with the Public Works Director showing the location of any construction or extension of its Facilities and services in any Rights-of-Way of the City and any easements, public and private. For multi-conduit banks, maps and drawings shall show overall size, material and configuration of the duct bank:
 - 5.2.1 Company shall obtain all required permits from the City. Company shall apply for the appropriate permits and pay any standard and customary permit fees. City may condition any permit. Conditions may include, without limitation:

- 5.2.1.1 City approval of traffic control plans prepared by Company for Company's work in City Rights-of-Way;
- 5.2.1.2 Nevada Department of Transportation ("NDOT") approval of traffic control plans prepared for Company's work within Rights-of-Way controlled by NDOT;
- 5.2.1.3 Company adherence to time restrictions for work in streets as specified by the City and/or NDOT; and
- 5.2.1.4 Any other condition intended for the public's health, safety, and welfare.

6.0 Installations, Excavations, and Restorations.

- 6.1 Company shall have the right to excavate in, occupy and use pre-approved Rights-of-Way and public easements for the purpose of installing, erecting, constructing, repairing, maintaining, removing, relocating and operating its Facilities after obtaining any and all appropriate permits from the City, provided, however, that:
 - 6.1.1 Company shall not, pursuant to this Franchise Agreement, place any of its Facilities, on, over, under or within any City park designated as such by the City, but nothing herein contained shall preclude the City from allowing such Facilities on, over, under or within any City park in a manner and means approved by the Public Works Director. The Company shall not place any of its Facilities, on, over, or within the median portion of any boulevard or parkway without first having obtained the prior written consent of the Public Works Director;
 - 6.1.2 Company shall not place any of its above-ground Facilities in any sidewalk area in the Rights-of-Way without the prior written consent of the Public Works Director. Company understands that all above-ground equipment cabinets located in the Rights-of-Way are discouraged and generally prohibited as a matter of City policy, except as otherwise approved in writing by the Public Works Director. Unless otherwise approved as provided above for the Rights-of-Way, any installation of above-ground equipment cabinets will be required to be placed in an easement on private property adjacent to the Rights-of-Way, and will require additional approvals and/or permitting under applicable ordinances. Notwithstanding anything in the foregoing, the installation of below-ground vaults shall be allowed within the Rights-of-Way pursuant to applicable zoning and undergrounding provisions contained in the City Code and provided that Company will be responsible for all costs associated with such below-ground vaults, including without limitation relocation costs of any public improvements or public utilities facilities. Company agrees to comply with the City's current ordinances regarding such installations as well as any future regulations that may be adopted by the City respecting such

installations. In no instance shall the installation of any of Company's Facilities or any appurtenant structures block pedestrian walkways in Rights-of-Way or result in violation of the Americans with Disabilities Act, or obstruct sight visibility as defined by City ordinance or Regional Transportation Commission of Southern Nevada standard drawings;

- 6.1.3 Company shall not place any new poles, which are discouraged, within the City Rights-of-Way without the City's prior written approval. Once installed, at City discretion, the pole becomes City property;
 - 6.1.4 Company shall not attach any of its Facilities to any City-owned Facilities or share any City conduit unless Company has entered into a written agreement with the City for the express rights of attachment and use;
 - 6.1.5 City may limit by day of week and time of day construction affecting street and/or lane closures; and
 - 6.1.6 City reserves the right to assist in the coordination and scheduling of any Company projects where such project may be reasonably coordinated with the placement of other Right-of-Way user's facilities. Otherwise, and subject to City permitting processes and approvals, it is recognized that, notwithstanding the foregoing, the Company retains discretion over the timing of the Company's proposed projects consistent with the terms of this Franchise Agreement.
- 6.2 Whenever work is performed in any Rights-of-Way, Company shall take all reasonable precautions to minimize interruption to traffic flow, damage to property, or creation of a hazardous condition.
- 6.3 After any excavation shall be made and after work is completed pursuant to the provision of this Franchise Agreement, Company, at Company expense shall, as soon as practicable, but not longer than 24 hours, remove all surplus material in compliance with specifications, requirements and regulations of the City in effect at the time of such restoration and restore the portion of the Rights-of-Way. All costs incurred in surplus material removal and restoration, whether done with the City's work forces and equipment or otherwise, shall be paid by Company, including the cost of any inspectors the City may assign to the project.
- 6.4 Company shall reconstruct, replace or restore any landscaping, street or alley, sidewalk, or any water, sewer, sanitary sewer, storm drainage, traffic signal or street light Facility, or any other Facility of the City or of private property owners affected by the Company work, disturbed by Company, whether during a location, relocation or reconstruction of a Facility, within thirty (30) days of written notice by the City, to the condition acceptable to the Public Works Director commensurate with the condition it was in prior to the work, consistent with specifications, requirements and regulations of the City in effect at the time of such restoration. City personnel may be present during any such reconstructing, replacement or

restoration. All costs incurred in surplus material removal and restoration, whether done with the City's work forces and equipment or otherwise, shall be paid by Company, including the cost of any inspectors the City may assign to the project.

- 6.5 Company shall be responsible for the maintenance and repair of all Rights-of-Way impacted by the presence of the Company's Facilities subject to all City Ordinances and within reasonable proximity of and upon which the Company maintains above-ground Facilities, including the removal of weeds and litter.
- 6.6 Company shall install all of its Facilities in the Rights-of-Way in a manner consistent with the Americans with Disabilities Act ("ADA") including Public Rights of Way Accessibility Guidelines ("PROWAG"), including any reconstruction or modification of existing Facilities. Following notice by the City of an ADA violation caused directly or indirectly by Company, Company shall, within thirty (30) days or such other time as the Public Works Director reasonably determines to be appropriate, remedy the ADA violation or problem. Notwithstanding any other language in this Franchise Agreement regarding breach, notice and cure, failure to alleviate such non-compliance is a breach of this Franchise Agreement.
- 6.7 Damages Caused by Company. Company shall, at its sole cost and expense and to the satisfaction of the City:

- 6.7.1 Remove, repair or replace any of its Facilities that are damaged, become detached or have not been used for a period of more than ninety (90) days; and/or
- 6.7.2 Report to the City within 24-hours any damage to Rights-of-Way, municipal facilities or property, whether public or private, caused by Company, its agents, employees or contractors in their actions relating to operation, repair or maintenance of Facilities and immediately undertake any necessary repairs.

If Company does not remove, repair or replace such damage to its Facilities or to Rights-of-Way, municipal facilities or other property within thirty (30) days after receipt of the City's notice to do so, the City shall have the option, upon fifteen (15) days' notice to Company, to perform or cause to be performed such removal, repair or replacement on behalf of Company and shall charge Company for the actual costs incurred by the City. If such damage causes a public health or safety emergency, as determined by the City, the City may immediately perform reasonable and necessary repair or removal work (but not any technical work on Company's Facilities) on behalf of Company and will notify Company as soon as practicable. Upon the receipt of a demand for payment by the City, Company shall within thirty (30) days after such receipt reimburse the City for such costs.

- 6.7.3 The terms of this provision shall survive the expiration, completion or

earlier termination of this Franchise Agreement.

7.0 Location and Relocation of Facilities.

- 7.1 Company shall place all Facilities so that they do not interfere with the use of Rights-of-Way by the City and shall only be placed after approval of the location by the Public Works Director and in accordance with any specifications adopted by the City governing the location of Facilities. City reserves the right to construct, install, maintain and operate any public improvement, work or facility, do any work that City may find desirable on, over, or under any Rights-of-Way, and vacate, alter, or close any Rights-of-Way. All such work shall be done in such manner as not to obstruct, injure or prevent free use and operation of the Company's Facilities. The Company agrees to comply with the Code when locating facilities in Rights-of-Way.
- 7.2 Relocation and Displacement of Facilities. Company understands and acknowledges that upon ninety (90) days' written notice (or with less notice that is reasonable in the event of an emergency) City may require Company to relocate one or more Facility installations. Company shall at City's direction relocate such Facilities at Company's sole cost and expense whenever City reasonably determines that the relocation is needed for any of the following purposes:
- 7.2.1 If required for the construction, modification, completion, repair, relocation, or maintenance of a City or other public agency project. This includes any City funded or City coordinated projects. In addition, this work includes realignment, widening or expanding or existing Rights-of-Way;
- 7.2.2 Because the Facilities are interfering with or adversely affecting proper operation of traffic signals, communications, or other municipal facilities;
or
- 7.2.3 To protect or preserve the public health or safety.
- 7.3 If Company shall fail to relocate any Facilities as requested by the City within ninety (90) days after receipt of the City's notice in accordance with the foregoing provision, or an additional reasonable time under the circumstances, City shall be entitled to remove or relocate the Facilities at Company's sole cost and expense, upon ten (10) days' written notice to Company. Company shall pay to the City actual costs and expenses incurred by the City in performing any removal work and any storage of Company's property after removal within thirty (30) days after the date of a written demand for this payment from the City.
- 7.4 Emergency Relocation, Costs and Contact Number. If an emergency posing a threat to public safety or welfare requires the relocation of Franchisee's Facilities, the City shall give Franchisee notice of the emergency as soon as reasonably practicable. Upon receipt of such notice from the City, Franchisee shall, at its own expense, respond as soon as reasonably practicable to relocate the affected Facilities. Franchisee shall at all times keep the City informed of Franchisee's contact persons

for emergencies and their telephone numbers where they can be reached 24 hours a day.

