

CITY OF IOWA CITY

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December 9, 2009

OFFICE OF THE
CITY MANAGER

Dale E. Helling
interim City Manager
dale-helling@iowa-city.org

Kathryn L. Johansen
Administrative Assistant
to the City Manager
kathryn-johansen@iowa-city.org

Mr. Lee Grassley
Senior Manager, Government Relations
Mediacom Communications Corporation
6300 Council Street, NE
Cedar Rapids, IA 52402

Re: Funding for Public Access and Community Programming

Dear Lee:

This letter will convey my calculation regarding the annual payment to the City from Mediacom under Section XI. (C.) of the franchise agreement, and more specifically, the escalator to be applied for the 2010 payment.

Note that I have included a copy of page 1 of a report from the Bureau of Labor Statistics, indicating the CPI-U U.S. City Average. It was agreed that we would use this index and formula in lieu of the CPI-PI, given that we were not able to determine what the latter figure is or how to obtain it. The enclosed CPI-U is based on consumer price index activity for the entire month of September and the calculated percent change from one year prior. We agreed to continue to use the CPI-U U.S. City Average and the September index in future years.

Applying the figure of -1.3%, I calculate a decrease of \$2,846.18 which, when subtracted from the 2009 funding amount of \$218,937.21 yields a figure for 2010 of \$216,091.03.

The City will provide funding to the public access programming entity (PATV) as agreed upon by the City and PATV in our contract.

Payment by Mediacom to the City is due by January 1 of each year. The City can continue to provide the appropriate CPI-U figure in the future. However, it should be requested by Mediacom in a timely fashion so that payment can be made by January 1 as provided in the franchise agreement.

Please review the figures above and let me know if you do not concur.

Enc.

cc: PATV, Inc.
Iowa City Telecommunications Commission
Bob Hardy, Cable TV Administrator
Accounting Division

410 E. Washington Street
Iowa City, IA 52240

Phone: (319) 356-5010
Fax: (319) 356-5009