

**RESOLUTION AUTHORIZING THE EXECUTION OF AN
CABLE TELEVISION FRANCHISE AGREEMENT**

WHEREAS, the Village of Barrington Hills (the "Village") and Comcast of Illinois IX, LLC ("Comcast") desire to enter into a Cable Television Franchise Agreement (the "Agreement") regarding the construction, operation and maintenance of a Cable System within the Village; and

WHEREAS, there has been the presentation to and examination of the Agreement by the Village Board of Trustees on August 26, 2013.

NOW, THEREFORE BE IT RESOLVED by the President and the Board of Trustees of the Village of Barrington Hills, Cook, Kane, Lake, and McHenry Counties, Illinois, as a home rule municipality the following:

Section One The Village President is hereby authorized to execute the Agreement, substantially on the terms set forth in the copy attached hereto and made a part hereof as Exhibit A with such modifications as may be deemed necessary or desirable by the Village President and the Village Attorney.

Section Two If any part or provision of this Resolution shall be held or deemed to be invalid, such invalidity shall not have the affect of rendering another part or provision of this Resolution invalid.

Section Three This Resolution shall be in full force and affect from and after its passage and approval as provided by law.

APPROVED THIS _____ day of September, 2013.

AYES: _____; NAYS: _____; ABSENT: _____.

Village President

ATTEST:

Village Clerk

EXHIBIT A

Comcast Franchise Agreement



Comcast Cable
300 Carpenter Blvd.
Carpentersville, IL 60110

September 20, 2013

Robert Kosin
Village Administrator
Village of Barrington Hills
112 Algonquin Road
Barrington Hills, IL 60010

Dear Bob:

I have attached a draft document for your review. In concept, this draft would be a renewal of the expired video franchise between Comcast and Barrington Hills.

You will notice that this document is shorter than the expired agreement, due in large part to the fact that the state's Customer Protection Act (CPA) of 2007 outlines the prevailing customer service standards for all wire-based video providers. That act and those standards are referenced in the attached document.

Also, this franchise renewal draft cites the IML-based right-of-way (ROW) ordinances that many communities passed in the wake of the passage of the state's CPA and related franchising legislation.

Please note that 200 Illinois communities have approved a similar document within the last four years. It is also important to highlight that this draft has been vetted by the Metro Mayor's Caucus (MMC) franchise review team, led by the MMC's executive director, Dave Bennett. The committee was also comprised of MMC-selected attorneys and representatives from major COGs/municipal conferences in the area.

For Comcast, passage of the franchise document simply allows the company to continue to offer video services to residents of Barrington Hills. The franchise is non-exclusive, which means that any other provider may seek a similar agreement with the Village for the provision of similar services.

For Barrington Hills, passage of the franchise document instantly adopts the stringent CPA standards established by the state; incorporates a broader franchise fee definition, resulting in increased franchise fee revenue; and brings current the standards by which the company must operate in the public ROW in Barrington Hills.

Please feel free to contact me should you have any questions or concerns.

Kind regards,

Christopher J. Nelson
Manager of Government and Regulatory Affairs

CABLE TELEVISION FRANCHISE AGREEMENT
By And Between
THE VILLAGE OF BARRINGTON HILLS, ILLINOIS
And
COMCAST OF ILLINOIS IX, LLC

THIS FRANCHISE AGREEMENT (hereinafter, the "Agreement" or "Franchise Agreement") is made between the Village of Barrington Hills, Illinois (hereinafter, the "Village"), an Illinois municipal corporation and Comcast of Illinois XI, LLC (hereinafter, "Grantee"), this _____ day of _____, 2013 (the "Effective Date").

The Village, having determined that the financial, legal and technical abilities of the Grantee are reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the Village, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

This Agreement is entered into by and between the parties under the authority and shall be governed by the Cable Communications Policy Act of 1984, as amended from time to time, 47 U.S.C. Sections 521 *et seq.*, and the Illinois Municipal Code, as amended from time to time; provided that any provisions of the Illinois Municipal Code that are inconsistent with Cable Act shall be deemed to be preempted and superseded.