8.0 Public Works and Improvements.

- 8.1 City reserves the right to construct, install, maintain and operate any public improvement, work or facility and do any work that the City may find desirable on, over, or under any Rights-of-Way or public place. All such work shall be done, if possible, in such manner as not to obstruct, injure or prevent free use and operation of the Company's Facilities.
- 8.2 Whenever City shall excavate or perform any work in any present and/or future Rights-of-Way or public place of the City, or shall contract, for such excavation work, where such excavation or work may disturb but not require removal or relocation of Company's Facilities, the City shall notify the Company sufficiently in advance of such contemplated excavation or work to enable the Company to take such measures as may be deemed necessary to protect such Facilities from damage and possible inconvenience or injury to the public or the City's Rights-of-Way or public place. If the Company cannot take such measures, the Company shall be required to relocate its Facilities in accordance with this Franchise Agreement. In such case, the Company upon request, shall furnish field markings to the City or contractor, as the case may be, showing the location of all its Facilities in the area involved in such proposed excavation or other work.

9.0 Safety Standards. Company Facilities shall at all times be constructed, operated and maintained so as to protect and safeguard the health and safety of the public and to this end Company shall observe all rules pertaining thereto prescribed by any local, state, or federal regulatory authority.

10.0 Security for Performance.

- 10.1 General Requirements. As security for compliance with the terms of this Franchise Agreement and applicable City Code provisions, Company shall, no later than ten (10) days after the issuance of the first permit by the City to install Facilities and prior to any use of the Rights-of-Way, provide security to the City in the form of either cash deposited with the City, or an irrevocable pledge of certificate of deposit, an irrevocable letter of credit, or a performance bond, payable in each instance to the City, in an amount of not less than Two Hundred Fifty Thousand Dollars and 00/100 (\$250,000.00) to remain in full force and effect for the term of this Franchise Agreement, any or all of which may be claimed by the City as payment for liquidated damages assessed in accordance with this Franchise Agreement, and/or to recover losses resulting to the City from Company's failure to perform.
- 10.2 Bond Requirements. If bonds are used to satisfy these security requirements, they shall be in accordance with the following:

10.2.1 All bonds shall, in addition to all other costs, provide for payment of

reasonable attorneys' fees.

- 10.2.2 All bonds shall be issued by a surety company authorized to do business in the State of Nevada, and which is listed in the U.S. Department of the Treasury Fiscal Service (Department Circular 570, Current Revision): companies holding certificates of authority as acceptable sureties on federal bonds and as acceptable reinsuring companies.
- 10.2.3 Company shall require the attorney-in-fact who executes the bonds on behalf of the surety to affix thereto a certified and current copy of his or her power of attorney.
- 10.2.4 All bonds prepared by a licensed nonresident agent must be countersigned by a resident agent per NRS 680A.300.
- 10.2.5 All bonds shall guarantee the performance of all of Company's obligations under this Franchise Agreement and all applicable laws.
- 10.2.6 All bonds shall be substantially in the same form as that contained in **Exhibit B** attached hereto or as otherwise approved by the City.
- 10.3 Replenishment of Security. If at any time the City draws upon such performance security, Company shall within thirty (30) days after written notice from the City replenish such performance security to the original minimum amount required by this Section.
- 10.4 City reserves the right to require additional security should the aggregate bonding value of the open permits for construction within the Public Rights-of-Way exceed performance bond amount.

11.0 Books of Account and Reports; Records.

11.1 Audit

- 11.1.1 The City (or its designated representative) shall have the right to review or audit the Company's books and records in accordance with generally accepted accounting and audit standards regarding any amounts which may be owed under this Franchise Agreement. This right includes the right to review and audit all books and records of revenue which may be reasonably considered by the City to be subject to a business license fee or franchise fee. The City shall give written notice to the Company of any additional amount claimed to be due to the City as a result of the City's review. Such amount due, if any, shall be paid within thirty (30) days following determination by the City that such amount is due and payable.
- 11.1.2 Company shall keep complete and accurate books and records of its business and operations pursuant to this Franchise Agreement in accordance with generally accepted accounting principles and in accordance with the

rules and regulations of the State of Nevada. Pursuant to NRS 268.020, all demands and accounts against the City must be presented to the City in writing within six months from the time the demands or accounts became due.

11.1.3 In the event of an audit, the Company shall provide City specific books, records, contracts, accounts, documents and papers for its operations within the City.

11.1.4 All such books, records, and accounts of the Company shall be retained by the Company for a period of at least five (5) years. The Company shall make such records available to the City (or its designated representative) as are necessary for the City to compile its audit, and the same shall be available for inspection by the City, in the City, upon thirty (30) days' notice from the City.

11.1.5 Upon request by the City (or its designated representative), the Company shall provide to the City by U.S. mail, postage prepaid, a copy of all papers filed by the Company with any federal or state regulatory agency that pertain to the Company's Facilities located in Nevada.

11.2 Other Records Required by Code.

11.2.1 Company will maintain complete records pursuant to the applicable provisions of North Las Vegas Municipal Code Title 5.

11.2.2 Additional Records. The City may require such additional information, records, and documents from Company from time to time as are appropriate in order to reasonably monitor compliance with the terms of this Franchise Agreement. Additionally, the City may require Company to collect supplementary information as needed.

11.3 Production of Records. Company shall provide records within twenty (20) business days after a request by the City for production of the same unless the City agrees to additional time. Company shall not unreasonably deny the City (or its designated representative) access to records covered by this Franchise Agreement, including confidential and proprietary information. Such records shall be made available in the City. Failure to provide records in a timely manner shall subject Company to liquidated damages as provided for herein. If any person other than Company maintains records on Company's behalf, Company shall be responsible for making such records available to the City (or its designated representative) for auditing purposes pursuant to this Section.

12.0 Supplying Maps Upon Request. Company shall maintain on file proposed and actual detailed route maps and as built drawings and operational data pertaining to its operations in the City. The City may inspect the maps and data at any time during business hours. Upon request of the City, the Company shall furnish to the City as soon as practical without charge, current maps in the City's GIS format or compatible database, showing the location and dimension of any

existing Facilities and proposed Facilities, but not other proprietary information, used in operating the Company's Facilities within the City of Las Vegas served by the Company.

13.0 Rates. The rates to be charged by the Company for the Services shall comply with the appropriate local, state or federal regulatory authority, or any other governmental official, commission or body having jurisdiction. If no governmental official, or body had rate setting jurisdiction, the Company may set rates to be charged at its sole discretion. To the extent that the City may be entitled to set fees and charges for the Services, the City reserves the right to regulate the rates, fees, charges, deposits and associated terms and conditions for the Services to the fullest extent permitted by applicable law with appropriate procedural due process.

14.0 Franchise Not Exclusive. The franchise granted shall not be exclusive and shall not be construed as a limitation on the City.

15.0 Assignment of Franchise. Company shall not transfer or assign any rights under this Franchise Agreement or lease total capacity of its system or Network to another entity unless the City shall first be given the opportunity to review the financial, technical and operational qualifications of such entity and thereafter give its approval or denial in writing. City shall not unreasonably withhold approval. This prohibition shall not apply if Company or its total Network or system capacity is transferred, assigned, or sold to a parent, subsidiary, or affiliate. This prohibition shall apply to assignments made or security interests granted in order to secure financing; however, Company agrees to provide at least thirty (30) days' advance notice of any such transfer, assignment or sale. The City shall have the discretion to review the financial, technical and operational qualifications of the affiliate.

16.0 Additional City Rights. Pursuant to the City Charter and applicable State statute, the right and privilege of the City to construct, purchase or condemn a public utility or telecommunications provider located within or without the boundaries of the City is expressly recognized herein.

17.0 Equal Opportunity and Affirmative Action. Company is committed to stimulating and strengthening the participation of minorities and women within the Company and is also committed to the principle that the success and economic well-being of the Company are related closely to the economic strength and vigor of the communities and people it serves.

18.0 Indemnification. Company agrees to indemnify, defend, protect, and hold harmless the City, its elected officials, officers, and employees from and against any and all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, and all costs and expenses by reason of the construction, maintenance and operation of its Facilities, and conduct of business, or any way arising out of performance under this Franchise Agreement, directly, or indirectly, when or to the extent injury is caused, or alleged to have been caused, wholly or in part, by any act, omission, negligence, or misconduct of the Company or any of its contractors, subcontractors, officers, agents, or employees, or by any person for whose act, omission, negligence, or misconduct, the Company is by law responsible.

This provision is not intended to create liability for the benefit of third parties but is solely for the benefit of the Company and the City. In the event any claim is made against the City that falls under this indemnity provision and a Court of competent jurisdiction should adjudge, by final

decree, that the City is liable therefor, the Company shall indemnify and hold the City harmless of and from any such liability, including any court costs, expenses, and Reasonable Attorney Fees incurred by the City in defense thereof and incurred at any stage, except to the extent that the City failed to provide notice thereof to Company, and tender defense of the same to Company, and said failure materially impaired Company's ability to undertake the defense thereof. Upon commencement of any suit, proceeding at law or in equity against the City relating to or covering any matter covered by this indemnity, wherein the Company has agreed by accepting this Franchise Agreement, to indemnify and hold the City harmless, or to pay said settlement, final judgment and costs, as the case may be, the City shall give the Company immediate notice of such suit or proceeding; whereupon the Company shall provide a defense to any such suit or suits, including any appellate proceedings brought in connection therewith, and pay as aforesaid, any settlement, costs or judgments that may be rendered against the City by reason of such damage suit.

