

City Council Introduction: December 8, 2014
Public Hearing: December 15, 2014
Date Factsheet Prepared: December 2, 2014

BILL NUMBER: 14-155

FACTSHEET

Instructions: If a question does not apply, just put "NA". Please try to keep it to **ONE** page only. Submit **one original**, with your Request Form, to City Clerk.

TITLE: Cable Franchise Agr **BOARD/COMMITTEE:**
APPLICANT: Law Dept. **RECOMMENDATION:**
STAFF RECOMMENDATION: **OTHER DEPARTMENTS AFFECTED:** Public Works
SPONSOR: Steve Huggenberger **OPPONENTS:**

REASON FOR LEGISLATION

Approving a cable television franchise agreement for a 15 year term between the City of Lincoln and Windstream Nebraska, Inc. to provide cable television services and products to the citizens of Lincoln.

DISCUSSION / FINDINGS OF FACT:

This is a 15 year franchise agreement to provide cable television within the City of Lincoln. There is a franchise free requirement to pay 5% of gross revenues to the City. This agreement provides Government/Education monies to be used for government and education access purposes. It provides for support of public access. There is the provision of fiber grant monies for the City to use for its fiber conduit system and institutional network. There are also a number of other provisions dealing with Surety issues, Reporting, Right-of-Way management issues, termination, abandonment, etc.

POLICY OR PROGRAM CHANGE: Yes No

OPERATIONAL IMPACT ASSESSMENT:

COST OF TOTAL PROJECT: n/a

RELATED ANNUAL OPERATING COSTS:

SOURCE OF FUNDS:

CITY:

NON CITY:

FACTSHEET PREPARED BY: Steve Huggenberger

DATE: 12-2-14

REVIEWED BY:

DATE:

CABLE TELEVISION FRANCHISE AGREEMENT SUMMARY - Windstream

Section 1. Standard definitions with the exception of Gross Revenues definition. Definitions generally identical to Time Warner franchise.

Sec. 2. Grant of Agreement

- 15 year nonexclusive franchise
- City retains police power abilities

Sec. 3. Franchise Fee

- Franchise fee 5% of gross revenues
- Audits every 4 years, paid for by company.

Sec. 4. Administration and Regulation

- Performance evaluations may be conducted annually by City

Sec. 5. Financial and Insurance Requirements

- Indemnifications required
- Insurance requirements in line with other City requirements
- Letter of Credit at \$100,000

Sec. 6. Customer Service Standards

- Continuation of using federal customer service standards

Sec. 7. Reports

- Utilized the code requirements more than in TW franchise
- Annual reports with complaints and resolutions
- Expansion reporting

Sec. 8. Programming

- Same as TW
- Free drops and service to City Offices, schools and libraries

Sec. 9. PEG

- 4 access channels
- Government training channel
- Triggers for additional channels
- HD requirements
- Support for access capital needs
 - .41/sub/month for Educ. and Gov.
 - 4.00/sub per yr for Public access
- Fiber grant
 - \$40,000/YR for 10 yrs, then \$50,000 /yr for 5 years
- Conduit lease

Sec. 10. General ROW use

- Generally same requirements for cable as are in place or being put in place for all telecom or other ROW users

Sec. 11. System Design

- System with a minimum 140 channels
- All digital

Sec. 12. Technical Standards

- FCC standards
- City has right to examine test results or order other tests

Sec. 13. Service Extension

- No area exempt from service as in the TW franchise
- Extension requirements based on market success
- Has a goal of serving at least 80% of City by end of 15 yr franchise.

Sec. 14. Standby Power

- City to have override capability for local emergency alerts. Same as TW franchise

Sec. 15 Termination

- Uncured breaches of any material provision allows City to terminate agreement. Same as TW

Sec. 16. Abandonment

- Any abandonment gives the City an option of a \$500,000 penalty

Sec. 17 Transfer

- Transfers to affiliated entities allowed without City approval
- Transferee has to agree to franchise and ordinance obligations

Sec. 18. Miscellaneous

- Reserves the ability to pass through any costs to customers