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DE LA VERGNE & McMURTRY

A PROFESSIONAL CORPORATION  
901 H STREET, SUITE 503  
SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 441-1978

PLEASE REFER TO  
OUR FILE NO. 84-2239

April 5, 1984

Board of Directors  
Sacramento Metropolitan  
Cable Commission  
700 H Street  
Sacramento, California 95814

Re: Ordinances Amending Section .712 of the  
Cable Television Ordinance Relating  
to the Commission; Public Liability  
Insurance

Members In Session:

Enclosed are copies of proposed Ordinance which I have drafted for the County of Sacramento, City of Sacramento, City of Folsom and City of Galt amending Section .712 of the Cable Television Ordinance.

Section .712 establishes requirements pertaining to the public liability insurance which must be obtained and maintained by the Commission. The second full paragraph of the existing section reads as follows:

The Commission shall cause the policy or policies to provide that the insurance company waives all right of recovery by way of subrogation against any franchise in connection with any damage covered by the policy or policies. No Franchisee shall be liable to the County, Cities or Commission for any damage by any of the risks insured against under the policy or policies.

Mr. Frank P. Mesich, Risk Manager, County of Sacramento, has advised the Commission staff and legal counsel that the above-quoted language will make it extremely difficult if not impossible to obtain the required liability insurance at a reasonable cost to the Commission.

I have discussed this matter with County Counsel and we both believe that the above-quoted language was included in the Ordinance on the mistaken assumption that it was a

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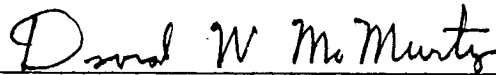
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quid pro quo for similar provisions found in Section .708 of the Ordinance relating to the Franchisee's public liability insurance. In fact, the language in Section .708 has no legal effect since the Commission is a named co-insured under the Franchisee's liability insurance and the right of subrogation is automatically waived as a matter of law.

Section .712 of the Cable Television Ordinance may be amended without the consent of Cablevision of Sacramento. Mr. Mesich has recommended that Section .712 of the Ordinance be amended to delete the above-quoted language and the enclosed Ordinances have been drafted to do so. No other changes are made in the Cable Television Ordinance.

With the approval of the Board, I will send the appropriate enclosed Ordinance to legal counsel for each public entity with a request that the Ordinance be immediately introduced for consideration and enactment.

Respectfully submitted,



DAVID W. McMURTRY

DWM:cy

Enclosures

cc: Mr. Frank Mesich

ORDINANCE NO. SCC \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 5.50 OF THE  
SACRAMENTO CODE RELATING TO CABLE TELEVISION

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The Board of Supervisors of the County of Sacramento, State of California, do ordain as follows:

SECTION 1. Section 5.50.712 contained in Sub-Chapter 4 of Chapter 5.50 of the Sacramento County Code is hereby amended to read as follows:

5.50.712 COMMISSION'S INSURANCE. As a part of the indemnification provided by Section 5.50.710, above, but without limiting the foregoing, the Cable Television Commission shall file with the Clerk of each of the Governing Bodies of the County and Cities not later than one hundred twenty (120) calendar days after the Initial CATV Franchise is issued and at all times thereafter maintain in full force and effect at its sole expense, a policy of liability insurance naming as primary insureds the County, the Cities, and in their capacities as such, their officers, agents and employees in the minimum single limit amount of five million dollars (\$5,000,000) per occurrence insuring against the types of liabilities covered by the indemnification and hold harmless provisions of Section 5.50.710, above. The insurance policy shall contain a contractual endorsement clause naming the Franchise Documents. The Commission, County, Cities and in their capacities as such the officers, agents and employees thereof shall be named as co-insured and the policy or policies shall contain cross-liability endorsements.

The insuror shall be authorized to write the required insurance, and approved by the Insurance Commissioer of the State of California.

The policy of insurance shall be maintained by the Commission in full force and effect during the period of the Commission's existence. The policy of insurance shall contain a statement on its face that the insuror will not cancel the policy or fail to renew the policy, whether for non-payment of premium, at the request of the Commission or for other reasons, except after thirty (30) calendar days advance written notice mailed by the insuror to the Clerk of each of the Governing Bodies of the County and Cities.