Upon failure of the Company to comply with the "defense of suit" provisions of this Franchise Agreement, after reasonable notice to it by the City, the City shall have the right to defend the same and in addition to being reimbursed for any settlement or judgment that may be rendered against the City, together with all costs incurred therein, the Company shall reimburse the City Reasonable Attorney Fees, including those employed by the City in such case or cases, as well as all expenses incurred by the City by reason of undertaking the defense of such suit or suits, whether such suit or suits are successfully defended, settled, comprised, or fully adjudicated against the City. In the event the City is compelled to undertake the defense of any such suit by reason of the Company's failure to perform as here and above provided, the City shall have the full right and authority to make or enter into any settlement or compromise of such adjudication as the governing body shall deem in the best interest of the City, this without the prior approval or consent of the Company with respect to the terms of such compromise or settlement.

19.0 Insurance.

- 19.1 Company shall obtain and maintain at all times during the term of this Franchise Agreement Commercial General Liability insurance and Commercial Automobile Liability insurance covering Company's operations in an amount not less than Two Million Dollars (\$2,000,000) per occurrence (combined single limit), including bodily injury and property damage, and in an amount not less than Five Million Dollars (\$5,000,000) annual aggregate for each personal injury liability and products-completed operations. The Commercial General Liability insurance policy shall name the City, its Council members, elected and appointed officers, boards, commissions and employees as additional insureds as respects any covered liability arising out of Company's performance of work under this Franchise Agreement. Coverage shall be in an occurrence form and in accordance with the limits and provisions specified herein. Claims-made policies are not acceptable. Such insurance shall not be canceled, nor shall the occurrence or aggregate limits set forth above be reduced, until the City has received at least thirty (30) days' advance written notice of such cancellation or change. Company shall be responsible for notifying the City of such change or cancellation.

If any work authorized under this Franchise Agreement is performed by a contractor or subcontractor hired by Company, then these insurance requirements shall also be met by said contractor or subcontractor. The insurance required hereunder shall not be interpreted to relieve Company of any indemnity or obligation under this Franchise Agreement. Company shall remain fully liable for all deductibles and amounts in excess of the coverage actually realized. All insurance and requirements in any form or manner is subject to approval and acceptance by the City.

If Company utilizes umbrella or excess policies to meet limit requirements, these policies must “follow form” and afford no less coverage than the primary policy. If utilized, Company shall waive all rights of recovery and its insurers also waive all rights of subrogation of damages against the City for damages covered by Umbrella or Excess Liability obtained by Company as required by City.

- 19.2 Filing of Certificates and Endorsements. Prior to the commencement of any work pursuant to this Franchise Agreement, Company shall file with the City original certificate(s) of insurance evidencing the coverages and limits required by this Section 24 which shall state the following:

19.2.1 The policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts;

19.2.2 That the City shall receive thirty (30) days’ prior notice of cancellation;

19.2.3 That Company’s Commercial General Liability insurance policy is primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance; and

19.2.4 That Company’s Commercial General Liability insurance policy waives any right of recovery the insurance company may have against the City.

19.2.5 The certificate(s) of insurance shall be mailed to the City at the address specified in Section 40 below. Company shall promptly deliver to the City a certificate of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the terms specified herein.

- 19.3 Workers’ Compensation Insurance. Company shall comply with the provisions of NRS Chapters 616A through 616D regarding industrial insurance and, if required to maintain coverage for employees, Company shall obtain and maintain at all times during the term of this Franchise Agreement statutory workers’ compensation and employer’s liability insurance in an amount not less than the greater of (a) any amounts required by Nevada state law or (b) One

Million Dollars (\$1,000,000) and shall furnish the City with a certificate showing proof of such coverage.

- 19.4 **Insurer Criteria.** Any insurance provider of Company shall be admitted and authorized to do business in the State of Nevada and shall carry a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A" Overall and a Financial Size Category of "X" (i.e., a size of \$500,000,000 to \$750,000,000 based on capital, surplus, and conditional reserves). Insurance policies and certificates issued by non-admitted insurance companies are not acceptable.
- 19.5 **Severability of Interest.** Any deductibles or self-insured retentions must be stated on the certificate(s) of insurance, which shall be sent to and approved by the City. "Severability of interest" or "separation of insureds" clauses shall be made a part of the Commercial General Liability and Commercial Automobile Liability policies.

20.0 Default; Cure; Remedies; Liquidated Damages; Removal Order.

- 20.1 **Default and Notification.** This Franchise Agreement is granted upon each and every condition herein and each of the conditions is a material and essential condition to the granting of this Franchise Agreement. If Company fails to comply with any of the conditions and obligations imposed hereunder, and if such failure continues for more than fifteen (15) days after written demand from the City to commence the correction of such noncompliance on the part of Company, the City shall have the right to revoke and terminate this Franchise Agreement in addition to any other rights or remedies set forth in this Franchise Agreement or provided by law.
- 20.2 **Cure Period.** If the nature of the violation is such that it cannot be fully cured within thirty (30) days due to circumstances not under Company's control, the period of time in which Company must cure the violation may be extended by City in writing for such additional time reasonably necessary to complete the cure.
- 20.3 **Liquidated Damages.** If Company fails to cure any noncompliance with the terms and conditions of this Franchise Agreement within the time allowed under Subsections 20.1 and 20.2 above, after the City gives Company reasonable written notice of such noncompliance, and an opportunity to be heard by the City Manager, the City may assess the following liquidated damages for such noncompliance:
- 20.3.1 Failure to comply with the City's requirements concerning actual usage of the Rights-of-Way or municipal facilities, including but not limited to any defaults resulting in construction-delay claims against the City: \$500.00 per day, for each day such failure continues.
- 20.3.2 Failure to comply with any other provisions of this Franchise Agreement, including but not limited to failure to promptly provide data, documents, reports, or information to the City, or to provide insurance or security for the performance of Company's obligations hereunder: \$100.00 per day, for

each day such failure continues.

- 20.4 Payment of Damages. Any liquidated damages assessed pursuant to this Section shall be due and payable by check mailed or delivered to the City not later than thirty (30) days after the City provides Company with notice of the assessment.
- 20.5 Remedy not Penalty. Company agrees that any failures in Subsection 20.3 above shall result in injuries to the City and its citizens and institutions, the compensation for which would be difficult to ascertain and prove, and that the amounts specified in Subsection 20.3 are liquidated damages, not a penalty or forfeiture.
- 20.6 Removal Order. In addition to the rights under this Section, the City, upon any termination, may, at its sole discretion, direct the Company to remove, at the Company's sole cost and expense, any or all of the Facilities from all Rights-of-Way within the City, subject to the following:
- 20.6.1 City may determine that removal of buried fiber optic cable, or conduit, is not necessary;
- 20.6.2 In removing any part of the Facilities, Company shall refill and compact, at its own expense, any excavation that shall be made by it and shall leave all Rights-of-Way in as good a condition as that prevailing prior to the Company's removal of the Facilities;
- 20.6.3 City shall have the right to inspect and approve the conditions of the streets after removal has occurred;
- 20.6.4 The removal shall commence within thirty (30) days of an order to remove being issued by the City Manager or the City Manager's designee at the City Council's direction;
- 20.6.5 Company shall be responsible for all necessary removals of the Facilities, and restoration of the affected area in the same manner and degree as if the Facilities were in active use, and the Company shall retain all liability associated with such removals.
- 20.6.6 In its sole discretion, City may allow Company to abandon its Facilities in place and transfer ownership of the installed Facilities to the City. Nothing herein shall cause the City to incur any costs related to the removal of the Company's Facilities or the transfer of ownership of said Facilities to the City.

21.0 Severability Clause. If any section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Franchise Agreement is for any reason, held invalid, unenforceable or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity or enforceability of the remaining portions of this Franchise Agreement. The Council hereby declares that it would have approved this Franchise Agreement and each portion thereof

irrespective of any provision being declared unconstitutional or otherwise invalid.

22.0 Public Purpose. All of the regulations provided in this Franchise Agreement are declared to be for a public purpose and the health, safety, and welfare of the general public. Any member of the governing body or City official or employee charged with the enforcement of this Franchise Agreement, acting for the City in the discharge of his duties, shall not thereby render himself personally liable; and he is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his said duties. Neither the City nor the Company by accepting this Franchise Agreement waives its right to seek all appropriate legal and equitable remedies as allowed by law upon violation of the terms of this Franchise Agreement, including seeking injunctive relief in a court of competent jurisdiction. Such right to injunctive relief is expressly reserved and all terms and provisions hereof shall be enforceable through injunctive relief.

23.0 Applicable Law. This Franchise Agreement shall be governed and construed by and in accordance with the laws of the State of Nevada, without reference to its conflicts of law principles. If suit is brought by a Party to this Franchise Agreement, the Parties agree that trial of such action shall be vested exclusively in federal or state courts located in Clark County, Nevada.

24.0 Attorneys' Fees and Costs. Should any dispute arising out of this Franchise Agreement lead to litigation, the prevailing Party shall be entitled to recover its costs of suit, including (without limitation) reasonable attorneys' fees.

