

COUNTY OF SONOMA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC WORKS
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SANTA ROSA, CALIFORNIA 95403

David D. Knight, Director



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October 13, 2006

The Sea Ranch Association
c/o Mr. John Fox, Community Manager
975 Annapolis Road
P.O. Box 16
The Sea Ranch, CA 95497-0016

Dear John,

Attached please find the franchise renewal agreement for your Board's examination. Several of the provisions of the proposed agreement are the result of communications with you and your Board over the past several weeks; specifically in reference to the August 17, 2006, letter to David Knight from Jim Jordan written to summarize community wants and needs according to TSRA voiced directly to Department staff and reiterated at the public meeting held by the County on August 12, 2006. Those provisions, with comments, are summarized below:

Emergency Alert System (EAS)

Central Valley Cable (CVC) is required to have its EAS system installed and operational within three months of the franchise renewal (Section 3.12).

Microwave Upgrade

CVC is required to replace its existing microwave equipment between CVC facilities in Gualala and The Sea Ranch (TSR) with a 5-watt AML transmitter and receiver within one year of the execution of the franchise renewal (Section 10.2(B)).

Digital Conversion

Within twelve months of the execution of the Franchise Agreement, CVC shall complete a Phase I analog-to-digital conversion allowing for the introduction of a minimum of 60 channels in digital format. A total system conversion to digital format shall be achieved in subsequent phases to be completed no later than January 1, 2009 (Section 10.2(A)).

Exclusive TSR Public Access (Community Service) Channel

Upon provision of the necessary funding from TSR, Central Valley Cable will make available a public access capability exclusively for the use of TSR. Such capability shall consist of cablecasting from Central Valley Cable's public access facility at its offices in Gualala, on a designated channel of the cable system, of text messages and prerecorded (P)ublic, (E)ducational and (G)overnmental (PEG) programming as submitted to CVC by qualified PEG entities (Section 9.4(A)). Such capability shall not include a capacity for live broadcasting to CVC subscribers in TSR. CVC may pass through to its subscribers annual public access support funding for the dedicated TSR community channel required by the franchise agreement (\$2,000, Section 9.4(C)). (Pass through of PEG support costs is permitted by Title VI of the Communications Act.) The PEG charge may be identified in a separate line on customers' monthly invoices. CVC estimates the charge to be approximately \$0.20 per subscriber per month. Any costs associated with the dedicated TSR community channel in excess of the \$2,000 per year funding from CVC shall be borne by TSR by direct payment to CVC.

At such time that The Sea Ranch develops the capability to broadcast on the dedicated public access channel from TSR facilities located on TSR property, CVC shall consider opportunities to implement public access broadcasts from TSR's facilities (Section 9.4(B)). In the event that CVC agrees to implement TSR's onsite public access capability, CVC will not be required to provide public access equipment, staffing or funding in excess of that specified under Section 9 of the franchise agreement.

Cable System Mapping

County engineering staff with specific expertise in GIS mapping have examined the existing hard copy maps of CVC's cable system. The department's GIS engineer believes that converting the hard copy maps into a format capable of registering with TSR's existing GIS maps would require a time-consuming and costly effort; however, the Department can easily scan CVC's maps into a TIF format for TSRA's use and offers to do so if TSRA desires.

The County will not require in the franchise agreement that CVC convert its existing cable system maps into a format capable of registering with TSRA's GIS maps for the following reasons: (1) The cost of such a conversion is prohibitively high considering CVC's available budget which is intended for system upgrades that are most important to Central Valley's TSR subscribers (2) County engineers have verified that the as-built maps provided by CVC meet or exceed the level of detail typically found in many public utility as-built maps routinely reviewed by County engineers (3) TSRA's identified "need" for GIS mapping does not establish that CVC is, or should be, responsible for fulfilling that need beyond CVC's reasonable obligation, which, in the County's opinion, CVC has satisfied and (4) a conversion-to-GIS requirement unfairly places the entire expense burden for a TSR community-wide benefit on CVC subscribers only.

Use of TSR Rights-of-Way

Central Valley Cable occupies and operates within TSR rights-of-way as a successor under a Grant of Easement. CVC's rights and responsibilities within TSR rights-of-way are established by the Grant of Easement. The County does not have authority to modify the Grant of Easement via the cable TV franchise; therefore, in acknowledgment of CVC's use of TSR rights-of-way, the franchise agreement now references the Grant of Easement in appropriate sections (Sections 2.1 & 3.10).

Performance Benchmarks and Penalties

The agreement now calls for three-year, five-year and seven-year compliance reviews with an opportunity (but not a requirement) for a reopener pursuant to the franchise review in year five (Section 12). Detailed procedures, including penalties, for franchise violations will continue in the renewed agreement (Section 5.4). Franchise violation procedures may be invoked at any time the County determines there has been a breach of the franchise irrespective of scheduled compliance reviews.

TSR together with CVC may arrange for interim meetings for updates on the progress of system upgrades, digital conversion, other questions and concerns, etc., without regard to scheduled compliance reviews and other public meeting provisions in the franchise agreement.

The CVC franchise renewal originally scheduled to go before the Board of Supervisors on October 17, 2006, at 2:15 p.m., has been continued to October 24, 2006, at 2:10 p.m., and will take place in the Board of Supervisors Chambers located at the County Administration Center in Santa Rosa. Public comment will be received prior to the Board's consideration of the proposed renewal.

Sincerely,

DAVID D. KNIGHT, DIRECTOR
DEPARTMENT OF TRANSPORTATION & PUBLIC WORKS

Susan Klassen, Deputy Director

cc: Supervisor Mike Reilly
Mr. Tom Gelardi
Vic Carberry