

**LAKE TOWNSHIP
HURON COUNTY, MICHIGAN
(Ordinance No. 2021-3)**

At a regular meeting of the Township Board for Lake Township held on December 20, 2021, at 6:30 p.m., Township Board Member Hartsell made the motion to adopt this Ordinance, which was seconded by Township Board Member Kelterborn:

A FRANCHISE ORDINANCE GRANTING TO THUMB ELECTRIC COOPERATIVE, ITS SUCCESSORS AND ASSIGNS, THE REVOCABLE AND NONEXCLUSIVE RIGHT, POWER AND AUTHORITY TO LAY, MAINTAIN AND OPERATE ELECTRIC, TELECOMMUNICATION AND FIBER OPTIC LINES, POLES AND SERVICES ON, ALONG, ACROSS AND UNDER THE HIGHWAYS, STREETS, ALLEYS, BRIDGES AND OTHER PUBLIC PLACES, AND TO CONDUCT A LOCAL ELECTRIC, BROADBAND, AND COMMUNICATION BUSINESS IN THE TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, FOR A PERIOD OF TWENTY (20) YEARS.

THE TOWNSHIP OF LAKE (THE "TOWNSHIP") ORDAINS:

Section 1. **Grant of Franchise.** The Township of Lake, located in Huron County, Michigan (the "Township"), hereby grants to Thumb Electric Cooperative, its subsidiaries, successors, and assigns (the "Company") via this Ordinance (hereinafter, the "Ordinance" or "Franchise") the nonexclusive consent, permission, right and authority to construct, lay, operate, maintain, use, and replace electric, fiber optic, and other communication lines, poles, cables, conduits, appliances, buildings and other reasonable accessory items, in the highways, streets, alleys and other public places in the Township and a revocable, non-exclusive franchise is hereby granted to the Company, its subsidiaries, successors, and assigns, to transact local business in the Township for the purposes of producing, storing, transmitting, selling, and distributing electricity and broadband communication services into and through the Township and all other matters reasonably incidental thereto.

Section 2. **Consideration.** In consideration of the rights, power and authority hereby granted, the Company shall faithfully perform all things required by the terms hereof.

Section 3. **Use of Streets and Other Public Places.** The Company, its successors and assigns shall not unnecessarily or unreasonably obstruct or interfere with the free travel and passage of any of the rights-of-way, highways, streets, alleys, or other public places within the Township and shall within a reasonable time after making an opening or excavations, repair the same and leave it in as good condition as before the opening or excavation was made. The Company, its successors and assigns shall use due and reasonable care in exercising the privileges herein contained and shall be liable to the Township (and to every owner of property abutting the Company's lines or other facilities) for all damages and costs arising from the negligence of the Company or its officers, agents, and servants. The Company's electrical system and telecommunications and associated appurtenances shall always be neat and sightly and reasonably maintained and must not unnecessarily interfere with the use of the public rights-of-way. The Company's electrical and telecommunication systems must be suspended or buried so as not to endanger or injure persons or property in the public rights-of-way.

Section 4. **Force Majeure.** The Company shall not be liable for failure to furnish service as herein provided, or for any breach of the Company's obligations hereunder, if such failure or breach is caused by acts of God or nature, labor troubles, riot, or any other causes or contingencies not reasonably within the control of the Company.

Section 5. Hold Harmless. The Company shall at all times keep and save the Township and its officials, officers, employees and agents free and harmless for, from and against any and all claims for damages, costs and expense arising from or related to the Company's negligent or other legally actionable errors or omissions in the exercise of the Company's activities or rights under this Ordinance. In case any action asserting a claim against the Township on account of the permission or rights herein given is commenced, the Company must defend the action and save the Township and its officials, officers, employees and agents free and harmless for, from and against all causes of action, costs, expenses, losses and damages of or awarded or incurred in the action. The Company must reimburse the Township for any reasonable costs incurred in responding to any emergency involving the Company's electric transmission or distribution facilities (including, but not limited to, emergency rescue and firefighting costs). Nothing in this section authorizes the Township to make or attempt to make alterations or repairs to the Company's electric or telecommunication transmission or distribution facilities, structures, and equipment. The Township will promptly provide written notice to the Company of claims or actions believed to be the responsibility of the Company under this Section.

Section 6. Effective Date; Term of Franchise; Acceptance by the Company. This Franchise shall take effect the day following the date of publication thereof, which publication shall be made within thirty (30) days after the date of its adoption, and shall continue in effect for a period of twenty (20) years thereafter; provided, however, that when this Franchise shall become effective, the Township Clerk shall deliver to the Company a certified copy of the Franchise accompanied by written evidence of publication thereof as required by law, and the

Company shall, within sixty (60) days after receipt of the above documents, file with the Township Clerk its written acceptance of the conditions and provisions hereof.

