

CITY OF NORTH LAS VEGAS

TELECOMMUNICATIONS FRANCHISE AGREEMENT

THIS TELECOMMUNICATIONS FRANCHISE AGREEMENT (the “Agreement”) is made this _____ day of _____, 2024, by and between the City of North Las Vegas, a municipal corporation of the State of Nevada (the “City”), and CenturyLink of Nevada, LLC (“CenturyLink”). The City and CenturyLink may hereafter be referred to either individually as a “Party”, or collectively as the “Parties.”

RECITALS

1. CenturyLink has filed all necessary applications with the City for permission to construct, maintain and/or operate Telecommunications Service Facilities within the boundaries of the City (collectively, the “Application”) and desires to provide certain Telecommunications Facilities to persons within the boundaries of the City as set forth in the Application.

2. Pursuant to NLVMC Chapter 12.20, the City is authorized to grant a franchise for the construction, maintenance and/or operation of Telecommunication Facilities within the boundaries of the City and for the use of Rights-of-Way over streets or other public areas for the construction, maintenance and/or operation of Telecommunication Facilities within the boundaries of the City.

3. The City Council, in the exercise of its lawful power, has determined that it is in the best interests of the inhabitants of North Las Vegas to grant CenturyLink a franchise subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the promises and of the performance by CenturyLink of the conditions hereinafter set forth, the City hereby grants a non-exclusive

franchise to CenturyLink, subject to the following terms and conditions:

AGREEMENT

1. DEFINITIONS. Unless otherwise defined in this Agreement, all capitalized terms are defined as delineated at NLVMC Chapter 12.20, as amended from time to time.

“City” means the City of North Las Vegas, a municipal corporation of the State of Nevada.

“City Council” means the legislative body of the City of North Las Vegas.

“Code” or “NLVMC” means the North Las Vegas Municipal Code which is 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, at any time and from time to time.

“Facility” or “Facilities” means all antennae, poles, wires, cables, conduits, amplifiers, instruments, appliances, fixtures and other personal property used by any authorized user of the Rights-of-Way for the provision of authorized services within the City.

“Franchise” means the non-exclusive authorization granted herein to use Rights-of-Way to construct, operate and maintain CenturyLink Facilities for the purpose of providing Telecommunications Service.

“Gross Revenue” means any and all intrastate retail revenue of CenturyLink from Telecommunications Service provided to customers within the City, including, but not limited to:

- A. All revenue charged on a flat rate basis;
- B. All revenue from intrastate long distance calls originating in the State of

Nevada and billed to an address physically located in the City;

- C. All revenue from installation service charges;
- D. All revenue from connection, disconnection or change-of-service fees;
- E. All revenue from penalties or charges to customers for late payments or for checks returned from banks;
- F. Actual recoveries from bad debts previously written off and revenue from the sale of assignment of bad debts, provided that revenue may be adjusted for net write-off of uncollectible accounts computed on the average annual rate for customers within the City;
- G. All revenue that is designated by City, State or Federal law to be subject to fees under this Franchise.

In addition, exclusions provided in Gross Revenue shall not include (i) any tax passed through to consumers on behalf of governmental agencies received by CenturyLink for service provided to customers through the use of Facilities; (ii) any charges through to the customers for interconnection with the local exchange provider; (iii) any proceeds from the sale of bonds, mortgages or other evidence of indebtedness, securities or stocks; (iv) any long-haul wholesale revenue; and (v) any revenue that is not intrastate revenue collected from retail customers. CenturyLink is not required to measure each category of revenue separately; provided that in the event of an audit by the City, CenturyLink will be required to provide an appropriate justification for amounts reported as Gross Revenue under this Agreement.

“Public Works Director” or “Director” means the Director of the City’s Public Works Department, or his or her designee.

“Rights-of-Way” means all present and future streets, avenues, highways, alleys, bridges and public ways (excluding railroad rights-of-way) of the City within the City limits.

“Telecommunications” has the same meaning as that term is defined in the United States Code, 47 U.S.C. 153(43), as it may be amended from time to time.

“Telecommunications Service” has the same meaning as that term is defined in the United States Code, 47 U.S.C. 153(46), as it may be amended from time to time.