Article I – Franchise Hereby Granted

a. The Village hereby agrees to permit the Grantee to construct, operate and maintain a cable system in the Village, and to provide such services over the cable system as may be lawfully allowed, subject to the terms and provisions of the Village's generally applicable ordinances governing the streets and rights of way of the Village.

b. The Village hereby agrees that, provided the Grantee is in compliance with all generally applicable Village codes and ordinances, this Franchise Agreement shall be effective for a period of ten (10) years from and after the Effective Date.

Article II – Operations within the Village's Rights of Way

a. The Grantee hereby agrees to occupy the rights of way in accordance with the terms and provisions of Illinois State law and the Village's generally applicable policies and procedures of the Village as may be established from time to time with respect to the occupancy and use of the Public Way by all users of the Public Way

b. Throughout the term of this Franchise Agreement, the Grantee shall, at its own cost and expense, maintain Commercial General Liability Insurance and provide the Village certificates of insurance designating the Village and its officers, boards, commissions, councils, elected officials, agents and employees as additional insureds and demonstrating that the Grantee has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of one million dollars (\$1,000,000.00) for bodily injury or death to any one person; five million dollars (\$5,000,000.00) for bodily injury or death of any two or more persons resulting from one occurrence; and, five million dollars (\$5,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days prior written notice to the Village. The Grantee shall provide workers'

compensation coverage in accordance with applicable law. The Grantee shall indemnify and hold harmless the Village from any workers compensation claims to which the Grantee may become subject during the term of this Franchise Agreement.

Article III – Franchise Fee

a. The Grantee shall pay a franchise fee to the Village for the privilege of operating in the Village's rights of way in a manner consistent with the provisions of the Cable Communications Policy Act of 1984, as now in effect and as may be subsequently amended from time to time. The franchise fee shall be in an amount equal to five percent (5%) of annual Gross Revenues received from the operation of the cable system to provide cable service in the Village, and shall be made on a quarterly basis, and shall be due forty-five (45) days after the close of each calendar quarter. If mailed, the Franchise Fee shall be considered paid on the date it is postmarked. The Village hereby agrees that the total franchise fee, as interpreted under the Cable Communications Policy Act of 1984, shall not exceed the greater of the percentage of fees any other video service provider, under state authorization or otherwise, providing service in the Franchise Area pays to the Village.

b. As used in this agreement, gross revenue means the cable service revenue derived by the Grantee from the operation of the cable system in the Village's Rights of Way to provide cable services, calculated in accordance with generally accepted accounting principles. Gross revenues shall also include such revenue sources from the provision of cable service as may now exist or hereafter develop from or in connection with the operation of the cable system within the Village, provided that such revenues, fees, receipts, or charges may lawfully be included in the gross revenue base for purposes of computing the Village's permissible franchise fee under the Cable Communications Policy Act of 1984, as may be amended from time to time.

c. The Village and Grantee acknowledge the standards for audits are set forth in the Illinois Municipal Code at 65 ILCS 5/11-42-11.05 (Municipal Franchise Fee Review; Requests For Information). Any audit shall be conducted in accordance with generally applicable auditing standards.

Article IV – Cable Communications Policy Act of 1984

Nothing in this Agreement shall be construed to limit, in any way, the Grantee's rights or responsibilities under the Cable Communication Policy Act of 1984, as amended and the renewal of this Agreement shall be governed by that Act.

IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

For the Village of Barrington Hills, Illinois:

For Comcast of Illinois IX, LLC:

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

Memo

To: Village President
From: Robert Kosin
CC: Board of Trustees
Date: August 23, 2013
Re: Comcast Franchise

The Village of Barrington Hills as a municipality in the State of Illinois, has the authority to grant a non-exclusive franchise to cable television providers to use its public way. Other operational conditions as a condition of the franchise are also permitted including a compensation of services. However, the franchise does not supersede state or federal laws governing this type of service or private property rights.

The Village has had a cable franchise and it has expired.

While the Village has operated without such a franchise, Comcast has provided the attached as an franchise, in anticipation of shifting management of the franchise to the state.

The franchise will be presented for consideration at the Board of Trustees at its regular meeting in September, 2013.