Section 7. Franchise Not Exclusive. The rights, power and authority granted by this Franchise are not exclusive, and nothing contained herein shall prevent the Township from granting other non-exclusive electric, telecommunication and / or broadband franchises to others.

Section 8. Franchise Revocable. The Franchise granted by this Ordinance is subject to revocation upon sixty (60) days written notice by the party desiring such revocation.

Section 9. Effect and Interpretation of Franchise. All other franchises, ordinances and resolutions, and parts thereof, which conflict with any of the terms of this Franchise are hereby rescinded, but only to the extent of such conflict. The catch line headings which precede each section of this Franchise are for convenience in reference only and shall not be taken into consideration in the construction or interpretation of any of the provisions of this Franchise.

Section 10. Michigan Public Service Commission Jurisdiction. The Company shall, as to all other conditions and elements of service not herein fixed, be and remain subject to the reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to electric or telecommunications service in the Township to the extent that the Michigan Public Service Commission or its successors have jurisdiction.

Section 11. No Liability. The Township, and its agents, officials, officers, employees and contractors, are not be liable to the Company or to the Company's customers for

any interference with or disruption in the operation of the Company's electrical or telecommunication system, or for any damages arising out of the Company's use of the public rights-of-way, except to the extent of the gross negligence or willful misconduct of the Township or its agents, officials, officers, employees or contractors. Nothing herein shall be construed to lessen or interfere with the governmental immunity of the Township and its agents, officials, officers, employees and contractors.

Section 12. No Assignment. The Company may not assign this Franchise to any other person, firm or corporation without the prior written approval of the Township except that assignment to a corporate affiliate of the Company, which corporate affiliate is controlled by the Company, will not be considered an assignment for the purposes of this Franchise. The Township may not unreasonably withhold its consent to an assignment if the assignee is financially and otherwise able to carry out the Company's obligations under this Franchise.

Section 13. Compliance with all Laws. The Company must comply with all applicable laws, statutes, ordinances, rules and regulations regarding the installation, construction, ownership or use of the Company's electrical and telecommunication systems, whether federal, state or local, now in force or which are later promulgated. Before any installation is commenced, the Company must secure all necessary permits, licenses and approvals from all appropriate departments, agencies, boards or commissions of the Township or other governmental entity as is required by law. Nothing in this Franchise is to be construed as a waiver by the Company or the Township of any of their existing or future rights to contest any statute, law, ordinance or regulation which either party believes is unlawful, inapplicable or invalid.

Section 14. Successors and Assigns. The words “Thumb Electric Cooperative” and the “Company,” wherever used herein, are intended and shall be held and construed to mean and include both Thumb Electric Cooperative and its subsidiaries, successors, and assigns, whether so expressed or not.

Section 15. Reimbursement – Publication Costs. Within thirty (30) days of receiving a bill from the Township for the costs of publication of this Ordinance, the Company shall reimburse the Township for such actual newspaper publication costs.

Section 16. Revocation. All prior applicable franchises ordinances for Thumb Electric Cooperative (including the franchise ordinances adopted by the Lake Township Board on May 17, 2021 and June 21, 2021) are hereby revoked and rescinded.

The vote to adopt this Ordinance / Franchise was as follows:

YEAS: C. Kelterborn, V. McCallum, D. Hartsell, J. Deming

NAYS: None

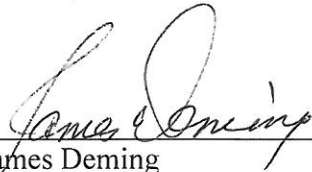
ABSENT/ABSTAIN: N. Collins absent.

THE ORDINANCE/FRANCHISE IS DECLARED ADOPTED.

CERTIFICATION

I hereby certify the above is a true copy of the Ordinance / Franchise adopted by the Township Board for Lake Township as of the date and time specified above, pursuant to the required statutory procedures.

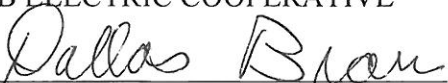
Respectfully submitted,

By: 
James Deming
Lake Township Clerk

ACCEPTANCE

This Franchise/Ordinance is hereby accepted and agreed to by the Company on December 21, 2021 pursuant to the terms and conditions set forth in the foregoing Franchise/Ordinance.

THUMB ELECTRIC COOPERATIVE

By: 

Its: General Manager