“Telecommunications Service” shall not include 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 FCC. Before proposing to provide such cable services in the City, CenturyLink agrees to obtain a separate franchise from the City for the provision of this service, unless such cable service is exempt from franchising under Title 47 USC.

2. GRANT OF NON-EXCLUSIVE FRANCHISE.

A. The City hereby grants to CenturyLink, subject to the terms, conditions and limitations contained in this Agreement, a Franchise with permission to rent, use and occupy Rights-of-Way within the corporate limits of the City, as the same now exist or may be extended in the future, to provide Telecommunications Service, including the right and privilege to erect, construct, maintain and operate Telecommunications Facilities within the Rights-of-Way necessary or convenient for the transmission and distribution of Telecommunications Service, 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 extended in the future.

B. This Franchise does not grant CenturyLink permission to offer Cable Services, as defined by NLVMC § 12.24.020, within the boundaries of the City. This Franchise does not grant CenturyLink the right to provide any “video services” (as such term is defined in NRS 711.141) without a valid State-issued franchise for such service.

C. This Franchise is non-exclusive and shall not be construed as a limitation on the City’s right to grant rights, privileges and authority to other persons or entities similar to or different from those herein set forth to use the Rights-of-Way or to operate a public utility.

3. AGREEMENT DURATION AND CONDITIONS.

A. This Agreement shall take effect as of the Effective Date and shall expire on April 3, 2031 (the “Initial Term”), unless it is earlier terminated by either party in accordance with the provisions herein. Following the expiration of the Initial Term, the Agreement shall automatically be extended for one (1) additional period of five (5) years (the “First Term Extension”), unless it is earlier terminated by either party in accordance with the provisions of the Agreement.

B. CenturyLink 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. CenturyLink shall at all times comply with all applicable Federal, State and local laws, rules and regulations concerning the provision of Telecommunications Services, including all applicable Federal Communications Commission and Nevada Public Utilities Commission rules, regulations and orders. All applicable provisions of the Code, as amended from time to time, and all provisions of this Agreement are binding upon CenturyLink, its successors or assigns. In

the event of any conflict between any provision(s) of the Code, as amended from time to time, and any provisions(s) of this Agreement, the Code provisions shall control.

C. CenturyLink shall not permit any other person who is required to obtain a business license, franchise, or rights-of-way license agreement from the City for any use to utilize CenturyLink's Facilities located in City Rights-Of-Way, unless and until other such persons obtain such required licenses or franchise. CenturyLink shall not permit another person to install its own facilities in, on, under, along or above the Facilities.

D. CenturyLink acknowledges that this Franchise is for installation and maintenance of the Facilities in public Rights-Of-Way only (as defined in NLVMC § 12.20.010), and that installation in, along, above or below other City property is permitted only through separate agreement and payment of franchise fees or rights-of-way license fees, as required by the Code.

F. This Franchise shall not be construed as the building or construction permit(s) for the construction of CenturyLink facilities in City Rights-of-Way. CenturyLink shall acquire all proper permits from the City before proceeding with any construction in City Rights-of-Way.

4. FRANCHISE FEES.

A. For any and all subscription Telecommunications Services provided to persons within the boundaries of the City, CenturyLink will make all payments and provide all fees to the CITY as provided by NLVMC § 5.52. Notwithstanding the foregoing, the Parties acknowledge and agree that the City is limited by Nevada law as to how much it can charge CenturyLink in this regard, which is reflected in NLVMC § 5.52. At present, the maximum amount allowed is 5% of CenturyLink's Gross Revenue. If the Nevada

Legislature at some future date allows for an increase in fees, the City can charge CenturyLink in this regard. The Parties agree that upon City's proper observance of NLVMC § 5.52, City can charge CenturyLink, and CenturyLink shall pay to City, the maximum allowed by Nevada law.

B. Acceptance by the City of any payment due under this Agreement shall not be deemed to be a waiver by the City of any breach of CenturyLink's obligations under this 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 such balance.

