

# MAYOR AND COUNCIL – SPECIAL STUDY SESSION

## ADMINISTRATIVE ACTION REPORT AND SUMMARY MARCH 2, 2007

FROM: CITY MANAGER \_\_\_\_\_



Mayor Robert E. Walkup called the Special Study Session to order at 2:03 P.M. in the Mayor and Council Chambers, City Hall Tower, Tucson, Arizona.

COUNCIL MEMBERS PRESENT: Mayor Robert E. Walkup  
Vice-Mayor Carol West, (Ward 2)  
Council Member Jose J. Ibarra, (Ward 1)  
Council Member Karin Uhlich, (Ward 3)  
Council Member Shirley C. Scott, (Ward 4)  
Council Member Steve Leal (Ward 5)  
Council Member Nina J. Trasoff, (Ward 6)

STAFF: Mike Hein, City Manager  
Mike Rankin, City Attorney  
Kathleen Detrick, City Clerk

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
<p>1. Executive Session - Cox License Renewal (City-Wide) SS/MARCH2-07-70</p> <p>Vice-Mayor West MOVED and it was duly seconded to go into Executive Session for Item # 1 as noticed in the agenda.</p> <p>Motion PASSED by a vote of 7 to 0.</p>	
<p>RECESS: 2:02 p.m. RECONVENE: 3:45 p.m. MAYOR AND COUNCIL : ALL PRESENT STAFF: ALL PRESENT</p>	
<p>Executive Session was held from 2:02 p.m. to 3:45 p.m. (Council Member Ibarra did not attend Executive Session).</p>	

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
<p>Vice-Mayor West MOVED and it was duly seconded to return to open session.</p> <p>Motion PASSED by a vote of 7 to 0.</p>	
<p>2. Mayor and Council Direction Regarding Executive Session – Cox License Renewal (City-Wide) SS/MARCH2-07-71</p> <p>Council Member Uhlich offered the following motion:</p> <p>While new issues recently raised by Cox must still be negotiated:</p> <p>It is moved that the City Manager and the City Attorney are directed to accept a written proposal from Cox Communications for renewal of the Cox cable license that contains the following terms:</p> <ol style="list-style-type: none"><li>1. With regard to the provision of Public, Educational and Governmental (PEG) Channels (Currently 8 analog channels and 1 digital channel):<ul style="list-style-type: none"><li>• City will return one analog channel to Cox and may reallocate programming to the digital channel currently operated as the Digital Fire channel 30 days after effective date of new license (resulting in 7 analog channels and 1 digital channel).</li><li>• One higher education analog channel (the U of A Channel) will be returned to Cox no later than 30 days after Cox has entered into a written agreement with the University of Arizona that provides the UA with a channel. This can occur before or after the effective date of the new license. Until that time, it will remain with the City (resulting in 6 analog channels and 1 digital channel at the City and 1 digital channel at U of A).</li><li>• The two PCC higher education analog channels will be returned to Cox no later than 30 days after Cox has entered into a written agreement with Pima Community College that provides channels to PCC. This can occur before or after the effective date of the new license. Until that agreement has been entered into, the two Pima College analog channels will remain with the City. After the PCC agreement, one analog and one digital channel will be available to PCC (resulting in 4 analog channels and 1 digital channel at the City; 1 analog channel and 1 digital channel at PCC and 1 digital channel at U of A).</li><li>• The third higher education analog (PCC) channel will be dropped June 1st, 2008 (resulting in 4 analog channels and 1 digital channel at the City; 1 digital channel at PCC; and 1 digital channel at U of A).</li><li>• If during the term of the license either of the higher education channel deals are terminated by either party, the City gets one digital channel back for each terminated higher education channel deal and the returned channel(s) must be used for higher education.</li></ul></li></ol>	

AGENDA ITEM/MAYOR AND COUNCIL ACTION

STAFF ACTION

2. Mayor and Council Direction Regarding Executive Session – Cox License Renewal (City-Wide) SS/MARCH2-07-71 (Continued from previous page)
  - One analog PEG channel becomes a digital channel when Cox's digital penetration reaches 65% or by December 1st, 2009, whichever is sooner. Entertainment On Demand (EOD--as described in paragraph 2 below) will become available at that time. (resulting in 3 analog channels, 2 digital channels and 2,000 hours EOD at City; 1 digital channel at PCC; and 1 digital channel at U of A).
  - All digital PEG channels will be located on Cox's digital basic tier and available to all Cox digital customers.
2. Entertainment On Demand - Cox will provide 2000 hours of EOD capability, including virtually live capability, when the final analog PEG channel is returned to Cox.
3. The City shall be held financially whole in terms of cable license fees until “cross-over” occurs under the Arizona State Law definition of gross revenue
4. Cox shall pay the City \$200,000 to resolve all outstanding audit issues.
5. Drops to Schools - Cox will provide a letter to TUSD restating its historic policy continue providing free monthly expanded basic cable service to all public K-12 schools. If Cox changes this policy in the future, it commits to provide TUSD two years notice.
6. The term for the renewed license shall be 5 years.
7. No formal provision shall be included in the renewal license requiring City oversight of public channels. The City will continue its oversight of public channels in a manner decided by the Mayor and Council.
8. The City Attorney is directed to continue to work with Cox representatives to finalize language in the Cox proposal that incorporates the above deal points and resolves the new issues raised by Cox related to the license agreement as discussed in executive session.
9. The Mayor and Council will evaluate changes to the legislation proposed by Cox to determine its position concerning that legislation. While the Mayor and Council believe that all pending legislation should be withdrawn, it will evaluate technical changes that will clarify the cap on licensing fees while preserving the existing exemptions from eligible offsets.

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
<p>2. Mayor and Council Direction Regarding Executive Session – Cox License Renewal (City-Wide) SS/MARCH2-07-71 (Continued from previous page)</p> <p>Motion PASSED by a vote of 5 to 2 (Council Members Ibarra and Leal dissenting)</p>	
<p>ADJOURNMENT: 3:50 p.m.</p> <p><i>VERBATIM TAPE RECORD AVAILABLE UPON REQUEST FROM THE CITY CLERK'S OFFICE</i></p>	