

AN ORDINANCE **49655**

GRANTING A FRANCHISE TO BEXAR COUNTY CABLE TELEVISION, INC. TO CONSTRUCT AND OPERATE A CABLE TELEVISION SYSTEM WITHIN THE CITY OF SAN ANTONIO.

*this is not a  
must for a  
case of was made  
for VA - Columbus  
Ord 49433  
9-7-78*

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO

SECTION 1. SHORT TITLE. This ordinance shall be known and may be cited as the Bexar County Cable Television Franchise Ordinance.

SECTION 2. DEFINITIONS. For purposes of this ordinance the following terms, phrases, words, abbreviations and their derivations shall have the same meanings given herein. When not inconsistent with the context, words used in the present tense include the future; words in the plural number include singular number, and words in the singular include the plural. The word "shall" is always mandatory and not merely permissive.

- a. "Access Channel" shall mean any public, governmental, educational, or leased channel.
- b. "Broadcast" means the over-the-air transmission of electromagnetic audio or video signals.
- c. "CATV," "CATV System," or "Cablevision System," or "Cable Television System" shall mean any system which receives, amplifies, and transmits signals broadcast by one or more television and/or radio stations and which transmit programming originated by the grantee itself or by any other person and distributes such signals and programming by wire components, lightwave communications components, cable, microwave, satellite or other means to persons who subscribe to such services.
- d. "Cable Television Service" shall mean the delivery by the grantee to television receivers, or any other suitable type of audio-video communication receivers, to all subscribers in the City of all broadcast signals allowed by the FCC to be carried over the CATV system, all FM radio stations carried on the system, local origination channels, educational access channels, public access channels, government access channels, leased access channels, pay television channels, and other programming at the option of the company. Such services shall be categorized as follows:
  - (1) "Basic Service" shall mean all services provided by the grantee which shall be covered by the minimum monthly charge paid by subscribers.
  - (2) "Full Service" shall mean the level of service received by a CATV system subscriber for an additional charge over the Basic Service charge and which will allow for the capability to receive all services being offered by the grantee with the exception of pay television services or limited access services.
  - (3) "Premium Service" shall mean the same as pay television as hereinafter defined.
- e. "Cable Trunk Lines" shall mean the physical signal distribution mechanisms, generally consisting of coaxial cable, lightwave communications mechanisms, or other materials, which is used to transmit all programming and/or data or other services to and from the central transmitting site and subscribers sites. Trunk lines shall be classified in the following manner:

- (1) "A" Trunk Cable shall mean a downstream distribution system which supplies television and other signals within the 50-300 Megahertz Band width or at least 35 channels of video services or its equivalent of video, audio, or other combination of electronic signals to general subscribers.
  - (2) "B" Trunk Cable shall mean a downstream and upstream distribution system which supplies television and other signals downstream within the 174-300 Megahertz Band width or at least 21 channels of video services or its equivalent of video, audio, or other combination of electronic signals; and upstream within the 5-110 Megahertz Band width or at least 17 channels of video services, audio or other combination of electronic signals to the limited access subscriber.
  - (3) "C" Trunk Cable shall mean an upstream distribution system which supplies television and other signals within the 54 to 300 Megahertz Band width or at least 35 channels of video services or its equivalent of video, audio, or other combination of electronic signals to general subscribers.
- f. "City" means the City of San Antonio, Texas.
  - g. "City Council" means the governing body of the City of San Antonio.
  - h. "City Manager" means the chief administrative officer of the City of San Antonio or his designated agent.
  - i. "Cablecast" shall mean to transmit over a cable television system.
  - j. "Channel" shall mean a band of frequencies six megahertz in width in the electromagnetic spectrum.
  - k. "Converter" shall mean an electronic device capable of converting electronic signals to other than their original frequencies.
  - l. "Dwelling Unit" shall mean a room or suite of rooms, in a building or portion thereof, used for living purposes by one family.
  - m. "Educational Authorities" shall mean those public or private school districts within the City of San Antonio, and/or those colleges and universities within the City of San Antonio, whether operating independently or in unison in relation to the transmission or reception of programming through the CATV system.
  - n. "FCC" shall mean the Federal Communications Commission or any Agency or Commission created by Federal Law in the future which may supercede the FCC.
  - o. "Franchise" shall mean the authorization granted by this ordinance to construct, operate, and maintain a cable television system in the City of San Antonio.
  - p. "Grantor" shall mean the City of San Antonio.
  - q. "Grantee" shall mean Bexar County Cable Television, Inc., a corporation licensed to do business in the State of Texas, the party to which a franchise by this ordinance is granted, and includes its lawful successors and assigns.
  - r. "Gross Annual Revenues" shall mean all revenues received by the grantee, its affiliates or subsidiaries from and in connection with the operation of a cable television system as authorized by this franchise. For the purposes

of this section, this term shall include, but not be limited to, installation fees, subscriber fees, charges for lease of channels, revenue from advertising, and revenue from pay television. The term shall not include any taxes on services furnished by the grantee which is imposed directly on any subscriber or user by any city, state or other governmental unit and collected by the grantee for such governmental unit.

- s. "Person" shall mean any individual, firm, partnership, association, corporation, company, or organization of any kind.
- t. "Pay Television" shall mean the delivery over the CATV system of video and audio signals in intelligible form to subscribers for a fee or charge over and above the charge for basic or full services, on a per program, per channel, or other subscription basis.
- u. "Subscriber" shall mean a recipient of services which are delivered over the cable television system.
- v. "Street" shall mean the surface of and the space above and below any public street, road, highway, freeway, lane, path, public way or place, sidewalk, alley, boulevard, parkway, drive or other easement now or hereafter held by the City and shall include other easements or rights of way as shall be now held or hereafter held by the City and its grantee to the use thereof for the purposes of installing or transmitting cable television system transmissions over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to a cable television system.
- w. "User" shall mean a person utilizing a cable television system channel for purposes of production or transmission of materials to subscribers.

### SECTION 3. GRANTING CLAUSE.

a. There is hereby granted by the City to Bexar County Cable Television, Inc., hereinafter referred to as grantee, the right and privilege to construct, erect, operate, and maintain in, upon, along, across, above, over, and under the streets now laid out or dedicated, and all extensions thereof, and additions thereto in the City, poles, wires, cables, underground conduits, manholes, and other cable television system conductors and fixtures necessary for the maintenance, operation and distribution of television and radio signals to and from subscribers and/or users.

b. In accordance with Article XI, Section 130 of the City Charter, the right to use and occupy said streets for the purposes herein set forth shall not be exclusive, and the City reserves the right to grant a similar use of said streets to any person at any time during the period of the franchise.

SECTION 4. FRANCHISE TERM. The franchise term and the rights, privilege, and authority hereby granted shall take effect and be in force sixty days from and after final passage hereof, as provided by law, and shall continue in force and effect for a term of fifteen (15) years, provided that within thirty (30) days after the date of the final passage of this franchise ordinance the grantee, Bexar County Cable Television, Inc., shall file with the City Clerk its unconditional acceptance of the terms of the franchise ordinance and promise to comply and abide by all its provisions, terms, and conditions. Such acceptance and promise shall be in writing duly executed and sworn to, by and on behalf of the grantee before a notary public or other officer authorized by law to administer oaths. In addition to the acceptance by the grantee provided for herein, Storer Broadcasting Company, Inc., grantee's parent company, shall also file an unconditional acceptance of the terms of the franchise ordinance and agrees to guarantee the obligations and undertakings of the grantee under the franchise and to perform in the event of default by its subsidiary company. In the event that such in-

struments as aforesaid shall not be filed within the time required, this ordinance and the rights, privileges, and franchise as hereby granted shall ipso facto be, and become, terminated, null, and void.

SECTION 5. FRANCHISE RENEWAL PROCEDURES.

a. This franchise may be renewed by the City Council upon application by the grantee pursuant to the procedures established in this Section, and in accordance with the then existing rules of the FCC, State of Texas and applicable laws.

b. At least twelve (12) months prior to the expiration of the franchise, the grantee shall inform the City Council in writing if it intends to seek renewal of the franchise.

c. After giving public notice, the Council shall proceed to determine whether the grantee has satisfactorily performed all obligations under the franchise. To determine satisfactory performance, the City Council shall consider technical developments and performance of the system, programming, other services offered, costs of services, and any other particular requirements set out in this ordinance; also the City Council shall consider the records of the Performance Evaluation Sessions required hereinafter in this franchise ordinance as well as the grantee's annual reports made to the City as required by this ordinance. The City Council shall also be entitled to consider or compare the grantee's performance with the performance of other systems of comparable configuration nationally in arriving at its decision. Provision shall also be made to receive and consider comments of subscribers to, and users of, the system.

d. In order to provide the City Council with an adequate amount of the grantee's performance data, the grantee herein specifically agrees to request a renewal of the franchise no sooner than ten (10) years from the effective date of this franchise ordinance.

e. Within four months of receiving notice from the grantee of its desire to renew the franchise, the City Council shall arrive at a decision on the eligibility of the grantee for renewal. Upon the finding by the City Council that the grantee's performance is satisfactory, a renewal with any amendments, shall be granted for a period of 10 years.

f. Upon a finding that the grantee's performance is not satisfactory, the City Council may commence to seek other applicants for the franchise and a new franchise may be awarded utilizing procedures adopted by the City Council at that time.