5. REVIEW AND AUDIT OF CENTURYLINK'S RECORDS

A. The City shall have the right, pursuant to NLVMC § 5.02.075, to annually review or audit, upon thirty (30) days' prior written notice, CenturyLink's books and records, in accordance with generally accepted accounting and audit standards, any amounts which may be owed by CenturyLink under this Agreement. This right includes the right to review and audit books and records of revenue which may be reasonably considered by the City to be subject to a business license or franchise fee under this Agreement. The City shall give written notice to CenturyLink of any additional amount claimed to be due to the City as a result of the City's review. Any amount due which is not being contested pursuant to NLVMC § 5.02.075(B) shall be paid within thirty days following CenturyLink's receipt of the City's notification that such amount is due and payable. If the City's review shows CenturyLink has overpaid, said overpayment shall be reimbursed to CenturyLink by the City within thirty (30) days of such determination. CenturyLink shall be entitled to a copy of the supporting information based on the City's audit.

B. CenturyLink shall keep complete and accurate books and records of its business and operations pursuant to this Agreement in accordance with generally accepted accounting practices and in accordance with the rules and regulations of the State of Nevada.

C. CenturyLink shall provide the City with access to and/or copies of all records, books, contracts, accounts and documents of CenturyLink (or any affiliate thereof), whether in an electronic, print or other format (hereafter referred to collectively as “Records”) for CenturyLink’s operations in the City, to the extent reasonably necessary for the City to perform an audit. All Records shall be retained by CenturyLink for a period of five (5) years. CenturyLink shall make Records available to the City for inspection and/or copying at a mutually agreeable location, upon thirty (30) days’ receipt of notice from the City.

D. Upon request by the City, CenturyLink shall provide to the City copies of all papers filed by CenturyLink with any federal or state regulatory agency that pertain to CenturyLink’s Facilities located in the City.

6. FRANCHISE REPORTING. CenturyLink shall submit a written report to the City Manager, or his designee, as required by NLVMC § 12.20.110 and Nevada Revised Statutes Chapter 239 as amended from time to time, except that CenturyLink shall not be required to provide a list of persons at any time.

7. CENTURYLINK WORK IN CITY RIGHTS-OF-WAY. During the installation, construction, operation, maintenance, reconstruction, removal, relocation or abandonment of its Facilities within the City’s Rights-Of-Way, CenturyLink shall comply with all applicable provisions of the Code, as amended from time to time. The City may require

CenturyLink to obtain a construction, encroachment or occupancy permit for any work in the Rights-of-Way, may inspect any construction, installation, maintenance or repair work performed in the Rights-of-Way, and may charge a fee to issue such permit or to perform such inspection.

8. REQUIREMENTS BEFORE WORKING IN RIGHTS-OF-WAY. Before CenturyLink may conduct underground work involving excavation, new construction or major relocation work in any Rights-of-Way that will block one or more lanes of motor vehicle traffic, CenturyLink shall:

A. Notify the City and comply with any special conditions relating to location, scheduling, coordination and public safety;

B. Apply for and obtain a permit from the Public Works Director;

C. Submit and obtain approval of a traffic barricade plan;

D. File maps and drawings showing the location of any construction or extension of its Facilities in the Rights-of-Way; for conduit, the maps and drawings shall show the size, location, burial depth and configuration of the conduit, the trench backfill material and width, and the method of pavement restoration;

E. Participate in the “Call Before You Dig” program set forth in NRS Chapter 455, as amended, with regard to with regard to giving and receiving notice of the location of Facilities and excavations.

F. Pay all permit fees; and

G. Provide security and proof of insurance as required in Section 15.

9. INSTALLATIONS, EXCAVATIONS AND RESTORATIONS. In using the Rights-of-Way for its Facilities, CenturyLink shall comply with the following

requirements:

A. All construction work in the Rights-of-Way performed by or on behalf of CenturyLink shall be performed in a safe manner subject to the approval of the Public Works Director and in accordance with all applicable laws, rules, regulations and permitting requirements related to public safety or the use of the Rights-of-Way.

B. CenturyLink shall not place any Facilities on, over or within the median portion of any boulevard or parkway without first having obtained the written permission of the Public Works Director.

C. CenturyLink 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.

D. CenturyLink shall not attach any of its Facilities to any City-owned Facilities unless CenturyLink has entered into a written agreement with the City for the rights of attachment and use.

