

Present: Armitage, Heldt, Mancini, McLain - Birmingham
Borgon, Heyman, Verdi-Hus, Woodard – Beverly Hills
Ettenson – Bingham Farms
Jahnke – Franklin

Absent: Abbott, Mathers – Birmingham

Also Present: Hagaman - Executive Director
Currier - Attorney for Cable Board
Martinico - Director of Technology, Birmingham Schools
Rota - Bloomfield Community Television representative
Gardner – Comcast representative
Valentine - Birmingham staff liaison
Pfeifer – Beverly Hills Council liaison

Chairperson Borgon called the meeting to order at 7:45 a.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

APPROVE MINUTES

On page 3, under the heading “PEG Committee”, line 3, add “3) Quarterly review of contractual commitment considerations;”.

Motion by Ettenson, second by Heldt, that the minutes of a Birmingham Area Cable Board meeting held on November 21, 2007 be approved as amended.

Motion passed.

PUBLIC COMMENTS

None

EXECUTIVE DIRECTOR’S REPORT

Hagaman referred to a letter dated December 13, 2007 sent by the Birmingham Area Cable Board to Brian Roberts, CEO of Comcast Corporation. The Board hopes to receive a response to inquiries regarding specific Comcast service improvements mentioned by Mr. Roberts in a recent Fortune Magazine article.

Hagaman commented that she has been receiving an increasing number of phone calls from irate subscribers who are frustrated and confused about what is occurring since the adoption of the State Uniform Video Services Local Franchise Act in January of 2007. There is decreasing control in terms of PEG channels, rates, and other issues.

After today’s Cable Board meeting, several Board representatives will meet to complete the MPSC Annual Report Survey for 2007, which is due at the end of the month. State statute requires the Michigan Public Services Commission to conduct a survey annually to evaluate the effect of the Uniform Video Services Local Franchise Act. Franchise Authorities are working to make sure that every franchise entity responds to this survey.

Hagaman reported that there has been no further movement on amendments to the Uniform Franchise Act in relation to PEG fees and the requirement for a community needs assessment.

Borgon stated that member Ken Kott resigned from the Cable Board last month. He welcomed newly appointed Board member Mark Armitage representing the City of Birmingham.

Ettenson stated that he misspoke last month when he said that the AT&T U-verse product was available for viewing at an AT&T wireless store in Lathrup Village. He clarified that the store was showing a simulation of the product.

RESOLUTION TO PRESERVE PEG CHANNELS

Currier stated that member municipalities have been notified by Comcast that it will begin broadcasting PEG channels digitally starting January 15, 2008 and that local access cable channels are moving to the 900 range. He indicated that the majority of customers in this consortium subscribe to analog cable television. Customers who do not have digital cable will have to purchase new equipment to view PEG channels including local government, education and public access channels. Cable subscribers without digital televisions can request a converter box from Comcast that is free for the first year. After that, the cost will be about \$4 a month per box.

Currier maintained that this is a form of disenfranchisement of people who watch local government. He and members of the Board thought it was important to voice strong objection to this action by Comcast. It is Comcast's opinion that the Uniform Video Services Local Franchise Act does not require the cable provider to maintain channel positioning.

Many cable boards, city commissions, and village councils have passed resolutions asking Comcast not to move the PEG channels and have forwarded their resolutions to the State Legislature in order to voice their displeasure with this move. Currier stated that this action comes after other activity by Comcast that was brought to the attention of the Legislature and the Michigan Public Services Commission. Comcast has discontinued courtesy service to municipalities other than one free drop to police and fire departments. In the past, Comcast provided courtesy service to all police, fire and DPS facilities, which had been negotiated in the franchise agreement. Comcast also changed the payment schedule from 30 days after the end of the calendar quarter to 45 days, effectively gaining two more months of interest and taking that interest away from the municipalities. Most recently, Comcast informed the ICCA consortium that it would discontinue maintaining letters of credit and bonds required by most local franchise agreements to insure the proper removal of their equipment from the rights-of-way should it become damaged or service is discontinued.