SECTION 6. TRANSFER OF FRANCHISE.

a. The franchise granted under this ordinance shall be a privilege to be held in personal trust by the grantee. It shall not be assigned, transferred, sold or disposed of, in whole or in part, by voluntary sale, merger, consolidation or otherwise or by force or involuntary sale, without prior consent of the City Council expressed by ordinance, and then on only such conditions as may therein be prescribed. The City is hereby empowered to take legal or equitable action to set aside, annul, revoke or cancel the franchise, or the transfer of the franchise, if said transfer is not made according to the procedures established in this ordinance.

b. Any sale, transfer, or assignment shall only be made by a bill of sale or similar document, copies of which shall be filed with the City Clerk and City Manager at least forty five (45) days prior to the proposed date of the sale, transfer, or assignment. The City Clerk shall notify the City Council of the receipt of such notice of a proposed sale, transfer, or assignment, and the City Council shall call a public hearing prior to approving or disapproving such sale, transfer, or assignment. Within 30 days of the date of the public hearing, the grantee shall notify its subscribers of the hearing by announcement on at least two channels of its system, between the hours of 7:00 PM and 10:00 PM, for 15 consecutive days preceding the date of the public hearing, and in addition shall provide written notice to all subscribers. The City Council shall not withhold its consent unreasonably; provided, however, that the proposed assignee shall agree to comply with all the provisions of this ordinance and the franchise and must be able to provide proof of financial responsibility as determined by the Council.

c. Nothing in this Section shall be deemed to prohibit the assignment, mortgage, or pledge of the system or any part thereof for financing purposes; provided, however, that such financing purposes shall only be for the construction, maintenance, or improvement of the cable television system authorized by this franchise.

#### SECTION 7. FRANCHISE TERRITORY AND LINE EXTENSION POLICY.

a. This franchise shall be for the present territorial limits of the City of San Antonio and for any area henceforth added thereto during the term of the franchise. The grantee hereby agrees to provide cable television availability to all property within the City limits as of the effective date of this ordinance in all areas where the housing density reaches 40 dwelling units or more per street mile in accordance with the construction timetable established hereinafter.

b. Upon completion of installation of the cable television system in the initial service area as described above, the grantee shall extend its services to areas annexed to the City of San Antonio subsequent to the effective date of this ordinance when housing density reaches 40 dwelling units per street mile.

#### SECTION 8. CONSTRUCTION TIMETABLE.

a. Upon accepting the franchise, the grantee shall, within sixty (60) days, file the documents required to obtain all necessary Federal, State, and local licenses, permits and authorizations required for the conduct of its business, and shall submit monthly reports to the City Manager or his designated agent on progress in this regard until all such documents are in hand. In the event that the documents necessary to receive the proper licenses and certificates are not filed within the above stated 60 days, the Council may declare this ordinance null and void.

b. The grantee herein expressly agrees and affirms that the principal criterion to be utilized in designing and constructing the cable television system shall be to insure that all areas of the City shall be provided service in an equitable manner.

c. Within three (3) months after accepting the franchise, the grantee shall furnish the City Manager with a schedule for the construction of the system, such schedule having been prepared utilizing the criterion established hereinabove. The schedule so presented shall display the dates upon which cable television service availability shall be furnished to subscribers in each Census Tract in the City. No implementation of the schedule shall occur until the City Manager issues an acceptance in writing to the grantee of the proposed schedule. Upon acceptance by the City Manager, the schedule shall be attached to this ordinance and be adopted by reference as Exhibit D. Adherence to the schedule by the grantee shall be mandatory; provided, however, that the grantee may, from time to time, request modifications to such schedule and the City Manager, upon a showing by the grantee that such requests are reasonable and justifiable, shall approve such modifications.

d. In constructing the cable television system, the grantee shall provide service to 30% of the total area of the City to be served under this franchise within the first 12 months following certification by the FCC. Another 35% of the total area of the City to be served shall be provided service within the second 12 months, and the remaining 35% of the total area of the City to be served shall be provided service in the third 12 months. Failure to provide service availability to all areas of the City as defined in Section 7, above, within the designated 36 months from the receipt of FCC certification or failure to adhere to the schedule required in Section 8 (c) above, shall be considered a material breach of the franchise and subject grantee to the penalties enumerated hereinafter, except for delays caused by acts of God, national emergencies, strikes or delays caused by the City, its agencies, or other utilities.

#### SECTION 9. USE OF STREETS.

a. The grantee shall have the right to use the streets of the City for the construction, operation, and maintenance of a

cable television system as prescribed, regulated, and limited by provisions of this ordinance, and by State, local, and Federal law, both present, and future.

b. Grantee shall utilize existing poles, conduits, and other facilities whenever possible. Prior to the utilization of any street for the placement of the distribution plant of the cable television system, the grantee shall secure and place on file with the City Clerk a "utility pole usage agreement" with each utility within the City currently owning such poles, conduits, and other facilities, whose poles, conduits and facilities are to be used. To the extent that existing poles, posts, conduits, and other such structures are not available, or will not be available to the grantee within a reasonable time, the grantee shall have the right to purchase, lease, or in any manner acquire land or rights-of-way upon or under which to erect and maintain its own poles, conduits, and other such structures as may be necessary for the construction and maintenance of its cable television system.

c. All transmission and distribution structures, lines, and equipment erected by the grantee within the City shall be so located as to cause minimum interference with the proper use of streets, and to cause minimum interference with the rights and reasonable convenience of property owners who join any of the said streets.

d. In case of disturbance of any street or paved area the grantee shall, at its own cost and expense and in a manner approved by the City Manager or his designated agent, replace, and restore such street and/or paved area in as good a condition as before the work involving such disturbance was done.

e. If at any time during the period of the franchise the City shall lawfully elect to alter or change the grade of any street or construct any other public works, the grantee, upon reasonable notice by the City Manager or his designated agent, shall remove, relay, and relocate its poles, wires, cables, underground conduits, manholes, and other fixtures at its own expense.

f. The grantee shall, on the request of any person holding a moving permit issued by the City, temporarily raise or lower its wires to permit the moving of buildings. The expense of such temporary removal or raising or lowering of wires shall be paid by the person requesting the same, and the grantee shall have the authorization to require the payment in advance. Such payment shall not exceed the grantee's cost. The grantee shall arrange for such temporary wire changes prior to the expiration of 6 days from the date notice is given by the person holding the moving permit.

g. The grantee shall have the authority to trim trees upon and overhanging streets of the City so as to prevent the branches of such trees from coming in contact with the wires and cables of the grantee, except that at the option of the City, such trimming may be done by it or under its supervision and direction at the expense of the grantee if grantee has failed after 2 weeks notice to perform such work. City may at any time with grantee's concurrence perform such work at grantee's expense.

h. In all sections of the City where the cables, wires, and other like facilities of public utilities are placed underground, the grantee shall place its cables, wires, or other like facilities underground.

i. The grantee shall, prior to the construction of any portion of the transmission and/or distribution plant of the cable television system, submit detailed plans and specifications of the distribution system to the City Manager or his designated agent for review and approval. No construction shall start until such plans have been approved.

SECTION 10. CONFORMANCE TO CERTAIN STANDARDS.

a. Methods of construction, installation, and maintenance of the cable television system shall comply with the National Electrical Safety Code 1975 (ANSI CI-1975) to the extent that such code is consistent with local law affecting the construction, installation, and maintenance of electrical supply and communications lines. To the extent that such Code is inconsistent with other provisions of this franchise or with local laws, the latter shall govern.

b. Any tower constructed for use in the cable television system shall comply with the standards contained in Structural Standards for Steel Antenna Towers and Antenna Supporting Structures, EIA Standards RS-222-A as published by the Engineering Department of the Electronic Industries Association, 2001 Eye Street, N.W., Washington, D.C. 20006.

c. Installation and physical dimensions of any tower constructed for use in the cable television system shall comply with all appropriate Federal Aviation Agency regulations, including, but not limited to, Objectives Affecting Navigable Airspace, 14 C.F.R. 77.1 et. seq., Feb., 1965.

d. Any antenna structure in the cable television system shall comply with Construction, Marking, and Lighting of Antenna Structures, 47 CFR 17.1 et. seq. September, 1967.

SECTION 11. SYSTEM DESIGN CRITERIA.

a. The cable television system installed in the City of San Antonio shall be initially capable of cablecasting on the "A" trunk cable no less than 35 channels of video services or its equivalent of video, audio, or other combination of electronic signals.

b. The grantee herein agrees and affirms that the statement of programming services on each channel of the 35 channels, which is incorporated as Exhibit "B" and adopted by reference shall constitute the level of programming to be available to all subscribers who shall agree to purchase the basic, full, and/or premium services of the grantee. Failure to provide this service shall constitute a breach of the franchise agreement.

c. Access Channels: The grantee has freely offered to provide, and shall provide access channels in the following manner:

1. Government Channel: One channel shall be made available on the "A" Trunk Cable for the use by the City of San Antonio.
2. Educational Channels: Two channels on the "A" Trunk Cable and up to three channels on the "B" Trunk Cable (on an as-needed basis) shall be made available to educational authorities.
3. Public Access Channels: One non-commercial, public access channel shall be made available on the "A" Trunk Cable to all persons on a first-come, first-served non-discriminatory basis. Another public access channel shall be made available whenever the average utilization time of the first access channel (using live or newly produced programming material) exceeds 80% of the time available between 6:00 p.m. and 10:00 p.m. daily for six weeks.
4. Spanish Language Public Access Channel: One specially designated, non-commercial, public access channel shall be made available on the "A" Trunk Cable for programming directed solely to the Spanish-Speaking community.
5. Medical Access: One channel on the "A" Trunk Cable and one channel on the "B" Trunk Cable (on an as-needed basis) shall be made available for use by the University of Texas Health Science Center or local hospitals.
6. Military Access: One channel on the "A" Trunk Cable shall be made available for use by military install-

ations in the City.