E. The City may require through any permitting process that any installations, excavations and restorations affecting street or lane closures shall, as often as practicable, be performed after 6:30 p.m. and before 6:00 a.m. No such work shall be performed from 7:00 a.m. to 9:00 a.m. and from 4:00 p.m. to 6:00 p.m. except for emergency repairs.

F. The City may assist in the coordination and scheduling of any CenturyLink projects where such project may be reasonably coordinated with the placement of other Rights-of-Way users' Facilities; provided that, subject to City permitting processes and approvals, CenturyLink may otherwise control the scheduling of its projects consistent with this Agreement.

G. Whenever it is commercially reasonable to do so, CenturyLink shall use “trenchless” technology in the placement of its Facilities. Except in an emergency, CenturyLink shall, not less than seven (7) working days prior to the commencement of any work by CenturyLink which involves excavation in any Rights-of-Way, notify the Public Works Director and any appropriate utility coordinating committee for purposes of utility location. Minimum notice to the City shall be by telephone communication or in person prior to any work, followed by notice in writing as soon as practical. CenturyLink shall provide advance notice so as not to disrupt services of the City or any other person or utility using any Rights-of-Way and to allow the City to place any inspector it may deem necessary at the site of the project.

F. CenturyLink shall at all times take all reasonable precautions to minimize interruption to traffic flow, damage to property or creation of a hazardous condition.

I. After an excavation is made and after any excavation work is completed, CenturyLink shall, as soon as practicable, but not later than seventy-two (72) hours, remove all surplus material; except that if the surplus material is blocking a public street or sidewalk, CenturyLink shall remove such material no later than twenty-four (24) hours after the excavation is made or the excavation work is completed.

J. CenturyLink shall reconstruct, replace or restore any public landscaping, street or alley, or any water, sewer, sanitary sewer, storm drainage, traffic signal or street light Facility, or any other Facility of the City disturbed by CenturyLink, within thirty (30) days of receipt of written notice by the City, to essentially the same condition as existed immediately prior to disturbance by CenturyLink, as reasonably determined by the Public Works Director, consistent with specifications, requirements and regulations of the

City in effect at the time of such restoration. Any such improvements so disturbed by CenturyLink shall be reconstructed, replaced or restored only under the supervision of City personnel. 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 CenturyLink, including the cost of any inspectors the City may assign to the project.

K. CenturyLink shall install all of its Facilities in the Rights-of-Way in a manner consistent with the Americans with Disabilities Act ("ADA"), including any reconstruction or modification of existing Facilities. Following receipt of notice by the City and/or CenturyLink of an ADA violation or construction problem caused directly or indirectly by CenturyLink, CenturyLink shall, within thirty (30) days of CenturyLink's receipt of notice or such other time as the Public Works Director reasonably determines to be appropriate, remedy the ADA violation or problem.

10. LOCATION AND RELOCATION OF FACILITIES.

A. All CenturyLink Facilities shall be placed 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.

B. Whenever the City excavates or performs any work in the Rights-of-Way and such excavation or work may disturb but not require the removal or relocation of CenturyLink's Facilities, the City shall notify CenturyLink sufficiently in advance of the excavation or work to enable CenturyLink to take such measures as it may deem necessary to protect its Facilities from damage and inconvenience, or from injury or damage to the public or the Rights-of-Way. If CenturyLink cannot take such measures,

CenturyLink shall be required to relocate its Facilities in accordance with this Section, in which case CenturyLink shall, upon request, furnish field markings to the City showing the location of all of its Facilities in the area involved in such proposed excavation or work.

C. The City reserves all rights to:

1. Construct, install, maintain and operate any public improvement, work or Facility, to do any work that the City may find desirable on, over or under any Rights-of-Way, and to construct, install, maintain and operate any public improvement, work or Facility;

2. 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 CenturyLink's Facilities; and

3. Require the removal or relocation of CenturyLink's Facilities in the Rights-of-Way as may reasonably be required for reasons of public health, safety, and welfare, or as otherwise required by NLVMC Chapter 12.20, after notice to CenturyLink, including, without limitation, City projects for the installation of landscaping, or of water, sanitary sewer, storm drainage, traffic signal or street light Facilities, or of any road construction or reconstruction.