25.0 Nevada Public Utilities Commission and Charter Requirement. This Franchise Agreement is subject to and contingent upon the Company complying with all applicable rules and regulations of the Public Utilities Commission of Nevada (PUCN) and the City Council conducting a public hearing and granting a Franchise Agreement to Company in accordance with Section 7.020 of the City Charter.

26.0 Compliance with Applicable Laws. Company shall at all times comply with federal, state and local laws, rules and regulations concerning the provision of Telecommunication Services, including all applicable FCC and PUCN rules, regulations and orders.

27.0 Representations and Warranties. Company warrants that it is a provider of Telecommunications Services under Title 47 of the United States Code. Each Party represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform the Party's respective obligations hereunder and that such obligations shall be binding upon such Party without the requirement of the approval or consent of any other person or entity in connection herewith.

28.0 Performance of Acts on Business Days. Any reference in this Franchise Agreement to time of day refers to local time in Nevada. All references to days in this Franchise Agreement refer to calendar days, unless stated otherwise. Any reference in this Franchise Agreement to a "business day" refers to a day that is not a Friday, Saturday, Sunday or observed as a holiday by City. If the final date for payment of any amount or performance of any act required by this Franchise Agreement falls on a Friday, Saturday, Sunday or holiday, that payment is required to be made or act is required to be performed on the next business day.

29.0 Agreement Amendment; Assignment. This Franchise Agreement may not be amended except pursuant to a written instrument signed by both parties. This Franchise Agreement shall not be assigned by Company without the express written consent of the City.

30.0 Entire Agreement. This Franchise Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements, or understandings (whether oral or written) between or among the parties relating to the subject matter of this Franchise Agreement which are not fully expressed herein.

31.0 Public Records. Company acknowledges that information submitted to the City is subject to public inspection and copying under Nevada Public Record Law, Chapter 239 of the Nevada Revised Statutes.

32.0 Non-Exclusive Remedies. No provision in this Franchise Agreement made for the purpose of securing enforcement of the terms and conditions of this Franchise Agreement shall be deemed an exclusive remedy or to afford the exclusive procedure for the enforcement of said terms and conditions, but the remedies herein provided are deemed to be cumulative.

33.0 No Third-Party Beneficiaries. Except as otherwise provided in this Franchise Agreement, it is not intended by any of the provisions of this Franchise Agreement to create for the public, or any member thereof, a third-party beneficiary right or remedy, or to authorize anyone to maintain a suit for personal injuries or property damage pursuant to the provisions of this Franchise Agreement. The duties, obligations, and responsibilities of the City with respect to third parties shall remain as imposed by Nevada law.

34.0 Construction of Agreement. The terms and provisions of this Franchise Agreement shall not be construed strictly in favor of or against either Party regardless of which Party drafted any of its provisions.

35.0 Effect of Acceptance. Company accepts and agrees to comply with this Franchise Agreement and all applicable federal, state, and local laws and regulations.

36.0 Incorporations. Company's application for franchise (including exhibits), all the provisions of City of North Las Vegas Municipal Code Chapter 12.20, and any exhibit identified in this Franchise Agreement are incorporated into this Franchise Agreement.

37.0 Notices and Company Contact. Any communication required or permitted to be given under this Franchise Agreement ("Notices") shall be in writing and shall be (1) personally delivered, or (2) delivered by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, or by nationally recognized trackable overnight courier. Notices shall be deemed received upon actual receipt. Notices shall be directed to the parties at their respective addresses shown below, or such other address as either Party may, from time to time, specify in writing.

For the purpose of this Franchise Agreement, notice to the City will be to:

City of North Las Vegas
Attn: Marie Leake
2250 Las Vegas Blvd. North, Suite 837
North Las Vegas, NV 89030

For the purpose of this Franchise Agreement, notice to the Company will be to:

Light Communications, LLC
Jeffrey York
200 Ottawa Ave N.W.
Suite 900
Grand Rapids, MI 49503

Company shall be available to the City regarding problems or complaints resulting from the attachment, installation, operation, maintenance, or removal of the Company's Facilities 24 hours a day, 7 days a week. City may contact Company at 1-844-539-1805 regarding such problems or complaints.

[LEFT BLANK INTENTIONALLY AND SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Franchise Agreement to be legally executed as of the first date written above.

CITY OF LAS NORTH VEGAS

Pamela Goynes-Brown, Mayor

Light Source Communications, LLC, a
Michigan Limited Liability Company,
authorized to do business in the State of
Nevada

Debra Freitas
CEO

Date

7/10/24

Attest:

Jackie Rodgers
City Clerk

Date

Approved as to form:

Andy Moore
Acting City Attorney

Date

Light Source Communications, LLC's Telecommunications and Broadband Franchise Agreement

#UMRMJW3X0DRUK3v1

Exhibit A

Underground Facilities Standards and Guidelines

1) Purpose & Background.

The City of North Las Vegas (“City”) desires to promote the use of micro-trenching for installation of fiber-optic cable pursuant to North Las Vegas Municipal Code Title 12 and the these Underground Facilities Standards and Guidelines (“Standards”) to minimize pavement cuts to City streets. These Standards are established to describe the means and methods by which a Company will be permitted to install ducts for fiber-optic cable within the City rights-of-way by means of micro-trenching.

2) Definitions.

The following terms are defined for purposes of these Standards:

“CCAUSD” is and refers to the Clark County Area Uniform Standard Drawings.

“Company” is and refers to Light Source Communications, LLC.

“DCSWCS” is and refers to the Design and Construction Standards for Wastewater Collection Systems.

“Director” means the Director of Public Works for the City of North Las Vegas or his/her designee.

“Duct” means one enclosed pathway or pipe used for the installation of fiber-optic cable, whether installed separately or within a larger conduit.

“Excess capacity” means additional unused ducts available for fiber-optic cable installation in existing duct infrastructure or conduit, or installed with Company’s new micro-trenching duct(s) that are not intended to be used by the Company or for the Company’s business. Each excess capacity duct must be no smaller than the largest duct that is reserved for use by the Company.

“Shadow Duct” means one excess capacity duct reserved solely for use by the City for the City’s direct benefit.

“UDACS” is and refers to the Uniform Design and Construction Standards for Potable Water Systems.

3) Micro-trenching Authorization.

a) Company shall make every commercially reasonable attempt to place fiber in existing duct(s) or traditional conduit(s), before proposing new micro-trenching locations for City review.

- b) Fiber-optic cable must be placed pursuant to CCAUSD 501.1 (*see* attached) when located underground on arterial and major collector roadways as identified in the 2 Master Transportation Plan ("MTP"), or as required by the Director at his/her sole discretion.
- c) The Company shall make one shadow duct of excess capacity available without charge or fee to the City for installation of fiber-optic cable for use by the City for the City's direct benefit.
- d) The Company may install additional ducts of excess capacity to make available to any telecommunications Licensee for installation of fiber-optic cable to serve the telecommunications Licensee's business or customers.
- e) Company shall provide a map in CAD or GIS file format showing the street location of the ducts including the side of the street the ducts are on, the beginning and ending of the ducts, the number of ducts, and the number of ducts of excess capacity. The map must accurately reflect the addresses of buildings that are passed by the ducts. The map may be made public, by itself or in aggregation with other maps, at the sole discretion of the Director.

4) Construction.

- a.) A copy of this Agreement and all required construction permits must be kept on the job site during construction.
- b.) Company shall solely be responsible for the work performed and maintained thereof. The Department will contact the Company for required adjustments or corrections regardless of whether the Company performed the work itself or subcontracted and assigned the work.
- c.) Inspections for all work shall be done in accordance with Section 6 herein.
- d.) Company shall ensure that all micro-trench repair will be done by conventional repair methods, or, if done by alternate methods and repaired by using a method as shown in the attached Standard Drawings, then the Company must warranty the repair for the life of this Agreement.
- e.) If the micro-trench requires repair before the remainder of the roadway qualifies for resurfacing as determined solely by the Director, then Company will be responsible for making subsequent repairs pursuant to the attached drawings. Should Company fail to maintain, repair, or reconstruct any such surface within ten (10) days after written notice from the Director, the Department may have such surface repaired or reconstructed and will charge the cost of repair, including any costs associated with the use of any like materials used in restoration to Company.
- f.) The Company must maintain the condition of the surface over the repair area in as good or better condition as the remainder of the street, alley, sidewalk, or right-of-way, and must repair or reconstruct the surface as often as may be necessary by conventional patch repair methods or approved alternative repair methodology as shown in the attached Standard Drawings. Should the condition of the restoration become such that additional pavement is in jeopardy of failure, then Company may be held responsible for an area larger than the original repair at the sole discretion of the Director.

5) Micro-trench Specifications.

