

BIRMINGHAM AREA CABLE BOARD MEETING MINUTES – November 15, 2017

Present: Abraham (alternate), Bozell, Eick, Heldt, McAlear, McLain –
 Birmingham
 Bayer, Borgon, Gugni, Maly, Delaney (alternate) – Beverly Hills
 Ettenson – Bingham Farms
 Stakhiv - Franklin

Absent: Fenberg – Birmingham

Also Present: Currier – Attorney for Cable Board
 Black – Bloomfield Community Television

McLain called the meeting to order at 7:50 AM in the Village of Beverly Hills Municipal Building at 18500 W. Thirteen Mile Road.

APPROVE MINUTES OF CABLE BOARD MEETING HELD October 18, 2017

Motion by Borgon, seconded by Eick to approve the minutes of the Regular Cable Board Meeting on October 18, 2017, as presented.

Motion Passed.

PUBLIC COMMENTS

None

TREASURER’S REPORT – REQUEST TO APPROVE UPDATED INVESTMENT POLICY

Heldt distributed the Multi-Bank Securities (MBS) Statement as of October 31, 2017 and explained some of the investment holdings.

The second item was a “red line” version of the Cable Board Investment Policy To Comply With PA 20 of 1943, as amended, which was adopted sometime in the past. The current policy which was in the Board packet was amended and restated, November 15, 2017. All changes were on the first page and highlighted. The Auditors pointed out to him that the Cable Board did not have a sufficient limitation on how it invests its money. The Cable Board has always had an unofficial policy but now it needed to be officially stated in the Investment Policy. Thus, the addition of the third (3rd) bullet point in red under **CREDIT RISK** – which should read, “Assuring that investments in any one issuer shall not exceed the maximum available federal insurance coverage.”

Motion by Heldt, seconded by Borgon to approve the amended and restated BACB Investment Policy, dated November 15, 2017.

Ettenson inquired if BACB had ever considered alternative investment firms other than MBS. Heldt replied that there were lots of investment firms which would be glad to manage BACB’s money but nobody like MBS that specializes in municipal investments, which are significantly constrained.

Roll Call Vote:
Motion Passed (12-0).

REQUEST TO RATIFY EMERGENCY PURCHASE OF MODULATOR & COST TO PLACE AD IN 2ND PUBLICATION

Greg Black, Senior Production Specialist and Equipment Coordinator, BCTV, provided a short explanation as to what a “modulator” was, the events leading up to the failures and the immediate need for two (2) new ones. Steve Rota noted that both had been installed at the same time. Rota contacted Advanced Lighting & Sound and purchased two (2) refurbished units.

Motion by Borgon, seconded by Bozell to ratify the purchase of two (2) refurbished modulators from Advanced Lighting & Sound in the amount not to exceed \$744.00, which included freight costs.

Bozell inquired if there were other modulators which should be purchased at the same time. Black answered in the affirmative as there were some refurbished ones which were no longer manufactured. Thus, if the same issues arise again in the future, new units may need to be purchased in order for a program to “go live”. New units may cost around \$6,000.00.

Questions were asked if there had been any interruption in the ability to send a signal in those meetings when the failures occurred. Steve Rota, Operations Manager, joined the meeting and gave details of the events leading up to the two (2) failures and subsequent events leading up to the replacements of the two (2) refurbished modulators. McLain educated the public on the double safety nets and systems in place when such an event happens.

Roll Call Vote:
Motion Passed (12-0).

