Franchise Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 5 AGENDA DATE: Thu 10/28/2004 PAGE: 1 of 1

SUBJECT: Approve an ordinance on first reading, amending Ordinance No. 000420-28, a franchise permitting the delivery of cable services granted to Grande Communications, Inc. that: extends the deadline for completing the City-wide build-out of facilities by sixty (60) months; extends the initial term of the franchise by one year; and reduces by one year the franchise extension term.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

 REQUESTING
 Financial and
 DIRECTOR'S

 DEPARTMENT: Administrative Services - AUTHORIZATION: Vickie Schubert
 Vickie Schubert

 Telecommunications and
 Regulatory Affairs

FOR MORE INFORMATION CONTACT: Rondella Hawkins, Manager 974-2422

PRIOR COUNCIL ACTION:

BOARD AND COMMISSION ACTION: To be reviewed by the Council Committee for Telecommunications Infrastructure on October 27, 2004.

In April of 2000, the City of Austin granted a cable franchise to Grande Communications to provide cable services in the City of Austin with a 60-month deadline to complete the construction of their facilities city-wide.

Grande Communications has requested an amendment to their franchise to extend their deadline for facilities construction by 60 months, to June 2010; to extend the initial term of the franchise for one year, to ten year; to reduce the extension term by one year.

The total length of the franchise term, including the available extension, remains unchanged at 15 years.

Grande has presented credible evidence detailing their inability to meet the June, 2005 deadline for completing the construction of their facilities city-wide.

Staff recommends that Council approve the proposed amendments to Grande's cable franchise as it is in the best interest of the public to promote competition in the delivery of cable services in Austin.