

BIRMINGHAM AREA CABLE BOARD MEETING MINUTES – August 16, 2017

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

Absent: McAlear, Weller – Birmingham

Also Present: White – Executive Director
 Currier – Attorney for Cable Board
 Rota – Bloomfield Community Television
 Levens – Executive Director of Technology for Birmingham Public Schools

McLain called the meeting to order at 7:45 AM in the Village of Beverly Hills Municipal Building at 18500 W. Thirteen Mile Road. She welcomed Rosemary Bayer, the newest member of the Cable Board.

APPROVE MINUTES OF CABLE BOARD MEETING HELD July 19, 2017

Motion by Borgon, seconded by Maly to approve the minutes of the Regular Cable Board Meeting on July 19, 2017, as presented.

McLain corrected the spelling of her name on page 1. In the paragraph after the motion to approve the minutes, the sixth (6th) sentence should read, "...middle of page 5, **McLain** requested that on page 3..."

Motion by Borgon, seconded by Maly to approve the minutes of the Regular Cable Board Meeting on July 19, 2017, as amended.

Motion passed.

PUBLIC COMMENTS

None

PEG GRANT REQUEST FROM BIRMINGHAM PUBLIC SCHOOLS

Dwight Levens, Executive Director of Technology for the Birmingham Public Schools, expressed his and the School District's appreciation to the Cable Board for its continued support and giving him the opportunity to submit another PEG Grant request for the 2017-2018 school year. This particular request was specifically for new cameras up-graded to HD quality and up-graded software for the Tricaster systems which run a lot of the studio hardware, plus an intercom system for the students and other hardware devices which allow mobility with the system. The District wants to remain on the cutting edge of technology and this new system would "...extend the capability to capture footage and send it directly back to each high school TV studio in real-time directly over (its) network". Fortunately, with the passage of the Bond issue in 2015, the network infrastructure had been upgraded throughout the entire district. The possibilities are endless.

Levens apologized for the last minute submission. He explained that he had been waiting for additional information and thus the Board received this request per email from White last Friday.

McLain explained that McAlear, PEG Chair, was unable to be at this meeting but the subject had been discussed several times at the PEG level.

Motion by Borgon, seconded by Heldt to approve the PEG grant request from the Birmingham Public Schools in an amount not to exceed \$76,540.00 to upgrade the cameras and studio equipment in the high school TV studios.

Ettenson questioned if the requested amount of the grant was higher or lower than in previous years. White would speak to this issue later in the meeting.

Stakhiv inquired if multiple bids had been obtained. Levens affirmed that the whole project went out to bid and bids from six (6) vendors were submitted. He continued by explaining the process of vetting those vendors and the selection of the final two (2). The final decision was made by a team of teachers he had put together who would be working with this equipment in the classroom and members of the technology department who had the expertise.

White was aware that there would be a second request coming from the schools as there had been a meeting with Levens before this fiscal year began. The PEG grant amount budgeted for this year was \$120,000 so the request fell within the Cable Board's budget. She clarified that the grant policy established by the Cable Board several years ago provided a rough guideline that PEG funds would be distributed 50% to the community, 40% to educational entities and 10% to libraries and other qualifying entities. McLain added that grants awarded to the schools were cyclical as they only make requests every few years, the last one being at the end of last year.

Fenberg was curious if there was any compatibility of Birmingham's equipment and technology with other communities for such events as sporting events in the Bloomfield area, where services could be integrated and used by and coordinated with those communities. Rota explained that the current BCTV truck equipment would need to be upgraded in order to coordinate with Birmingham's new equipment. Heldt, former PEG Chair, provided a brief history of how the BACB became involved in financing sports broadcasting. He explained that it was at a time when the combination of the financial resources and the equipment resources were not available within the schools.

Levens addressed the bid process and requirements that Michigan schools must follow.