SECTION 2. This ordinance was introduced and the title thereof read at the regular meeting of the Board of Supervisors on \_\_\_\_\_ and on \_\_\_\_\_,

This ordinance shall take effect and be in full force on and after thirty (30) days from the date of its passage hereof, and before the expiration of fifteen (15) days from the date of its passage it shall be published once with the names of the members of the Board of Supervisors voting for and against the same, said publication to be made in a newspaper of general circulation published in the County of Sacramento.

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing ordinance was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, at a regular meeting thereof, this \_\_\_\_ day of \_\_\_\_\_, 1984, by the following vote, to wit:

AYES: Supervisors,  
NOES: Supervisors,  
ABSENT: Supervisors,

\_\_\_\_\_  
Chairperson of the Board of  
Supervisors  
Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk of the Board of Supervisors

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 5.50,  
AN UNCODIFIED ORDINANCE RELATING TO  
CABLE TELEVISION FRANCHISES

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THE CITY COUNCIL OF THE CITY OF FOLSOM DOES ORDAIN AS  
FOLLOWS:

SECTION 1. Section 5.50.712 contained in Sub-Chapter 4,  
Chapter 5.50 an uncodified ordinance passed and adopted December  
8, 1981 is hereby amended to read as follows:

5.50.712 COMMISSION'S INSURANCE. As a part of the indemnification provided by Section 5.50.710, above, but without limiting the foregoing, the Cable Television Commission shall file with the Clerk of each of the Governing Bodies of the County and Cities not later than one hundred twenty (120) calendar days after the Initial CATV Franchise is issued and at all times thereafter maintain in full force and effect at its sole expense, a policy of liability insurance naming as primary insureds the County, the Cities, and in their capacities as such, their officers, agents and employees in the minimum single limit amount of five million dollars (\$5,000,000) per occurrence insuring against the types of liabilities covered by the indemnification and hold harmless provisions of Section 5.50.710, above. The insurance policy shall contain a contractual endorsement clause naming the Franchise Documents. The Commission, County, Cities and in their capacities as such the officers, agents and employees thereof shall be named as co-insured and the policy or policies shall contain cross-liability endorsements.

The insuror shall be authorized to write the required insurance, and approved by the Insurance Commissioer of the State of California.

The policy of insurance shall be maintained by the Commission in full force and effect during the period of the Commission's existence. The policy of insurance shall contain a statement on its face that the insuror will not cancel the policy or fail to renew the policy, whether for non-payment of premium, at the request of the Commission or for other reasons, except after thirty (30) calendar days advance written notice mailed by the insuror to the Clerk of each of the Governing Bodies of the County and Cities.

SECTION 2. Effective Date. This Ordinance shall become effective thirty (30) days from and after its final passage and adoption, provided it is published in full at least fifteen (15) days prior to its effective date in the "Folsom Telegraph", the official newspaper of the City of Folsom.

This Ordinance was introduced and the title thereof read at the regular meeting of the City Council on \_\_\_\_\_, 1984, and by unanimous vote of the councilpersons present, further reading was waived.

On a motion by Councilperson \_\_\_\_\_, seconded by Councilperson \_\_\_\_\_, the foregoing Ordinance was passed and adopted by the City Council of the City of Folsom at a regular meeting thereof, this \_\_\_\_\_ day of \_\_\_\_\_, 1984, by the foregoing vote, to wit:

- AYES: Councilpersons,
- NOES: Councilpersons,
- ABSENT: Councilpersons,

\_\_\_\_\_  
MAYOR, CITY OF FOLSOM

ATTEST:

\_\_\_\_\_  
CITY CLERK

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 5.50 AN  
UNCODIFIED ORDINANCE RELATING TO CABLE  
TELEVISION

THE CITY COUNCIL OF THE CITY OF GALT DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 5.50.712 contained in Sub-Chapter 4 of Chapter 5.50, an Uncodified Ordinance relating to cable television is hereby amended to read as follows:

5.50.712 COMMISSION'S INSURANCE. As a part of the indemnification provided by Section 5.50.710, above, but without limiting the foregoing, the Cable Television Commission shall file with the Clerk of each of the Governing Bodies of the County and Cities not later than one hundred twenty (120) calendar days after the Initial CATV Franchise is issued and at all times thereafter maintain in full force and effect at its sole expense, a policy of liability insurance naming as primary insureds the County, the Cities, and in their capacities as such, their officers, agents and employees in the minimum single limit amount of five million dollars (\$5,000,000) per occurrence insuring against the types of liabilities covered by the indemnification and hold harmless provisions of Section 5.50.710, above. The insurance policy shall contain a contractual endorsement clause naming the Franchise Documents. The Commission, County, Cities and in their capacities as such the officers, agents and employees thereof shall be named as co-insured and the policy or policies shall contain cross-liability endorsements.

The insuror shall be authorized to write the required insurance, and approved by the Insurance Commissioer of the State of California.

The policy of insurance shall be maintained by the Commission in full force and effect during the period of the Commission's existence. The policy of insurance shall contain a statement on its face that the insuror will not cancel the policy or fail to renew the policy, whether for non-payment of premium, at the request of the Commission or for other reasons, except after thirty (30) calendar days advance written notice mailed by the insuror to the Clerk of each of the Governing Bodies of the County and Cities.

SECTION 2. Effective Date. This Ordinance shall become effective thirty (30) days from and after its final passage and adoption, provided it is published in full at least fifteen (15)

days prior to its effective date in the Galt Herald, the official newspaper of the City of Galt.

This Ordinance was introduced and the title thereof read at the regular meeting of the City Council on \_\_\_\_\_, 1984, and by unanimous vote of the Councilpersons present, further reading was waived.

On a motion by Councilperson \_\_\_\_\_, seconded by Councilperson \_\_\_\_\_, the foregoing Ordinance was passed and adopted by the City Council of the City of Galt at a regular meeting thereof, this \_\_\_\_\_ day of \_\_\_\_\_, 1984, by the following vote, to wit:

AYES: Councilpersons,

NOES: Councilpersons,

ABSENT: Councilpersons,

\_\_\_\_\_  
MAYOR, CITY OF GALT

ATTEST:

\_\_\_\_\_  
CITY CLERK



# ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING CHAPTER 20 OF  
THE SACRAMENTO CITY CODE RELATING TO  
THE LIABILITY INSURANCE OF THE CABLE  
TELEVISION COMMISSION

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1. Section 20.712 contained in Subchapter 4 of Chapter 20 of the Sacramento City Code is hereby amended to read as follows:

20.712 COMMISSION'S INSURANCE. As a part of the indemnification provided by Section 20.710, above, but without limiting the foregoing, the Cable Television Commission shall file with the Clerk of each of the Governing Bodies of the County and Cities not later than one hundred twenty (120) calendar days after the Initial CATV Franchise is issued and at all times thereafter maintain in full force and effect at its sole expense, a policy of liability insurance naming as primary insureds the County, the Cities, and in their capacities as such, their officers, agents and employees in the minimum single limit amount of five million dollars (\$5,000,000) per occurrence insuring against the types of liabilities covered by the indemnification and hold harmless provisions of Section 20.710, above. The insurance policy shall contain a contractual endorsement clause naming the Franchise Documents. The Commission, County, Cities and in their capacities as such the officers, agents and employees thereof shall be named as co-insured and the policy or policies shall contain cross-liability endorsements.

The insuror shall be authorized to write the required insurance, and approved by the Insurance Commissioer of the State of California.

The policy of insurance shall be maintained by the Commission in full force and effect during the period of the Commission's existence. The policy of insurance shall contain a statement on its face that the insuror will not cancel the policy

or fail to renew the policy, whether for non-payment of premium, at the request of the Commission or for other reasons, except after thirty (30) calendar days advance written notice mailed by the insurer to the Clerk of each of the Governing Bodies of the County and Cities.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

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MAYOR

ATTEST:

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CITY CLERK