D. CenturyLink shall remove and relocate such Facilities within sixty (60) days following receipt of written notice to do so from the City. Prior to any such relocation, the City agrees to provide for a temporary suitable location for such relocated Facilities sufficient to maintain service.

E. Subject to Subsection (F), all costs directly attributable to removal or

relocation of CenturyLink Facilities for reasons of public health, safety, and welfare or as otherwise required by NLVMC Chapter 12.20 shall be paid by CenturyLink.

F. The City may require CenturyLink to relocate its Facilities to accommodate another Rights-of-Way user, if CenturyLink's and the other user's Facilities can both be located in the Rights-of-Way without interfering with CenturyLink's operations. In such event, CenturyLink's relocation costs shall be borne the other Rights-of-Way user.

G. When the City proposes to improve a Rights-of-Way, including, without limitation, work related to streets, sidewalks, landscaping, traffic signalization, water lines, storm drainage or sanitary sewers, and such improvements include excavation and the placement of underground utilities vaults and conduit sufficient for CenturyLink's Facilities by and at the expense of someone other than CenturyLink, then upon notification by the City and upon such reasonable scheduling as may be required by the City, CenturyLink shall replace its overhead Facilities as are then within the affected Rights-of-Way with underground Facilities within such area. CenturyLink shall pay all costs of such underground placement. The conversion from overhead to underground shall be conditioned upon the City requiring the undergrounding in the area in which both the existing and new Facilities are and will be located and on the City requiring all existing utilities' overhead communication and utility Facilities in such area be removed.

H. Nothing in this Section shall require CenturyLink to place its Facilities in ducts or conduits owned or leased by the City.

11. NO VESTED LOCATION RIGHTS; FACILITIES IN VACATED RIGHTS-OF-WAY. CenturyLink shall not acquire any vested right or interest in any particular

Rights-of-Way location for any of its Facilities constructed, operated or maintained in any existing or proposed Rights-of-Way, even though such location was approved by the City; provided that whenever the City vacates Rights-of-Way for the convenience or benefit of any person, the City shall preserve CenturyLink's rights for any legally established, existing Facilities of CenturyLink in such vacated portion of the Rights-of-Way.

12. TEMPORARY AND EMERGENCY MOVEMENT OF FACILITIES

A. Whenever it becomes necessary to temporarily rearrange, remove, lower or raise the cables or wires or other apparatus of CenturyLink to permit the passage of any building, machinery or other object, CenturyLink shall perform such rearrangement upon the receipt of written notice from the person desiring to move said building, machinery or object. The written notice shall detail the route of movement of the building, machinery or object. The costs incurred by CenturyLink in making such rearrangements of its aerial Facilities will be borne, excepting the City, by the person seeking such rearrangement, unless the aerial Facilities are placed or maintained in violation of the applicable rules of any local, state or federal regulatory agency and thereby interferes with the movement of said building, machinery or object.

B. Whenever, in the case of an emergency, it becomes necessary to remove any of CenturyLink's Facilities, the City shall not be liable to CenturyLink for any charge, loss, damage, restoration cost or repair resulting from the emergency removal.

13. MAPS OF FACILITIES. CenturyLink shall maintain on file maps and operational data pertaining to its operations in the Rights-of-Way, which the City may inspect at any time during normal business hours upon reasonable notice to CenturyLink. Upon request of the City, CenturyLink shall furnish to the Public Works Director, as

soon as practical and without charge, current maps either in a hard-copy printed form or in the City's geographical information system format or compatible data base, showing the location and dimension of any existing and proposed Facilities, but not other proprietary or confidential information, used in operating CenturyLink's Facilities in the Rights-of-Way.

14. NOTIFICATION TO RESIDENTS OF CONSTRUCTION PROJECTS.

Except in the case of emergency work performed pursuant to Section 12 above, when CenturyLink is the initiator of a project in the Rights-of-Way along which residential yards are located that will result in the disruption of such yards or in the installation of new exposed surface facilities, CenturyLink shall give written notification to residents who are located adjacent to the proposed project at least two days prior to the date on which CenturyLink proposes to commence the proposed project. Such notice shall be by personal delivery, by posted notice on the street where the proposed project is scheduled to be built (which notice is to be large enough to be clearly read by passing motorists), by door hanger, or by mail, with a description of the proposed project, CenturyLink's name, and telephone number at which CenturyLink can be reached twenty-four (24) hours per day.