7. University/Fine Arts Access Channel: One channel on the "A" Trunk Cable shall be made available by any college or university and/or non-commercial arts organization.
8. Religious Access Channel: One channel on the "A" Trunk Cable shall be made available for use by local religious institutions on a first-come, first-served, non-discriminatory basis.

d. The above-referenced access channels, as well as the grantee's studio facilities, technical personnel and any and all cable-casting equipment as is needed for program production purposes shall be made available to authorized governmental, non-profit, civic, and any non-commercial users at no cost to such users.

e. The grantee shall be allowed to utilize the channels designated as access channels for such other purposes as it may deem appropriate at any time the users are not utilizing these channels.

f. Control by the grantee over the content of the programming transmitted over the access channels shall be limited to that level which is authorized by the FCC now or hereinafter during the length of the franchise term.

g. The grantee shall file with the City Clerk copies of those rules governing access channel utilization which are currently described in 47 CFR 76.256 (d) (1-4).

h. The grantee and City hereby agree that those designated users of the above delineated access channels shall be given sufficient time to formulate rules governing the production of, and scheduling of programming on those access channels, and that such rules, upon their formulation by the users and acceptance by the City Manager, shall be utilized by the grantee and all persons involved.

i. The City Council shall reserve the right to establish and appoint members to a citizens committee to advise the City Council, City Manager, and grantee on all facets of the franchise ordinance. Such committee shall be appointed by the City Council within 60 days of the effective date of this ordinance.

j. The grantee shall provide to public, governmental, and educational entities any and all electronic descrambling devices as needed to allow for discreet access programming on the access channels at no cost.

k. The grantee shall provide and maintain a minimum of three separately - located production studios within Bexar County which shall be capable of producing programs in color, and a minimum of two mobile units which shall also be fully equipped to produce programming in color, for the purposes of local program origination.

l. The grantee shall construct two "earth stations" initially which shall be capable of receiving satellite-delivered broadcast signals.

m. The grantee agrees that its system will be so constructed as to be able to offer specialty services including (but not limited to) an emergency alert override system, a fire and/or burglar and/or medical alarm service and an opinion polling service; provided, however, that such services shall be subject to City approval prior to their being implemented and offered to subscribers. Additionally, rates for such services shall be subject to approval by the City Council.

n. Within 6 months of the date of acceptance of this franchise by the grantee, the grantee shall file with the City Clerk a full detailed statement which shall be incorporated by reference to this franchise ordinance as Exhibit "A" and which shall contain the following information:

1. The location of the cable television system's "head-end" facilities, local origination studio facilities receiving and transmitting stations for the sending

or receiving of programming by way of satellites, and central business offices.

2. The location of all regional headend transmission and reception sites.
3. The location of all designated points within the system wherein electronic signals (video and/or audio) may be transmitted into the system other than the central headend area, and other than schools.
4. A list of lessors of any of the above-delineated locations which are leased to the grantee, or a list of sellers of any of the above-delineated locations which are sold to the grantee.

Also, within 6 months of the date of acceptance of this franchise by the grantee, the grantee shall file with the City Clerk a full detailed statement which shall be incorporated by reference into this ordinance as Exhibit "E" and which shall contain the following information:

- a. A description of the full range of production equipment to be utilized in any and all of the local origination studio facilities.
- b. A description of the program production equipment to be utilized in the mobile units as well as a description of the types and numbers of portable video and audio production equipment to be available.
- c. A statement certifying that the above-described equipment represents optimum quality, "state-of-the-art" equipment and that such equipment shall continue to be optimum quality throughout the term of the franchise.

SECTION 12. INSTALLATION AND MAINTENANCE OF SERVICE CONNECTIONS IN PUBLIC BUILDING.

a. The grantee shall provide one service connection in each of the following locations:

1. All governmental buildings or facilities as may be now or hereinafter designated by the City Manager or his agent.
2. All public and parochial school buildings as may be designated now or hereinafter by the chief administrative officer of each school district or parochial school system.
3. Each classroom building and dormitory building of each college or university.
4. Such service connections shall be provided to buildings as designated by the proper administrative official within two months of the date service is available to such building.

b. No charge will be made by the grantee for the installation, disconnections (when requested), reconnections (when requested), monthly services, and/or maintenance of equipment on any service connection authorized by subsection (a) above. A converter to provide the capability of receiving all services except "Pay Television" shall be provided to each location at no cost.

c. The grantee shall install and maintain return (upstream) full-channel transmission capability in each public and/or parochial school building when requested by the chief executive officer of the school district or school system, and in each governmental building or facility when requested by the City Manager.

SECTION 13. PERFORMANCE EVALUATION SESSIONS.

a. It is understood that under Section 132 of the City Charter, the City, acting through the Council, has the right not only to determine, fix and regulate charges, fares and rates of a franchise holder but also to prescribe the kind of service to be furnished and the manner in which it will be rendered and from time to time to alter or change such rules, regulations and compensation. Pursuant to this, and in order to assure that this ordinance is being complied with, between the dates of September 1st and October 31st of each year, the City may hold a public hearing or hearings for the purpose of receiving the performance of the grantee under the franchise. Attendance of the grantee's duly authorized representative at these public hearings is mandatory unless waived by the City Council. Topics which may be discussed at any of these sessions include, but are not limited to, programming, services, rate structures, maintenance of the system, free services, the development of new services or the utilization of new technologies, the level of performances or services compared to systems of similar description in other cities within the FCC's top 100 TV Market listings, amendments to the franchise ordinance, and any FCC, State, or judicial rulings pertinent to the franchise. The grantee shall make available to the City, if requested, any records, documents, or other information as may be relevant to the City's review.

b. The grantee shall notify all subscribers of the time, place, and purposes of each of the evaluation sessions by announcement on at least two channels of its system between the hours of 7:00 p.m. and 10:00 p.m. every day for fifteen (15) consecutive days preceding each session.

c. At the conclusion of each performance evaluation session, the City Council may pass a resolution stating its findings and directing the institution of franchise amendatory proceedings if necessary to accomplish its findings.

d. All records and minutes of each of the performance evaluation sessions shall be retained by the City Clerk and be available for inspection throughout the term of the franchise.

SECTION 14. SYSTEM TECHNICAL STANDARDS.

a. The grantee hereby agrees to construct and maintain the cable television system utilizing the technical standards delineated in the FCC Rules and Regulations, 47 CFR 76.601 through 76.617 as now exist or may hereinafter be amended.

b. The grantee further agrees that the cable television system shall be so constructed and maintained as to provide that the visual signal level to system noise shall be no less than 40 decibels when measured at any subscriber terminal in the system, the FCC Rules and Regulations previously cited notwithstanding.

c. The grantee further agrees to provide the following in the construction, operation, and maintenance of the cable television system.

1. The cable television system shall be continuously operational on a 24 hour-a-day basis.
2. The cable television system shall be designed and operated so as to avoid causing interference with reception of off-the-air signals by non-subscribers to the system.
3. The cable television system shall be so designed, installed, and operated so as to assure the delivery to all subscribers of standard color and monochrome signals on the FCC designated Class I television channels without noticeable picture degradation or visible evidence of color distortion or other forms of interference directly attributable to the performance of the cable television system.

SECTION 15. RATES AND CHARGES FOR SERVICE.

a. In accordance with Article XI, Section 132 of the City

Charter, the City Council shall be empowered to determine, fix, and regulate the charges, fares, or rates of the grantee and from time to time to alter or change such rates.

b. The City shall fix and regulate rates for services which shall include, but not be limited to, the following:

1. Rates for the provision of basic service to subscribers, residential or non-residential.
2. Rates for the provision of "pay television" service to subscribers, at such time as the FCC shall relinquish, or be caused to relinquish, jurisdiction of such rate making authority.
3. Rates for the connection and installation of services, and for the disconnection and/or reconnection of such services.
4. Rates for the provision of any specialty services such as are described in Section 11.

c. Initial maximum rates for services for the cable television system shall be those delineated in Exhibit "C" entitled "Rates for Services", which shall be incorporated herein and adopted by reference.

d. The grantee herein affirms and agrees that the maximum rates for services shown in Exhibit "C" shall be in effect for a minimum period of five (5) years from the date the cable television system is activated, subject however to the provision of Section 16c below.

e. Grantee shall have the right to conduct promotional campaigns which permit subscriptions to the system at lesser rates than those set forth in Exhibit "C".

f. The grantee or City may, from time to time, establish revised rates for services. The following procedures are hereby adopted to provide for a method for the revising of rates:

1. The grantee shall file a petition with the City Council, which petition will contain full and detailed information concerning the rate revisions being requested and supporting financial documentation for such rate revision.
2. The City Council shall establish the date and time for public hearing by ordinance on such rate revision request within a reasonable period of time, and shall render a decision on the request within a reasonable period of time following the public hearing.
3. Within 45 days of the date for the public hearing which has been established by ordinance, the grantee shall notify its subscribers of the hearing by announcement on at least two (2) channels of its system, between the hours of 7:00 p.m. and 10:00 p.m., for thirty (30) consecutive days preceding the date of the public hearing.
4. The City Council may, at its option, employ a consultant or consultants mutually acceptable to the grantee to aid in the analysis of the requested rate revision. Costs of such consultants shall be borne equally by the City and the grantee.
5. The City reserves the right to renegotiate other provisions of the franchise at such times as rate revisions are requested by grantee.
6. Nothing herein shall be deemed to prevent the City on its own initiative from instituting proceedings to revise rates.

