

New accord on cable-TV applauded

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It has taken 34 lawyers from seven states, and the legal battle over cable-television service to most of the unincorporated areas of Santa Cruz County and the city of Santa Cruz is still not completely settled. But at least a binding agreement has been achieved that will enable United Cable to take over the inferior and trouble-plagued system that serves the two jurisdictions, it was announced yesterday at a meeting of the Board of Supervisors.

The same announcement of a settlement, minus the binding agreement, was made with fanfare at a joint session of the Board of Supervisors and Santa

Cruz City Council two weeks before the June election.

Now that meeting has been described as "planting a seed" (of an agreement).

Not much has changed since then, in terms of the agreement's outline, but several documents, each about the size of the Los Angeles Yellow Pages, have been generated.

It was to celebrate the completion of one of these documents that another special session of the Board of Supervisors was held yesterday, just one week before election day, when voters will weigh in with their preference for incumbents Dan Forbus and Robley Levy or their respective opponents.

This time the city of Santa Cruz was represented only by its mayor, with a late appearance put in by Arnie Levine, the only City Council member up for re-election next week.

The president of United Cable was beamed in from Denver via satellite, although the sound of his words and his lip movements never did get synchronized.

The deal will still not be final until a bevy of federal, New York, and Mississippi agencies add their blessings to it, and a federal judge signs off on a consent decree that will finalize all arrangements, said Mark Van Loucks, a consultant to United Cable, and a prominent player in the seven-year-long cable snafu.

Van Loucks said United Cable ended up swapping two of its other systems, one in New York and one in Mississippi, to get the Santa Cruz system, which its current owners were initially unwilling to part with.

United, the nation's eighth-largest cable operator, will also pay some cash to CAT, the consortium that now owns Santa Cruz Cable Television, Van Loucks said.

In addition, United, Van Loucks and CAT will pay off about \$750,000 in legal costs incurred by the city and county in their seven-year quest for a "state of the art" cable system, said Bill Marticorena, a private attorney hired by the city and county for the cable litigation.

Van Loucks at one point joined with a group of local businessmen who banded together as Greater Santa Cruz Cable TV Associates, hoping to take over the cable system. He and they had a falling out, followed by litigation, which has also been settled by the pending sale.

Van Loucks said that in the final hashing out of the settlement, he will get to own Santa Cruz Cable TV "for a minute and a half" and that he plans to "have fun" while he does.

He refused to explain further.

Meanwhile, the local businessmen will get back the money they put into trying to get a locally operated cable system off the ground, Van

Loucks said. He estimated the group ended up putting about \$750,000 into the venture.

The group included Watsonville beer distributor George Couch III; Neal Coonerty, proprietor of Bookshop Santa Cruz; restaurateur Manuel Santana; and Jack Baskin, a local developer and philanthropist.

"Never once were they trying to make a profit out of this thing," Van Loucks said.

The businessmen were sucked into the cable-TV maelstrom in 1983, when the city and the county decided to ditch Group W, which then owned Santa Cruz Cable Television and had run the cable system here for more than 20 years. Seeking improved service and rate control, the city and county decided to award the franchise to operate the cable system to the businessmen's group. In turn, the businessmen planned to link the Santa Cruz cable system to a superior one in San Jose.

But Group W sued the city and county, saying they had no right to deny Group W the franchise.

In the midst of the lawsuit, Group W sold out to CAT, the group that now owns Santa Cruz Cable Television, and has carried on the lawsuit. Also during those years, state and federal laws took away the power of local communities to control cable-TV rates.

Even though Group W, then CAT, owned the cable system, the businessmen continued to own the franchise to operate it.

Now franchise and system will be reunited under one owner.

As they did in May, the supervisors and city representatives congratulated themselves on seeing the cable suit through. They pointed out several times that despite the lawsuit's huge cost, no public funds will be lost on the venture.

Marticorena noted that the city and county had achieved the five goals they sought: a cable system equal to or better than Bay Area systems; rate protection (limited though it is); establishment of a community channel; service to a greater portion of the unincorporated county; and a legally enforceable agreement.