August 16, 2013

Mr. Robert Kosin
Director of Administration
Village of Barrington Hills
112 Algonquin Rd.
Barrington Hills, IL 60010

Dear Mr. Kosin:

Having completed our digital network enhancement to an all-digital system, on or shortly after October 22, 2013 we will begin encrypting our Limited Basic service in your area. Encryption has a number of consumer benefits, including the reduced need for home service calls and the enhanced security of our network by reducing service theft that impacts our customers' service experience.

When Limited Basic service is encrypted, all XFINITY Video customers will need equipment supplied by Comcast connected to each television in order to continue receiving services.

- A customer that has a set-top box, digital adapter, or a retail CableCARD™ device connected to each TV will be unaffected by this change.
- A customer that is currently receiving Comcast's Limited Basic service on any TV **without** equipment supplied by Comcast will lose the ability to view any channels on that TV. These customers will be entitled to receive equipment at no additional charge or service fee for a limited period of time. The number and type of devices the customer is entitled to receive, and for how long, will vary depending on the customer's situation.

Enclosed please find a sample of the customer notice that the FCC requires be sent to customers regarding encryption and the availability of devices at no additional charge or service fee. You'll note that we have established a special toll free number and website so that our customers can learn more about the equipment offer and eligibility.

In addition, the encryption of our Limited Basic service will impact those accounts receiving courtesy services pursuant to our Franchise Agreement. Courtesy accounts are entitled to receive up to three digital adapters at no additional monthly charge, including those they may have previously received as part of our digital network enhancement to an all-digital platform. A sample of the courtesy notice to be received by these accounts is enclosed.

As always, if you have any questions or concerns regarding this program, or any other matter, please feel free to contact me at (847) 789-0943.

Sincerely,

Daniel T. Maloney
Director of Government & Regulatory Affairs

Enclosures

If you receive XFINITY® TV service on any TVs in your home without Comcast equipment, please review this information.

Important Service Message:

On **10/22/2013**, Comcast will start encrypting Limited Basic service on your cable system.

If you have a set-top box, digital transport adapter (DTA) or a retail CableCARD™ device connected to each of your TVs, you will be unaffected by this change. However, if you are currently receiving Comcast's Limited Basic service on any TV **without** equipment supplied by Comcast, you will lose the ability to view any channels on that TV.

If you are affected, you should contact Comcast at **1-855-860-8989** to arrange for the equipment you need to continue receiving your services. In such case, you are entitled to receive equipment at no additional charge or service fee for a limited period of time. The number and type of devices you are entitled to receive, and for how long, will vary depending on your situation:

- If you are a Limited Basic customer and receive your service on your TV without Comcast-supplied equipment, you are entitled to up to two devices for two years (five years if you also receive Medicaid).
- If you subscribe to a higher level of service and receive Limited Basic service on a secondary TV without Comcast-supplied equipment, you are entitled to one device for one year.

You can learn more about this equipment offer and eligibility at **comcast.com/digitaladapterinfo** or by calling **1-855-860-8989**.

To qualify for any equipment at no additional charge or service fee, you must request your equipment between 8/22/2013 and 2/22/2014 and satisfy all other eligibility requirements.



IMPORTANT INFORMATION ABOUT YOUR COURTESY VIDEO SERVICES

On October 22, 2013, Comcast will begin encrypting Limited Basic service on the cable system in your community.

TVs connected to a set-top box, digital adapter (DTA) or retail CableCard™ device will be unaffected by this change. However, if you have any TVs that are currently receiving Comcast's Limited Basic service **without** equipment supplied by Comcast, you will lose the ability to view any channels on those TVs.

If you are affected, you should contact Comcast at one of the numbers below to arrange for the equipment you will need to continue receiving services. We will provide you with **up to three digital adapters at no additional charge (including those you may already have on your account.)** Please know that if you choose not to take a digital device for any TV, you will not receive Comcast service on that TV. If you request **more** than the three digital adapters mentioned above, you will incur a monthly charge of either \$0.50 or \$1.99, depending on your service level, for each additional digital adapter.

For more information or to obtain your digital equipment, please call us and reference this letter.

Christopher Nelson, Manager of Government Affairs, 1-847-789-1238

Frank Deuel, Sr. Manager of Government Affairs, 1-847-856-5211

Daniel Maloney, Director of Government Affairs, 1-847-789-0943

