COUNTY OF LOS ANGELES
DEPARTMENT OF CONSUMER AFFAIRS

"To Enrich Lives Through Effective and Caring Service"

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Pastor Herrera, Jr.
Director

March 8, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Request for Term Extension and Updating of a Cable Television Franchise in the Unincorporated Areas of Saugus Granted to Comcast of Newhall, Inc., a California corporation.

(5th District) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD

1. Approve an ordinance to amend the cable television franchise Ordinance No. 87-0169F, as amended, granting a franchise in the unincorporated areas of Saugus held by Comcast of Newhall, Inc., to extend the term through September 30, 2006, and update other terms of the franchise.

2. Introduce, waive reading and place on your Board's Agenda for adoption the attached ordinance that implements the above recommendation.

3. Find that this extension is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Comcast of Newhall, Inc., a subsidiary of Comcast Corporation, has a cable television franchise with the County that expires on June 30, 2005. Extension of the current franchise term through September 30, 2006, allows the County sufficient time to amend

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Title 16, Division 4 of the County Code (Cable Television System Franchises) and negotiate the renewal of this franchise. This ordinance also eliminates self-imposed franchise fee distribution requirements.

Implementation of Strategic Plan Goals

Approval of this recommendation will assist in implementing the Countywide Strategic Plan goal of fiscal responsibility. This will ensure the continuation of revenue provided to the County by statute.

FISCAL IMPACT/FINANCING

There will be no fiscal impact or cost to the County. This cable television franchise generates revenue to the County. Section 622 (b) of the Cable Act of 1984 (47 U.S.C. §542 (b)) gives a local franchising authority, such as the County, the right to collect franchise fees of no more than five percent (5%) of total gross revenues collected by a cable television operator over a 12-month period. The extension of this cable television franchise will allow continued collection of these franchise fees.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Comcast has requested an acknowledgement by the County that nothing in this Franchise Extension is intended to affect any rights that the Franchisee or the County may have under 47 U.S.C. § 546, regarding renewal of the franchise, or any other rights either party may have under the terms and conditions of the Franchise, as amended, or applicable law. Consumer Affairs has agreed to provide a letter to Comcast specifying this acknowledgement after the adoption of this amending ordinance.

The Office of the County Counsel has reviewed the attached ordinance and approved it as to form.

ENVIRONMENTAL DOCUMENTATION

The term extension of this cable television franchise is categorically exempt under CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services.

CONCLUSION

It is requested that the Executive Office-Clerk of the Board notify Mr. Perry C. Parks, III, Vice President, Government Affairs, Comcast Cable Communications, Inc., 550 North Continental Blvd., Suite 250, El Segundo, CA 90245, the Chief Administrative Officer, the Auditor-Controller, County Counsel, the Department of Public Works, and the Department of Consumer Affairs of the Board's action in this matter.

Respectfully submitted,

Pastor Herrera, Jr.
Director

PHJ:FT:DS

Attachment (1)

c: Mr. Perry C. Parks, III, Comcast Cable Communications, Inc.
Executive Officer, Board of Supervisors
Chief Administrative Officer
Auditor-Controller
County Counsel
Department of Public Works

ANALYSIS

This ordinance extends through September 30, 2006, a franchise held by Comcast of Newhall, Inc. to operate a cable television system in an unincorporated area of Saugus, granted by Ordinance 87-0169F, as amended. This ordinance also eliminates a self-imposed County distribution of franchise fees requirement.

RAYMOND G. FORTNER, JR.
County Counsel

By: Kathleen D. Felice
KATHLEEN D. FELICE
Senior Deputy County Counsel
Public Works Division

KDF:ia

(01/24/05) requested

(02/09/05) revised

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ORDINANCE NO. _____

An ordinance relating to an extension of a franchise to operate a cable television system in an unincorporated area of Saugus.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 3 of Ordinance No. 87-0169F, as amended, is amended to read as follows:

Section 3. Pursuant to ~~S~~section 53066 of the Government Code of the State of California, the right, privilege, and franchise is granted to Comcast of Newhall, Inc. ("Franchisee"), through ~~June 30, 2005~~September 30, 2006, to construct, reconstruct, maintain, and to operate a Cable Television System (hereinafter called "System") in ~~the~~an unincorporated Service Area of the County of Los Angeles described in Section 4 below, and to construct, reconstruct, maintain, operate, renew, repair, and remove in the Service Area, radio and television signal transmission lines and cables and all appurtenances and/or service connections (hereinafter jointly referred to as "Facilities") which are necessary or convenient for the provision of a System. ~~Said~~This grant is subject to the faithful performance and observance by Franchisee of all the terms and conditions herein.

SECTION 2. Section 5.C of Ordinance 87-0169F, as amended, is hereby amended to read as follows:

C. Franchisee shall make the monthly payment required herein payable in advance on the first day of each month during the life of the franchise. In addition, Franchisee shall make the annual percentage payment concurrently with the filing of the

reports required by Section 16.60.180 of the Ordinance, which shall be filed within sixty (60) days after the expiration of each franchise payment period during the life of the franchise.

~~Said franchise fee payments shall be distributed by County as follows:~~

~~1. Three percent (3%) of the gross revenues to County;~~

2. ~~Two percent (2%) of the gross revenues shall be placed in an interest bearing trust fund account as approved by the Auditor-Controller of County.~~

[870169FEXTKDF]