SECTION 16. FRANCHISE FEE.

a. Annual Franchise Payment. In consideration of the terms of this franchise, the grantee shall pay annually to the City a sum equal to three percent (3%) of the gross annual revenues of the cable television system. Such payment shall be in addition to and shall not be construed as payment in lieu of personal or real property taxes levied by the City.

b. Prepayment of Franchise Fees. Upon the granting to grantee by the FCC of a Certificate of Compliance, the grantee will pay the City an advance payment of its franchise fees in the amount of \$1,000,000. This advance payment shall be credited against the grantee's franchise fee payments due the City, but such credit shall not exceed the amount of \$100,000 per year. Should the grantee default and fail to install and operate a cable television system, in accordance herewith, the grantee specifically agrees that this prepayment shall be retained by the City as liquidated damages.

c. It is recognized that the 3% franchise fee is established in conformance with the current FCC Rules on Cable Television Systems as stated in 47 CFR 76.31 entitled "Franchise Standards." In the event that the FCC shall modify such Rule so as to eliminate or alter in any fashion the 3% franchise fee limitations, or in the event that such 3% franchise fee limitation shall be eliminated or altered by judicial determination, the City reserves the right to renegotiate the amount of the fee. If such franchise fee is raised during the five-year period that grantee's rates are fixed, then grantee shall have the right to request an increase in rates sufficient to pay such additional revenue to the City.

d. The payment due to the City as is required in Subsection (a) above, shall be computed and due quarterly, based on grantee's fiscal year. The grantee shall file with the City, within 30 days after the expiration of each of the grantee's fiscal quarters, a financial statement clearly showing the gross revenues received by the grantee during the preceding quarter. Payment of the quarterly portion of the franchise fee shall be payable to the City at the time such statement is filed.

e. In accordance with Article XI, Section 133 of the City Charter, the grantee shall file, within sixty (60) days of the close of the grantee's fiscal year, an annual report prepared and audited by a Certified Public Accountant, clearly showing the annual gross revenues attributable to the San Antonio cable television system, as well as those other items of information required by Section 133 of the City Charter. Extension of such period up to 30 additional days may be granted by the City upon request of the grantee.

f. The City shall have the right to inspect the grantee's income records, the right of audit and the recomputation of any amounts determined to be payable under this ordinance, provided, however, that such audit shall take place within twelve (12) months following the close of each of the grantee's fiscal years. Any additional amount due the City as a result of the audit shall be paid within thirty days following written notice to the grantee by the City, which notice shall include a copy of the audit report. The cost of said audit shall be borne by the grantee if it is properly determined that the grantee's annual payment to the City for the preceding year is increased by more than five percent.

g. In the event that any franchise payment or recomputed amount is not made on or before the applicable dates heretofore specified, interest shall be charged from such due date at the annual rate of ten percent.

h. No acceptance of any payment by the City shall be construed as a release or as an accord and satisfaction of any claim the City may have for further or additional sums payable as a franchise fee under this ordinance or for the performance of any other obligation of the grantee.

SECTION 17. METHOD OF ACCOUNTING.

In accordance with Article XI, Section 134 (6) of the City

Charter, the grantee shall maintain its books and a system of accounts in accordance with methods of accounting applicable to the cable television industry.

SECTION 18. DEPRECIATION RESERVES.

The grantee shall establish and maintain sufficient depreciation reserves to preserve the integrity of the property used and useful in rendering its services to the public. The depreciation reserves so established may be used only for the replacement, improvement, betterment, and extension of the San Antonio cable television system. The amount and character of reserves shall be in accordance with current common practices applicable to the cable television industry.

SECTION 19. RATE OF RETURN.

In accordance with Article XI, Section 134 (5) of the City Charter, the rate of return to the grantee for services rendered by authority of this ordinance shall not exceed a fair return upon the fair value of the property used in rendering the public service.

SECTION 20. LIABILITY AND INDEMNIFICATION.

a. The grantee shall indemnify and hold the City harmless from any and all loss sustained by the City on account of any suit, judgement, execution, claim or demand whatsoever against the City resulting from the grantee's construction, operation, or maintenance of the cable television system.

b. The grantee shall pay and by its acceptance of this franchise, the grantee specifically agrees that it will pay all expenses incurred by the City in defending itself with regard to all damage and penalties mentioned in Subsection (a) above. The expenses shall include all out-of-pocket expenses such as attorney fees, and shall include the reasonable value of any services rendered by the City Attorney or his or her assistants, or any City employee.

c. The grantee shall carry throughout the length of term of this franchise personal and property damage liability insurance with responsible insurance companies qualified to do business in the State of Texas, and the insurance shall carry the City as a co-insured party. The amounts of such insurance to be carried for liability due to property damage shall be \$100,000 as to any one occurrence; and against liability due to injury to or death of persons, \$500,000 as to any one person and \$1,000,000 as to any one occurrence.

d. The insurance policy or policies obtained by the grantee in compliance with this Section must be approved by the City Manager or his agent, and, along with written evidence of payment of required premiums, shall be filed and maintained with the City Clerk for the term of the franchise.

SECTION 21. RECAPTURE PROVISION.

The City shall have the right to cancel this franchise ordinance and to purchase the system according to the formula set forth herein; however, such right will only be exercised after 10 years from the effective date of this franchise. In the event that the City determines to purchase the system, it shall notify the grantee by Certified Mail that the City Council has, by ordinance, determined to so purchase. Within 60 days after the receipt of such notice, the grantee and the City shall each appoint a qualified and experienced cable television appraiser to represent it in the purchase procedures. The two representatives so appointed shall then mutually agree upon and appoint a third qualified and experienced cable television system appraiser to participate in the purchase procedures. In the event that the two appraisers appointed by the City and the grantee cannot agree upon a third appraiser within 30 days, either the City or the grantee may request the American Arbitration Association to name a third appraiser. The three appraisers thus appointed shall evaluate the grantee's cable television system by determining the fair market value of the

system. The fair market value shall be determined by considering the elements of market value in accordance with the customary approaches to value utilized in the sale of a going cable television system. The City shall have the right to purchase the system at an "adjusted" fair market value, that is, the fair market value of the system less the value, if any, determined by the appraisers to be attributable to the value of the franchise privilege itself; it being understood, however, that the value of the franchise privilege itself shall in no case be determined to exceed 5% of the market value of the system as found by the appraisers. The City shall have the right to purchase the system at the "adjusted" market value indicated by at least two of the appraisers so designated and the purchase price shall be paid in cash within 90 days of the City's final decision to purchase the system; such final decision shall be made by the City within 30 days of the completion of the appraisals.

The grantee shall be allowed a reasonable time in which to terminate its operations after purchase and such time period shall in no event be less than six months after the fair market value has been agreed upon by the City and the grantee.

#### SECTION 22. REPORTS AND RECORDS.

a. Copies of all petitions, applications, and communications submitted by the grantee to the FCC, Securities and Exchange Commission, or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters affecting cable television operations authorized pursuant to this franchise, shall be simultaneously submitted to the City Manager or his agent upon request.

b. The grantee shall maintain an office in the City for so long as it continues to operate the system or any portion thereof and shall designate such offices as the place where all notices, directions, orders and requests may be served or delivered under this ordinance. The City Manager shall be notified of the location of such office or any change thereof.

c. The grantee shall keep complete and accurate books of account and records of its business and operations under and in connection with the ordinance and franchise. All such books and records shall be made available at the grantee's office in the City.

d. The City Manager or his agent shall have access to all books of account and records of the grantee for the purpose of ascertaining the correctness of any and all reports and shall be given access to all other records upon request.

e. Any false entry in the books of account or records of the grantee or false statement in the reports to the City Manager as to a material fact, knowingly made by the grantee shall constitute the breach of a material provision of this ordinance and franchise.

#### SECTION 23. CUSTOMER SERVICE STANDARDS.

a. Office and Phone for Service. The grantee shall maintain an office in the City which shall be open during all usual business hours, have a locally listed telephone and be so operated that complaints and requests for repairs or adjustments may be received at any time. In addition, the grantee shall maintain a convenient office in the City open during normal business hours, for the receipt of sums due by its subscribers and shall provide for regular billing of accounts.

b. Notification of Service Procedures. The grantee shall furnish each subscriber at the time service is installed written instructions that clearly set forth procedures for placing a service call, or requesting an adjustment. Said instructions shall also include the name, address and telephone number of the City Manager or other designated employee and a reminder that the subscriber can call or write the City Manager or other designated employee for information regarding terms and conditions of the grantee's franchise if the grantee fails to respond to the subscriber's request for installation, service or adjustment within a reasonable period of time.

c. Service Response Time. The grantee shall provide "same day" service response, seven (7) days a week for all complaints and requests for repairs or adjustments received prior to 2:00 p.m. each day. In no event shall the response time for calls received subsequent to 2:00 p.m.

exceed twenty-four (24) hours.

d. Service Interruptions and Notifications. The grantee shall interrupt system service after 7:00 a.m. and before 1:00 a.m. only with good cause and for shortest time possible and except in emergency situations, only after publishing notice of service interruptions. Services may be interrupted between 1:00 a.m. and 7:00 a.m. for routine testing, maintenance and repair, without notification, any night except Friday, Saturday, or Sunday, or the night preceding a holiday.

e. Complaint Records. The grantee shall maintain a written record or "log," listing date and time of customer complaints, identifying the subscriber and describing the nature of the complaints and when and what actions was taken by the grantee in response thereto; such record shall be kept at grantee's local office, reflecting the operations to date for a period of at least three (3) years, and shall be available for inspection during regular business hours.