15. INSURANCE AND SECURITY FOR PERFORMANCE.

A. CenturyLink shall secure, maintain, and provide certification of all insurance coverages in the amounts, kinds and form required pursuant to NLVMC § 12.20.180 (as amended from time to time) prior to commencement of any work in the City's Rights-Of-Way.

B. CenturyLink shall provide to the City Manager or his designee security for

performance as provided by NLVMC § 12.20.190, as amended from time to time. As of the date of this Franchise Agreement, this amount is \$250,000 per franchisee. Alternatively, CenturyLink can provide one security deposit in the amount of \$500,000 that covers CenturyLink and the Level 3 Communications entities, which consist of Level 3 Communications, LLC, Level 3 Telecom of Nevada, LLC, and WilTel Communications, LLC. The Level 3 Communications entities are executing a separate franchise agreement with the City. CenturyLink hereby grants the City authorization to deduct assessed fines or penalties and late charges, if any, from such security deposit, pursuant to Section 15 of this Agreement.

16. TRANSFERS AND ASSIGNMENTS. CenturyLink shall only assign or transfer its rights under the Franchise pursuant to NLVMC § 12.20.160, as amended from time to time.

17. INDEMNIFICATION. CenturyLink shall indemnify, save harmless, and defend the City, its officers and employees, in accordance with the indemnification provisions of NLVMC § 12.20.170, as amended from time to time.

18. DEFAULT; REMEDIES AND PENALTIES NOT EXCLUSIVE

A. All remedies and penalties under this Agreement are cumulative and not exclusive, and the recovery or enforcement by one available remedy or imposition of any penalty is not a bar to recovery or enforcement by any other such remedy or imposition of any other penalty. The City reserves the right to enforce the penal provisions of any ordinance or resolution and to avail itself of any and all remedies available to law or in equity. Failure to enforce shall not be construed as a waiver of a breach of any term, condition or obligation imposed upon CenturyLink by this Agreement. A specific waiver

of a particular breach of any term, condition or obligation imposed upon CenturyLink by this Agreement shall not be a waiver of any other or future breach of the same or of any other term, condition or obligation, or a waiver of the term, condition or obligation itself.

B. CenturyLink agrees that any of the following acts or failure to act by CenturyLink shall constitute an “Event of Default”;

1. Failure to obtain any applicable permits or pay any applicable permit fees pursuant to this Agreement;

2. Failure to comply with the terms of Section 16 concerning the transfer of this Agreement;

3. Failure to supply the necessary security for performance or insurance as specified in Section 15;

4. Failure to make any payment required by Section 4 of this Agreement within the period provided for such payment;

5. Failure to comply with any rules, regulations, orders or directives of the City as set forth in this Agreement within applicable periods; or

6. Substantial or repeated failure to comply with Section 9 concerning installations, excavations and restorations.

C. Upon the occurrence of an Event of Default, the City may, in accordance with the procedures provided for in this Agreement:

1. Require CenturyLink to take such actions as are reasonably required to remedy such Event of Default;

2. Seek money damages from CenturyLink as compensation for such Event of Default;

3. Accelerate the expiration of the term of this Agreement by decreasing the term of this Agreement provided in Section 3, the extent of such acceleration to be determined by the City Council, including any period of time up to the remaining term of this Agreement; or

4. As a last measure only, revoke the Franchise granted herein by termination of this Agreement.

D. The City shall exercise the rights set forth in this Section in accordance with the following procedures:

1. The Director shall notify CenturyLink, in writing, of an alleged Event of Default. This written notice shall set forth with reasonable specificity the facts the City believes are the basis for declaring that an Event of Default has occurred. CenturyLink shall, within sixty (60) days of the date of the notice, or such additional time as the Director may specify in notice: (a) cure the alleged Event of Default; (b) present in writing, for review by the Director, a reasonable time frame and method to cure the Event of Default; or (c) present in writing with reasonable specificity, for review by the Director, facts and arguments as to why CenturyLink disagrees that an Event of Default has occurred.

