

**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: December 7, 2015		Subject: Resolution No. 2559 Authorizing Third Extension of Franchise Agreement with Comcast Staff Member: Barbara Jacobson Department: Legal	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: Consent Agenda recommended	
Staff Recommendation: Approve Resolution No. 2559.			
Recommended Language for Motion: I move to adopt Resolution No. 2559.			
PROJECT / ISSUE RELATES TO: <i>[Identify which goal(s), master plans(s) issue relates to.]</i>			
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input checked="" type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL: Whether to extend the current Comcast Franchise Agreement, currently set to expire on January 31, 2016, to June 30, 2016.

EXECUTIVE SUMMARY: Last year the City Council approved a one year extension to the City’s current franchise agreement with Comcast in order to allow staff more time to negotiate a new agreement with Comcast. At the time, Comcast was in negotiations with several other Cities, including the Metropolitan Area Communication Commission (“MACC”) and it was the City Attorney’s belief that waiting to see how those negotiations went would be beneficial. Unfortunately, MACC negotiations took much longer than expected and, therefore, serious negotiations with Wilsonville have only recently begun.

EXPECTED RESULTS: The desired outcome is a better agreement with Comcast and less rushed and potentially contentious negotiations.

TIMELINE: Staff will continue negotiations in order to have an agreement in place on or before June 30, 2016.

CURRENT YEAR BUDGET IMPACTS: The current Agreement will remain in place. Thus, there is no anticipated budget impact.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: _SCole_____ Date: _11/30/15_____

LEGAL REVIEW / COMMENT:

Reviewed by: MEK Date: 11/25/15
Legal Department provided Resolution and report.

COMMUNITY INVOLVEMENT PROCESS: N/A - legal contract negotiations.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY: An agreement with Comcast that provides the commitments with sufficient resources for public and government cable programming.

ALTERNATIVES: N/A

CITY MANAGER COMMENT:

ATTACHMENTS

- A. Resolution No. 2559
- B. Third Franchise Extension Agreement

RESOLUTION NO. 2559

A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE CITY MANAGER TO SIGN A FRANCHISE EXTENSION AGREEMENT WITH COMCAST, EXTENDING THE TERM OF THE CURRENT COMCAST CABLE FRANCHISE TO JUNE 30, 2016

WHEREAS, the Comcast Cable Franchise, effective February 1, 1999, expired on January 31, 2014; and

WHEREAS, the City required more time to complete the required ascertainment process and franchise negotiations than would be afforded by that current expiration date and, therefore, extended the contract via two prior extension agreements to January 31, 2016; and

WHEREAS, the City and Comcast require additional time to complete the foregoing negotiations and obtain approval from officials of both sides, and the parties wish to extend the contract to June 30, 2016 to ensure sufficient time to complete the ongoing negotiations;

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Manager is authorized to sign the Second Franchise Extension Agreement with Comcast, extending the term of the cable franchise to June 30, 2016, a copy of which is marked **Exhibit A**, attached hereto and incorporated by reference as if fully set forth herein.
2. This Resolution becomes effective upon the date of adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 7th day of December, 2015, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Starr	Yes
Councilor Fitzgerald	Excused
Councilor Stevens	Yes
Councilor Lehan	Excused

Attachments:

Exhibit A – Third Franchise Extension Agreement

**THIRD FRANCHISE EXTENSION AGREEMENT
for the
City of Wilsonville/Comcast Cable Franchise Agreement**

WHEREAS, Comcast of California/Colorado/Florida/Oregon, Inc. (“Comcast”) currently holds a cable franchise with the City of Wilsonville (“City”), with an effective date of February 1, 1999 and expiration date of January 31, 2014 (“City Franchise”); and

WHEREAS, by letter dated March 8, 2011, Comcast initiated the renewal process under Section 626 of the Cable Act and reserved its statutory rights related thereto; and

WHEREAS, by letter dated August 23, 2013, the City confirmed continuing to proceed with informal negotiations; and

WHEREAS, the City and Comcast determined that it is in both parties’ best interests to extend the term of the City Franchise from January 31, 2014 through January 31, 2015 and entered into an Extension Agreement to that effect; and

WHEREAS, in order to take advantage of the negotiations between Comcast and MACC, the City and Comcast determined that it was in both parties’ best interests to further extend the term of the City Franchise to January 31, 2016 to allow additional time for negotiations.

WHEREAS, since negotiations with MACC were only recently completed, the City and Comcast have determined that it will take an additional period of time to complete negotiations and receive agreement approval from City Council and Comcast officials;

NOW, THEREFORE, the City and Comcast agree as follows:

1. The City Franchise extended to January 31, 2016 shall be further extended to June 30, 2016.
2. All provisions of the City Franchise, other than the duration of the City Franchise as set forth in Section 2.3, shall remain in full force and effect through the extended date set forth herein.
3. The City and Comcast agree that execution of this extension does not waive any rights that either party has under Section 626 of the Cable Act.

ACCEPTED this ____ day of _____, 2015: ACCEPTED this ____ day of _____, 2015:

Comcast of California/Colorado/Florida/Oregon, Inc. City of Wilsonville

By: _____

By: _____

Bryan Cosgrove, City Manager

Print Name: _____

Title: _____