#### SECTION 24. PROTECTION OF SUBSCRIBER PRIVACY.

a. Use of Data from Subscriber. The grantee shall not initiate or use any form, procedure or device for procuring information or data from subscriber's terminal by use of the system, without prior valid authorization from each subscriber, so affected.

b. Subscriber Lists. The grantee shall not, without prior valid authorization from each subscriber so affected, provide any list designating subscriber's name or addresses to any other party except where required under contract for provision of premium service.

c. Subscriber Transmissions. Grantee shall not permit the installation of any special terminal equipment in any subscriber's premises that will permit transmission from subscriber's premises of two way services utilizing aural, visual, or digital signals without first obtaining written permission of the subscriber.

#### SECTION 25. SECURITY FUND.

a. Within 30 days after the acceptance of this franchise, the grantee shall deposit with the City's Director of Finance and maintain on deposit throughout the term of the franchise the sum of \$100,000 in cash. If the grantee has made all required payments and shall have complied with all provisions of this ordinance, the City's Director of Finance shall be authorized to pay the grantee any interest earned on the cash deposit required by this Section on or before July 31 of each year in which this franchise is in effect.

b. Within 30 days after notice to it that any amount has been withdrawn from the Security Fund deposited pursuant to paragraph (a) of this section the grantee shall pay to, or deposit with, the City's Director of Finance a sum of monay sufficient to restore such Security Fund to its original amount.

c. If the grantee fails to pay to the City any compensation within the time fixed herein, or fails after 10 days notice to pay the City any taxes due and unpaid, or fails to repay to the City within such 10 days, any damages, costs, or expenses which the City shall be compelled to pay by reason of any act or default of the grantee in connection with this ordinance or its franchise, or fails after 3 days notice by the City Manager of such failure to comply with any provision of this ordinance or its franchise which the City Manager reasonably determines can be remedied by an expenditure of the security, the City's Director of Finance may immediately withdraw the amount thereof, with interest and any penalties, from the Security Fund. Upon such withdrawal, the City's Director of Finance shall notify the grantee of the amount and the date thereof.

d. The cash deposit shall become the property of the City in the event that the franchise is terminated prior to its termination date as set out herein. The cash deposit shall be retained by the City and returned to the grantee at the expiration of the franchise provided there is then no outstanding default on the part of the grantee.

e. The rights reserved to the City with respect to the security fund are in addition to all other rights of the City, whether reserved by this ordinance or authorized by law, and no action, proceeding, or

exercise of a right with respect to such security fund shall affect any other right the City may have.

SECTION 26. PENALTY PROVISIONS.

For violation of material provisions of this ordinance the penalties shall be chargeable to the Secutiry Fund as follows:

- a. For failure to comply with any provision of Section 8....\$100 per day.
- b. For failure to provide data and reports as requested by the City Manager or the City Council.....\$100 per day.
- c. For failure to comply with reasonable recommendations of the City Manager relating to services as provided for in Section 23 and such reasonable requests as may be made pursuant to authority granted by this ordinance .....\$300 per day.
- d. For failure to restore the cash deposit as required in Section 25 within the specified 30 days, the entire cash deposit remaining shall be forfeited.

SECTION 27. OTHER PROVISIONS.

a. Emergency Alert Override. The grantee shall incorporate into its facilities, the capabilities for an emergency override audio alert whereby a designee of the City, in times of emergency may introduce an audio and/or video message on all channels simultaneously.

b. Interconnection. Whenever directed by the City Manager or his agent, the grantee shall so construct, operate, and/or modify the cable television system so as to have the capability to interconnect the same, and shall so interconnect the same when so directed, into other systems adjacent to the City; provided, however, that such interconnection shall not be required until such adjacent systems shall also be capable of such interconnection and shall have approved such interconnections.

c. Other business activities. The grantee shall not engage in the business of selling, repairing, or installing television receivers within the City of San Antonio during the term of the franchise.

SECTION 28. TERMINATION.

a. The City, at its option, may terminate this contract by giving written notice of such termination to the grantee upon occurrence of any of the following:

1. Filing of a voluntary bankruptcy petition by the grantee.
2. Taking of jurisdiction of the grantee or his assets in bankruptcy proceedings by any court, such proceedings not being vacated within 30 days.
3. Taking by execution of grantee's interest in this contract or of property placed on the premises.
4. Appointment by any court of a receiver for the grantee, such proceedings not being vacated within 30 days.

b. Notwithstanding any other provisions in this ordinance, the City, acting through the City Council, shall have the option to cancel and terminate this franchise at any time for failure of the grantee to comply with any provision or requirement contained herein after 60 days written notice to do so.

SECTION 29. RIGHTS OF INDIVIDUALS, AFFIRMATIVE ACTION PROGRAM, AND EQUAL EMPLOYMENT.

a. Grantee shall not deny service, deny access, or otherwise discriminate against subscribers, channel users, or general citizens on the basis of race, color, religion, national origin, or sex. Grantee

shall comply at all times with all other applicable federal, state, and city laws, and all executive and administrative orders relating to non-discrimination.

b. All subsidiary companies of grantee's parent company have established affirmative action programs as prescribed by FCC guidelines and its parent company and grantee are committed to a policy of nondiscrimination in employment on the basis of race, creed, or national origin for the term of the franchise.

c. In addition, grantee agrees to adopt and implement the City of San Antonio's affirmative action program in the exercise of its right under this franchise.

SECTION 30. POLICY ON MINORITY PROGRAMMING AND EDUCATIONAL OPPORTUNITIES.

Grantee shall cooperate with the City's coordinator of Federal Manpower Programs with the goal of placing qualified candidates into job openings created by the growth of the cable television system. In addition, technical scholarships will be established at local institutions to qualify local applicants for positions requiring specialized electronic training and internship programs will be established to further on-the-job training for these employees.

SECTION 31. SEVERABILITY PROVISION.

If any section, sentence, clause or phrase of the ordinance is held unconstitutional or otherwise invalid, such infirmity shall not affect the validity of the ordinance, and any portions in conflict are hereby repealed; provided, however, that in the event that the FCC declares any section invalid, then such a section or sections will be renegotiated by the City and the grantee.

PASSED, APPROVED, AND ADOPTED ON FIRST READING THIS THE 3<sup>rd</sup> DAY OF August, 1978.

Lila Cockrell  
MAYOR

ATTEST:

G. V. Jackson  
City Clerk

PASSED, APPROVED, AND ADOPTED ON SECOND READING THIS THE 24<sup>th</sup> DAY OF August, 1978.

Lila Cockrell  
MAYOR

ATTEST:

G. V. Jackson  
City Clerk

DISTRIBUTION

Public Hearing

Second Reading

ITEM NO.

VIII

3:00

Bex. Co. Cable T.V. Inc.

MEETING OF THE CITY COUNCIL

DATE: AUG 24 1978

MOTION BY:

*Hartman*

SECONDED BY:

*Peters*

ORD. NO.

49655

ZONING CASE

RESOL.

*Franchise*

AVIATION
BUDGET & RESEARCH
BUILDING & ZONING
CITY WATER BOARD
CITIZEN ACTION & PUBLIC INFORMATION
COMMERCIAL RECORDER
CONVENTION BUREAU
CONVENTION CENTER
ECONOMIC & EMPLOYMENT DEVELOPMENT
EQUAL EMPLOYMENT OPPORTUNITY
FINANCE DIRECTOR
ASSESSOR
CONTROLLER
TREASURY DIVISION
FINANCE-GRANT SECTION
INTERNAL AUDIT
PROPERTY RECORDS
FIRE CHIEF
HEALTH DIRECTOR
HEMISFAIR PLAZA
HUMAN RESOURCES
LEGAL - CITY ATTORNEY
LIBRARY DIRECTOR
MARKET SQUARE
MUNICIPAL COURTS
PARKS & RECREATION DEPT.
PERSONNEL DIRECTOR
PLANNING
POLICE CHIEF
PRESS ROOM
PUBLIC WORKS DIRECTOR
ENGINEERING DIVISION
ENGINEERING - SEWERS
RIGHT OF WAY & LAND ACQUISITION
PURCHASING
TRAFFIC & TRANSPORTATION

*No Distribution yet*

COUNCIL MEMBER	ROLL CALL	AYE	NAY
HENRY G. CISNEROS PLACE 1		✓	
JOE WEBB PLACE 2		✓	
HELEN DUTMER PLACE 3		✓	
FRANK D. WING PLACE 4		✓	
BERNARDO EURESTE PLACE 5		✓	
RUDY C. ORTIZ PLACE 6		✓	
JOE ALDERETE, JR. PLACE 7		✓	
PHIL PYNDUS PLACE 8		✓	
GLEN HARTMAN PLACE 9		✓	
JOHN STEEN PLACE 10		✓	
LILA COCKRELL PLACE 11 (MAYOR)		✓	

*Motion to approve to include amendments*

78-38

PASSED, APPROVED, AND ADOPTED ON THIRD READING THIS THE \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 1978.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**78 - 35**

EXHIBIT "B"

