

✓ Scotts Valley getting close to Group W Cable pact.

CABLE TV

4-17-86

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SCOTTS VALLEY — After a little fine-tuning Wednesday, the City Council unanimously passed an ordinance that will make way for a 35-channel cable system, scheduled for completion in one year.

Group W Cable — the existing system in Scotts Valley, Santa Cruz and the western portion of the county's unincorporated area — will get the contract.

Stewart Butler, general manager of the local Group W system said the basic rate will be \$10.25 a month, up from the present \$7.14.

Details of the franchise contract with the city of Scotts Valley will be known by June 18 when the council and company representatives hammer out the final agreement.

The city will collect the maximum 5-percent franchise fee.

Butler promised a rebuilt "state-of-the-art" system and a microwave booster station in Scotts Valley that will be an attempt to put an end to bad signals during storms.

Mayor Joe Miller and Councilman Roger Anderson worked at tightening the penalties should the cable

company be slow at fixing problems and both men said they are worried that the 15-year contract offer in the city's ordinance may be too long.

Miller said that technology is moving so fast Scotts Valley could end up with an out-dated system before the 15-year period is ended.

Butler said the 15-year period was necessary for the company to recover the cost of rebuilding the system and that when technological improvements come along, the company will determine if the cost is worth the improved quality.

He indicated the contracts with Santa Cruz city and county would include a 54-channel system and at that time Scotts Valley would get the same improvement.

Miller noted there are cable companies in the nation that offer 60 to 70 channels and Butler responded that even with all the channels from the San Francisco area, it would be difficult to collect more than 45 channels to air on any system.

Although Group W is completing the contract, the nationwide company is being sold to a consortium of five other major cable companies.

Among those companies is Century Communications Company. Its piece of the Group W pie is eight cable systems in California, including Santa Cruz County.

Century Vice President Robert Morrison said customers could have whatever improvements they wanted but they could expect the costs would be passed along.

Group W, along with other cable companies, is bidding on contracts with the city of Santa Cruz and the county. Scotts Valley's contract guarantees that if Santa Cruz and the county get a better contract, then Scotts Valley system will be improved to match.

Group W will have 10 months to rebuild the Scotts Valley system and if the contract is signed in June, the improved system should be operating in the late spring of 1987.