KENNEDY & GRAVEN

CITY OF CANNON FALLS

PROPOSAL TO ASSIST WITH COMPETITIVE CABLE FRANCHISING

July 26, 2016

Robert J.V. Vose
rvose@kennedy-graven.com
(612) 337-9275

SUMMARY

Kennedy & Graven proposes to assist the City of Cannon Falls ("City") with the processing of a competitive franchise application and negotiation and drafting of a cable franchise with Hiawatha Broadband Company ("HBC"). As detailed below, Kennedy & Graven has significant experience in cable franchising and is well qualified to assist the City.

Firm	Kennedy & Graven, Chartered
	470 U.S. Bank Plaza, 200 South Sixth Street Minneapolis, MN 55402 (612) 337-9300
Attorneys	Twenty-eight attorneys with over 90% of the Firm's work relating to local government law.
Experience	Represents, or has provided services to, approximately 300 cities; 80 townships; 100 school districts; counties; and numerous other political subdivisions and districts around the state.
Scope of Services	Ability to guide the City through franchising process established in Minnesota Statutes, Ch. 238.
Proposed Attorney	Robert J. V. Vose — 22 years of experience in cable, telecommunications and local government law.

I. ABOUT THE FIRM

Kennedy & Graven is the largest law firm in Minnesota that practices primarily local government law.

The Firm was founded in 1973 with a practice in local government law, public finance, and development. In 1989, members of a leading local government law firm, LeFevere, Lefler, Kennedy, O'Brien & Drawz, P.A., joined the Firm. Since 1989, Kennedy & Graven has expanded and diversified its representation of public sector clients to include school districts and townships.

Kennedy & Graven practices in all major areas of local government law relating to cities, including Telecommunications, Gas and Electric, Utilities and Franchise Law, and Municipal Litigation.

II. COMPETITIVE CABLE FRANCHISING EXPERIENCE

Kennedy & Graven is in the best position to undertake this project on behalf of the City. We are uniquely able to provide timely and accurate assistance to the City regarding specific franchising processes and issues.

The undersigned would be responsible for this project. I have assisted with many competitive franchising requests in Minnesota. I have worked with nearly all of the competitors and incumbents affected by cable competition. A list of some clients I am representing or have recently represented in competitive cable franchising is set out below:

- Apple Valley, Farmington, Rosemount (renewal and competitive franchising)
- Albertville (competitive franchising)
- Becker (competitive franchising, franchise renewal)
- Bemidji (competitive franchising, franchise renewal)
- Brainerd (competitive franchising)
- Burnsville (renewal and competitive franchising)
- Credit River Township (competitive franchising)
- Faribault (competitive franchising)
- Hibbing (competitive franchising, franchise renewal, wireless siting)
- Maplewood (competitive franchising, renewal)
- New Prague (renewal, competitive franchising)
- Otsego (competitive franchising, renewal, franchise litigation)
- Owatonna (renewal, competitive franchising)
- Quad Cities (Anoka, Ramsey, Andover, Champlin) (renewal, competitive franchising)
- Redwood Falls (competitive franchising, franchise renewal and transfer, wireless siting)
- Rosemount (competitive franchising)
- Shoreview (competitive franchising, renewal)
- St. Peter (competitive franchising, franchise renewal and transfer, conduit agreement, wireless siting)
- Zimmerman (franchise renewal, competitive franchising)

Our representation would include formulation of a negotiation strategy, review of the status of renewal negotiations with the incumbent franchisee, advice concerning applicable regulatory requirements, negotiation with HBC, and drafting of documents.

III. MISCELLANEOUS

Describe malpractice insurance coverage: carrier, limits, and exemptions.

The Firm carries professional liability insurance with Westport Insurance Companies in the amount of \$5,000,000 per claim/aggregate. Industry standard exclusions only.

Statement of Compliance with Federal and State Laws Respecting Civil Rights.

Kennedy & Graven is an equal opportunity employer and has an established affirmative action plan and equal employment opportunity plan. The Firm has been certified by the State of Minnesota as having an approved affirmative action plan. The Firm has adopted a specific AA/EEO Policy Statement and a Policy Statement Prohibiting Sexual Harassment in the Workplace. Copies of these policies are available to the City upon request.

Conflict of Interest.

Kennedy & Graven provides legal services to several relatively nearby cities but we anticipate no conflicts of interest. We do not represent any cable or telecommunications providers. We are aware of no potential conflicts of interest.

IV. FEE PROPOSAL

Our cost estimate is based on the following assumptions:

- Legal counsel will primarily assist with compilation of information received at the hearing on an competitive franchise applications, and production of the final franchising report and franchise.
- negotiations will be completed without extended conflict or interference by the incumbent, Mediacom.

I typically charge \$175 for cable-related matters. The minimum increment of time billed for each service including phone calls, correspondence and personal correspondence is six minutes.

It is common for applicants to request a "not to exceed" fee. We propose a not-to-exceed amount of \$7,500 to assist with HBC's franchising application with the understanding that the City intends to require an application fee in this amount. The actual cost may be less depending on the complexities and specific details of the application.

The Firm will bill its out-of-pocket costs for such things as postage, long distance telephone calls, photocopying, filing fees and witness fees, and similar items.

Photocopying:

Mileage: IRS-approved reimbursement rate

\$.10 per page

Westlaw or Lexis fees:

Other charges such as:

Actual cost charged

Actual cost charged

Messenger service

Express mail Filing fees

Our monthly billing statements provide detail for all fees and costs. Billings by the Firm to the City

for services will be on a monthly basis, except as may otherwise be agreed upon by the parties. The billing statement shall be of sufficient detail to adequately inform the City concerning the tasks performed, the attorney or staff performing them, the time spent on each task and the nature and extent of costs and disbursements.

CONCLUSION

Thank you for this opportunity to offer Kennedy & Graven's services to the City. Please feel free to contact me if you have any questions or need any additional information.

Respectfully submitted,

Robert J.V. Vose

Shareholder