

**City of Sherwood, Oregon**

**Resolution No. 99-783**

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**A RESOLUTION CONSENTING TO THE CHANGE OF CONTROL OF TELE-COMMUNICATIONS, INC. TO AT & T, INC.**

**WHEREAS**, the City of Sherwood is a member of the Metropolitan Area Communications Commission (hereinafter "MACC"); and,

**WHEREAS**, in 1982, the member jurisdictions of MACC entered into a Cable Communications System Franchise Agreement (hereinafter "Agreement") with Storer Metro Communications, Inc. (hereinafter "Storer") to allow for the operation of a cable television system which includes service to citizens of the City of Sherwood; and

**WHEREAS**, in 1986 the member jurisdictions of MACC approved the transfer of the cable television franchise from Storer to Tidel Communications, Inc. (hereinafter "Tidel"), and authorized Tidel's assignment of the franchise operation to Willamette Cable TV, Inc. (hereinafter "Willamette"), a corporation wholly owned at that time by Tidel; and

**WHEREAS**, in 1988, the member jurisdictions of MACC approved an amendment to the Agreement, approved the transfer of the franchise from Tidel to Willamette, and further approved a transfer of control of Willamette whereby Willamette became wholly owned by Columbia Cable of Oregon, a Delaware general partnership (hereinafter "Columbia"); and

**WHEREAS**, in 1995, the member jurisdictions of MACC approved the transfer of the Agreement as amended, and a transfer of control of Willamette whereby Willamette became wholly owned by TCI Cablevision of Oregon, Inc. (hereinafter "TCIO"), whose parent is Tele-Communications, Inc. (hereinafter "TCI"), and changed the name of Willamette to TCI of the Tualatin Valley, Inc. (hereinafter "TCITV"); and

**WHEREAS**, AT & T, Inc., a New York corporation (hereinafter "AT & T"), and TCI have agreed to merge their companies whereby TCI will become a wholly owned subsidiary of AT & T, and TCIO has requested the consent of the MACC member jurisdictions for a change of control of TCIO's parent company TCI, by filing a Federal Communications Commission Form 394 with MACC and with each member jurisdiction thereof, as contemplated by Sections 3.5 and 3.6 of the Agreement; and

**WHEREAS**, federal law establishes a procedure and criteria for local franchise authorities to review requests for changes of control of the Agreement to assess the legal, technical, and financial ability of the new controlling entity to own and operate the franchise under the terms and conditions of the Agreement, as amended; and

**WHEREAS**, MACC staff has reviewed the Form 394 from TCIO and has requested and reviewed certain additional information from both TCIO and AT & T, including assurances made by each entity, in order to assess the legal, technical and financial qualifications of the new entity to perform under the Agreement; and

**WHEREAS**, MACC held a public hearing on the 17<sup>th</sup> day of November, 1998 wherein it received public testimony and written and electronic communications; and

**WHEREAS**, MACC has received a letter of assurance from AT & T, wherein AT & T agrees to abide by the terms and conditions of the Agreement as amended and recognizes significant local issues of concern, which letter of assurance is attached hereto as Exhibit "A"; and

**WHEREAS**, following consideration of testimony received during the public hearing and the full record of those proceedings, the Commission adopted Resolution No. [98-5/98-6] recommending approval of the transfer request to its member jurisdictions, which Resolution is attached hereto as Exhibit "B"; and

**WHEREAS**, the City Council deems it to be in furtherance of the public interest and the welfare of its citizens to consent to the transfer request;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:**

Section 1. The findings of MACC demonstrate the applicant's legal, technical and financial qualifications to perform under the Agreement.


Section 2. The City Council hereby consents to the change of control to AT & T, Inc. as set forth in the Federal Communications Commission Form 394 submitted by TCI and AT & T, Inc., pursuant to Sections 3.5 and 3.6 of the Agreement.

Section 3. The consent granted herein shall become effective upon completion of each of the two following events:

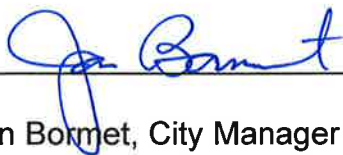
- a. MACC staff's formal written determination that all member jurisdictions have so consented and
- b. Completion of the merger between TCI and AT & T.

Section 4. The City Manager and his/her designee are authorized to execute and file a copy of this Resolution with MACC.

Duly passed by the City Council this 12<sup>th</sup> day of January 1999.

  
Walt Hitchcock, Mayor

ATTEST:

  
Jon Borner, City Manager

Attachment Exhibit A – AT&T letter of assurance

- Executed copy to be filed with MACC