MINIMUM PROGRAMMING TO BE CARRIED ON "A" CABLE, DOWNSTREAM

<u>Basic Service Channels:</u>	<u>Source</u>
1. KMOL-TV, San Antonio	Off-Air
2. KENS-TV, San Antonio	Off-Air
3. KSAT-TV, San Antonio	Off-Air
4. KLRN-TV, San Antonio	Off-Air
5. KWEX-TV, San Antonio	Off-Air
6. WGN-TV, Chicago	Satellite
7. WTCG-TV, Atlanta	Satellite
8. KTVT-TV, Dallas + Ft. Worth	Microwave
9. KXTX-TV, Dallas	Microwave
10. Government News & Access	Local
11. Public Access	Local
12. Spanish-Speaking News & Access	Local
13. Local Weather/Weather Radar	Local
14. Local Origination Program and Madison Square Garden Events	Satellite
15. San Antonio SPURS Games and Sports Newswire	Local
16. Full Premium Pay-TV Service	Satellite
17. Economy Premium Pay-TV Service	Satellite
18. World/National/Texas Newswire	Local
19. Black Community News and Access/Job Listings	Local

Full Service Channel: All of the above plus the following:

20. Shopper's Guide, Swap Shop	Local
21. Television/Entertainment Guide	Local
22. Stock Market/Business News	Local
23. Community Bulletins/Recreation News	Local
24. Christian Broadcasting Network	Satellite
25. PTL Religious Network	Satellite
26. Local Religious Access	Local
27. Slo-Scan UPI News	Satellite
28. Medical Service	Local
29. Military News & Access	Local
30. Suburban News & Access	Local
31. University/Fine Arts Access	Local
32.-33. Educational News & Access (2 channels)	Local
34. Leased Access	Local
35. Fanfare Premium Pay-TV	Satellite

Plus

-Full-Band FM Radio and positioned on the FM dial 1) audio for premium Pay-TV channels in stereophonic sound effect, 2) Citizens Band Channel 9 and 3) Police and Fire Department Radio Scanner (IF APPROVED BY CITY)

*Amendments adopted by Council 8/24/78*

NCW  
8-17-78

EXHIBIT "C"

MAXIMUM RATES FOR SERVICES

I. Installation Rates

<u>Residential:</u>	<u>1st 30 Days</u>	<u>After 30 Days</u>
New Primary TV/FM outlet, aerial	-0-	\$15.00
New Primary TV/FM outlet, underground	-0-	\$25.00
New Secondary TV/FM outlet, each	-0-	\$10.00
Reconnect Service	N/A	\$10.00
Economy Movie Package	-0-	\$10.00
Home Box Office	-0-	\$10.00
Fanfare	-0-	\$10.00
Converter (When upgrading from basic service to full service)	N/A	\$10.00

Non-Residential:

All outlets to be installed to Bexar County Cable TV specifications for net cost of materials and labor.

II. Monthly Service Rates

<u>Residential:</u>	<u>Basic Service</u>	<u>Full Service</u>
Primary TV/FM outlet	\$5.95	(1)*
Secondary TV/FM outlet	\$2.00	(1)*
<u>Premium Service</u>		
Economy Movies	\$4.00	N/A
H.B.O.	\$7.00	N/A
Fanfare (full package)	N/A	<u>\$8.00</u>

Non-Residential:

Primary and secondary outlets will be offered to each dwelling unit on contiguous property under one ownership at the residential rate less 45% discount. All outlets must be permanently installed and bulk billed under a single account.

Special discounted quotations are available from H.B.O. and Fanfare for non-residential accounts.

\*(1) Converter for Full Service may be rented from Company for \$1.00 per month or purchased for \$50.00 plus state sales tax, or at our cost, whichever is less. A deluxe remote controlled converter will be available at \$2.50 per month. Maintenance of the converter rented from the company shall be provided at no extra charge.

Proposed Changes In Section 11

Add Sub-Paragraph 9 to Paragraph c 4 Section 11

"One specifically designated, non-commercial access channel shall be made available to the Black Community for programming on the "A" Trunk Cable."

Add Paragraph o to Section 11

"The Grantee hereby agrees to advertise and make well known to the public, the availability of, and shall make every reasonable effort to promote and encourage the use of, all of the access channels set forth in this Section 11c."

III. Service to Public Buildings

No charge to be made by Bexar County Cable Television for one service connection each to government buildings, public and parochial schools, classroom buildings and dormitories of colleges and universities for installation, disconnection, and reconnection of basic monthly services (excludes the three "pay" services).

EXHIBIT "C"

MAXIMUM RATES FOR SERVICES

I. Installation Rates

<u>Residential:</u>	<u>1st 30 Days</u>	<u>After 30 Days</u>
New Primary TV/FM outlet, aerial	-0-	\$15.00
New Primary TV/FM outlet, underground	-0-	\$25.00
New Secondary TV/FM outlet, each	-0-	\$10.00
Reconnect Service	N/A	\$10.00
Economy Movie Package	-0-	\$10.00
Home Box Office	-0-	\$10.00
Fanfare	-0-	\$10.00
Converter (When upgrading from basic service to full service)	N/A	\$10.00

Non-Residential:

All outlets to be installed to Bexar County Cable TV specifications for net cost of materials and labor.

II. Monthly Service Rates

<u>Residential:</u>	<u>Basic Service</u>	<u>Full Service</u>
Primary TV/FM outlet	\$5.95	(1)*
Secondary TV/FM outlet	\$2.00	(1)*
<u>Premium Service</u>		
Economy Movies	\$4.00	N/A
H.B.O.	\$7.00	N/A
Fanfare (full package)	N/A	\$8.95

Non-Residential:

Primary and secondary outlets will be offered to each dwelling unit on contiguous property under one ownership at the residential rate less 45% discount. All outlets must be permanently installed and bulk billed under a single account.

Special discounted quotations are available from H.B.O. and Fanfare for non-residential accounts.

\*(1) Converter for Full Service may be rented from Company for \$1.50 per month or purchased for \$50.00 plus state sales tax, or at our cost, whichever is less. A deluxe remote controlled converter will be available at \$2.50 per month. Maintenance of the converter rented from the company shall be provided at no extra charge.

# CITY OF SAN ANTONIO

Office of the City Council

Interdepartment Correspondence Sheet

AGENDA ITEM NO. 1

TO City Manager

FROM Robert H. Fisher, Administrative Assistant

COPIES TO File

SUBJECT STORER BROADCASTING FRANCHISE ORDINANCE (FIRST READING)

Date August 1, 1978

As directed by the City Council, the staff, in conjunction with representatives of Storer Broadcasting, has prepared an ordinance granting a 15 year franchise to the company to construct and operate a cable television system in San Antonio.

Current schedules call for the ordinance to be subject to a first reading this Thursday, August 3rd, and for the public hearing and second reading to be held on August 24th. The final reading of both the Storer and UA-Columbia ordinances is then scheduled for September 7th.

Salient features of the Storer ordinance as it is presently constituted include the following:

1. The system is designed to provide up to 35 channels of television viewing to all subscribers paying for same, and for cables to be installed to allow for a multitude of specialized institutional "networking". In essence, the Storer and UA-Columbia engineering configuration is the same with the exception that Storer proposes to link certain segments of their system by fiber optic technology, whereas UA-Columbia is geared to use microwave linkages.
2. The franchise is for a 15 year term with options to extend it for an additional 10 years if a future Council so desires.
3. The system is to be fully constructed within 3 years after licenses are secured from the FCC, and no part of the City is to receive favorite treatment in the construction phase.
4. The company will be providing several "access channels", which are channels available at no cost to the client group, which include the following: (A) Government, (B) Educational, (C) General

Public, (D) Spanish-Speaking Communities, (E) Medical, (F) Military, (G) Universities and Arts Organizations, and (H) Religious Institutions. Equipment and personnel assistance will also be provided at no cost. This provision differs from the UA Columbia ordinance in the inclusion of access channels for the Spanish-speaking community, universities and arts organizations, and the religious community.

5. All public buildings, school buildings, and college classrooms and dormitories will have free service connections and monthly service.

6. The company will be subject to annual performance evaluation sessions before the City Council which are scheduled to be held in either September or October of each year. Additionally, the ordinance calls for the establishment of an advisory board to work with the company and the City in insuring that the company is responsive to the programming needs of all citizens.

7. Concerning rates and program offerings, the company is, at the time of this writing, finishing the preparation of their rate schedule and program exhibits. These will be furnished to the City Council upon receipt.

8. In reference to the franchise fee and prepayment of the fee, the City will be receiving 3% of the company's gross annual revenues. The company will be transmitting, as a franchise fee prepayment, a total of \$1,000,000. As you will note, this differentiates from the original offer of \$250,000, but is still able to be drawn down at a rate of 10% annually, so that the City may still yield some revenues from the system each year. The company understands and agrees that the prepayment is non-refundable in the event of any major non-compliance with the franchise ordinance.

9. In reference to the company's affirmative action program, a statement has been transmitted by the company which is continuing to be reviewed by staff.

As a result of further direction provided by the City Council, the staff has been meeting with members of the Inter-City Urban Communication Coalition to discuss matters of concern to them. To date, a total of four meetings have been held with the Coalition, and attachments are included with this memorandum which define the latest results of discussions in these meetings. As you will note, the Coalition strongly favors employment of a consultant to "fine tune" the cable television ordinances. My response, which is reflected in the attached letter, continues to be to recommend against employment of such a person or firm.

In order to bring the Storer ordinance up to a third reading on September 7th, as was directed by City Council, it is recommended that the ordinance be passed on first reading on August 3rd.

