

## The National Association of Telecommunications Officers and Advisors®

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SCAN NATOA c/o City TV 525 Broadway Suite 100 Santa Monica, CA 90401 (909) 387-5967 (909) 387-9613

August 16, 2002

## Dear Local Franchise Authority:

On June 25, 2002, Adelphia Communications and more than 200 of its subsidiaries filed for bankruptcy. The States of California and Nevada Chapter of the National Association of Telecommunications Officers and Advisors (SCAN NATOA) has been working hard trying to keep all Local Franchising Authorities with Adelphia (LFAA) aware of the numerous Adelphia issues facing all of us.

On June 20, 2002, SCAN NATOA hosted a forum in Ontario, CA, for interested LFAAs to interact with various consultants regarding health and safety issues, bankruptcy, insurance, performance bonds and other sureties, etc. The forum was well attended and received.

On July 10, 2002, the National Association of Telecommunications Officers and Advisors (NATOA) Board of Directors, after a briefing on the activity of SCAN NATOA in this area, voted to join in support of those efforts. On July 12, 2002, we sent a letter (Exhibit A) to Mr. Randall Fisher, General Counsel of Adelphia, soliciting Adelphia's support before the United States Trustee to appoint a local government committee.

On July 22, 2002, SCAN NATOA hosted a meeting in Anaheim, CA between interested LFAAs and Adelphia's Chairman, Erland Kailbourne. At that time and in discussions that followed, it was indicated that Adelphia would respond to our written request, and further that if support for the creation of the committee was not forthcoming, that the response would at least be neutral as to the creation of such a committee. That meeting was also very well attended and we were given an opportunity to openly discuss our issues and concerns with Mr. Kailbourne and Mr.

Fisher. On August 15, 2002, Mr. Fisher responded to the NATOA/SCAN NATOA letter (Exhibit B) and indicated that Adelphia would remain neutral (neither support nor oppose) on the formation of a local government committee

Discussed at the two aforementioned meetings was the formation of a local government committee, which requires appointment by the United States Trustee, overseeing the Adelphia bankruptcy. Bankruptcy law provides, in some circumstances, for the formation of "committees" of parties sharing like interests in a bankruptcy proceeding. If the United States Trustee appointed an official committee of local government entities, the bankruptcy estate, i.e., Adelphia, would pay the professional fees incurred by the committee.

Further, on July 31, 2002, the County of St. Port Lucie, FL, filed a motion for the creation of a committee of local governments, much along the lines of that requested in our letter to Adelphia. As a result of the filing of this motion, a hearing date has been set for September 17, 2002. Fourteen California jurisdictions will be joining the County of St. Lucie's motion.

Exhibit C is a proposed Resolution that is being forwarded to all LFAAs. Exhibits A and C clearly outline the need for a local government committee. The Resolution was the vehicle chosen by SCAN NATOA, which formally establishes the LFAA membership.

It is respectfully requested that your jurisdiction formally adopt the proposed Resolution (Exhibit C). Your expression of support and participation as a member of the Local Franchising Authorities with Adelphia (LFAA) would be greatly appreciated. Your participation would also clearly identify the need for the LFAA before the United States Trustee.

Upon adoption of the proposed Resolution, it is further respectfully requested that a copy of the signed resolution be mailed/faxed/e-mailed to:

Joe Hreha
Deputy Director
Community Services Department
City of Simi Valley
2929 Tapo Canyon Road
Simi Valley, CA 93063
Phone (805) 583-6755
Fax (805) 583-6301
jhreha@simivalley.org

Mr. Hreha has volunteered to be the repository for the adopted Resolutions, to provide copies to our LFAA representatives, and to periodically publish by e-mail a list of the members who have joined the LFAA on the SCAN NATOA and NATOA list serves.

It is respectfully requested that your jurisdiction's adoption of the Resolution take place as soon as possible. We are hoping to have all LFAAs to be members of the committee before the hearing on September 17, 2002. We would like to present these Resolutions to the United States Trustee at or before the September 17, 2002, hearing date on the motion filed by the County of Port St. Lucie.

We also anticipate that our grass roots effort will spread to all of the LFAAs across the United States. We will keep you posted as we continue to move forward.

On behalf of the Board of Directors of SCAN NATOA and NATOA, thank you for taking the time to participate in this endeavor. Hopefully, working together will help us to protect local governments interests, our residents, and all Adelphia cable television subscribers impacted by the Adelphia bankruptcy.

Should you have additional questions, or require assistance, please contact Lori Panzino at (909) 387-9600, <a href="mailto:lpanzino@sdd.sbcounty.gov">lpanzino@sdd.sbcounty.gov</a> or Libby Beaty at (703) 506-3275, <a href="mailto:lbeaty@natoa.org">lbeaty@natoa.org</a>.

Sincerely,

Lori Panzino President

SCAN NATOA

Libby Beaty Executive Director

NATOA

**Enclosures** 

Exhibit A – Letter to Adelphia

Exhibit B – E-mail from Adelphia

Exhibit C - Resolution