

# Addendum to Request for Proposals – Cable Franchise Application Guidance

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City of Paducah, Kentucky

Issued: July 25, 2025

This addendum provides clarification regarding Section 22-33 of the City's Cable Communications Ordinance and addresses questions received from potential applicants. All prospective franchisees should review the following guidance to ensure their submissions meet the City's expectations.

## **1. Financial Documentation Requirements (Section 22-33(b)(4))**

Question:

Is it acceptable to submit audited financials at the parent level and provide unaudited internal financial reports for the CLEC (Competitive Local Exchange Carrier) entity?

Response:

Yes. In accordance with Section 22-33(b)(4), applicants must demonstrate financial capability to complete the entire system within two (2) years of receiving an FCC certificate of compliance and to operate a fiscally sound system throughout the term of the franchise. Audited financial statements at the parent company level are acceptable to establish financial soundness, provided they are supplemented with internal reports or financial extracts that demonstrate the CLEC-level entity's ability to support the project. Applicants are encouraged to include documentation that explains the corporate structure and how resources will be allocated for the proposed system build-out and operation.

## **2. Two-Year Completion Timeline (Section 22-33(b)(4))**

Question:

What type of documentation is required to satisfy the two-year system completion requirement?

Response:

Applicants should submit a construction and deployment plan that clearly outlines how the entire system will be completed within two (2) years following receipt of the FCC certificate of compliance. Recommended documentation includes:

- A milestone-based project timeline (e.g., Gantt chart).
- Construction phasing or rollout schedule.
- Capital investment budget aligned with the timeline.
- Resource allocation plan (e.g., personnel, contractors).

- Risk mitigation strategies, if available.

This material should demonstrate a credible path to full operational capability within the prescribed time period.

### **3. Evidence of Prior Franchise Experience (Section 22-33(b)(5))**

Question:

Does the City only require a copy of an existing cable franchise agreement with another city that has been in effect for over a year?

Response:

A copy of a current or recent cable franchise agreement is helpful, but may not by itself be sufficient. To meet the intent of this provision, applicants should provide:

- A copy of an existing franchise agreement.
- A brief description of services provided under that agreement.
- Duration and scope of service area.
- Evidence of compliance or good standing (such as a letter from the other city or performance summary).

This information will be used to assess the applicant's experience and ability to provide dependable service under a municipal franchise.

### **4. Educational Program Participation (Section 22-33(b)(6))**

Question:

Does this refer to a PEG access channel, or are you asking about participation in programs like E-Rate through USAC?

Response:

Section 22-33(b)(6) refers to any programmatic support for public education that benefits City schools and students. This may include:

- Providing a dedicated educational PEG access channel (distinctly addressed in Section 22-39).
- Offering specialized services or service discounts to schools.
- Participation in federal subsidy programs such as E-Rate (Schools and Libraries Program administered by USAC).

Applicants are encouraged to describe how their system supports or enhances educational programming or connectivity for the City's public education institutions.

Note:

This addendum is incorporated by reference into the City's Request for Proposals and shall be considered part of the evaluation criteria. All applicants are expected to address these

items as part of their submitted proposal.

For further information, please contact City Clerk Lindsay Parish at (270) 444-8506 or [lp Parish@paducahky.gov](mailto:lp Parish@paducahky.gov)