REQUEST TO RATIFY THE COST TO PLACE AD IN 2ND PUBLICATION

White informed the Board that through the initiative of Eick, the BACB ad was placed in the upcoming Holiday issue of Venture Michigan magazine. The Board had given her the authority to approve expenditures up to \$1,000.00 which was the cost of the ad. Because it was time-sensitive, she gave her approval. Eick, Chair of Cable Action Committee, explained that this subject had been discussed a number of times at the meetings. He provided information on the magazine itself, its circulation numbers and included details on the process of choosing this particular magazine. Eick added that a banner would be on the magazine’s website for the next three (3) months. McLain explained the need for the placement of the ad, which summarizes the BACB’s mission, and its timeliness, as the website was now being redesigned. One of the main issues was that some people in the community were not aware that BACB even existed and could assist the public with problems and complaints with the providers. The Cable Board was also a good vehicle for sharing information. Eick explained his former relationship with Venture and

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pointed out that he did not get any compensation for the placement of the ad. He provided the actual ad that would be placed in the magazine. McLain explained that it was the same ad that was in the other publication. The goal was to choose a publication which covered the four (4) communities BACB serves. Borgon requested that the Board members be provided copies of Venture magazine with the ad, as well as the Birmingham-Bloomfield Chamber of Commerce booklet where the ad had been previously placed.

Ettenson mentioned that in the past the different carriers would include the Cable Board's name in their statements. There was a discussion concerning its placement on the bill. White will reach out to all three of the BACB's partners to inquire about the possibility of bringing back that practice. McLain gave a short history involving Uniform Video Services Local Franchise Act, Act 480 of 2006.

Motion by Heldt, seconded by McAlear to ratify the purchase of an ad in the Holiday issue of Venture Michigan at the amount not to exceed \$1,000.00.

Roll Call Vote:
Motion Passed (12-0).

McLain thanked all those on the Cable Action Committee who worked diligently on this time sensitive issue.

REQUEST TO PURCHASE EQUIPMENT TO UPGRADE BACB PRODUCTION TRUCK

Recapping that this item had been tabled from last month's meeting, Black explained the recent activities as presented in his emailed letter to the Cable Board, dated November 9, 2017. AVI Systems dropped out of the bidding and the other two submitted more details on their bids with their quotes remaining approximately the same. Included in the Board's packets was some additional information for its review. Bluewater remained his recommendation for the project.

Motion by Heldt, seconded by Ettenson to approve the request from BCTV to purchase Equipment from Bluewater in the amount not to exceed \$87,000.00 to upgrade the Birmingham Area Cable Board Production Truck.

Bayer confirmed the reasons for Black's preference of Bluewater as stated in his letter to the Board. Verbally, Black gave even more supportive details. Responding to Gugni's inquiry, Black stated that BCTV had not worked with Bluewater before but he had followed up with businesses and communities who had good experiences with them and had high praises for their finalized work.

Discussion ensued centered on the pros and cons of each company. Bozell noted that the main difference was the cost of labor. Rota gave a history of events, key points leading up to and following the submission of the bids and supportive reasons for the particular vendor selection. Bayer supported the concept of seeking out and retaining competitive bidders.

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McLain noted that BACB needed to be responsible and very careful about spending money and setting precedent. It also must have an open dialogue and understanding of the changing technology and in the law. Nothing can be rubber-stamped.

After expressing her opinion about the large monetary difference between the two companies, Stakhiv stated that in good conscience she would have a hard time awarding Bluewater this contract which, even though it was for the same equipment, was much more expensive. She felt it was not being fiscally responsible to the member communities.

Black clarified that the price difference between the two also included shipping and materials. If the Board would prefer the lower number, he and Rota would support that decision. Ettenson explained that his second to the motion was based on the professional recommendation of Black and Rota. Responding to a question by Ettenson, Black stated that he had spoken with Bluewater about a possible reduction in its bid but its number remained the same.

Bayer reiterated the reasons for voting positively for awarding Bluewater the contract, among them: responsiveness of the company to our needs in this community, BACB would have additional suppliers available to it going forward which might become an issue if BACB only worked with one supplier and the message BACB would send to the supplier community that customer service was just as important as price.

