

**REQUEST FOR BOARD ACTION**

**HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** Tuesday, June 27, 2006

**SUBJECT:** Mediacom Reconciliation Process

**ATTACHMENTS:** Yes

**SUMMARY OF REQUEST:**

Representatives from the various local franchising authorities (LFAs) met on Friday, June 16, 2006 to review a potential approach for reconciling and reallocating misdirected franchise fee payments for the calendar years 2004 and 2005 and for the first quarter of calendar year 2006. This approach and solution was presented by John Crook and the County's property addressing staff played a key role in its development by correcting Mediacom's subscriber records (addresses).

Once the LFA representatives reviewed and discussed the approach presented by Mr. Crook, there was general consensus among the attendees that a letter be written to Mediacom showing that a compromise had been reached by the LFAs for reconciliation. This letter is attached for your review.

**BOARD ACTION REQUESTED:**

Staff recommends that the Board vote to authorize the Chairman to execute this letter on behalf of Henderson County.

20 June 2006

Mediacom Southeast, LLC  
719 Old Spartanburg Highway  
Hendersonville NC 28792  
Attn.: Maggie Blythe

Dear Ms. Blythe:

This letter contains the agreement of the local franchising authorities in Henderson County with respect to the reallocation of misdirected franchise fee payments for the calendar years 2004 and 2005 and for the first quarter of calendar year 2006. All of these LFAs request and authorize Mediacom to redistribute the misdirected payments as shown below. Making of the payments and deductions set forth herein will constitute Mediacom's acceptance of these terms.

The amounts shown here do not include any reference to payments that should otherwise be made to any LFA for the second or third quarters of 2006. It is agreed that Mediacom will adjust its payments to include or deduct the amounts shown below to or from the amounts that would normally be paid to the various LFAs. In the case of the Town of Fletcher, this is expected to be a deduction taking place over two quarters. In all other cases it is expected to be an additional payment to or deduction from only the second quarter payment.

All the parties hereto (including Mediacom by accepting as set forth above) agree that the amounts set forth herein constitute a compromise based not on actual tabulations of Mediacom subscriber numbers over the entire period but assumed numbers of subscribers based on Mediacom's best efforts at reconciling current subscriber numbers.

Amounts not in parentheses indicate a payment accompanying and in addition to the second-quarter payment to the particular LFA. Numbers in parentheses indicate a deduction from the second (or, in the case of Fletcher, second and third) quarter payments. These assume an accounting of an amount due the LFAs for the second quarter and afterward based on the newly corrected subscriber numbers.

Henderson County, exclusive of Mills River	(\$59,072)
Henderson County, on account of Mills River residents	18,826
Village of Flat Rock	(9,401)
Town of Fletcher	(26,033)
City of Hendersonville	74,916
Town of Laurel Park	<u>764</u>
Total	0

It is a material condition of this agreement that Mediacom agrees to continue during the effective period of any franchise agreement to keep for that local franchising authority on a continuing basis timely and accurate subscriber records.

Each of the persons signing below acknowledges his or her authority to sign on behalf of the local franchising authority indicated.

Henderson County

by: \_\_\_\_\_

Town of Mills River

by: \_\_\_\_\_

Village of Flat Rock

by: \_\_\_\_\_

Town of Fletcher

by: \_\_\_\_\_

City of Hendersonville

by: \_\_\_\_\_

Town of Laurel Park

by: \_\_\_\_\_