
MEMORANDUM

ADMINISTRATIVE SERVICES DEPARTMENT

TO: John C. Phillips, City Manager

SUBJECT: Cable Franchise Extension

DATE: August 16, 2011

The Administrative Services and Legal Departments have been involved in negotiations with the current cable operator, Mediacom. The franchise agreement expired September 1, 2009 (15-year agreement).

In August 2009, the city and cable operator agreed to a 90-day extension of the franchise agreement which expired on December 1, 2009.

In December 2009, the city and cable operator agreed to a second 90-day extension of the franchise agreement which expired on March 1, 2010.

In March 2010, the city and cable operator agreed to a third 90-day extension of the franchise agreement which expired on June 1, 2010.

In July 2010, the city and cable operator agreed to a fourth 90-day extension of the franchise agreement which expired on September 1, 2010.

In February 2011, the city and cable operator agreed to a fifth extension of the franchise agreement which expired on April 30, 2011.

In May 2011, the city and cable operator agreed to a sixth extension of the franchise agreement which expired on July 30, 2011.

The city is finishing an audit of the cable operator to insure compliance with its obligations, commitments and requirements of the franchise agreement. Azavar is the firm conducting the audit on behalf of the city. Azavar needs extra time to finish their negotiations of the cable operator's records and has suggested an extension through November 30, 2011 to complete this process.

The city is awaiting completion of the audit before agreeing to the terms and conditions of a successor agreement. For this reason, a seventh cable franchise extension is being recommended for city council's consideration.

Recommendation: The City Council approves a seventh cable extension of the cable franchise agreement through November 30, 2011 and considers, suspend the rules, and pass the attached special ordinance.

Submitted by: John Thorson, Administrative Services Director
Ted Kutsunis, City Attorney

Approved by: John C. Phillips, City Manager

A SPECIAL ORDINANCE EXTENDING THE EXPIRATION DATE OF THE
CABLE TELEVISION FRANCHISE AGREEMENT AUTHORIZING
THE OPERATION OF A CABLE TELEVISION SYSTEM
FOR THE CITY OF ROCK ISLAND, ILLINOIS

WHEREAS, the City of Rock Island ("Grantor") has an agreement with MCC ILLINOIS LLC ("Mediacom") as successor to AT&T (TCI American Cable Holdings, L.P.), for the operation and construction of a cable television system within the City of Rock Island (the "Agreement"); and

WHEREAS, the Agreement shall be expired by its terms on or about September 1, 2009 unless Grantor and Mediacom mutually agree to extend the term of the Agreement; and

WHEREAS, Grantor and Mediacom are involved in a cable franchise renewal proceeding, which will not be concluded by that date; and

WHEREAS, Grantor and Mediacom has previously agreed to a 90-day extension from the period of September 1, 2009 through December 1, 2009;

WHEREAS, Grantor and Mediacom has previously agreed to a second 90-day extension from the period of December 1, 2009 through March 1, 2010;

WHEREAS, Grantor and Mediacom has previously agreed to a third 90-day extension from the period of March 1, 2010 through June 1, 2010;

WHEREAS, Grantor and Mediacom has previously agreed to a fourth 90-day extension from the period of June 1, 2010 through September 1, 2010;

WHEREAS, Grantor and Mediacom has previously agreed to a fifth extension through April 30, 2011;

WHEREAS, Grantor and Mediacom has previously agreed to a sixth extension through July 30, 2011; and

WHEREAS, Mediacom has submitted a request to Grantor for an extension of the expiration date of the Agreement until November 30, 2011:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCK ISLAND,
ILLINOIS:

Section One. The term of the Agreement granting Mediacom permission to construct and operate a cable television system is hereby amended to expire November

30, 2011 unless Grantor and Mediacom have executed and adopted a new cable television franchise agreement prior to that date, in which case the Agreement shall expire and terminate concurrently with the effective date of said new franchise agreement.

Section Two. Except as modified by Paragraph 1, all other terms, conditions, provisions and requirements of the Agreement shall remain in force and effect. Neither party waives any right it may have pursuant to the Agreement, State or Federal law.

Section Three. Mediacom, if it accepts this Ordinance and the rights and obligations hereby granted, shall file with Grantor its written acceptance of this Ordinance.

Section Four. All ordinances and part of ordinances in conflict herewith are hereby repealed insofar as they do so conflict.

Section Five. This ordinance shall be in full force and effect from and after its passage and approval, as required by law.

MAYOR OF THE CITY OF ROCK ISLAND

PASSED: _____

APPROVED: _____

ATTEST: _____

CITY CLERK

MEDIACOM REPRESENTATIVE