



Denver 8 Television

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MEMORANDUM

TO: City Councilmembers

FROM: Darryn Zuehlke, General Manager

DATE: May 8, 2013

RE: Comcast Franchise extension ordinance on Consent Agenda

Councilmembers, this is the second ordinance request to extend the term of the Comcast franchise agreement (which currently expires June 30, 2013). If approved, this ordinance will set the franchise term to September 30, 2013 (a three-month extension) plus allow, if needed, three one-month extensions with the approval of the Mayor.

The only provision changing is the term of the agreement, which is why this second time the ordinance request is on Consent Agenda. This will allow the City and Comcast time to conclude our negotiations and put into place two other contracts tied to the franchise. As it stands now, there is not sufficient time to do all that and get it through the ordinance process before the June 30th deadline.

While I anticipate the franchise negotiations will conclude in the next few months, the other agreements might take a little bit longer. Most important of the two is the contract for maintenance of fiber owned by Comcast and used by the City for our computer network. The current franchise addresses fiber maintenance but Comcast negotiated this provision out of the new franchise. Technology Services and Comcast are currently in negotiations for this service going forward. It also has to go through the ordinance process because of the dollars involved and the length of the contract term. The additional three (or possibly more) months to get that contract in place are necessary.

Unlike the last time the franchise term was extended, it is not because of Comcast lack of response. Negotiations have been productive and I believe we've come up with a good document. In the near future I will brief the full City Council at a Finance Committee meeting on the provisions of the new agreement.

Please let me know if you have any questions or concerns. Thanks!

