

BILL NO. 9-51-98-3 (A)

SUMMARY - Add a new Chapter 6.120 of Clark County Code relating to cable company business licensing and cable companies holding franchises prior to September 15, 1998.

ORDINANCE NO. 2201  
(of Clark County, Nevada)

AN ORDINANCE TO AMEND TITLE 6 OF THE CLARK COUNTY CODE BY ADDING A NEW CHAPTER 6.120 RELATING TO CABLE TELEVISION; PROVIDING FOR BUSINESS LICENSING FOR ALL CABLE COMPANIES; PROVIDING FOR FRANCHISE FEES, INSURANCE AND BONDING FOR CABLE COMPANIES ISSUED FRANCHISES ON OR BEFORE SEPTEMBER 15, 1998; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF CLARK, STATE OF NEVADA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Title 6 of the Clark County Code is amended by adding a new Chapter 6.120 as follows:

**6.120 CABLE COMPANIES (INCLUDING COMMUNITY ANTENNA TELEVISION SYSTEM)**

**6.120.010 Definitions.** For the purposes of this chapter the definitions listed in section 5.02.010 of this code shall apply.

**6.120.020 Purpose.** The purpose of this chapter is:

- (a) To provide for the business licensing of cable companies; and
- (b) To provide for business license fees paid by cable companies; and
- (c) To provide for franchise fees, insurance and bonding of cable companies whose cable franchises were granted or renewed on or before September 15, 1998.

**6.120.030 Existing franchises.** All cable companies shall be bound by all of the provisions of this chapter and of chapter 5.02 of this code.

**6.120.040 Business license required.** It is unlawful for any person to provide cable service to subscribers within the unincorporated areas of the county without first obtaining a business license specific to such activity issued by the director of business license as provided in this chapter.

**6.120.050 Cable authorization required.** No cable company shall construct, install, operate, use or maintain any facilities in rights-of-way without first obtaining the applicable cable authorization pursuant to chapter 5.02 of this code.

**6.120.060 Application for business license.** All applications for business licenses required by this chapter shall be filed with the director of business license on forms furnished by the director and pursuant to applicable provisions of chapter 6.08 of this code.

**6.120.070 Issuance of business license.** The director of business license shall issue a business license to a cable company which has met the requirements of this chapter and of chapter 5.02 and section 6.04.110 of this code.

**6.120.080 Business license fees.** (a) The business license fee for all cable companies whose cable franchises were granted or renewed on or before September 15, 1998, shall be based upon gross revenues, shall be in the amount as set out in subsection 6.12.835 of this code and shall be paid in advance semiannually in accordance with subsections 6.08.090(a), (b), (c) first and third sentences, and (d) of this code. Business license fees shall become delinquent pursuant to the provisions of subsection 6.04.060 of this code.

(b) The business license fee for a cable company whose cable franchise or cable service permit was granted or renewed by the county after September 15, 1998, shall be included in that cable company's franchise or cable service permit fees.

**6.120.090 Business license audit of financial records.** Cable companies shall maintain records and allow for financial audit as provided in section 6.08.090 of this code.

**6.120.100 Franchise and permit fees.** (a) A cable company whose cable franchise was granted or renewed by the county on or before September 15, 1998, shall pay to the county a franchise fee in an amount equal to three percent of the cable company's gross revenues for the remainder of the term of the existing franchise agreement. Such franchise fees shall be prepaid on a quarterly basis each calendar quarter consistent with section 6.08.090 of this code.

(b) A cable company whose cable franchise or cable service permit was granted or renewed by the county after September 15, 1998, shall pay franchise or cable service permit fees in accordance with the cable company's agreement.

