

A RESOLUTION DETERMINING THE VILLAGE OF RICHFIELD'S FUTURE CABLE TELEVISION NEEDS AND AUTHORIZING THE DIRECTOR OF LAW TO SUBMIT A REQUEST FOR PROPOSAL TO CABLEVISION FOR A NONEXCLUSIVE FRANCHISE AGREEMENT BASED UPON THOSE NEEDS AND DECLARING AN EMERGENCY.

WHEREAS, the Village's cable television franchise agreement with Cablevision will expire on or about March 31, 1998; and

WHEREAS, as a part of the cable television franchise renewal process set forth in Section 626 of the federal Cable Communications Policy Act of 1984 (47 USC §546), and in anticipation of negotiating the renewal of a cable television franchise with Cablevision, the Village formed a Cable Television Task Force for the purpose of determining the Village's future cable television-related needs and interests, which Task Force's duties included, but were not limited to, gathering information regarding the community's needs for public, educational and government access services, gathering information regarding the community's needs for a community information network, and evaluating Cablevision's performance under the current franchise; and

WHEREAS, the Cable Television Task Force has made its recommendations regarding the community's cable television-related needs and interests as well as other closely related issues to this Council in the form of the attached report (Exhibit A) and a Sample Franchise Agreement, which is currently on file with the Clerk of Council; and

WHEREAS, after reviewing the Cable Television Task Force's recommendations, this Council determines that it would be in the best interest of the Village to adopt the Cable Television Task Force's recommendations as a compilation of the Village's future cable television-related needs and interests, and to authorize the Director of Law to submit a Request for Proposal to Cablevision for the renewal of its cable television franchise with the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Village of Richfield, State of Ohio:

SECTION 1: That this Council accepts and adopts the recommendations of the Cable Television Task Force regarding the community's future cable television-related needs and interests.

SECTION 2: This Council hereby authorizes the Director of Law to issue a Request for Proposal for a new nonexclusive cable television franchise to Cablevision which Request for Proposal shall incorporate the community's cable television needs hereby adopted.

SECTION 3: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that

resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 4: This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is necessary in order to provide a state-of-the-art cable television system for the citizens of Richfield at the earliest possible date; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

Passed: January 6, 1998

Michael J. Peterson
President of Council

Donald W. Larsen
Mayor

Dated: 1/14/98

ATTEST:
Carola Johnson
Clerk of Council

CABLEVISION OF THE MIDWEST, INC., d.b.a. CABLEVISION

APPLICATION

**FOR RENEWAL OF A CABLE
TELEVISION FRANCHISE**

Village of Richfield, Ohio

Date: _____, 1998

SECTION 1

INTRODUCTION

1. Process

At this time, the Village of Richfield, Ohio (the "Village") is requesting Cablevision of the Midwest, Inc., d.b.a. Cablevision ("Cablevision") to submit to the Village a proposal for a new cable television franchise agreement. A detailed proposal in the form of the sample agreement provided is to accompany the completed application. The application is designed to elicit from Cablevision information with respect to Section 626(a) of the Cable Communications Policy Act of 1984 ("Cable Act") and to facilitate eventual consideration of Cablevision's proposal.

SECTION 3

CRITERIA FOR EVALUATION OF APPLICATION

The Village wishes to notify Cablevision that pursuant to Section 626 of the Cable Act, the Village Council of the Village will evaluate and consider all aspects of a Proposal submitted for a cable television franchise renewal. The following criteria are provided to assist Cablevision in understanding the elements which will eventually be considered.

1. Cablevision's compliance with the material terms of the existing cable television franchise agreement.
2. The quality of Cablevision's current service including signal quality and reliability, convenient, professional installation and service, response to consumer complaints and billing practices in light of community needs.
3. Cablevision's ability to meet future cable-related community needs and interests, taking into account the cost of meeting such needs and interests. In evaluating Cablevision's ability to meet these needs and interests, consideration will be given to the following:
 - a. The technical quality and capabilities of the proposal, including system design, equipment quality and reliability, technical standards, performance tests, and maintenance procedures;
 - b. The provision of a cable television system with sufficient capacity to provide flexibility to meet the Village's future needs and Cablevision's commitment to expand and upgrade services throughout the franchise term;
 - c. The depth of commitment to consumer relations, including adequacy of plans and procedures for responding to service problems and complaints on a timely basis;
 - d. The depth of commitment to public, educational, and governmental ("PEG") access and programming, including support in the form of equipment, personnel, and facilities; and
 - e. The quality and diversity of proposed cable programming.
4. Cablevision's legal, technical and financial qualifications to meet the future needs of the Village.

- b. Describe the converters and any other terminal equipment required to receive these signals and what services require terminal equipment. Please provide the information provided to subscribers on the use of Cablevision's converters and other equipment and information on equipment compatibility.

4. System Upgrade

The Village desires that Cablevision describe in detail the type of system upgrade contemplated with the Village.

This system upgrade plan should include:

- a. The technology to be utilized;
 - b. The improvements contemplated at the head end;
 - c. Standby power capabilities;
 - d. The use of addressability and interdiction technology;
 - e. Construction schedule;
 - f. Channel capacity and channelization plan for anticipated use of the cable system's frequencies;
 - g. Overall design;
 - h. Description of cable and electronics;
 - i. Contemplated programming;
 - j. Channel availability for PEG programming and two-way services; and
 - l. Whether optic fibers will be used for cable.
5. The Village further anticipates that after an initial upgrade of the cable system, and during the remaining term of the Franchise, technological developments will occur; *e.g.*, fiber optics and interactivity. How will Cablevision implement new technologies and services? Will Cablevision agree to ensure that the Village's system is comparable to any other Cablevision system?