McLain noted that the Cable Board partners with Michigan NATOA (National Association of Telecommunications Officers and Advisors) of which she is a Board member. Additionally, she pointed out that the Association shares what is happening in other Michigan communities to support or not support the "E" (Education) in PEG. She further noted the Cable Board's purpose and its public open meetings.

Delaney inquired if this completed the District's needs at this time or should the Cable Board anticipate any more requests. Levens responded that there were no other needs at this time. Responding to McLain's query about the student interest in technology programs, Levens stated

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that there is a large student interest especially those who are motivated by the updated technology but there is still a need to teach the traditional podcasting techniques as a foundation.

Roll Call Vote:

Motion Passed (10-0).

Mr. Bozell abstained from voting because his wife is a Trustee on the Birmingham Public Schools Board of Education.

TREASURER'S REPORT

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

Ettenson inquired if BACB ever considered alternative investment firms other than MBS. Heldt replied that he was not aware of another firm that exclusively uses a ladder strategy which means they buy CDs with varying maturities to maximize interest rate earnings and to ensure liquidity needs. In addition, MBS does this for a vast number of communities in Michigan and all over the United States.

COMMITTEE REPORTS

Cable Action Committee

White reported that there was no meeting last month. The next meeting will be Thursday, September 7 at 5:30 PM in the Baldwin Public Library in Birmingham on the second (2nd) floor. She also mentioned that a social get-together was being planned which might be that same Thursday evening or Thursday, September 14.

PEG Committee

In McAlear's absence, White reported that BACB received an email from BCTV requesting authorization for the funding of seven (7) fall sporting events from September 14 to October 19, 2017 in the amount of \$17,500.00 (\$2,500 each).

Motion by Fenberg, seconded by Stakhiv to approve payment to BCTV in an amount not to exceed \$17,500.00 (\$2,500 each) for the filming of seven (7) fall sporting events.

Roll Call Vote:

Motion Passed (11-0).

EXECUTIVE DIRECTOR'S REPORT

White referred to her monthly report dated August 11, 2017. This month there were six (6) formal complaints since the last meeting. A condominium complex in Birmingham wanted assistance in getting some WOW cables buried. This complaint was thought to have been resolved earlier. This matter is still pending. The second complaint was from a Birmingham resident who spends the summer Up North and had been told by Comcast that her account would be put on a "vacation hold" and her bill would reflect the seasonal suspension rate. Her bills did not reflect the reduced rate but this has now been resolved after an appropriate credit was applied to the resident's account. McLain advised residents who go away for an extended period of time to write down the name and ID of the person with whom they spoke about the special rate, the

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date and time of the conversation and take detailed notes. The third complaint came from a Beverly Hills resident who was receiving only 30% of the channels in a Comcast package. The subscriber had signed up for a new promotion that did not include HBO, unlike his previous package. Comcast offered him HBO for 24 months at no cost. The complaint is closed. The fourth complaint came from a Representative and Cable Board member on behalf of the Village of Franklin. She had negotiated with Comcast for lower rates for both the Village Hall and Kreger House, but it was reflected only in the Village Hall's bill. This complaint has been resolved. Stakhiv noted that she was disappointed with the amount of time she had to spend on the phone with Comcast and the amount of time following up on this matter and tracking down people. McLain suggested that the providers should send an email confirming what had been discussed and agreed upon, *i.e.*, in this case, lower rates. The fifth complaint was submitted by a Birmingham resident who was experiencing repeated problems with her Comcast internet service. This complaint is pending. The sixth complaint came from a Beverly Hills resident who requested that downed wires on her father's property be removed or repaired. Because the exact owner of the wires had not been identified, this complaint has been submitted to all three providers and is currently pending. McLain advised residents to get on the list to have wires buried before the winter sets in.

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 July 31, 2017. She is preparing for the Audit which will be in early October.