- a.) Micro-trenching must follow these specifications and the Standard Details in attached drawings. Any deviation from these engineering specifications and Standard Details will be considered on a case-by-case basis by the Director and must be approved in writing prior to commencing construction.
- b.) All requirements of the Clark County Area Uniform Standard Drawings, Clark County Area Uniform Standard Specifications, and City of North Las Vegas Development Code must be complied with except as specifically permitted in this Agreement. Requests that involve placement of ducts within the right of way must comply with the following supplementary requirements for micro-trenching.
- c.) The micro-trenching Contractor must acquire a Dry Utility Permit and Traffic Control Permit from the City prior to commencing work per City of North Las Vegas Municipal Code, Title 12.
- d.) If requested in writing, City will notify the Company of the upcoming year's paving and infrastructure maintenance plans at least thirty (30) days prior to commencing work to allow the Company ample time to relocate or protect its utility prior to construction.
- e.) All micro-trench installed ducts must be able to be located by calling 811 or Call Before You Dig.
- f.) At no cost to City, Company must provide permanent on-going maintenance to the fiber routes in the project areas. Maintenance must include providing materials and labor to properly maintain, in good condition, pavement, sidewalks, curbs, curbs and gutters, shoulders, and softscape areas (dirt and landscaping), vaults and covers affected by Company's micro-trenching and facilities, pursuant to City standards.
- g.) At no cost to City, Company must replace any fiber/duct that is damaged or destroyed due to any infrastructure maintenance or installation activities performed by the City. This also includes those activities necessary to maintain stormwater infrastructure, water distribution, sanitary sewer, sidewalk, roadway, paving, signal installation, or other activities that may commence at the sole discretion of City.
- h.) At no cost to City, Company must replace all existing fiber/duct damaged or destroyed in the shoulder of the roadway or ditch lines within the City rights-of-way.
- i.) City will not be responsible for any damage to, or resulting from, the installation of duct construction activities by Company, its contractors, and/or others within project areas.
- j.) Company agrees that it will not hold responsible City residents or their contractors who may damage fiber ducts installed using micro-trench installation methods.

k.) Company agrees to conform to the City Standards and the Clark County Area Uniform Standard Specifications and Uniform Standard Drawings. Any proposed changes will be at the sole discretion of the City.

l.) If at any time the City determines that a micro-trench is found to be failing or in disrepair, Company will be contacted and will be required to make subsequent repairs, including any surface deviations equal to 1/8" or greater.

m.) Prior to the placement of any backfill, the Company must schedule inspections pursuant to Section 6.

n.) Company's contractors must notify City inspection personnel at (702) 633-1331 at least one (1) working day prior to the request for inspection.

o.) Existing pavement, bases, curbs and gutters, and sidewalks must be cut and brought to a neat line by use of an air hammer, saw, or other suitable equipment. All expansion joints removed must be replaced with like materials or a mastic approved by the City. Boring will be required beneath valley gutters, spandrels, and any radius that cannot be achieved with micro-trenching.

p.) Company is responsible for submitting and obtaining the standard Dry Utility Permit and Traffic Control Permit at: eg.cityofnorthlasvegas.com prior to the start of any construction.

q.) The Contractor will be liable and responsible for all micro-trenching excavations in the roadway, which may be a hazard to the pedestrian, bicycle, and non-vehicular community.

r.) Micro-trenches are required to be installed in the following locations:

- i.) Where curbing exists, the micro-trench must be installed at the back of curb. Where a sidewalk exists at the back of curb, the micro-trench must be at the expansion joint at the edge of the sidewalk. Where no sidewalk exists, the micro-trench must be at the edge of the softscape abutting the curb.
- ii.) Where the back of curb is at the edge of the right-of-way, or the back of curb is not available, micro-trenching may be allowed within the pavement at the lip of gutter with written permission of the Director.
- iii.) Any subsequent (*e.g.*, second, third, fourth) micro-trench must be located in one of the locations in subsections i. and ii. of this Section, if available, or on the opposite side of the street if approved by the Director.
- iv.) In rural preservation areas, where no curb or gutter exists, the micro-trench must be within six to twenty-four (6-24) inches of the edge of pavement as shown in the attached drawings.

- v.) v.) Any micro-trenching proposed at an alternate locations, where none of the above options are available, will be evaluated on a case-by-case basis and must be approved in writing at the sole discretion of the Director.
- vi.) s.) All micro-trenching must be linear in nature and have a shape consistent with the roadway's horizontal alignment.
- t.) All micro-trenching must meet minimum separations from wet utilities pursuant to UDACS and DCSWCS.
- u.) All alternate micro-trench locations within the pavement, not installed at the lip of gutter, shall require full lane width mill and paving by the Company (*see* Pavement Repair Specification CCAUSD 500.1, 500.2, 500.3, 500.4, and 500.5). In areas without street parking, half road mill paving will be required.
- v.) Transverse street crossings shall be at a 90-degree angle to the street centerline and are limited to one transverse street crossing per block or a minimum spacing of every 500 feet. Company shall place crossings at the edge of valley gutters where available in the vicinity of any proposed crossing.
- w.) Company shall be responsible for potholing prior to construction to determine any utility conflicts.
- x.) Company shall be responsible for verifying all utility depths.

6) Inspections.

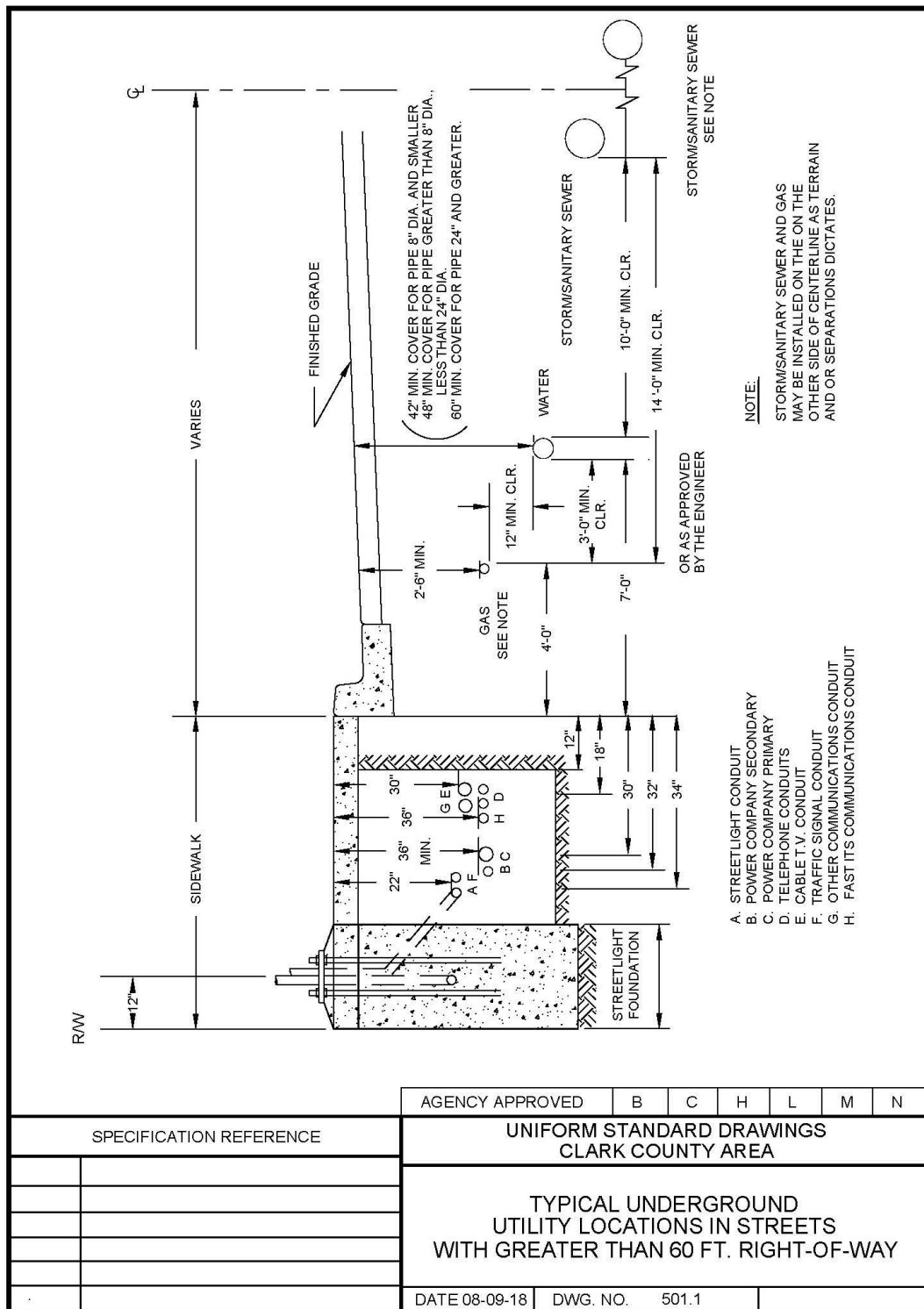
All micro-trenching installations must pass the following inspections completed by City:

