

CITY COUNCIL MEETING

March 4, 1981

10-11-81
19-367
LODI CABLE TV
RATE INCREASE
APPLICATION

City Clerk Reimche presented a letter which had been received from Mr. Fred Honnold, Manager, King Videocable Company, DBA Lodi CABLE TV, making application to the City Council for approval to raise its rates pursuant to Resolution 80-64. The new rates would go into effect on April 1, 1981 according to the correspondence. Council discussion followed regarding service, rates, etc., with Council directing questions regarding the subject to Mr. Honnold, who was in the audience.

Lodi Cable TV



1521 South Stockton
Lodi, California 95240
209/369-7451

An Affiliate of King Broadcasting Company

February 20, 1981

Mr. Henry Graves, City Manager
and Members of the City Council
City of Lodi
Lodi, California 95240

Gentlemen:

King Videocable Company, DBA Lodi Cable TV, hereby makes application to the City Council of Lodi for approval to raise it's rates pursuant to resolution 80-64. The new rates will go into effect on April 1, 1981, please see rate schedule attached as Exhibit A.

The principal reason for this rate increase is the ever rising costs of fuel, labor, basic materials for operating and maintaining our system. Please see Exhibit B which is a comparative Consumer Price Index and Cable TV rates, as shown. It has been over two years since our last rate increase, in this time the Consumer Price Index for this area has gone up over 25%. We strongly feel that the rates requested should be acceptable to the council, because of the substantial increase in the total cost of doing business.

Thank you for your consideration.

Yours truly,



Fred Honnold
Manager

FH/kh

FEB 23 1981

LODI CABLE TV
Current & Proposed Subscriber Rates

EXHIBIT A

	<u>Current Rates</u>	<u>Proposed Rates</u>
A. Installation Charges:		
1. First television or FM outlet-normal installation	\$18.50	\$21.00
2. Additional outlets-each	9.50	12.00
3. Reconnection (Connection of customer to existing house)	9.50	12.00
4. Relocation of existing outlet	9.50	12.00
5. Disconnection of service	No Charge	No Charge
6. For special installation involving unusual construction problems, long cable runs (over 150'), the actual additional cost of installation will be at the subscriber's expense.		
 B. Monthly Service Charges:		
1. First television or FM outlet		
a. Aerial	7.00	8.00
b. Underground	7.50	8.50
2. Additional outlets-each	1.40	1.60
3. 30 Channel Tuners	1.50	1.80
 C. Bulk Monthly Service Billings; Apartments:		
4 to 9 outlets	3.75	4.30
10 to 20 outlets	3.15	3.60
21 to 30 outlets	2.90	3.30
31 to 45 outlets	2.65	3.00
46 & over.	2.40	2.75

Add .30 per month for each unit if services are underground.
Deduct .65 per month for each unit if services are for motels.

Kathy.

Don't run this
page.

LODI CABLE TV
Comparative Consumer Price Index and Cable TV Rates
12 Years

	Bureau of Labor Statistics			Cable TV Rates		
	Consumer Price Index Bay Area	Change in Index Points	Percent of Increase	1st Outlet Aerial Rate	Amount of Increase	Percent of Increase
1st Quarter 1968*	<u>103.1</u>			<u>\$4.50</u>		
1st Quarter 1972	122.7	19.6	19.0%	4.95	\$.45	10.0%
1st Quarter 1974	139.2	36.1	35.3	5.25	.75	16.7
1st Quarter 1975	156.0	52.9	51.3	5.75	1.25	27.8
1st Quarter 1977	176.0	72.9	70.1	6.25	1.75	38.9
3rd Quarter 1978	204.7	101.6	98.5	7.00	.75	12.0
4th Quarter 1979	230.2	127.1	128.3	7.00	—	—
4th Quarter 1980	254.9	142.8	153.7	7.00	—	—
1st Quarter 1981**	254.9	142.8	153.7	8.00	1.00	14.0%

*Franchise Awarded February 1968

**Proposed rates go into effect 4-1-81

amended

See amended copy attached

LODI CABLE TV
Comparative Consumer Price Index and Cable TV Rates
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1st Quarter 1975	156.0	52.9	51.3	5.75	1.25	27.8
1st Quarter 1977	176.0	72.9	70.1	6.25	1.75	38.9
3rd Quarter 1978	204.7	101.6	98.5	7.00	2.50	55.6
4th Quarter 1979	230.2	127.1	123.3	7.00	2.50	
4th Quarter 1980	254.9	151.8	147.2	7.00	2.50	
1st Quarter 1981**	254.9	151.8	147.2	8.00	3.50	77.8%

*Franchise Awarded February 1968

**Proposed rates go into effect 4-1-81