Roll Call Vote:

Heldt	- yes
McAlear	- recuse, full disclosure. Since last month's meeting, a former colleague of his wife who was now working for Bluewater contacted her and asked if she might be interested in an employment position with that company. She accepted the offer and will start in January. He, however, does not know and has not met anyone who works at the company, not even his wife's friend.
Borgon	- no
Gugni	- no
Maly	- no
Bayer	- yes
Ettenson	- yes
Stakhiv	- no
Abraham	- yes
McLain	- yes
Bozell	- no
Eick	- yes

Motion Passed (6-5, 1 Recuse).

Motion by Heldt, seconded by Maly to amend the Agenda to add one (1) item:
APPROVAL OF ADMINISTRATIVE GRANTS.

Motion Passed. (12-0)

APPROVAL OF ADMINISTRATIVE GRANTS

Referring to her memo, Approval of Administrative Grants, dated November 14, 2017, White explained the process for determining the amount of the grants to be returned to each community. She further noted that the calculations were based on numbers which the Auditors had provided her the day before. A list and exact dollar amounts were included in her memo. All were based on the percentages of total revenues of each community.

Motion by Ettenson, seconded by Gugni to pay Administrative Grants to: Birmingham in the amount of \$137,695, Beverly Hills in the amount of \$45,604, Franklin in the amount of \$22,485 and Bingham Farms in the amount of \$6,713.

For the benefit of the new members of the Board, McLain expounded on White's comments emphasizing that this was part of the Interlocal Agreement between the communities. Also, as she had previously stated, the BACB's goal was to continue the revenue stream and to return funds to the community that the BACB did not spend. Franchise fees can go back to the communities and placed into their General Funds to be used in any way. PEG fees cannot be returned in the same fashion because they are restricted and designated funds which can only be used on equipment for PEG production. Currier clarified that PEG fees, under federal law, can only be used for the purchase of capital equipment, whereas the PEG fees, under state law, can be used for the services of personnel to provide PEG production and capital.

Delaney asked White for a brief idea of what expenses were taken out of the Franchise Fees. She answered that all were the operational expenses of the Board and listed: accounting expenses paid monthly to Beverly Hills, advertising promotions, conferences, cost for the transcription of the meeting minutes, her own salary, human relations services from Payroll One, insurance, memberships, telephone and website plus municipal support services. His next question dealt with the theory of supporting the 75% formula? White explained that, as set by policy, the Board wanted to have some working capital in reserve. Heldt confirmed White's comments, however, taking several things into consideration he would like to recommend the Board consider amending the Administrative Grant Franchise Fee formula and distribute about 90%, not 75%. The accumulative effect of several years of retaining 25% of excess Franchise Fees was merely building a bigger and bigger balance. BACB already had a big balance and it was more than enough working capital. Even after this year's grants are distributed, the Board would have more than enough Franchise Fees on hand. He would like to see this year's Administrative Grants be re-calculated at 90%, not at 75%. There was discussion of using a blanket percentage vs. a year-to-year "floating" percentage. Currier reminded the Board that PEG fees would be going down by 1/3 because of the change in the Franchise Agreement. Because of this there might be a time when Franchise fees, which have been used for anything, might have to take up the slack and be used for some capital equipment expenditures. This should be taken into consideration when discussing the percentages and BACB should speak with the Auditors before making a decision.

Motion by Borgon, seconded by Stakhiv to table the payment of Administrative Grants to the four communities, until after the Cable Action Committee has met to discuss alternative percentages.

There was a short discussion of the advantages and disadvantages of making more than one payment to the communities if, in fact, it was decided that the percentage should and could be increased.

(Stakhiv withdrew her second for the motion to table.)

Roll Call Vote:
Motion Passed (12-0).

Motion by Stakhiv, seconded by Maly to add an item to the agenda of the Cable Action Committee meeting to be held on December 7, 2017: **Discussion to amend the Administrative Franchise Fee formula.**

Roll Call Vote:
Motion Passed (12-0)

COMMITTEE REPORTS

Cable Action Committee – Request to Authorize Budget Amendment

Eick, Chairman, reported that after a lot of discussion, research and comparing of other local websites, it has become apparent the BACB website needed to be updated. Bayer wrote up a strategy plan which included among other things, the hiring of someone to help with the writing of an RFP, identifying what the needs were and retaining that company or another to redesign a website. The committee was requesting a \$15,000 increase in the website's current budget of \$3,500 to cover the expenses for the update.