Robert Fisher  
Administrative Assistant

RECOMMENDATION APPROVED:



THOMAS E. HUEBNER  
City Manager

<sup>25</sup>  
~~Inter~~-City Urban Communication Coalition

Post Office Box 893

San Antonio, Texas 78293

July 29, 1978

To: .Robert H. Fisher  
Administrative Assistant  
Office of the City Manager

Subject: July 24, 1978 - Fisher's  
Communique Re: Inter-  
City Urban Communication  
Coalition

From: The Inter-City Urban Communication Coalition

Thank you very much for reviewing the subject matter with the Inter-City Communication Coalition and in so doing allowing us an opportunity for acknowledgement and response.

The ICUCC at this point recognizes the efforts put forth by city staff reacting to the Mayor's directive that a cooperative working relationship be established with our citizens consortium.

As we initiate the proceedings of this, our fourth meeting with the Office of the City Manager we find it imperative to stand by what has been our request all along; that the City of San Antonio utilize technical assistance services as it has done in the past when long range constituency affectation projects are under consideration.

Rather than respond to the topic report point by point it is considered adequate to address ourselves to item one for it has the umbrella impact regarding our perceptions of the overall Fox/Fisher report and it's possible ramifications.

Fox/Fisher report item 1. Consultant Firm. Following our meeting of July 24, 1978; ICUCC is still of the opinion that the employment of a consultant firm is of prime importance in assuring that the integrity of the proposed cable television system is maintained in terms of providing the best possible service at the fairest cost to the ultimate consumer - our city's citizens.

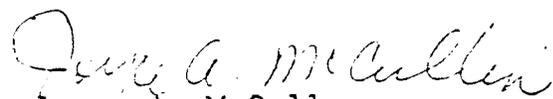
In reiterating our request for same ICUCC urges that proper established city procedures be followed in consultant procurement.

Since a specific listing of consultant firm services was requested of ICUCC, the following is recommended as consideration factors for consultant selection criteria:

To provide expertise in the areas of public service and effective communication usage (i.e. burglar and fire residential warning systems, personalized two-way audio-visual interaction. public and private institutional use, dedicated channels, facsimile mail video shopping, etc) of cable television with stressed sensitivity to the needs of the traditionally disenfranchised as part of the selection criteria. Additionally a consultant should be able to respond to other concerns. Among these, but not necessarily limited to, could be the following:

- A. Overall channel capacity.
- B. Effective franchise monitoring procedures.
- C. Actual cost differential between inner city (including downtown) and surrounding areas.
- D. Realistically equitable disbursement of profits.
- E. Actual need as opposed to a manufactured one, and,
- F. Residential subscription rates as opposed to institutional fees.

As previously noted the above specifications are not intended to be all inclusive and City Council is certainly encouraged to add any further criteria that will facilitate the desired end result - a first class system for a truly unique city. Gracias.

  
Joyce A. McCullen,  
Acting Spokesperson  
Inter-City Communication Coalition

cc: file

JAMc./ahs

# CITY OF SAN ANTONIO

P. O. BOX 9066

SAN ANTONIO, TEXAS 78285

July 31, 1978

CITY COUNCIL  
LILA COOKARELL, MAYOR  
HENRY CISNEROS  
JOE WEBB  
HELEN DUTMER  
FRANK D. WING  
BERNARDO BURESTE  
PHYD OPTIZ  
JOE ALDERETE JR.  
PHIL PYNDIUS  
GLEN HARTMAN  
JOHN STEEN

Joyce A. McCullen, Acting  
Spokesperson  
Inter-City Urban Communications  
Coalition  
San Antonio, Texas 78293

Dear Ms. McCullen:

This letter is in response to the letter received on Saturday, July 29th, from the Inter-City Urban Communication Coalition. In advance of responding to the concerns expressed by the Coalition concerning the desire to have a consultant firm on the cable television ordinance, I would like to reiterate several provisions which will be included in the cable television ordinances as a result of the discussions which have been held between the Coalition and the staff. Some of these items include the following:

- 1) A second public access channel will be installed upon a showing that the first channel is being used 80% of the time in prime time over a six week period of time.
- 2) All video equipment, studio facilities, and technical personnel will be provided free to all non-commercial persons or organizations in the community for purposes of programming on the various access channels.
- 3) Strongly worded sections are being inserted to insure the company has an equal employment opportunity program, job training for minorities, and scholarship programs for worthy minority applicants.
- 4) Special attention is being paid to the establishment of an Advisory Committee to deal with the company on the multitudes of points which have been raised on programming issues.
- 5) The performance evaluation sessions are being converted from bi-annual to annual sessions.

- 6) The section dealing with construction timetables is being modified and strengthened to insure an equitable construction methodology.
- 7) The company will be required to advertise notices of requests for rate increases or assignments of the franchise for a much longer period of time than originally envisioned.

Other points raised by the Coalition are continuing to be analyzed by the staff for possible use in ordinance modification.

In reference to your letter, I would greatly appreciate the Coalition's consideration of the following:

- 1) The cable television system being designed for San Antonio, irrespective of which ever company is awarded the franchise, will have a tremendous abundance of message-carrying capability from the very outset. Taking some of your comments as an example, the ordinance already provides for the company to build in capability to install burglar, fire, and medical alarm systems. Further, the capability for public institutional interactive use is built into the system in several ways. The real challenge is for these institutions (schools, medical facilities, governmental units, etc.) to develop usage sufficient to justify the need for the capacity being requested.
- 2) In reference to the other concerns expressed in your letter, I would appreciate your consideration of the following comments:
  - a. Overall Channel Capacity: The San Antonio system is being designed to give each subscriber at least 35 channels of video choices, the greatest amount of programming choices being offered in any city presently.
  - b. Effective Franchise Monitoring Procedures: Effective monitoring will take place in several ways. As an example, during the construction phase, several departments of the City, including Public Works, Traffic & Transportation, Building & Zoning and the Planning Department, will all be reviewing and approving construction plans. Also, provisions are in the ordinance which direct the company to notify each subscriber that he or she may contact the City for assistance on any unresolved complaints. Further, the Advisory Committee, coupled with the annual performance evaluation sessions, will to a great extent guarantee responsiveness by the company to the programming needs of subscribers.

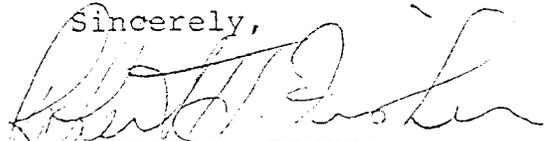
- c. Other: Your list includes points which I would appreciate receiving some clarification, including the points regarding:
1. "Actual cost differential between inner city and surrounding areas"
  2. "Realistically equitable disbursement of profits"
  3. "Actual need as opposed to a manufactured one"
  4. "Residential subscription rates as opposed to institutional fees"

In terms of the company's disbursements of profits, this is not really the City's business. There is a provision in the ordinance now, however, which provides that the company will maintain a depreciating reserve in order to maintain the system.

In the area of subscription rates, the only existing differential is in the area of multiple-family dwelling units, such as apartment units or hotels, where the company is authorized to provide a discount under certain conditions, principally where there are a multitude of connections but only one billing.

In summary, I certainly recognize the emphasis placed by the Coalition on the need for a consultant. However, at this time, I sincerely feel that the staff and the City Council have been taking actions which are protective of the rights of all future subscribers to the system and are insuring that the most modern and effective cable communication system will be brought to San Antonio. I therefore feel that the employment of a consultant would not appreciably improve the current position of the City, and do not support the request.

Sincerely,



ROBERT H. FISHER  
Administrative Assistant

RHF:yr

cc: Louis J. Fox, Assistant City Manager

# Bilingual/Bicultural Coalition on Mass Media

P. O. BOX 1022 . SAN ANTONIO, TEXAS 78294 . (512) 227-4104



Ramon Vasquez y Sanchez, Chairman of the Board  
Victor L. Soto, Vice Chairman  
Yolanda Santos, Secretary  
Jose L. Montalvo, Treasurer  
Rosie Castro, Parliamentarian

August 3, 1978

## CATV: THE CITY COFFERS OR THE PUBLIC INTEREST?

We have come before you on several occasions seeking redress on issues concerning CATV and public service requirements. And we have noted with dismay that while other local and state governments push forward in regulating CATV, you insist in literally giving away the citizen's rights and the public domain for a fistful of coins.

Your Honor, the Mayor, directed us to work with staff to insert our concerns into a new ordinance for the benefit of the consumer and the city. On several occasions we met with staff and presented issues which we feel are crucial to a sound citizen oriented CATV system. After much discussion, staff either rejected, omitted, or diluted our suggestions. Of primary importance was staff's denial to hire an outside consultant to help formulate a "showcase" CATV system for San Antonio.

Also, we are deeply appalled at staff's unilateral negotiation of a \$1,000,000.00 deposit from Bexar Co. CATV as a requirement for receiving the franchise. This, in effect, prices out any other bidder which cannot afford a disproportionate deposit and is a clear case of political favoritism. This practice, in our opinion, is unethical, unscrupulous, and should be considered illegal.

Furthermore, we are also appalled at the manner in which City Council is handling the interests of the citizens by allowing amateurs to formulate policy on such a complex matter as the regulation of CATV. In addition, Council has exhibited a gross lack of foresight about CATV, its pitfalls, implications, and potential. Above all else, you are displaying a colossal lack of insight into your responsibilities towards the public domain. In short, you are selling the city and the consumer down the proverbial river for the sake of monied interests and the city's coffers.

Your Honor, in view of the fact that these CATV franchise proceedings have deteriorated beyond a workable solution we demand

*Read by Victor Soto at Council Mtg 8/3/78*

BBC  
page two

that a moratorium be enacted upon CATV in San Antonio until such a time when the atmosphere is more amenable to providing us with the best system in the country.