9. Access Commitments

The Village is very interested in ensuring that sufficient channel capacity, equipment, and facilities are made available to all interested PEG access users. Please explain how Cablevision intends to meet the following needs.

- a. Identify equipment and capital Cablevision will provide to meet the needs of PEG access users.
- b. Provide a list of any studies, including any marketing surveys, relating to public interest in PEG access programming.
- c. Describe any marketing plans or policies utilized by Cablevision in the development or promotion of community interest in access programming.
- d. Describe the access personnel available to Richfield relating to public, educational and governmental access and the specific duties and responsibilities of each person identified.
- e. Describe the location and hours of availability of access equipment, studios and personnel for residents in Richfield.

10. Interactive Services

- a. Does the system currently have the capability of providing two-way interactive services?

SECTION 5

LEGAL QUALIFICATIONS

1. Identification of Applicant

a. Applicant²

Name _____

Address _____

b. Ultimate parent company of Cablevision

Name _____

Address _____

c. Principal to whom inquiries should be made

Name _____

Address _____

Telephone _____

d. Representation

This Application is submitted by the undersigned who has been duly authorized to make the within representations on behalf of Cablevision.

Cablevision recognizes that all representations are binding on it and that should any representation prove to be false or if it fails to adhere to any such representation, the Village may revoke the franchise granted as a consequence of this Application.

Consent is hereby given to the Village and its representatives to make inquiry into Cablevision's character and its qualifications (including, without limitation, legal, financial, and technical) by contacting any persons or organizations named herein as references, or by any other appropriate means.

² Hereinafter applicant will be referred to as "Cablevision."

5. Ownership Qualifications

Does Cablevision or any person or business entity having any interest³ in Cablevision, directly or indirectly own, operate, control,⁴ or have an interest in any of the following?

	<u>Col. A</u>	<u>Col. B</u>
a. A national broadcast television network (such as ABC, CBS, or NBC); or	() yes	() no
b. A television broadcast station whose predicted Grade B contour, computed in accordance with Section 73.684 of the FCC's rules, overlaps in whole or in part of the proposed service area or an application for license to operate such a station; or	() yes	() no
c. A television translator station providing service within the proposed cable service territory; or	() yes	() no
d. A telephone company in the proposed service area; or	() yes	() no
e. A publisher and/or owner of a newspaper having a primary market area, as defined by the Audit Bureau of Circulation, which overlaps in whole or in part the proposed cable service territory; or	() yes	() no

³ Interest includes officers and directors, and shareholders owning 10% or more of the company's outstanding voting stock.

⁴ The word "control," as used, is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

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|----|---|-------|-------|
| 3. | Perjury, jury tampering, obstruction of justice or other misconduct affecting public or judicial officer's performance of their public duties | _____ | _____ |
| 4. | False, misleading or deceptive advertising | _____ | _____ |
| 5. | Anti-trust violations, state or federal | _____ | _____ |
| 6. | Violations of FCC rules and regulations | _____ | _____ |
| 7. | Conspiracy to commit any of the foregoing offenses | _____ | _____ |

b. Disposition of Criminal Charges. If the answer to any question above is affirmative, attach a separate statement describing disposition of each criminal charge, including the date, court, sentence, or fine.

c. Civil Proceeding. Has Cablevision or any principal ever been a party to a civil proceeding in which it was held liable for any of the following or is now a party to the proceeding?

- | | | YES | NO |
|----|--|-------|-------|
| 1. | Unfair or anti-competitive business practices | _____ | _____ |
| 2. | Anti-trust violations (state and federal) including instances in which consent decrees were entered into | _____ | _____ |
| 3. | Violations of securities laws (state and federal) | _____ | _____ |
| 4. | False, misleading or deceptive advertising | _____ | _____ |
| 5. | Violations of FCC rules and regulations | _____ | _____ |

SECTION 6

CURRENT FRANCHISES ENTERED INTO
WITHIN LAST THREE YEARS

Municipality	Most Recent Date Franchise Awarded (indicate with * if this is a Renewal or Extension)	Number of Current Subscribers	System Channel Capacity Video	Structure and Rates for All Items of Service	Municipal Contact Person & Phone
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Identify any of the above systems which have in current operation advanced technological services, including at least two-way interactive capabilities, separate institutional network facilities, data distribution, home security, fire detection and/or mode management.

- b. The provision of a cable television system with sufficient capacity to provide flexibility to meet the Village's future needs and Cablevision's commitment to expand, upgrade, and maintain *state of the art* service throughout the Franchise term.

- c. The depth of commitment to consumer relations, including adequacy of plans and procedures for responding to service problems and complaints in a timely basis.

- d. The depth of commitment to local programming, including support in the form of equipment, personnel, and facilities.

- e. The quality and diversity of proposed cable programming.

4. Ownership interest.

Please indicate and describe in detail whether Cablevision has any ownership interest in the following:

- a. Cable programming
- b. Satellite services
- c. Direct broadcast systems
- d. Cablevision Lightpath, Inc.
- e. Telephone services
- f. Internet services

SECTION 8

RESPONSE TO SAMPLE AGREEMENT

The Sample Franchise Agreement has been drafted to incorporate the Village's information gathering to date. Please set forth any and all objections and factual reason for an objection, to the Sample Franchise Agreement attached hereto and provide specific alternative language AND REASONS WHY such changes have been made. Please utilize the legislative format when responding to this section -- i.e., striking over language proposed to be eliminated and underlining all new language proposed to be added.