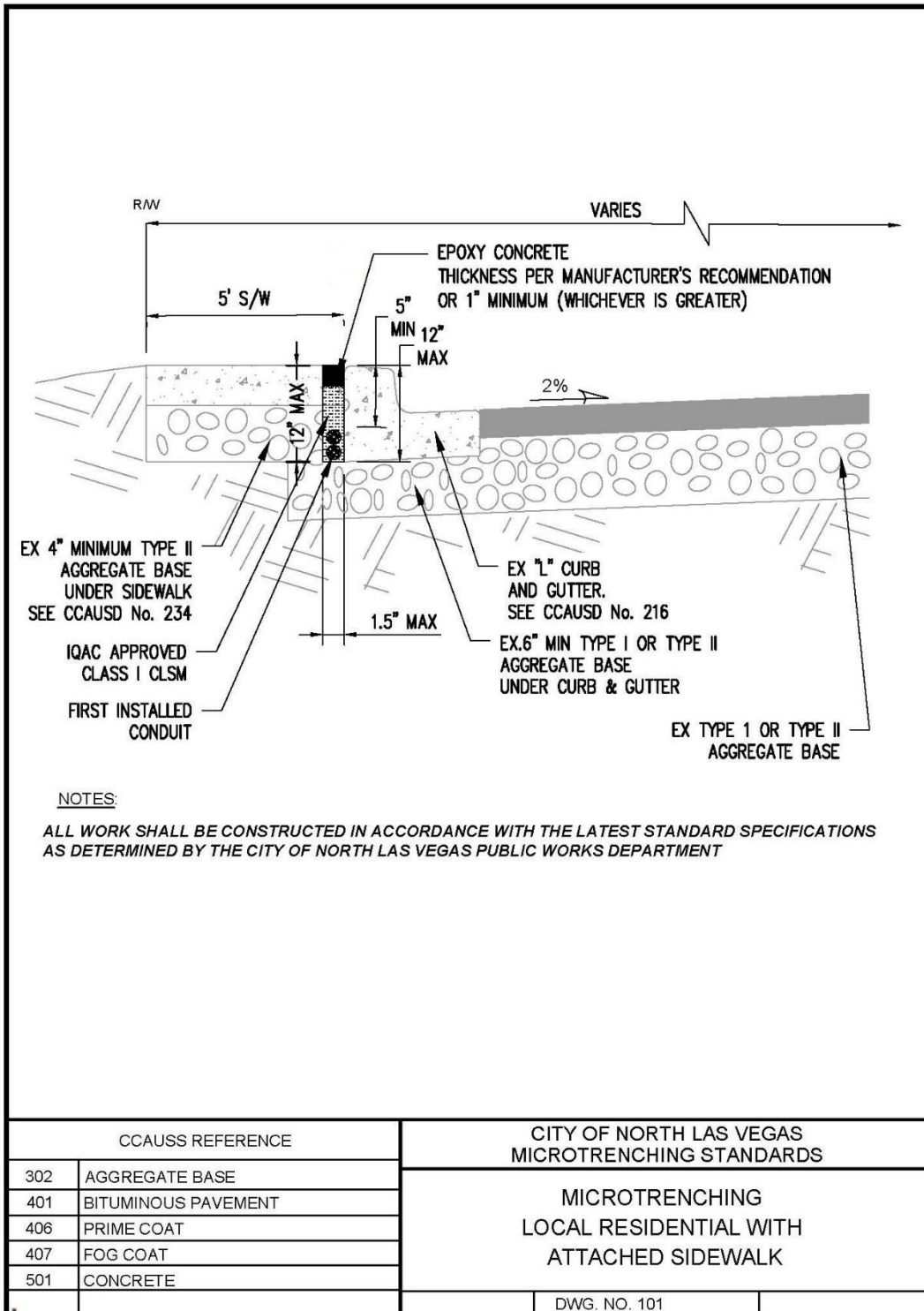
- a.) Detached sidewalk:
 - i.) Layout Inspection/Field Meet
 - ii.) Excavation Inspection
 - iii.) Backfill Inspection
 - iv.) Surface Treatment Inspection
 - v.) Final Completion
- b.) Attached sidewalk back of curb:
 - i.) Layout Inspection/Field Meet
 - ii.) Excavation Inspection
 - iii.) Backfill Inspection
 - iv.) Surface Treatment Inspection
 - v.) Final Completion
- c.) Lip of curb:
 - i.) Layout Inspection/Field Meet
 - ii.) Excavation Inspection
 - iii.) Backfill Inspection
 - iv.) Surface Treatment Inspection

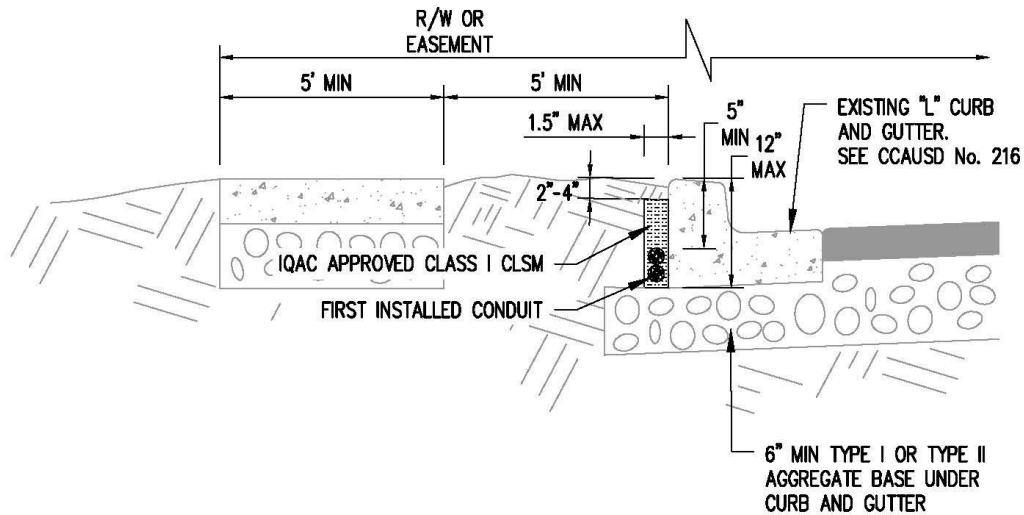
- v.) Patching Inspection
- vi.) Final Completion

7) Removal of Ducts.

Method of removal of ducts will be approved by the Director.



