



Legislation Text

File #: 16-398, **Version:** 1

A Resolution to Extend the Term of the Cable Television Franchise being Operated by Comcast of Colorado/Pennsylvania/West Virginia, LLC (locally known as Comcast)

Body

Presenter:

Bret Waters, Deputy Chief of Staff, Mayor's Office

Summary:

The City of Colorado Springs granted a cable television franchise to the predecessor of Comcast of Colorado/Pennsylvania/West Virginia, LLC (locally known as Comcast) ("Comcast") on November 7, 2000 by the electors of Colorado Springs voting to approve Ordinance No. 00-119. The franchise was due to expire on November 7, 2015 and Comcast had requested commencement of the franchise renewal procedures under Section 626 of the Cable Communications Policy Act of 1984 (the "Cable Act"), 47 U.S.C. § 546. Cable television franchises are subject to the regulations contained in the Cable Act. City Charter section 10-20 reserves the powers concerning the method of granting, amending, revoking, or otherwise dealing in franchises to City Council. City Council extended the term of the franchise agreement to and including June 30, 2016, to allow the City and Comcast time to negotiate the franchise agreement. City administration continues to be in negotiations with Comcast but will not be completed by the end of the extension. The City administration has requested that City Council extend the term of the franchise up to and including December 31, 2016, to allow the negotiations with Comcast to continue.

Previous Council Action:

On March 24, 2014, in closed executive session, Council met with the City's Director of Informational Technology, the Chief Financial Officer, and the Deputy City Attorney to discuss the expiration of the current franchise and the process for renewing the franchise with Comcast. On June 9, 2014, in a Council work session, Council considered a resolution to initiate the formal renewal process including an ascertainment phase. Subsequent to the June 9th meeting, the administration directed the City Attorney's Office to engage outside counsel, Ken Fellman. Ken Fellman provided an update to Council at its May 11, 2015, work session. At the May 11, 2015 work session members of Council indicated that they would like to provide the public with the opportunity to comment on Comcast's performance under the franchise and the community's future cable-related needs and interests. On July 13, 2015, City staff presented a plan to obtain public comment related to the franchise. On July 28, 2015, City Council adopted a resolution setting a hearing to receive public comment on the City's future cable-related community needs and interests and Comcast's performance under the existing franchise. On August 10, 2015, City Council received an informational report from the Southern Colorado Educational Television Consortium related to educational access programming and its Comcast franchise-related needs. On August 10, 2015, City Council held a public hearing to receive public comment. On September 8, 2015, City Council received an informational report from

SpringsTV and the Colorado Springs Fire Department related to government access programming and their Comcast franchise-related needs.

On October 13, 2015, City Council adopted a resolution extending the term of the franchise up to and including June 30, 2016.

Background:

Pursuant to Colorado law, the City Charter and ordinance, and federal law, including the Cable Act, the City is authorized to grant or renew franchise to construct, operate and maintain cable television systems utilizing public rights-of-way and properties within the City's jurisdiction. In 2000, by Ordinance No. 00-119 which was approved by City Council and a vote of a majority of the Colorado Springs electors, the City of Colorado Springs entered into an agreement (the "Franchise") with Century Colorado Springs Partnership, d/b/a Adelphia Cable Communications ("Adelphia") whereby the City granted a revocable, non-exclusive cable television franchise to Adelphia. Adelphia's successor-in-interest under the Franchise is Comcast.

Pursuant to the terms of the Franchise, the City's grant of franchise to Comcast was set to expire on November 7, 2015. The Cable Act includes the procedures for renewing a franchise agreement. Comcast requested for the City to commence the renewal process under the Cable Act.

The City has engaged in an informal renewal process with Comcast, including providing the public with an opportunity to provide comment on the cable operator's performance under the franchise and the community's future cable-related needs and interests.

City administration has been negotiating with Comcast on the renewal. City Charter section 10-20 reserves the powers concerning the method of granting, amending, revoking, or otherwise dealing in franchises to City Council. The City administration would like the City Council to authorize an extension of the term of Comcast's franchise up to and including December 31, 2016, to provide the City with sufficient time to negotiate a new franchise with Comcast.

Financial Implications:

In 2015, total franchise fee revenue was \$1,257,306: \$1,036,638 from Comcast, \$214,501 from CenturyLink, and \$6,167 from Falcon Broadband.

Board/Commission Recommendation:

N/A

Stakeholder Process:

Internal stakeholders, such as the City's communication department, Colorado Springs Fire Department, and the Southern Colorado Educational Television Consortium have provided comments and feedback. The public has and may continue to submit comments and feedback by completing comment cards or sending letters to the City through the following mediums: email, mail, in person, by a survey website, and through comment cards. In addition, City Council held a public hearing on August 10, 2015. Comcast is in agreement with extending the term of the franchise up to and including December 31, 2016, under the same terms as the existing franchise.

Alternatives:

N/A

Proposed Motion:

N/A

N/A