

(R-84-1051)

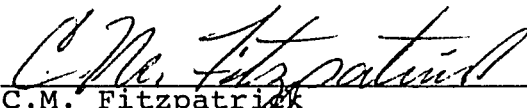
RESOLUTION NUMBER R- 259880

Adopted on JAN 3 1984

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

That this Council accepts the recommended findings and conclusions of the Transportation and Land Use Committee, from the noticed hearing of November 14, 1983, and hereby approves the application for increases in rates and charges as described in the Committee's report entitled RECOMMENDED FINDINGS AND CONCLUSIONS OF THE TRANSPORTATION AND LAND USE COMMITTEE IN THE MATTER OF COX CABLE - SAN DIEGO, INC.'S APPLICATION FOR INCREASED RATES IN THE SAN DIEGO SERVICE AREA, a copy of which is attached hereto and by this reference incorporated herein.

APPROVED: John W. Witt, City Attorney

By   
C.M. Fitzpatrick  
Senior Chief Deputy

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12/12/83  
Or.Dept:T&LU  
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RECOMMENDED FINDINGS AND CONCLUSIONS  
OF THE TRANSPORTATION AND LAND USE COMMITTEE  
IN THE MATTER OF COX CABLE - SAN  
DIEGO, INC.'S APPLICATION  
FOR INCREASED RATES IN THE SAN  
DIEGO SERVICE AREA

On November 14, 1983, the Transportation and Land Use Committee of the San Diego City Council held a noticed public hearing on the application of Cox Cable San Diego for an increase in rates and charges for the San Diego Franchise area. The hearing was held pursuant to Council Policy 700-33, following the procedures outlined in City Council Resolution No. 211724. The recommended findings and conclusions of the Committee are as follows:

1. Cox Cable San Diego, Inc. provides cable television service to subscribers within the corporate limits of the City of San Diego southerly of the center line of the San Diego River Channel.
2. Cox Cable operates in this area under provisions of a nonexclusive franchise granted by the City of San Diego which is on file with the Clerk of said City as Ordinance No. 12543(NS).
3. Said franchise provides that the City Council has the right and power to require grantee to conform to reasonable rates and rules.
4. The present maximum rates outlined in Table 1 of the Rate Analyst's Report were established by the Council in 1977, via Resolution No. 219151.
5. On July 11, 1983, Cox Cable submitted an application to the City Council for rate increases for Installation/Account transfers and Monthly Service Charges for additional outlets as contained in Table 1 of the Rate Analyst's Report.
6. As of December 31, 1982, Cox Cable had an investment of \$26,260,000 in average gross plant and accumulated depreciation of \$10,742,000 in its San Diego service area.
7. The test period utilized by the Committee for considering applicant's proposed rates and charges is the 24 month period ending December 31, 1985.

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8. The average number of installations for the test years are:

	<u>1984</u>	<u>1985</u>
New Connects	16,262	15,746
Reconnects	32,590	34,188
Add outlet	11,310	9,987

9. Reasonable operating expenses excluding interest and taxes, for the test years are \$12,740,000 and \$13,417,000 respectively.

10. Total net income for the test years, excluding taxes is \$1,537,000 and \$1,567,000 respectively.

11. Operating revenues of \$15,910,000 and \$16,647,000 would be produced during the test years at applicant-proposed rates.

12. The average rate base for the test years is \$18,456,000 and \$16,518,000 respectively.

13. The rate of return produced by dividing the net income for each test year by the average rate base is 8.3% and 9.5%.

14. The applicant-proposed rates and charges will produce an overall rate of return of 8.3% and 9.5%, and are considered reasonable; the present rates and charges are inadequate and will result in an unreasonable rate of return in the future.

15. The rates and charges found just and reasonable by the Committee are as follows:

Installation/Account Transfers

First Outlet Overhead (up to 150')	\$30.00
First Outlet Underground (up to 50)	30.00
Additional Outlet (including FM)	15.00
Relocate Outlet	15.00
Reconnect Outlet or Service	15.00

Monthly Service Charge

Each additional Outlet/Month (includes FM)	2.95
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JAN 3 1984

Passed and adopted by the Council of The City of San Diego on \_\_\_\_\_, by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksmma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Roger Hedgecock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

ROGER HEDGECOCK  
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

(Seal)

By Ellen Board, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number R-259880 Adopted JAN 3 1984

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SAN DIEGO, CALIF.

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