



Communications & Public Involvement
 215 N. Mason St.
 PO Box 580
 Fort Collins, CO 80522
970.416.2209
 fcgov.com

MEMORANDUM

DATE: May 21, 2020

TO: Mayor and City Councilmembers

THROUGH: Darin Atteberry, City Manager ^{DS} *DA*
 Kelly DiMartino, Deputy City Manager ^{DS} *KD*

FROM: Amanda King, Communications Director ^{DS} *AK*
 Carson Hamlin, Video Production Manager ^{DS} *CH*

RE: **Quarterly Cable Franchise and PEG Funding Update – Q1 2020**

Background: The City has a non-exclusive franchise agreement with the local subsidiary of Comcast Corporation. During the franchise renewal process, Council made a request for increased tracking and reporting on compliance. Based on this request, quarterly reports will be shared and posted on the City's franchise webpage: <http://www.fcgov.com/fctv/franchise.php>.

Below is a summary of quarterly franchise and PEG fees, reported customer complaints and current service pricing:

2020	Quarter 1			2020 Budget and Actuals			
	Q1 2020 Budgeted	Q1 2020 Actual	Difference Over/(Under)	2020 Budgeted	2020 YTD Actual	Proj Difference Over/(Under)	Variance Over/(Under)
Franchise Fee - 413010	\$ 416,330	\$ 372,473	\$ (43,857)	\$ 1,700,000	\$ 372,473	\$ (175,428)	-10.3%
PEG - 441070	\$ 56,250	\$ 54,377	\$ (1,873)	\$ 225,000	\$ 54,377	\$ (7,492)	-3.3%

Revenue received –

- Franchise fees came in under budget in Q1 2020
- PEG fees were also under budget in Q1 2020
 - Franchise fees are based off 5% of gross revenue.
 - PEG fees are \$0.75/cable subscriber.
 - A financial audit is underway (see details below).

Complaints-

- Comcast reported zero complaints in Q1 2020.
- The City received one complaint in Q1 2020:
 - A resident was upset because of a cable running across his yard. This has been resolved as Comcast installed a new vault and removed the cable in question.

Comcast website check-



- Limited Basic pricing could not be found on the Xfinity website.
- The lowest price listed for TV only was \$49.99

Comcast Customer Service Center check -

- Due to COVID-19, the Customer Service center has limited/reduced hours. The store was not open when staff attempted a pricing signage check.

Other Franchise Updates –

- Financial audit of Comcast:
 - Per the current cable franchise, the City is authorized to conduct a mid-franchise financial audit of Comcast which is in progress.
 - The auditor has continued to have many challenges with delays and missing information not being provided by Comcast.
 - Comcast had agreed to provide more documentation regarding the auditor's questions; however, after further review some additional issues surfaced.
 - The audit was further delayed as the auditor was out on medical leave.
 - At this point he's been unable to acquire a major revenue stream Comcast gets from their advertising department. In an effort to wrap up the audit, he will send the incomplete report with an estimation, and the City Attorney's office and Finance can review and decide if this is a large enough issue to take further action.
- Channel lineup changes:
 - The City's Franchise Administrator was also notified via email of the attached channel lineup changes.

Amanda King

Subject: FW: Comcast notice - channel lineup changes

From: Walker, Glenn <Glenn.Walker@comcast.com>

Sent: Wednesday, January 22, 2020 7:48 AM

To: Carson Hamlin <CHAMLIN@fcgov.com>; myersag@co.larimer.co.us; agetchiu@timnathgov.com; jbecklenberg@evanscolorado.gov; info@townofgardencity.com; roy.otto@greeleygov.com; amartinez@lasalletown.com; ckoppes@weldgov.com; dmoyer@windsorgov.com; CKirk@berthoud.org; aeuckert@cityofdacono.com; bnickerson@firestoneco.gov; kjovanovich@frederickco.gov; chanes@fortlupton.org; Harold.dominguez@longmontcolorado.gov; Steve.Adams@cityofloveland.org

Subject: Comcast notice - channel lineup changes

In an email dated October 15, 2019, I informed you that as of December 10, 2019, we would add Epix programming to certain packages and remove Starz programming from those packages. While we did add Epix to those packages, we delayed the removal of Starz programming. We will now be removing Starz from those packages as of February 11, 2020.

As part of our new agreement with Starz, the channel will be available to Xfinity customers separately from those packages at a reduced rate of \$8.99 per month and StarzEncore, StarzEncore Westerns, StarzEncore Black and StarzEncore Action will be included with that subscription to Starz. In addition, we will be removing Movieplex programming on March 24, 2020.

On February 4, 2020, we will add HD versions of Rai Italia and Band Intl. to the channel lineup.

Please feel free to contact me at if you have any questions.

Sincerely,

Glenn Walker
Comcast Government Affairs Dept.
1899 Wynkoop St. Suite 550
Denver, CO 80202
303-603-2012

Amanda King

Subject: FW: Comcast Notice of Channel Lineup Changes

From: Walker, Glenn <Glenn.Walker@comcast.com>
Sent: Monday, April 13, 2020 9:23 AM
To: RSIMPSON@auroragov.org; Julie.Martinez@denvergov.org; Melissa Gallegos <MGallegos@greenwoodvillage.com>; Kelli Narde <knarde@littletongov.org>; Todd.Barnes@cityofthornton.net; dhord@cityofwestminster.us; jhgreene@springsgov.com; 'CHAMLIN@fcgov.com' <CHAMLIN@fcgov.com>
Subject: Comcast Notice of Channel Lineup Changes

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please see the listing of changes below;

Effective May 5, 2020 Comcast will make CLEO TV available to more customers by added it to the Digital Starter package.

On March 2, 2020 NDTV Good Times stopped making their channel available to distributors in the US and thus it has been removed from our channel lineup. Subscribers have been notified by bill message.

On or before June 30, 2020 ESPN Goal Line/ESPN Bases Loaded will be terminating service. It is currently dormant as there are no college baseball or football games expected to be played before June 30th.

Please feel free to contact me if you have any questions.

Thanks
Glenn Walker
Comcast Government Affairs Dept.
1899 Wynkoop St. Suite 550
Denver, CO 80202
303-603-2012

* Sender and receiver should be mindful that all incoming and outgoing emails may be subject to the Colorado Open Records Act, S 24-72-100.1, et seq.

City of Littleton buildings are closed to the public until April 30th when an assessment will be made as to future actions. All essential services continue as usual including police, streets, fleet, etc. Many city transactions can be conducted online or by phone. Visit littletongov.org/covid-19 for further information or subscribe to Littleton eConnect to receive updates by email.