2. If CenturyLink presents a written response that challenges whether an Event of Default has occurred, the Director shall within fourteen (14) days review the submitted materials and determine again whether an Event of Default has occurred. If the Director reaffirms that an Event of Default has occurred, CenturyLink shall be notified in writing of this decision and shall, within thirty (30) days, cure the alleged Event of Default.

3. If CenturyLink fails to cure the Event of Default so declared pursuant to this Section within the time permitted by the Director, the Director shall prepare a written report to the City Council and recommend action to be taken. The City Council may, after giving CenturyLink an opportunity to present evidence that an Event of Default did not occur, order an appropriate remedy as set forth in this Section.

19. REVOCATION AND PENALTIES.

A. This Franchise may be revoked pursuant to NLVMC § 12.20.130, as amended from time to time.

B. In the event of an alleged failure to comply with the material provisions of this Agreement or applicable provisions of the Code by CenturyLink, the City shall notify CenturyLink in writing of the alleged failure to comply. After providing such notice, and an opportunity to cure as provided in the notice (such opportunity not to be greater than thirty (30) days, unless the cure cannot reasonably be completed within thirty (30) days, in which case the time to cure shall be a reasonable time), the City Council may impose reasonable fines or penalties upon CenturyLink in an amount deemed appropriate by the City Council, but not exceeding the amount of the security fund established in Section 15 of this Agreement. Any such fines or penalties shall be due within thirty (30) days of written notification by City of such fines or penalties, made payable to the City of North Las Vegas and delivered to the City Finance Department at the City's address indicated in Section 27 of this Agreement. A late charge of five percent (5%) of the fine or penalty imposed shall be assessed if the fine or penalty is not paid within thirty (30) days of the receipt of written notification. If a fine or penalty which has been imposed by the City Council is not paid within thirty (30) days from the receipt date of written notification, CenturyLink hereby

grants the City authorization to deduct the amount of the fine or penalty plus late charges, if any, from the security fund. If at any time the City has drawn upon such security fund in accordance with this Section 19(B), CenturyLink shall, within thirty (30) days of receipt of notification from the City, replenish such security fund to the original minimum amount established in Section 15 of this Agreement.

C. In addition to the grounds for revocation set forth in the Code, this Agreement may be revoked if, after providing written notice and an opportunity to cure as provided in the notice (which shall not be greater than thirty (30) days, unless the cure cannot reasonably be completed within thirty (30) days, in which case the time to cure shall be a reasonable time), the City Council finds that CenturyLink failed to correct an Event of Default or make payment of fees, fines or penalties due under this Agreement.

20. REMOVAL OF FACILITIES. Upon revocation or expiration of the Franchise, CenturyLink's Facilities may be removed from City Rights-Of-Way pursuant to the terms of NLVMC § 12.20.150, as amended from time to time, subject to the following:

1. If the City reasonably determines that removal of any buried cable or conduit is not necessary, CenturyLink shall abandon its Facilities in place and transfer ownership of the installed Facilities to the City or sell the Facilities to the holder of an unrevoked and unexpired franchise or rights-of-way license.

2. In removing any part of its Facilities, CenturyLink shall refill and compact any excavation that shall be made by it and shall leave all Rights-of-Way in as good a condition as that prevailing immediately prior to CenturyLink's removal of the Facilities.

3. The City shall have the right to inspect and approve the condition of the Rights-of-Way after removal has occurred.

4. The removal shall commence within thirty (30) days of CenturyLink's receipt of an order to remove being issued by the Director at the direction of the City Council.

5. CenturyLink shall be responsible for all necessary removals of its Facilities and maintenance of the Rights-of-Way area in the same manner and degree as if the Facilities were in active use, and CenturyLink shall retain all liability associated with such removals.

6. Nothing herein shall cause the City to incur any costs related to the removal of the CenturyLink's Facilities or the transfer of ownership of said Facilities to the City.

21. DRAWING UPON SECURITY UPON REVOCATION OF FRANCHISE.

In the event that a revocation of the Franchise is declared pursuant to Section 19 above, it shall be deemed a failure to perform on the part of CenturyLink, and the City may proceed against and draw upon, as required, the security provided for in Section 15 above for actual amounts due under this Agreement.

