

# **City of Scottsbluff, Nebraska**

**Monday, May 1, 2017**

**Regular Meeting**

## **Item Reports1**

**Council to approve the Guaranty of Nelnet, Inc. for obligations of Allo Communications, LLC under its Television Franchise with the City and authorize the Mayor to execute the Guaranty.**

**Minutes: Directions from Deputy City Attorney Rick Ediger:**

**The Allo Cable Television Franchise has previously been held by Allo Twin Cities, LLC. Allo Twin Cities is assigning that franchise to its parent company, Allo Communications, LLC. This transfer should have no adverse impact on the City and according to our Cable Television Ordinance, no action is required since a transfer to a parent entity is permitted without consent of the City.**

**In fact, there is an advantage to the transfer since Allo Communications is now owned by Nelnet. We require a bond or Guaranty with regard to our cable franchises. Nelnet (which owns Allo Communications and is a much larger company) will now be the Guarantor of the franchise, and the Council needs to approve the new Guaranty.**

**Staff Contact: Rick Ediger, Deputy City Attorney**



Bradley A. Moline  
Allo Communications, LLC  
610 Broadway Street  
Imperial, NE 69033

February 24, 2017

City of Scottsbluff, Nebraska  
2525 Circle Drive  
Scottsbluff, NE 69361  
Att: City Clerk

Dear City of Scottsbluff:

The purpose of this letter is to provide notice of intent to assign Allo Twin Cities, LLC's cable franchise to its parent company, Allo Communications, LLC ("Allo").

The City of Scottsbluff currently holds a Guarantee in Lieu of Bond provided by Allo guaranteeing certain performance obligations of Allo Twin Cities to the City. Pursuant to the Guaranty Agreement, this Guaranty will remain in effect for the duration of the term of the Franchise Agreement unless sooner released by action of the City.

In light of this franchise assignment and Allo Twin Cities' timely satisfaction of its buildout obligations under the Franchise Agreement, Allo respectfully requests that the City release and discharge Allo, and its successors and assigns, from its unconditional guaranty of Allo Twin Cities to the City.

Thank you for your anticipated cooperation.

Sincerely,

Bradley A. Moline  
President  
Allo Communications, LLC

**ASSIGNMENT AGREEMENT**

This Assignment Agreement ("The Agreement") is entered into as of February 24, 2017, by and between Allo Twin Cities, LLC, a Nebraska limited liability company (the "Assignor"), and Allo Communications, LLC, a Nebraska limited liability company and parent company of Assignor (the "Assignee").

**Recitals**

WHEREAS, the City of Scottsbluff ("The City") has granted a cable television franchise ("The Franchise") to Assignor, and The City and Assignor have entered into a Franchise Agreement ("The Franchise Agreement");

WHEREAS, Assignor has provided The City with notice of its intent to assign the Franchise to Assignee; and

WHEREAS, Assignor wishes to transfer and assign to Assignee The Franchise and all of Assignor's rights and interests in and to, and obligations under, the Franchise Agreement, and Assignee consents to transfer of The Franchise and such rights, interests and obligations.

NOW, THEREFORE, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Assignment and Assumption. Assignor hereby transfers and assigns The Franchise to Assignee, and Assignee hereby accepts from Assignor The Franchise and all of Assignor's rights and interests in and to, and past, present and future obligations under, the Franchise Agreement, all with full force and effect as if Assignee had signed The Franchise Agreement originally as a party therein.

IN WITNESS WHEREOF, the Assignor and Assignee have executed this Assignment Agreement as of the date first set forth above.

ASSIGNOR:

Allo Twin Cities, LLC

By: S.H.M.L.

Title: President

ASSIGNEE:

Allo Communications, LLC

By: S.H.M.L.

Title: President