

Council Communication

Office of the City Manager

Date December 8, 2008

Agenda Item No. 43
Roll Call No. 08Communication No. 08-734

Submitted by: Michael Matthes, Assistant City

Manager & Chief Information Officer

AGENDA HEADING:

Approving Community Partnership Memorandum of Understanding (MOU) between the City of Des Moines and MCC Iowa LLC (dba Mediacom).

SYNOPSIS:

Recommend approval of a Community Partnership MOU with Mediacom. Cities in Iowa are no longer permitted to grant local franchises for cable services. These have been replaced with a state-wide franchise granted by the Iowa Utilities Board. Therefore, this agreement is not a franchise, but simply a voluntary Community Partnership Agreement which enumerates services the City and Mediacom will provide to each other into the future.

At the November 24, 2008 City Council meeting action was deferred to the December 8, 2008 Council meeting, to allow time for additional conversations with Mediacom regarding customer satisfaction and Ingersoll restoration

On December 2, 2008 Mediacom representatives, Mike Kohler, Vice President of Government Relations; William Peard, Sr. Mgr. of Government Relations; and Steve Purcell, Regional Vice President met with the City Manager and reiterated their commitment to this voluntary agreement. Additionally, they confirmed that their priority is consistent, first-class customer service and noted that Mediacom has recently added 70 new personnel to assist in this effort. This has already had a significant impact on customer service, reducing the time customers must wait for a customer service representative, with 60% of calls being answered in less than 30 seconds and all calls averaging less than one-minute of wait time. Additionally, Mediacom is willing to participate at their cost in the Ingersoll streetscape project by assuring that their site improvements will be in keeping with Ingersoll streetscape plans including sidewalk, landscape, and fencing specifications. Mediacom indicates the cost of these site improvements are approximately \$100,000. This action will be part of their site plan, once submitted, and is not part of this MOU.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

As of May 29, 2007, cities in Iowa are no longer able to regulate cable company services due to a change in state law via Senate File 554. The local franchises throughout the state were replaced with a statewide franchise.

Therefore, when the franchise agreement between Mediacom and the City expired June 30, 2008, no renewal was possible.

However, Mediacom and the City have negotiated a Community Partnership Agreement which identifies various mutually beneficial services we will provide each other. This is not a franchise, but simply a memorandum of understanding which lays out in general language how we will continue to work together.

The new state franchise (not this agreement) continues a 5% franchise fee and the right to use institutional networks already in place (the computer network), and the right to continue to receive PEG channels (Public, Educational, and Government). Thus, the channels devoted to public access, the city government, and Des Moines Public Schools, Drake, and Grandview, will continue to be provided, although their channel numbers may change.

Highlights of the Community Partnership Agreement include:

- Mediacom will provide the City continued indefeasible right of use of I-Net (fiber network).
- Mediacom will continue to provide free basic cable to all schools and City government buildings within the City limits that are currently receiving such services.
- Mediacom will provide an Internet connection for public use at all library branches.
- Mediacom will carry the four existing public, educational and government (PEG) channels in a block on digital broadcast basic service for maximum accessibility.
- Mediacom agrees to provide a bulk contract for basic service at the City's public housing apartment buildings.
- Mediacom will provide and promote an Emergency Alert System, Cable in the Classroom, an Internet safety program, and parental controls on video service.
- Mediacom will continue to work to improve customer service for Des Moines subscribers.
- Mediacom will support local economic development efforts by providing In Business Services and Enterprise Network Services.
- The City will inform Mediacom of new residential and business development located within the City.
- The City will also notify Mediacom of any work in the right-of-way as it does with all major utilities.
- The City will acknowledge Mediacom's involvement in providing the institutional network and other important services that benefit the community.

PREVIOUS COUNCIL ACTION(S):

Date: November 24, 2008

Roll Call Number: 08-2055

Action: Community Partnership Memorandum of Understanding between the City of Des Moines and MCC Iowa LLC dba Mediacom. (Council Communication No. 08-694) Moved by Hensley to defer to

the December 8, 2008 Council meeting, to allow time for additional conversations with Mediacom regarding Customer Satisfaction and Ingersoll Restoration. Motion Carried 7-0.

Date: September 28, 1998

Roll Call Number: 98-3022

<u>Action</u>: On Ordinance regarding renewal of Cable Television Franchise. Moved by Vlassis that this ordinance do now pass, #13,642.

Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The parties may choose to renew the MOU at its expiration or alter it at any time. At those times, Council would be asked to approve the changes or renewals.

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