

Agenda Report

DATE: June 12, 2000

TO: City Council
FROM: City Manager
SUBJECT: Up to Ninety Day Extension of Charter Communications Cable Television Franchise

RECOMMENDATION:

It is recommended that the City Council approve a resolution extending the current cable television franchise with Charter Communications for up to 90 days, to September 30, 2000, to allow completion of negotiations on a new franchise agreement.

BACKGROUND:

The current franchise agreement with Charter Communications expires on June 30, 2000. Representatives of the City and Charter have been meeting at least weekly and are in final negotiations regarding the terms and conditions of a new franchise agreement. Negotiations should conclude in the next 7 to 14 days, following review by the City Council of major deal points.

Prior to adoption of any cable television franchise, the City Charter requires: 1) adoption of a resolution declaring the City's intent to enter into a franchise; 2) a public hearing; 3) two readings of the ordinance adopting the franchise; and 4) passage of 30 days from second reading of the ordinance before the ordinance becomes effective. Staff propose the following schedule for adoption of the new franchise with Charter Communications:

- Adoption of the resolution declaring the City's intention to enter into a franchise – June 12
- Public hearing – July 10
- First reading of the ordinance adopting the franchise – July 10
- Second reading of the ordinance – July 17
- Ordinance becomes effective – August 17

Staff requests a 90 day extension of the current franchise to cover the period between June 30 and the effective date of the new agreement as documented in the attached resolution. Should the renewed cable franchise agreement

become effective prior to September 30, as staff anticipates, the current agreement would sunset and the new agreement would go into effect.

FISCAL IMPACT

The City will continue to receive franchise fees at the current rate during the 90 day extension.


Respectfully submitted,


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