

Council Agenda Report

Date: July 11, 2016

Prepared by Oden C. Wheeler Jr., Director DPW

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SUBJECT: Bay Country Communications (BCC) cable television Franchise Agreement.

Recommendation: That Council approve subject agreement increasing Franchise Fee by 1% effective July 1, 2016 and another 1% effective July 1, 2017.

Discussion:

Staff has been working for several months with the Vice President of Bay Country Communication Mr. Scott Shilling to complete a new Franchise Agreement (which is enclosed) for the period of July 1, 2016 through June 30, 2026. The new agreement with BCC for the most part replicates the previous agreement with BCC, and the Franchise Agreement the City of Cambridge and Comcast entered into approx. a year ago. This agreement includes an increased Franchise Fee from 3% to 4% affective July 1, 2016, and also provides for an additional increase of 1% to be effective July 1, 2017, consistent with rates under the Comcast agreement. The new agreement has been signed by Scott Schilling.

Fiscal Impact:

For Fiscal Year Ending 2016 BCC Franchise Fee revenue to the City of Cambridge was \$3,384.92, a 1% increase will be minimal (approx. \$1300). Comcast who has a much larger customer base, their 1% increase provided approx. \$26,000 in addition revenue in Fiscal Year 2017 to the City of Cambridge.

Approved by: Sandra Tripp-Jones, City Manager

1 FRANCHISE AGREEMENT

1.1 City of Cambridge, MD

And

Bay Country Communications, Inc

July 1, 2016 through June 29, 2026