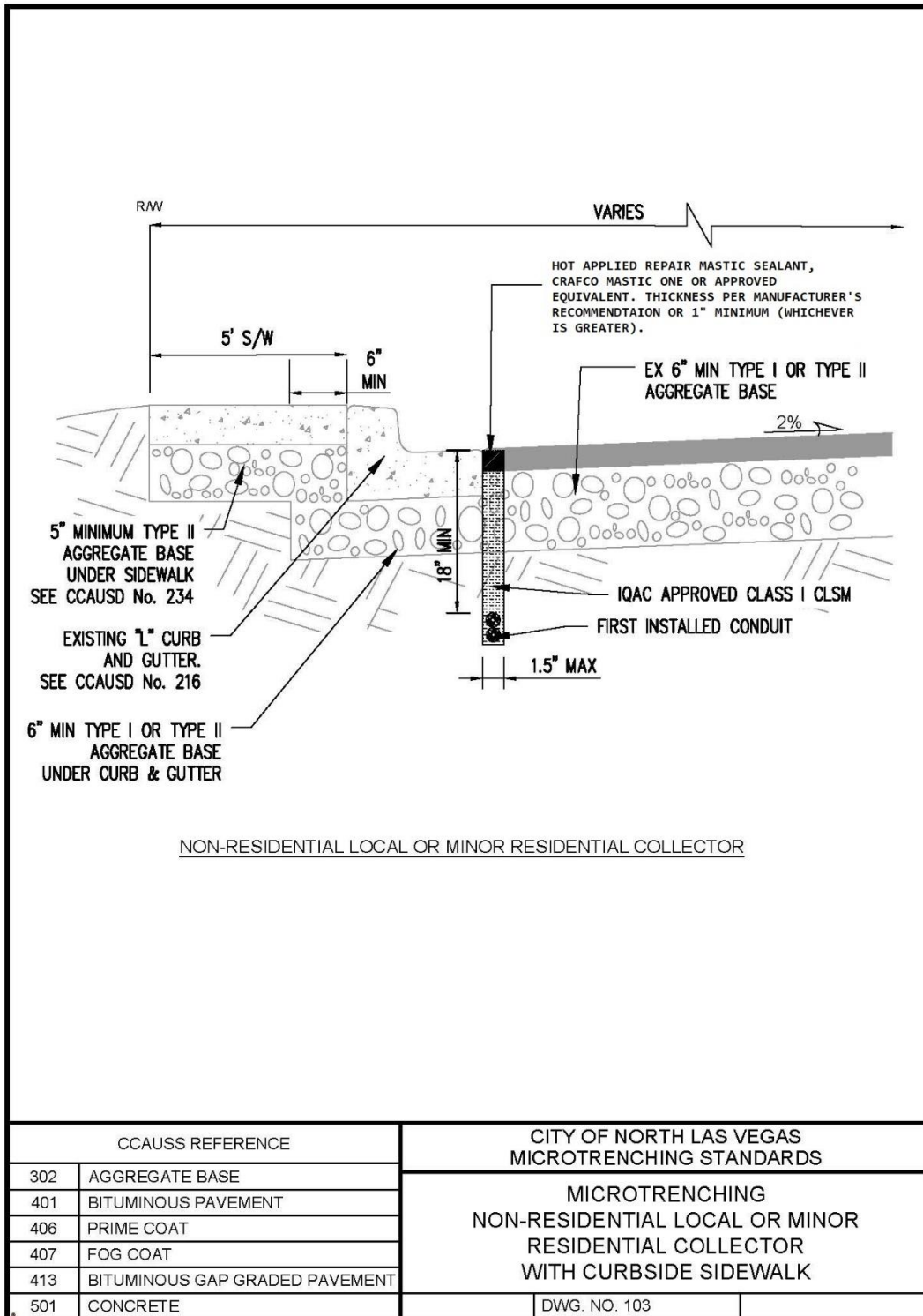


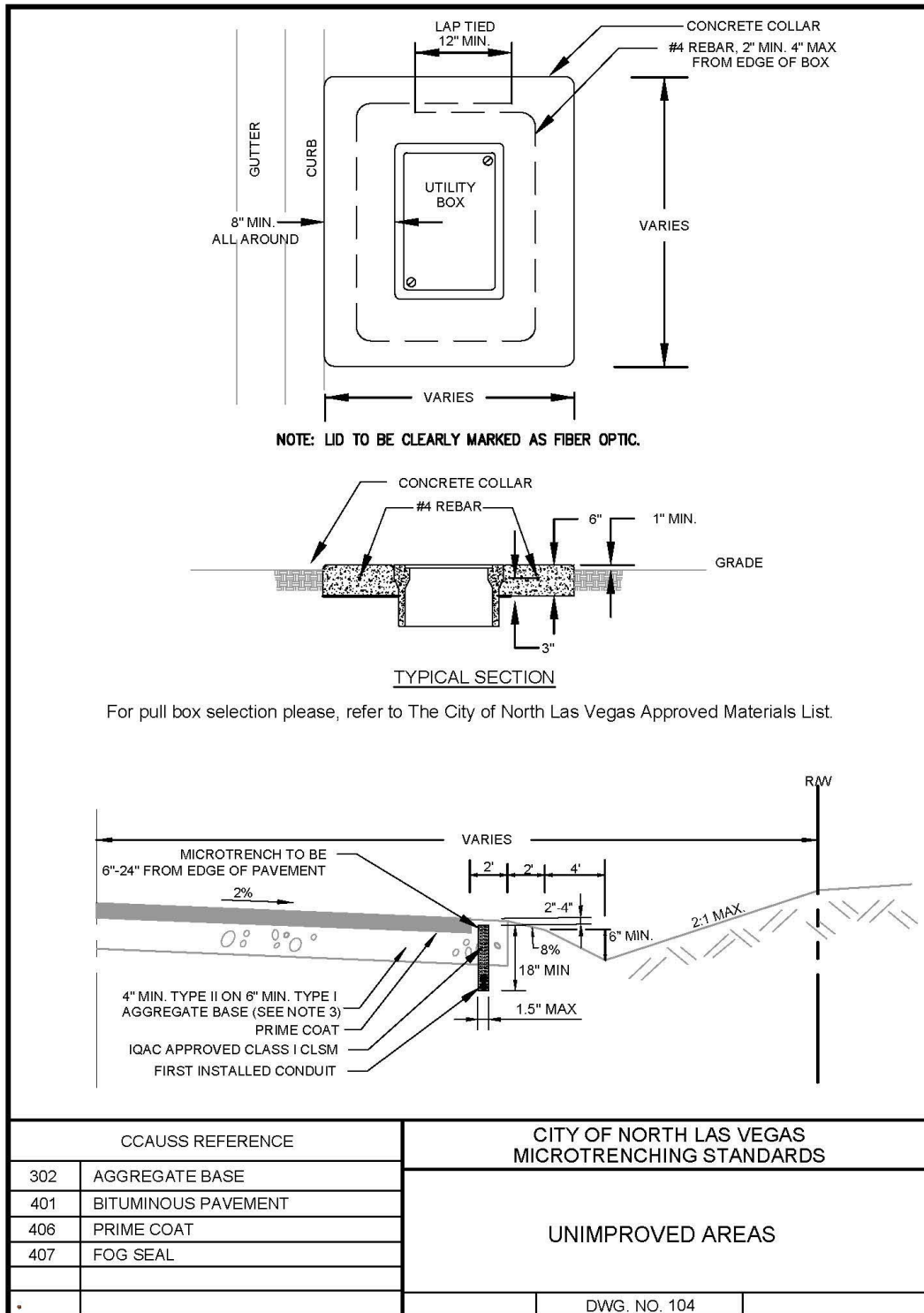


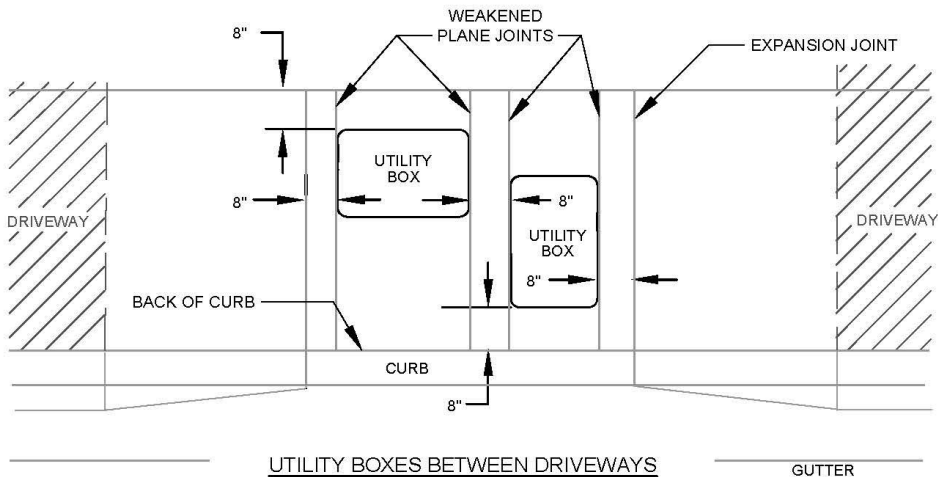
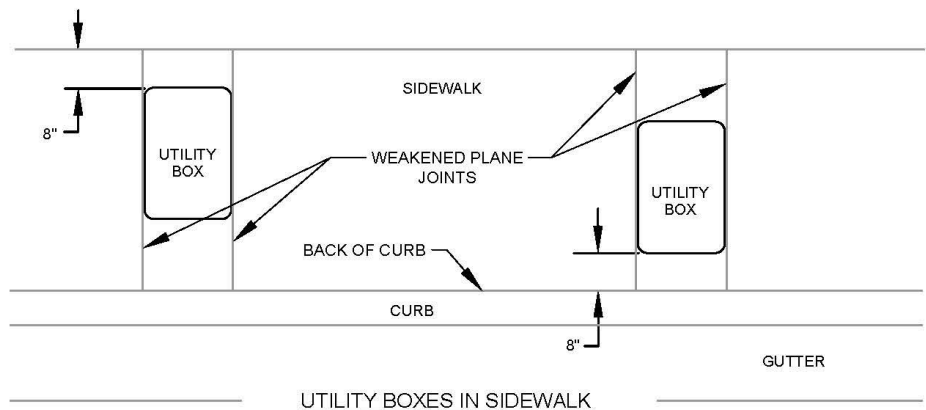
NOTES:

ALL WORK SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE LATEST STANDARD SPECIFICATIONS AS DETERMINED BY THE CITY OF CITY OF NORTH LAS VEGAS PUBLIC WORKS DEPARTMENT

CCAUSS REFERENCE		CITY OF NORTH LAS VEGAS MICROTRENCHING STANDARDS	
302	AGGREGATE BASE	MICROTRENCHING DETACHED SIDEWALK	
401	BITUMINOUS PAVEMENT		
403	OPEN GRADE		
413	BITUMINOUS GAP GRADED PAVEMENT		
501	CONCRETE		
		DWG. NO. 102	