Currier was of the opinion that these unilateral, arbitrary and capricious actions by Comcast are contrary to what was negotiated with the communities some time ago, and the Legislature should take a stand against these actions.

The Resolution before the Board for consideration concentrates on PEG issues and brings them to the attention of the Legislature. Currier read a Resolution requesting preservation of existing channel locations for public, governmental, and educational access channels.

Motion by Ettenson, second by Mancini, that the Birmingham Area Cable Board adopt a Resolution Requesting Preservation of Existing Channel Locations for Public, Governmental and Educational Access Channels, Also Known as PEG.

Roll Call Vote:
Motion passed unanimously.

The full resolution is attached to the original meeting minutes.

COMMITTEE REPORTS

Cable Action Committee

McLain reported that the Cable Action Committee has reviewed and finalized the cable television information brochure, and it is being printed. The brochure provides information on television options, providers in the consortium communities, and the upcoming digital transition. It contains pertinent phone numbers and web sites. Copies will be available soon at municipal offices, libraries, schools and BASCC headquarters. A copy of the brochure will be posted on the BACB web site.

McLain stated that the Cable Board sent a letter dated November 29, 2007 to John Gardner, Comcast Governmental Affairs Manager, asking questions about the movement of PEG channels to the digital format as well as technical issues involving the ability of Birmingham Public Schools to broadcast on digital channels. The response received from John Gardner was included in the Board's information packet.

McLain informed the public that they can access DTV.gov for information on the converter box coupon program and to order a folder of information about the digital transition. She referred to an article in the newspaper this morning about the availability of different media systems within the same market. The next Cable Action Committee will be held in January.

PEG Committee

Mancini reported that training at Bloomfield Community Television was initiated in early December on new equipment that will enhance channel broadcasting efforts. Experimental non-air tests were performed. It is expected that on-air implementation will begin by the first of the year.

The PEG review subcommittee met with vendors on December 11, 2007 at the Bloomfield Community Television facility. Those present included individuals representing the Cable Board, BCTV, and the responding vendors. The purpose of the meeting was as follows: 1) Explain the RFP goals of service, product quality and cost; 2) Outline the timetable for completion of all elements of the bid process; and 3) Assessment of the BCTV van by vendors to establish a benchmark in terms of equipment currently used and equipment needed.

Mancini related that there was a question and answer period, at which time it was emphasized that the Cable Board wanted the best prices for the recommendations offered. It was made clear that price was not the only criteria and that the Board was looking for product quality and a servicing timetable. Vendors were asked to justify their recommendations in the "comments"

section of their response. Based on the holidays and the response timetable submitted to the vendors, there will be no PEG meeting held this month. Concept proposals are due on January 21, 2008.

COMCAST RELATED TOPICS

Subscriber Complaints

Hagaman reported that seven new complaints were registered this month and submitted to Comcast. Complaint topics included: moving PEG channels to a digital format in January; continued movement of channels from the analog to the digital tier, and long hold times when subscribers attempt to call Comcast.

A letter sent to Brian Roberts in December referred to a statement made by Mr. Roberts that Comcast customer service representatives would begin calling customers before and after service appointments to make sure the work was properly performed. The Board questioned when and if this policy was implemented. In response to an inquiry from Hagaman, Gardner stated that he would follow up on this subject.

Hagaman suggested that the Cable Board may want to consider assessing liquidated damages for recurring complaints as it has in the past when Comcast was in default of specific sections of the Cable Ordinance or Franchise Agreement. Borgon asked the Cable Action Committee to look into the process of assessing liquidated damages at its January meeting.

Ettenson suggested that the Cable Board wait until its next meeting to see if a reply is received from Brian Roberts before taking action on assessing liquidated damages.

McLain stated that subscribers can call 1-877-824-2984 if they have questions about the PEG channels moving to a digital format. She was told that Comcast has a team of specialists who will call people back and answer questions about digital boxes. McLain related that she made this call and did not receive a call back.

