Before the
FEDERAL COMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
Implementation of Section 621(a)(1) of)
the Cable Communications Policy Act of 1984) MB Docket No. 05-311
as amended by the Cable Television Consumer)
Protection and Competition Act of 1992)

COMMENTS OF THE CITY OF PALMETTO, FL

These Comments are filed by the City of Palmetto ("City") in support of the comments filed by the National League of Cities ("NLC") and the National Association of Telecommunications Officers and Advisors ("NATOA"). Like NLC and NATOA, the City of Palmetto believes that local governments can issue an appropriate local franchise for new entrants into the video services field on a timely basis, just as they have for established cable services providers. In support of this belief, we wish to inform the Commission about the facts of video franchising in our community.

Cable Franchising in Our Community

Community Information

The City of Palmetto is a city with a population of approximately 14,000. Our only franchise cable provider at this time is Brighthouse Networks. Our community has negotiated cable franchises since December of 1969.

Competitive Cable Systems

Our community has actively sought out competitive providers, and hopes to have more than one cable franchise in place by the end of 2006. Approximately 6 years ago the City entered into a 15 year franchise agreement with Time Warner -- now Brighthouse. The Brighthouse agreement was negotiated by the City, local Brighthouse personnel, and the parties' respective attorneys. The City is satisfied with the service Brighouse currently provides to City residents, but recognizes the potential for better service if another provider entered the market.

Approximately 18 months ago, Verizon began discussions with the City concerning deployment of fiber throughout the City limits for the purpose of providing wireless telephone service to businesses and residents. At that time, the City made clear its desire to enter into a franchise agreement with Verizon given that video service would be forthcoming. The City sought to enter into a franchise agreement either on its own, or as a member of a multi-jurisdictional "cable consortium" that was to be created by interlocal agreement. Verizon maintained that it intended to provide only wireless telephone service at that time and was not subject to regulation. In response, the City aggressively asserted its rights (limited as they may be) to regulate activity in its right of ways. The City took a firm position on issues such as the extent and phasing of buildout, the timing and cost of performing locates, and the provision of a construction bond or other security for damage done to City streets or facilities. The City and Verizon attempted to negotiate for approximately 5 or 6 months. Realizing that the City would not blindly turn over its right of ways or pave the way (pardon the pun) for cable service without any indication as to the terms under which such service would be provided, Verizon temporarily turned its attention to other areas of Manatee County.

Since that time, Verizon has entered into a franchise agreement with Manatee County and has substantially negotiated a franchise agreement with Bradenton, the most populated City in Manatee County. Brighthouse filed strong comments in opposition to the Manatee County and Bradenton franchise agreements with Verizon, and has participated in heated debate during public meetings. The overtly adversarial and competitive relationship of local cable providers is such that the City believes Brighthouse will agree to renegotiate its franchise agreement with the City, and thereby alter the "playing field" that will set the standard for a future agreement with Verizon. Last month, the City requested and participated in a meeting with Verizon. The City urged Verizon to consider a public/private partnership as a means of bringing wi-fi service to the City, and renewed its request that Verizon enter into a franchise agreement with the City. A follow up meeting is pending. The City will also be contacting other providers that are currently providing service in the vicinity.

Conclusions

The local cable franchising process functions well in the City of Palmetto. As the above information indicates, we are experienced at working with cable providers to both see that the needs of the local community are met and to ensure that the practical business needs of cable providers are taken into account.

Local cable franchising ensures that local cable operators are allowed access to the rights of way in a fair and evenhanded manner, that other users of

the rights of way are not unduly inconvenienced, and that uses of the rights of way, including maintenance and upgrade of facilities, are undertaken in a manner which is in accordance with local requirements. Local cable franchising also ensures that our local community's specific needs are met and that local customers are protected.

Local franchises thus provide a means for local government to appropriately oversee the operations of cable service providers in the public interest, and to ensure compliance with applicable laws. There is no need to create a new Federal bureaucracy in Washington to handle matters of specifically local interest.

Finally, local franchises allow each community, including ours, to have a voice in how local cable systems will be implemented and what features (such as PEG access, institutional networks or local emergency alerts, etc.) will be available to meet local needs. These factors are equally present for new entrants as for existing users.

The City of Palmetto therefore respectfully requests that the Commission do nothing to interfere with local government authority over franchising or to otherwise impair the operation of the local franchising process as set forth under existing Federal law with regard to either existing cable service providers or new entrants.

Respectfully submitted,

City of Palmetto

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