(Heldt left the meeting at 9:04 AM)

Motion by Eick, seconded by Stakhiv that the Birmingham Cable Board does hereby authorize the following amendment to the BACB Budget Fiscal Year 2017-18: Increase the existing line-item for the BACB website by \$15,000.00, for a total amount of \$18,500.00

Bayer commented on the background work the committee had done on the subject and the different requirements for which it was striving. It was disclosed that she had previously built a business doing this line of work for a living and was considered a specialist but she personally was not involved with any of the contracts nor would she be bidding on this project.

Eick requested that if Board members had any suggestions as to whom to talk with regarding possible bids to let the committee know.

(Borgon temporarily left the meeting)

Roll Call Vote:
Motion Passed (10-0)

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PEG Committee – Request to Authorize Costs to Film 8 Sports Events

McAlear discussed the upcoming Winter Sports Production Schedule for a total of eight (8) scheduled events.

(Borgon returned to the meeting.)

Motion by McAlear, seconded by Borgon to approve the payment to BCTV in the amount not to exceed \$20,000 for broadcasting eight (8) sporting events (\$2,500 per event) from December 2017 to February, 2018.

Roll Call Vote:

Motion Passed (11-0)

There would be a short PEG meeting following this meeting.

EXECUTIVE DIRECTOR'S REPORT

White referred to her monthly report dated November 5, 2017. This month there were five (5) complaints since the date of her last report.

The first one was submitted by the President of Williamsburg of Birmingham Condominiums who has had an ongoing issue with WOW cables in the complex, which needed to be buried. WOW has sent out a representative to the site and was working on the issue. This complaint was pending. The second complaint came from a Birmingham resident who had handed in her Comcast equipment after cancelling the service but was still being charged for it. The Escalation Team waived the remaining balance and the complaint was closed. The third complaint came from a Franklin resident who last month had resolved the issue of keeping his long-time phone number with Comcast. However, he needed to call Comcast to inquire why there was an increase in his bill when, in fact, the monthly service had remained the same. It was discovered that HBO had been inadvertently added to his account. This complaint was now closed. The fourth complaint was from a Beverly Hills resident who had switched from WOW to a bundled package from AT&T. Her bill did not reflect the same price as was quoted her by AT&T. This complaint was pending. The fifth complaint came from a Beverly Hills resident who had contacted Comcast for clarification regarding his bill and was told that they could not speak with him about this matter because the last four digits of his Social Security number did not match their records. (White stated that she has heard this from more than one resident.) The resident had never had this problem before. The initial complaint which was a request for a paper lineup to be mailed to him had been resolved but the resident had been advised to update his Social Security number at a local Comcast service center.

McLain commented that she, personally, dealt with a case a few days ago which also involved the last four (4) digits of the resident's Social Security number. It was believed that someone at the company entered the incorrect numbers in the company's records. This was very frustrating for the consumer. Yesterday, during a very difficult escalation, McLain even insisted on staying on the phone for a three-way call. The citizen was a senior citizen who uses a walker and was not able to drive in the bad weather to the nearest service center with her Social Security card, ID and photo to confirm that she was who she claimed to be. Yesterday, the Comcast Customer Service Representative, Faye, repeatedly said, "We are committed at Comcast to resolving issues

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and representing our services better than ever before. In fact, I will stay on the line with you until we have come to an agreement and make this work.” Not only did she stay on the line, she made it work. McLain will never forget this experience because Faye took personal responsibility. In this case, she was able to get something accomplished that the Escalation Team could not. McLain reminded citizens that if they are unable to resolve issues over the phone with a customer representative, let White know the situation and, if need be, McLain will do it with you. Keep in mind that because of all the identity theft, etc., the company needs to verify identification before service is rendered. This is their policy but there are people who will go above and beyond to assist the customer.