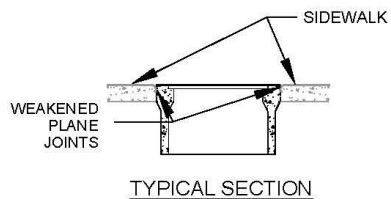




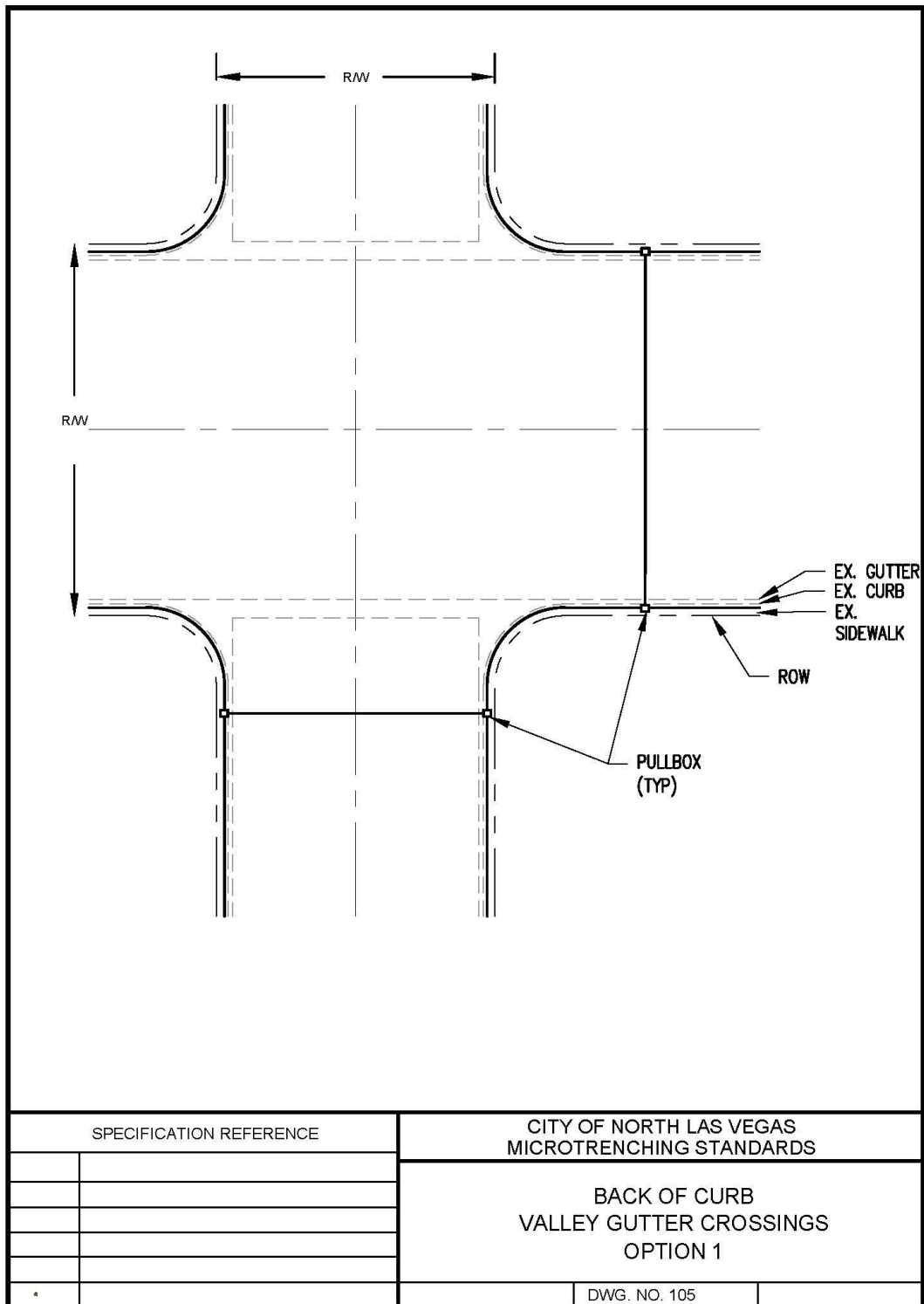


NOTES

1. PROVIDE A MINIMUM OF 8" AROUND ALL BOXES. ANY BOX SHALL NOT BE PLACED WITHIN 3'-3" OF FIRE HYDRANTS IN DRIVEWAYS OR DRIVEWAY APRONS. THIS DRAWINGS IS NOT INTENDED TO LIMIT THE NUMBER OF BOXES BETWEEN DRIVEWAYS TO TWO.
2. FOR WATER SERVICE BOXES, REFER TO UDACS PLATE 1-7.
3. WHEN INSTALLED WITHIN PEDESTRIAN ACCESS ROUTES, TOP OF MANHOLE COVERS SHALL HAVE NO VERTICAL SURFACE DISCONTINUITIES GREATER THAN 1/4" WITH ADJACENT SURFACE, HAVE NO GAPS GREATER THAN 1/2" REGARDLESS OF CONSTRUCTION TOLERANCES, AND BE FIRM, STABLE, AND SLIP RESISTANT.



		AGENCY APPROVED						
		B	C	H	L	M	N	R
SPECIFICATION REFERENCE		UNIFORM STANDARD DRAWINGS CLARK COUNTY AREA						
505	REINFORCING STEEL	UTILITY PULL BOX LOCATIONS SIDEWALK AND BETWEEN DRIVEWAYS						
623	TRAFFIC SIGNALS & STREETLIGHTING							
		DWG. NO. 328						



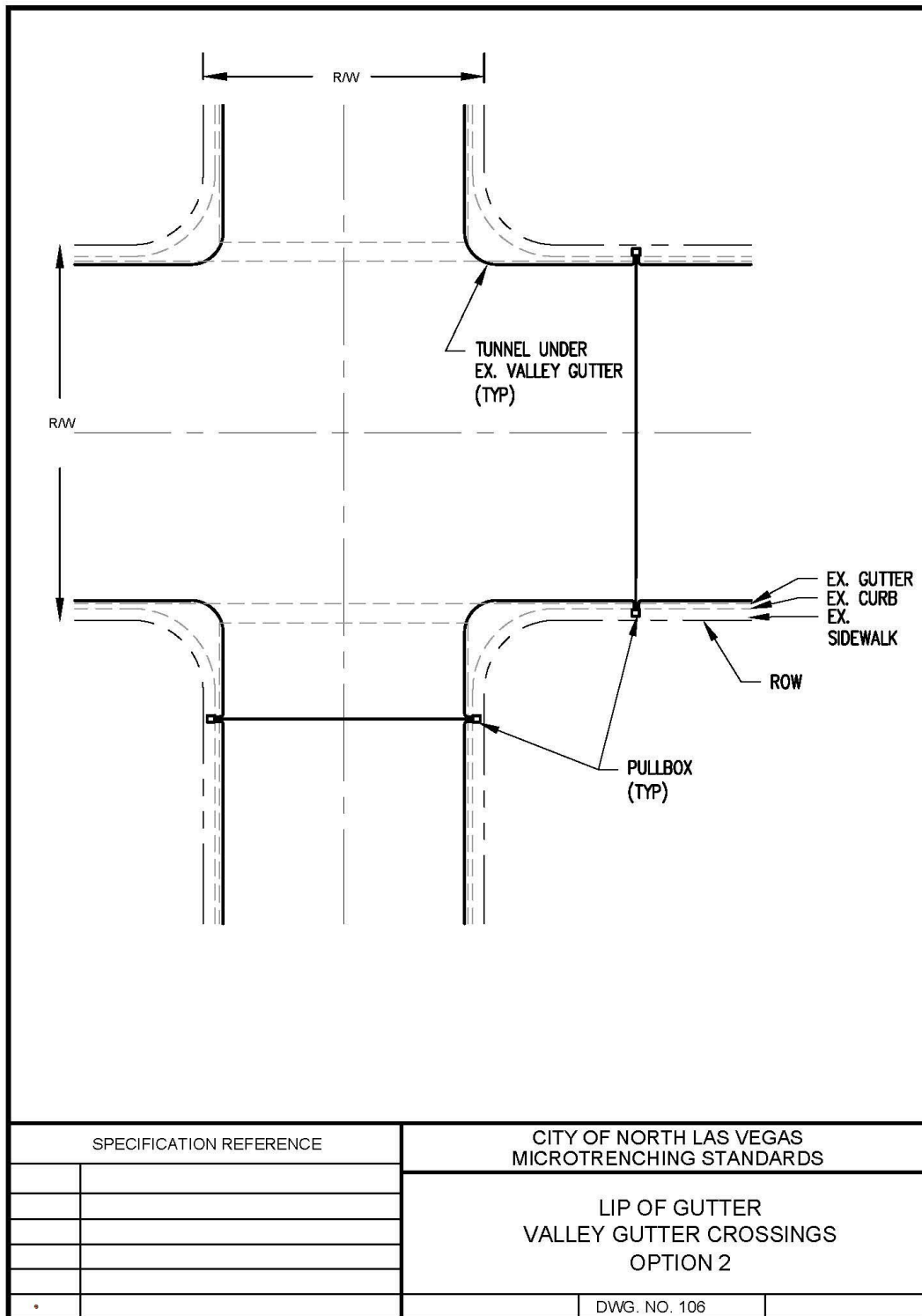


EXHIBIT B

FORM OF SURETY BOND

EXHIBIT B

FORM OF SURETY BOND

Bond Number: _____

Surety Bond

Know all men by these presents:

That _____ as Principal, and _____, incorporated under the laws of the State of _____, and authorized to execute bonds and undertakings as sole Surety, are held and firmly bound unto _____, as Oblige, in the sum of _____; for the payment thereof, well truly to be made, said Principal and Surety bind themselves, their administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that:

Whereas, the Principal is about to enter into, or has entered into, a certain agreement with the Oblige dated _____, 200__ for the following:
_____.

Now, therefore, if the Principal shall well, truly and faithfully perform all of its duties, undertakings, covenants, terms, conditions and provisions of said agreement during the original term thereof and any extensions thereof which may be granted by the Oblige, with or without notice to the Surety, and if it shall satisfy all claims and demands incurred under such agreement and shall fully indemnify and save harmless the Oblige from all costs and damages which Oblige may suffer by reason of the Principal's failure to do so and shall reimburse and repay the Oblige all outlay and expenses which the Oblige may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

Provided, further, that said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder, or to the specifications accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

Provided, however, this bond is issued subject to the following express conditions:

1. This bond shall be deemed continuous in form and shall remain in full force and effect until canceled under § 3 below, after which all liability ceases, except as to any liability incurred or accrued prior to the date of such cancellation.
2. The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.
3. The surety reserves the right to withdraw as surety from this bond, except as to any liability incurred or accrued, and may do so upon giving the Obligee not less than sixty (60) days' written notice.

Signed and sealed this _____ day of _____, 200_____.

Principal:

By: _____

Its: _____

Surety:

By: _____

Its: _____

Address: _____

Telephone: _____

(State of Nevada License Number)

Nevada Resident Agent:

By: _____

Company: _____

(State of Nevada License Number)

(Attach Acknowledgments of both Principal and Surety signatures)