22. RIGHTS RESERVED TO CITY.

Without limitation, the City does hereby expressly reserve its rights, powers, and authority to exercise its governmental powers now or hereafter to the full extent that such powers may be vested or granted to the City; also to grant multiple non-exclusive franchises within the City to other persons for the operation of systems pursuant to the Code as amended from time to time. The City expressly reserves the right to amend this Agreement by amendment to the Code to the maximum extent

permitted by law; the City Council may delegate the performance of any act, duty, or obligation, or the exercise of any power under this Agreement to any other employee, officer, department or agency of the City.

23. AMENDMENTS. This Agreement may only be amended by written agreement between the Parties, subject to the approval of the City Council, except as otherwise provided in Section 22 above.

24. INTEGRATION. This Agreement is fully integrated and it constitutes the entire agreement and understanding between the Parties concerning the subject matter of this Agreement. This Agreement supercedes all other written or oral negotiations, agreements and understandings of any and every kind relating to the subject matter of this Agreement.

25. SEVERABILITY. If any provision, section, paragraph, sentence, clause or phrase of this Agreement is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall be deemed a separate, distinct and independent provision, and shall not affect the validity of the remaining portions of this Agreement. It is the intent of the City Council in approving this Agreement that no portion or provision thereof shall become inoperative or fail by reason of any invalidity or unconstitutionality of any other portion or provisions, and to this end all provisions of this Agreement are declared to be severable.

26. GIFTS. No officer or employee of CenturyLink shall offer to any officer or employee of the City, either directly or indirectly, any rebate, contribution, gift, money, service without charge, or other thing of value whatsoever, except where given for the use and benefit of the City.

27. NOTICE. All notices shall be sent to the City or CenturyLink at the addresses

indicated below. CenturyLink shall notify the City Manager or his designee of any change of address within thirty (30) working days of such occurrence, with a copy to the City Clerk. Failure to provide notification, and any resulting delay in receipt of notice, shall not excuse CenturyLink from any obligation imposed by this Agreement, nor shall it serve as cause for reduction or removal of any restriction, fine or penalty imposed by the City.

City Manager
2250 Las Vegas Blvd. North
North Las Vegas, Nevada 89030

Copy to:
City Attorney
2250 Las Vegas Blvd. North
North Las Vegas, Nevada 89030

CenturyLink
Attn: ROW/ NIS Manager
1025 Eldorado Blvd.
Broomfield, CO 80021

Copy to:
CenturyLink
931 14th Street
Denver, CO 80202
Attn: Law Department

28. FORCE MAJEURE. In the event either the City or CenturyLink's performance of any of the terms or conditions of this Agreement or the Code is prevented by an event of force majeure, such inability to perform shall be deemed excused by the other party and no penalties will be imposed as a result thereof, in accordance with NLVMC §12.20.220, as amended from time to time.

29. CORPORATE AUTHORITY. The undersigned warrant that each has the requisite corporate authority to execute this Agreement and bind each party to the terms of this Agreement before construction is commenced by CenturyLink in the City.

30. PUBLIC PURPOSE. All of the regulations provided in this Agreement are hereby 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 Agreement, acting for the City in the discharge of his/her duties, shall

not thereby render himself personally liable; and he/she 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 said duties. Neither the City nor CenturyLink by accepting this Agreement waives any right to seek all appropriate legal and equitable remedies as allowed by law upon violation of the terms of this 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. Neither party shall be liable for any consequential, indirect, special, incidental or punitive damages, including lost profits.

31. APPLICABLE LAW. This Agreement is governed by and construed and enforced in accordance with the laws of the State of Nevada, and the Federal Communications Act of 1934, as amended by the Telecommunications Act of 1996 or subsequent amendments.

32. CONFIDENTIALITY. City shall protect from disclosure confidential, proprietary information of CenturyLink submitted to City pursuant to this Agreement including the Reports set forth in Section 5 and 6, in accordance with applicable Nevada law, provided that CenturyLink notifies City of, and clearly labels the information which CenturyLink deems to be confidential, proprietary information. Such notification and labeling shall be the sole responsibility of CenturyLink.

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