

**CITY OF GOODYEAR
COUNCIL ACTION REPORT**

SUBJECT: First Amendment of Cable License Agreement with Qwest Broadband, Inc. dba CenturyLink	STAFF PRESENTER: Linda Beals, Real Estate Coordinator
	CASE NUMBER: None
	OTHER PRESENTER: None

PROPOSED ACTION:

ADOPT RESOLUTION NO. 2019-1936 AUTHORIZING THE FIRST AMENDMENT OF THE CABLE TELEVISION LICENSE AGREEMENT BETWEEN THE CITY OF GOODYEAR AND QWEST BROADBAND SERVICES, INC., DBA CENTURYLINK.

BACKGROUND AND PREVIOUS ACTIONS:

On February 11, 2013 Council approved the Cable Television License Agreement between the city and Qwest Broadband Services, Inc., dba CenturyLink effective March 1, 2013. The License term was for six years. The current license is scheduled to expire on February 28, 2019.

The license agreement also permitted a potential license renewal until 2024 if certain threshold performance based requirements were satisfied. A change in Arizona State law impacts the City's ability to renew the license agreement through 2024 under the current terms.

STAFF ANALYSIS:

During the 2018 legislative session, the Arizona legislature enacted new laws concerning cable license providers. The new legislation requires municipalities to issue uniform video service licenses to video service providers. The uniform license must be available by July 1, 2019 and between January 2, 2020 and June 30, 2020 any current cable operator may cancel its license with the city and apply for the uniform video service license. City staff is preparing a uniform video service license for Council approval by July 1, 2019.

This license amendment will allow for a brief license extension to ensure compliance with the newly enacted legislation. The amendment allows CenturyLink to continue operating under the current license and sets forth an option to cancel the license with 90 days' notice. This amendment is pursuant to section 11 of the current license which allows modifications if there are changes in State law.

All other terms of the contract remain the same except for section 3 (Term). The new term of the license is from February 26, 2019 through June 30, 2020. The amendment also restates the original license condition that telecommunication facilities, which are not being used solely for cable services, will remain in the right-of-way in accordance with State law requirements.

FISCAL ANALYSIS:

There is no fiscal impact associated with this amendment. CenturyLink will continue to pay the City an annual license fee of 5% of the gross revenues generated by their cable services within Goodyear. The average annual license fee revenue received from Century Link for the past four fiscal years is \$45,518.

RECOMMENDATION:

Staff recommends that Mayor and Council approve Resolution 2019-1936 authorizing the First Amendment to the Cable Television License Agreement.

ATTACHMENTS:

1. Resolution
2. License Agreement Amendment
3. 2013 License Agreement