The account balances for the MBS, BBCU and Beverly Hills accounts were provided to the Board, in addition to the monthly Revenue and Expense Budget Reports, as of October 31, 2017.

Since the last meeting White has written five (5) checks on behalf of the BACB, including the PEG Grant to the Village of Beverly Hills for Website Redesign and the Quarterly Contract payment to the Charter Township of Bloomfield.

Additional Notes

Every year the MPSC does a Franchise Entities Survey and she has completed one on behalf of the four (4) communities. They were interested in looking at the status of competition for video services in the state of Michigan. In the Comment section, BACB pointed out that the MPSC should ask for more transparency from providers with the packages they offer and require a written confirmation between the customer and company regarding any package that was agreed upon. It was pointed out that the complaint process through the MPSC was not friendly for consumers. It tended to be expensive, especially if hiring an attorney was involved.

Comcast announced that on November 2, 2017 there would be an increase in speeds for various internet tiers at no added cost. The upgrades would impact about 80% of Comcast’s Michigan customers. Customers would be notified.

A list of 2018 regular meeting dates for the BACB and the Cable Action Committee was included in the packet.

PROVIDER RELATED TOPICS

a. Comcast

There was no representative present.

McLain noted that she was going to escalate her very, very positive comments and experience she had with the Customer Service Representative from Comcast yesterday. It was beyond exceptional. Even though she personally did not record the conversation, she was confident that Comcast had done so for training purposes.

b. AT&T/Uverse/Direct TV

There was no representative present.

c. WOW

There was no representative present.

BAPA/BAMA REPORT

Greg Black referred to his memo to BACB dated November 8, 2017. He listed the completed **BAMA** Programs which were the six (6) regularly scheduled municipal meetings, the Board of Zoning and Appeals Meeting, the BACB Meeting, the Parks and Rec Board Meeting, the Advisory Board Meeting and two (2) Multi Modal Meetings.

For the **BAPA** Programs, from the BACB area individual producers and organizations, twenty-three (23) programs were taped. He listed all the programs.

Regarding **PRODUCER WORKSHOPS**, they are offering a one-on-one session for those who are interested in producing their own show and to those who want experience behind the scenes. Please call 248-433-7790 to schedule a date and time for you or email Black at: GBlack@BloomfieldTwp.org.

The **PROGRAM DEVELOPMENT COMMITTEE** met last week to discuss a new show idea.

EQUIPMENT (refurbished modulator receiver) was discussed earlier in the meeting but Black invited any more questions.

The **WINTER SPORTS VIDEO COVERAGE** Schedule was provided.

Borgon, as the BACB representative on the Program Committee, commented that McLain came to the meeting and presented her idea for a new program. She gave a brief synopsis of her program which would highlight the non-profit organizations in the community and any references to support all sorts of community outreach. McLain stated that she was open to feature any and all non-profits and would appreciate any volunteers to help and any and all ideas. The scheduling for the new program has yet to be set. The public can send her an email through Cathy White, the Executive Director of BACB, using the BACB website. She also has the idea of going out within the community highlighting the different community services.

Stakhiv wanted to complement Franklin's Fire Chief Tony Averbuch who, as a member of the Federal Medical Response Team, had been down in Orlando helping with the recovery from Hurricane Irma and twice has been in Puerto Rico helping with its recovery relief from a hurricane.

OLD BUSINESS

None

NEW BUSINESS

White announced that the BACB will have lunch with BCTV at their studio on December 6, 2017 at noon. All are invited to come and also tour the studio.

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Borgon pointed out that Rota had turned on the monitor in the corner of the room for this meeting and wondered if people noticed it and/or was it a distraction. Comments were positive.

PUBLIC COMMENTS

None

BOARD COMMENTS

None

There being no further business, the meeting was adjourned at 9:24 AM.