



CITY COUNCIL AGENDA ITEM

To: Mayor Graham and City Council

From: Ted Shekell, Planning Director
Walter Denton, City Administrator

Date: December 12, 2007

Subject: ATT Cable Ordinance (1st READING)

List of committees that have reviewed: At its meeting on December 10, 2007, the Community Development Committee recommended approval of the proposed Cable Franchise Ordinance with ATT for First Reading.

Background:

This year, the State of Illinois passed legislation regulating video and cable providers, such as ATT, and this legislation restricted the manner in which cities could regulate these companies. In this instance, ATT is now the holder of a state license, and as such we cannot force them to enter into a local franchise agreement. We can, however, still regulate them in a limited fashion, which is why this ordinance is proposed to you. Dan Vogel's attached memo outlines those specific areas to be regulated by the proposed ordinance. It should be noted that the Charter local franchise with O'Fallon remains in effect, however, this ordinance includes a provision stating Charter will be subject to the same customer service and privacy standards as ATT.

Legal Considerations, if any: None

Budget Impact: We will receive revenue from ATT in the amount of 5% for base cable and 1% for the PEG access channel. Since the state legislation also requires ATT to make available PEG information to the public, and since they will be broadcasting in digital and we currently broadcast in analog, they will need to upgrade the city's public broadcast facilities and equipment to allow for transmission of a digital signal. We do not have a final dollar amount for these improvements at the time of this writing.

Staff Recommendation: Staff and special legal counsel, Dan Vogel, recommends approval of the ordinance.