Borgon commented that the majority of subscribers in the consortium communities subscribe to analog cable television service. He asked John Gardner how subscribers can view the PEG channels when they are delivered in digital format on January 15.

Gardner responded that a digital box will be required to continue viewing these channels. However, the move does not require a customer to subscribe to Comcast's digital tier of service. Comcast is offering a special promotion of a free converter box to analog customers for 12 months, or customers can purchase a digital converter from a retail outlet and contact Comcast for a security code. The cost for each converter and remote will be about \$4 per month after the first year. Customers will receive some enhancements with their digital converter box including access to the interactive guide, parental controls, and Pay-Per-View. They will not have access to additional programming unless they choose to subscribe to a digital package. Gardner clarified that Comcast's move to deliver PEG channels in a digital format is not directly tied to the broadcaster's digital transition.

Borgon asked if Comcast has a plan for delivering a digital converter box to those who are homebound. Gardner responded that Comcast will mail converters at no cost; Comcast is offering free installation of the digital box until the end of the year.

Gardner related that there was a meeting of Comcast and NATOA representatives earlier this week at which time there were a number of questions posed and requests made. He will send the Cable Board a copy of Comcast's response to NATOA.

Currier asked if Comcast will provide analog service after 2009, noting that 77% of the customers in this consortium are analog subscribers. Gardner responded that this question relates to future marketing plans, which he cannot discuss for competitive reasons.

In response to an inquiry, Gardner stated that Comcast would not provide service support on a converter box purchased from a retail store. Gardner added that people who buy a new television would typically be purchasing a digital television, in which case they would not need a converter box. They would need a cable card that fits into a slot in the television.

Borgon announced that residents can view Birmingham Commission meetings on the Internet by means of a webstreaming link on the City of Birmingham web site. Beverly Hills is working on providing webstreaming of its Council meetings and Cable Board meetings.

Hagaman stated that she received notification from Comcast that it will expand the hours of operation of its local office on Delemere in Royal Oak to include Saturday hours beginning on January 7.

Other Issues

John Gardner announced that a number of High Definition channels were added to the lineup at the end of November. On January 15, Comcast will be launching five more HD channels. The NHL Network will be launched in the Sports & Entertainment package along with two new premium services.

AT&T RELATED TOPICS

Carmen Johnson was not present at today's meeting. McLain mentioned that Clinton Township carries a PEG channel, but it is difficult to locate on the AT&T channel lineup.

Currier referred to a recent article in the Chicago Tribune stating that AT&T paid a local community \$70,000 for landscaping around its VRAD boxes.

MLTV 15/PA18 REPORT

Steve Rota from Bloomfield Community Television reported on programming taped for Municipal Channel 15 and PA Channel 18 during the last month and noted upcoming programs of interest (information included in the BCTV monthly report for November 22 – December 19, 2007).

All full-time production staff members have been trained on the new bulletin board system, which will be up and running in January. The PEG Committee, BCTV production staff and three

vendors met at the BCTV studio to go over the new truck process. BCTV is conducting interviews for its open production position and has narrowed the field to a few.

OLD BUSINESS

None

NEW BUSINESS

McLain informed the Board that she just made another attempt to call the Comcast number designated to address questions about the digital changeover of PEG channels, and no one picked up the phone.

Comcast has produced a public service announcement regarding the channel location change for PEG. The PSA can be customized with a particular community's local channel information. Gardner will make a copy of the announcement available to BCTV.

BOARD COMMENTS

Mancini announced that he will resign his position on the Birmingham Area Cable Board effective January 1, 2008 due to teaching commitments that conflict with Board meetings. Mancini said that he enjoyed being on the Board and will miss the professionalism and friendship of the members.

Borgon commented that he was sorry to hear about the resignations of Ken Kott and Bob Mancini. He invited one or two Board members to join the PEG Committee to fill the vacancies created by these resignations. Borgon wished everyone a happy and safe holiday season.

PUBLIC COMMENTS

None

The meeting was adjourned at 8:50 a.m.