Memorandum Date: May 24, 2006

Order Date: June 7, 2006

W. 8.B.1.

TO:

Board of County Commissioners

DEPARTMENT:

CAO, Community & Economic Development

PRESENTED BY:

Peter Thurston and Michael McKenzie-Bahr, C&ED

Coordinators

AGENDA ITEM TITLE:

ORDER/IN THE MATTER OF AUTHORIZING A LETTER TO COMCAST CABLE REGARDING NEGOTIATIONS FOR FRANCHISE RENEWAL UNDER FEDERAL 626

GUIDELINES

I. MOTION IT IS MOVED THAT THE ORDER BE APPROVED IN THE MATTER OF AUTHORIZING A LETTER TO COMCAST CABLE REGARDING NEGOTIATIONS FOR FRANCHISE RENEWAL UNDER FEDERAL 626 GUIDELINES

II. AGENDA ITEM SUMMARY

Lane County government is authorized under federal law to franchise cable television services in unincorporated areas of Lane County. Comcast Cable gave notice (Attachment A) in December 2005 of interest to renew their franchise. The attached Order and letter respond to Comcast's request. Approval of the Order authorizes the letter (Attachment B) to be sent to Comcast.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

This is the usual procedure under federal law to initiate the negotiation process. The current franchise runs until mid-2008. Other negotiations with Comcast have taken place in recent years to resolve disputes and address Comcast's request in 2005 to extend the franchise under provisions in the franchise. However, the Metropolitan Policy Commission, on behalf of the cities of Springfield, Eugene, and Lane County did not find that Comcast met the process guidelines. The 626 federal procedures are a different process and must be initiated at this time if Lane County is to proceed with full rights under the law.

B. Policy Issues

The letter indicates that Lane County agrees to proceed in an "informal"

December 15, 2005 CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Peter Thurston
Community/Economic Development Coordinator
Lane Co. Administration, Public Services Bldg.
125 East Eighth Avenue
Eugene, OR 97401

Subject: FRANCHISE RENEWAL

Dear Mr. Thurston:

We at Comcast appreciate the opportunity to serve the citizens of Lane County. It is our credo that we will be the company to look to first for the communications products and services that connect people to what's important in their lives. In living our credo, we look forward to providing broadband services to our customers in Lane County for many years to come. Therefore, we are taking this step to ensure the renewal of our franchise with Lane County.

The Cable Communications Policy Act of 1984 ("the 1984 Cable Act") encourages franchisors and cable operators to reach renewal agreements at any time through an informal process of discussion. However, Section 626 of the 1984 Cable Act also provides for commencement of a formal renewal procedure. To preserve our statutory rights to this formal procedure, this letter is our official notice to you invoking that provision.

This letter is not intended to introduce a new formality nor is that the intention of the 1984 Cable Act. We prefer to reach a mutually satisfactory agreement through informal negotiations, thus making many of the 1984 Cable Act's formal procedures unnecessary, and once again are optimistic that even the informal process contemplated under the Act will prove unnecessary based upon the franchise extension process already pending before the MPC.

Additionally, this letter is not intended to waive, supersede or impair in any way Comcast's pending extension request currently before each of the respective local franchise authorities, Eugene, Springfield, and Lane County. We fully anticipate that at the conclusion of the MPC's review of the franchise agreements pursuant to Section 16(2)(f) that an extension will be granted for an additional ten-year term. However, as the review has yet to be completed, we are sending this letter to preserve Comcast's rights under Section 626 of the 1984 Cable Act.