**6.120.110 Insurance.** All cable companies shall maintain insurance coverage pursuant to chapter 5.02 of this code.

**6.120.120 Bonding.** (a) A cable company whose cable franchise was granted or renewed by the county on or before September 15, 1998, shall obtain bonding pursuant to the following provisions:

(1) Within thirty days after the end of each year during the term of the existing franchise agreement, the cable company shall file with the director of administrative services the following surety bonds:

(A) A license and franchise fee bond, to be paid to the county in the event the cable company defaults in payment of any license or franchise fee or penalty, in the penal sum of:

(i) Two thousand dollars if the cable company serves one thousand or fewer subscribers;

(ii) Ten thousand dollars if the cable company serves between one thousand and ten thousand subscribers;

(iii) Twenty-five thousand dollars if the cable company serves between ten thousand and one hundred thousand subscribers;

(iv) Fifty thousand dollars if the cable company serves in excess of one hundred thousand subscribers.

(B) A performance bond in the same penal amounts as set forth in subsection (a)(1)(A) of this section shall be paid:

(i) To subscribers in the event the cable company defaults on any subscriber contract or injures or damages a subscriber or subscriber's property;

(ii) To the county in the event the cable company injures or damages public property or to a nonsubscriber in the event the cable company injures or damages a nonsubscriber's personal or real property;

(C) A facilities completion and street restoration bond in a penal sum equal to the director of public works' estimate of the cost of completing the facilities which the cable company proposes to construct and restoring the streets in which the cable company proposes to construct those facilities during the next year to be paid to the county in the event the cable company does not complete construction within the time permitted by the county.

(2) All bonds shall provide for payment of reasonable attorneys' fees and costs of any action or proceeding brought to enforce the obligation of the bond.

(3) All bonds required by subsections (a)(1)(A) and (a)(1)(B) of this section shall be maintained in full as a continuing obligation during the entire term of the existing franchise agreement.

(4) All bonds shall be issued by a surety company authorized to do business in the state of Nevada and shall be in a form approved by the director of administrative services.

(5) All bonds shall contain the following endorsement:  
It is hereby understood and agreed that this bond may not be canceled by the surety nor the intention not to renew be stated by the surety until thirty (30) days after receipt by the County, by registered mail, of written notice of such intent to cancel or not to renew.

(b) A cable company whose cable franchise or cable service permit was granted or renewed by the county after September 15, 1998, shall obtain bonding in accordance with chapter 5.02 of this code.

**6.120.130 Rights reserved to the county.** Without limitation upon the rights which the county might otherwise have, the county does hereby expressly reserve the rights, powers and authorities to exercise its governmental powers now or hereafter to the full extent that such powers may be vested in or granted to the county.

SECTION 2. If any provision, section, paragraph, sentence, clause, or phrase of this chapter is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of the remaining portions of this chapter. It is the intent of the county commission in adopting this chapter that no portion or provision thereof shall become inoperative or fail by reason of any invalidity or unconstitutionality of any other portion or provision, and to this end all provisions of this chapter are declared to be severable.

SECTION 3. All ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Clark County Code in conflict herewith are hereby repealed.

SECTION 4. This ordinance shall take effect and be in force from and after its passage and the publication thereof by title only, together with the names of the County Commissioners voting for or against its passage, in a newspaper published in and having a general circulation in Clark County, Nevada, at least once a week for a period of two (2) weeks.

PROPOSED on the 15th day of September, 1998.

PROPOSED BY: Commissioner Lorraine Hunt

PASSED on the 6th day of October, 1998.

AYES:	COMMISSIONERS:
	<u>Yvonne Atkinson Gates</u>
	<u>Lorraine Hunt</u>
	<u>Erin Kenny</u>
	<u>Mary Kincaid</u>
	<u>Lance Malone</u>
	<u>Myrna Williams</u>
	<u>Bruce Woodbury</u>

NAYS:	COMMISSIONERS:
	<u>NONE</u>
	_____
	_____

ABSTAINING:	COMMISSIONERS:
	<u>NONE</u>
	_____
	_____

ABSENT:	COMMISSIONERS:
	<u>NONE</u>
	_____
	_____

BOARD OF COUNTY COMMISSIONERS  
CLARK COUNTY, NEVADA

ATTEST: BY \_\_\_\_\_ /S/ \_\_\_\_\_

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\_\_\_\_\_  
/S/  
LORETTA BOWMAN, County Clerk

YVONNE ATKINSON GATES, Chair

This ordinance shall be in force and effect from and after the 20th day of October, 1998.