Since the last meeting White has written three (3) checks on behalf of the BACB, including the quarterly payment to the Charter Township of Bloomfield for BCTV, a Municipal Support Services Grant to the Franklin-Bingham Farms Fire Dept. for internet service and a Municipal Support Services Grant to the Franklin-Bingham Farms Police Dept. for internet service.

Additional Notes

BACB received insurance credits from Michigan Municipal Risk Management Authority for Net Asset Distribution for 2017 and a State Pool Loss Fund Distribution of Excess Assets.

White thanked Board Members for forwarding articles which might be of interest to the others. McLain sent an article from the National Cable Association which explained why internet speed was measured in bit per second but data itself was measured in bytes. Speed requirements are continually going to increase due to technological advancement such as virtual reality, telehealth, driverless cars and the "internet of things".

The State of Michigan has entered into an agreement with FirstNet in partnership with AT&T. FirstNet will build, operate and maintain a highly secure wireless broadband communications network for Michigan's public safety community at no cost for the state for the next 25 years. It will also provide broadband opportunities for many of the state's rural, underserved communities, such as the Upper Peninsula.

Ettenson sent an article from The New Yorker Magazine entitled, "Why We Despise Cable Providers." The article attributed this as being the product of extensive market consolidation which explained why this ire is ranked below that of the airlines, banks and the drug companies

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in public opinion polls. Telecommunications service in the U.S. is dominated by five (5) companies: Spectrum and Comcast; the telephone-service providers Verizon and AT&T; and CenturyLink, which has a strong presence in the West. According to a Harvard Law professor, these companies have carved up the country so that cable is essentially a monopoly in urban areas. McLain noted that those providers who don't have representatives at this meeting disagree with that characterization.

Tech Insider reported on August 8, 2017 that Disney was breaking up with Netflix and would launch a streaming service that would be the “exclusive home” for its movies starting in 2019. This is an indication of what is to come with “streaming”. Now the networks will have their own “streaming”. Eventually channel-surfing will be out and app-streaming will be in.

From Maly came an article that Fastcompany.com has reported that cord-cutting was getting even worse as Pay-TV sees another quarter of historic declines. Dish Network, DirecTV and AT&T have been hit especially hard in the second quarter of 2017 with about 1 million subscribers cutting the cable cord. This follows the trend over the last two (2) years. In response to Ettenson's inquiry about what it meant to the Cable Board long term, White said that the Board keeps planning for a decline in Franchise fees and PEG fees revenues due to the loss of subscribers. However, as of yet the Board has not seen as big of an impact as anticipated because the cable rates were rising to compensate for the loss of subscribers. Eventually, there will be an impact.

White reported that she and McLain worked with a company that was putting together an ad about BACB in the Birmingham/Bloomfield Chamber of Commerce newsletter. It would help communicate with the public about the Board and its important mission. McLain reminded the Board that this was part of its “outreach” which was one of the Board's long-term goals. For the benefit of the public McLain read the banner ad. McLain listed all those recipients of the newsletter and locations where they are placed. Bozell suggested that it be placed in some local newspapers for the benefit of the residents. Fenberg added that maybe the Birmingham schools and the City of Birmingham could include it in their newsletters. Another source would be on the calendars that the cities and villages put out. Bayer had additional ideas for the formatting of the information which is her specialty.

McLain encouraged all Board Members to share their ideas and recommendations about the website with White.

PROVIDER RELATED TOPICS

a. Comcast

There was no representative present.

b. AT&T/Uverse/Direct TV

There was no representative present.

c. WOW

There was no representative present.

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McLain mentioned that even though none of the providers provided any updates, she has read in the papers that each one has new programs and new billing systems. Speaking to the public she suggested that this would be the time to scrutinize and analyze their bills. Don't forget to get the name and the ID number of the person with whom they are talking, keep notes and request an email confirmation of what was discussed.

BAPA/BAMA REPORT

Steve Rota referred to his memo to BACB dated August 8, 2017. He listed the completed **BAMA** Programs which were the seven (7) regularly scheduled municipal meetings, Board of Zoning Appeals meeting, BACB meeting, Advisory Board meeting, Parks and Rec Board meeting, Baldwin Public Library Board and Trust meeting.

