

## Capitola reviews cable contract

Final approval of a 15-year contract with Sonic Cable TV for operation of the city's cable TV system is expected from the Capitola City Council tonight.

Sonic is seeking renewal of its present cable TV franchise and has been negotiating with city representatives for three years.

The proposed agreement does not set the rates that Sonic can charge its customers. Federal law has recently stripped cities and counties of the power to regulate prices charged for cable TV.

"It will be an unregulated monopoly and the market will have to bear what they will charge," Capitola City Manager Steve Burrell told the city council during a public hearing in May.

The franchise agreement does call for a 35 channel system with 34 operationally-active TV channels with two-way operation and interconnections possible, 25 FM radio channels and a public access channel, the city manager said.

The contract also calls for a five percent a year franchise fee paid to the city, and \$20,000 worth of public access equipment that will be installed, maintained and replaced by Sonic as needed during the life of the franchise, according to Burrell.