If the City Council does not pick up where the FCC leaves off in regulating this very profitable business, the CATV industry's influence will go unchecked in our community and we will all be paying to engorge an unresponsive monster of our own creation.

Attached is an outline of CATV concepts and concerns to which you are not even remotely addressing yourselves to:

ATTACHMENT

CATV CONCEPTS AND ISSUES

CONCEPTS: CATV is a powerful communications medium which can change our lives.

The FCC is deregulating CATV. The public interest requires control and regulation by local governments.

Local governments have jurisdiction over franchises as part of the public domain.

A CATV franchise should be vigorously regulated to protect the public domain.

In order to protect the public (domain) interest the following issues should be included in the CATV franchise:

- ISSUES:
1. The city should seek expert assistance in establishing the CATV ordinance and carefully scrutinize CATV ownership.
  2. CATV should be considered a utility and establish a commission to regulate it with citizen participation.
  3. A department under the CATV Commission should be established to supervise, evaluate, review and hear complaints on the system.
  4. The franchise fee should go for the enhancement of the public service functions of the system and to support the Commission.
  5. There should be no transfer of license. The public domain is not a marketable item.
  6. A stringent 10 year franchise with 5 year renewal to avoid de facto in perpetuity contract.
  7. The franchise should be renegotiated every three years.
  8. The recapture and revocation clauses should be worded for city's benefit.
  9. Definitive language that city shall be the ultimate authority on rates.

(continued)

10. Stiff penalties for non-compliance.
11. Parity of employment for minorities.
12. Two outside Spanish language stations.
13. A Black access channel.

DISTRIBUTION

AVIATION	
BUDGET & RESEARCH	1
BUILDING & ZONING	
CITY WATER BOARD	
CITIZEN ACTION & PUBLIC INFORMATION	
COMMERCIAL RECORDER	
CONVENTION BUREAU	
CONVENTION CENTER	
ECONOMIC & EMPLOYMENT DEVELOPMENT	1
EQUAL EMPLOYMENT OPPORTUNITY	
FINANCE DIRECTOR	1
ASSESSOR	1
CONTROLLER	1
TREASURY DIVISION	1
FINANCE-GRANT SECTION	
INTERNAL AUDIT	1
PROPERTY RECORDS	1
FIRE CHIEF	
HEALTH DIRECTOR	
HEMISFAIR PLAZA	
HUMAN RESOURCES	
LEGAL - CITY ATTORNEY	1
LIBRARY DIRECTOR	
MARKET SQUARE	
MUNICIPAL COURTS	
PARKS & RECREATION DEPT.	1
PERSONNEL DIRECTOR	
PLANNING	
POLICE CHIEF	1
PRESS ROOM	
PUBLIC WORKS DIRECTOR	1
ENGINEERING DIVISION	
ENGINEERING - SEWERS	
RIGHT OF WAY & LAND ACQUISITION	1
PURCHASING	
TRAFFIC & TRANSPORTATION	1

3rd & 7th Reading (File in)  
 Berkeley County  
 Cable T. V., Inc. ITEM NO. 16  
 Sep Co. (File)  
 DATE: SEP 7 1978

MEETING OF THE CITY COUNCIL

MOTION BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

ORD. NO. ~~14655~~ ZONING CASE \_\_\_\_\_

RESOL. \_\_\_\_\_

COUNCIL MEMBER	ROLL CALL	AYE	NAY
HENRY G. CISNEROS PLACE 1			
JOE WEBB PLACE 2			
HELEN DUTMER PLACE 3			
FRANK D. KING PLACE 4			
BERNARDO EURESTE PLACE 5			
RUDY C. ORTIZ PLACE 6			
JOE ALDERETE, JR. PLACE 7			
PHIL PYNDUS PLACE 8			
GLEN HARTMAN PLACE 9			
JOHN STEEN PLACE 10			
LILA COCKRELL PLACE 11 (MAYOR)			

*[Handwritten signatures and scribbles over the roll call table and other areas]*

DISTRIBUTION

Bexar County Cable Television, Inc. (Storer) *First Reading*  
 ITEM NO. 1

MEETING OF THE CITY COUNCIL

DATE: AUG 3 1978

MOTION BY: Dutmer

SECONDED BY: Pyndus

ORD. NO. 49655

ZONING CASE \_\_\_\_\_

RESOL. \_\_\_\_\_

Franchise

AVIATION	
BUDGET & RESEARCH	
BUILDING & ZONING	
CITY WATER BOARD	
CITIZEN ACTION & PUBLIC INFORMATION	
COMMERCIAL RECORDER	
CONVENTION BUREAU	
CONVENTION CENTER	
ECONOMIC & EMPLOYMENT DEVELOPMENT	
EQUAL EMPLOYMENT OPPORTUNITY	
FINANCE DIRECTOR	
ASSESSOR	
CONTROLLER	
TREASURY DIVISION	
FINANCE-GRANT SECTION	
INTERNAL AUDIT	
PROPERTY RECORDS	
FIRE CHIEF	
HEALTH DIRECTOR	
HEMISFAIR PLAZA	
HUMAN RESOURCES	
LEGAL - CITY ATTORNEY	
LIBRARY DIRECTOR	
MARKET SQUARE	
MUNICIPAL COURTS	
PARKS & RECREATION DEPT.	
PERSONNEL DIRECTOR	
PLANNING	
POLICE CHIEF	
PRESS ROOM	
PUBLIC WORKS DIRECTOR	
ENGINEERING DIVISION	
ENGINEERING - SEWERS	
RIGHT OF WAY & LAND ACQUISITION	
PURCHASING	
TRAFFIC & TRANSPORTATION	
<i>No distribution yet</i>	

COUNCIL MEMBER	ROLL CALL	AYE	NAY
HENRY G. CISNEROS PLACE 1		<del>#</del>	X
JOE WEBB PLACE 2	<i>absent</i>		
HELEN DUTMER PLACE 3		- ✓	
FRANK D. WING PLACE 4			X
BERNARDO EURESTE PLACE 5	<i>absent</i>		
RUDY C. ORTIZ PLACE 6			X
JOE ALDERETE, JR. PLACE 7		✓	
PHIL PYNDUS PLACE 8		✓	
GLEN HARTMAN PLACE 9		✓	
JOHN STEEN PLACE 10		✓	
LILA COCKRELL PLACE 11 (MAYOR)		✓	

**78-35**

# CITY OF SAN ANTONIO

Office of the City Council

Interdepartment Correspondence Sheet

**DOCKET**  
AGENDA ITEM NO. VII

TO: City Manager

FROM: Robert H. Fisher, Administrative Assistant

COPIES TO: File

SUBJECT: PUBLIC HEARING AND SECOND READING ON THE STORER BROADCASTING  
CABLE TELEVISION FRANCHISE

Date August 22, 1978

Item VIII on this week's Docket provides for a 3:00 p.m. public hearing and second reading of an ordinance granting a 15 year franchise to Storer Broadcasting Company to construct and operate a cable television system within San Antonio. The first reading of this ordinance was passed on August 3rd, and the third reading (presuming the second reading passes) is scheduled for September 7th. The third reading of the UA-Columbia ordinance is also scheduled for September 7th.

Three requested amendments to the original Storer ordinance have been transmitted by the company and may be adopted by the Council during the second reading. The amendments are as follows:

1. Addition of a "Black Community News and Access" channel.

On exhibit "B", which delineates the programming to be carried, a new "Black Community News and Access" channel is being added to the Basic Service package. When the channel is not being used for this purpose, the company will be transmitting information on local job listings.

To provide this channel, the company proposes to consolidate two news wire channels (World and National, State and Regional) into one (World, National, and State) and bring this channel into the "Basic Service" area. The net effect adds one additional public access channel, and increases the number of "Basic Service" channels available from 17 to 19. The charge for Basic Services continues to be \$5.95 per month. This presently compares to the \$6.00 per month charge for 18 channels being offered by UA-Columbia.

2. Reduction of Converter Cost.

In order to receive all 35 channels to be offered, a subscriber must lease or buy a converting instrument to affix to the television set. In their original proposal, Storer set the price of the converter at an additional \$1.50 per month in addition to the Basic Service cost of \$5.95. In effect, the charge for receiving all 35 channels of programming has been \$7.45 (\$5.95 + \$1.50). As a second amendment, Storer proposes to reduce the con-

verter cost to \$1.00 per month, for a total per month charge for 35 channels of \$6.95 versus \$7.45 previously cited. This price is directly comparable to the \$7.00 charge for 35 channels being proposed by UA-Columbia.

3. Reduction in Cost of Premium Service.

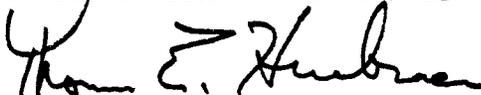
As a third amendment, Storer proposes to alter the price of one of their 3 pay-TV, extra-cost channels (Fanfare) from a monthly fee of \$8.95 to \$8.00. The remaining 2 channels of pay-TV (the economy movie channel and Home Box Office) would remain at the same prices of \$4.00 and \$7.00 per month.

RECOMMENDATIONS:

The amendments proposed by the company will be beneficial to subscribers and should be adopted as a part of the ordinance. Additionally, the staff and company are continuing to discuss other points which may develop into proposed amendments. For the present, however, the ordinance is ready for the public hearing and second reading, and staff recommends passage of this ordinance, with the above described amendments.

ROBERT H. FISHER  
Administrative Assistant

RECOMMENDATION APPROVED:



THOMAS E. HUEBNER  
CITY MANAGER

RHF:yr