For the **BAPA** Programs, from the BACB area individual producers and organizations, thirteen (13) programs were taped. He listed all the programs. Tonight is the last Concert in the Park for the summer.

Regarding the **VOLUNTEER PRODUCER and CAMERA WORKSHOPS**, Rota encouraged those who are interested in doing a workshop, producing their own show and/or volunteering on a program to give them a call. Residents can contact BCTV at 248-433-7790 to schedule a one-on-one appointment date and time. He encouraged all new Board members or existing Board members to call and set up a tour of the facility.

Starting in September the fall sporting events will begin with football games, volleyball, swim and dive, water polo, tennis and soccer.

Referring to an earlier discussion about drones, Borgon mentioned that BCTV had had some experiences with them when they were very new but they did not work out. Further discussion is warranted in the PEG committee meeting following this meeting. Carrier stated that liability issues needed to be discussed.

OLD BUSINESS

McLain brought up the question of wires in the backyard and how to distinguish as to which provider they belong. According to Borgon, the color codings are different and in earlier years the placing of those wires on the poles indicated the provider. McLain suggested the providers submit pictures which could be posted on the website which, in turn, would help the public when submitting a complaint to White.

Carrier updated the Board on the DAS issue: Bloomfield Township objected to the placement of DAS antennas in and around the Township. Verizon is of the opinion that since DTE has given them permission to be on their easement, they don't need local approval to do it. In some communities, such as Birmingham, DAS antennas are just showing up. There has not been any court resolution regarding whether permits are required. White will follow this issue.

NEW BUSINESS

McLain informed the Board about the NATOA (National Association of Telecommunications Officers and Advisors) Conference which will be in Seattle, WA, September 11-14, 2017. The BACB has not sent anyone in the last four (4) years because it was thought the agenda was not applicable to what the Board did on a local level. After doing some research McLain found out that, additionally, there are people at this meeting with whom the Cable Board needed to network to find out what the rest of the country was doing when revenues from franchise fees and PEG fees decrease. She felt it necessary to find out what the trends are.

McLain volunteered to attend. Borgon stated that there was a budget line item of \$1,000 for such an event and \$700 under outreach and advertising. Discussion ensued about the monetary issue.

Motion by Borgon, seconded by Ettenson to authorize the BACB Chairman, Elaine McLain as the BACB representative to attend the NATOA Conference in Seattle, WA, September 11-14, 2017 and provide the funding for the airfare and expenses, the cost of which is to be determined.

Borgon noted that at the September meeting the budget could be changed to accommodate the costs. McLain will send all estimates to White.

Roll Call Vote:
Motion Passed (11-0).

(Borgon left at 8:53 AM)

PUBLIC COMMENTS

None

BOARD COMMENTS

Delaney inquired about the expectations if and when the providers become wireless and the obsolete wires are left throughout the communities. Are wires, other than those coming into the houses, going to be maintained? Currier explained that as a general rule there were two options for the cable companies: wires are required to be taken down or they are abandoned and they become the property of the communities. Public Act 480 allows companies to abandon them in place and not take them down. Further discussion with the companies about this issue of wire “pollution” is needed. Bayer remarked about the potential advantages in the future associated with those wires, *i.e.*, wireless is more susceptible to security issues than wired. Therefore, in the long term, those wires could become extremely valuable. Currier mentioned that earlier some wires were installed by some of the cable companies and dedicated for municipal security purposes (fire and police), some of which were still in place. White and Currier will follow this issue.

Ettenson requested that when McLain returns from the NATOA meeting that she provides the Board with an update on what the sense is of the new FCC Commissioner and the deregulation of the FCC. McLain promised to get that information and much more.

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There being no further business, the meeting was adjourned at 9:00 AM.