

**CITY COUNCIL COMMUNICATION 98-021
JANUARY 19, 1998 AGENDA**

SUBJECT:

**AGREEMENT TO EXTEND CABLE
TELEVISION FRANCHISE**

SUBMITTED BY:

**RICHARD CLARK
DEPUTY CITY MANAGER**

SYNOPSIS –

The City's Cable Television Franchise with Heritage Cablevision, Inc., dba TCI of Central Iowa (TCI), expires on February 3, 1998. On December 8, 1997 the City Council, on the recommendation of the Cable Television Subcommittee, received and filed the Draft Needs Assessment Report, approved general goals intended to guide the negotiations of a new franchise agreement, and directed the City Manager to begin negotiations with TCI. Since that time, we have had two meetings with TCI representatives, and have proposed a series of 16 meetings with TCI representatives over the next 60 days to work on the new agreement.

The audit of franchise fees has not yet been completed, however, it appears that all of the needed information has now been submitted by TCI to Moss & Barnett, the City's consultant. We anticipate that the audit will be completed by early February, barring any further problems with obtaining needed information.

A recommended franchise agreement will not be available for Council's review and approval prior to the February 3 expiration date. Therefore, we have prepared for Council's consideration an extension of the existing franchise agreement until April 10, 1998. The proposed agreement to extend the cable television franchise with TCI does not constitute a waiver of either party's rights under the renewal process set forth in 47 United States Code §546. The proposed extension also stipulates that TCI will continue to pay the franchise fees during the extension period.

FISCAL IMPACT –

No adverse fiscal impact will result from the extension of the franchise agreement.

RECOMMENDATION –

Approval.