

REGULAR CABLECASTING BOARD MEETING MINUTES - JULY 21, 1999 - PAGE 1

Present: Devereaux, Fleischer, Hall, Kuhne, Spivak - Birmingham  
Borgon and Janks - Beverly Hills  
Leckie - Bingham Farms  
DiSessa - Franklin

Absent: Abbott and Doctoroff - Birmingham

Also present: Hagaman - Cablecasting Board Administrator  
Gillis - Attorney for Cablecasting Board  
Martinico - Director of Technology, Birmingham Schools  
Colgan - Municipal/Library Access Channel  
Currier - Birmingham City Attorney  
Buterbaugh - Beverly Hills Council representative  
DiMaria - MediaOne representative

Chairperson Hall called the meeting to order at 7:58 a.m. in the Rotary Room of the Baldwin Public Library at 300 W. Merrill Street.

DiMaria introduced guests from MediaOne as follows: Greg Cannon, Vice-President of Law and Public Policy; Joe Geroux, Director of Field Services; Janine Morse, Director of Office Services; Keir Davio, Senior Construction Manager. Hall welcomed them to the meeting.

**STATEMENT ON BILL SAUNDER S SERVICE TO THE CABLECASTING BOARD**

Hall prepared and read the following statement into the record:

*For those of you who have not heard the news, our esteemed Board Vice-Chairman, Bill Saunders, is no longer a member of this Cablecasting Board, having not been reappointed to the Board by the Beverly Hills Village Council.*

*As I'm sure all of you know, Bill Saunders was the instrumental person in our communities who got cable television into our area. Starting back in the late 1970's and continuing through the early 1980's Bill headed a task force that identified the need for cable television services and developed the enabling ordinance. This ordinance still survives today, and will continue to survive into the future with the updates that this current Board has recently approved.*

*Bill's task force provided leadership in developing the original RFP and evaluating the various cable companies' proposals. After our individual communities selected a cable supplier, Bill's group then led the efforts to negotiate and sign the Franchise Agreement, under which we continue to operate. These were challenging times without much precedent to go on, and he provided the calm and steady leadership we needed to get the job done.*

*Once our four communities adopted the ordinances, this Cable Board was established, and the Board immediately and unanimously elected Bill Saunders to be its Chairman. Bill again provided the calm leadership and mature judgment needed among the diverse and vocal interests of*

*citizens, local government, schools, community organizations, the library, technology providers, and all the others who make our four communities the wonderful and dynamic place that we all call home. The cable system got built (including downtown Birmingham), access channels started operating (including MLAC), and deregulation became a reality that we had to learn to live with -- all under Bill's watch.*

*Among many other things, Bill was also responsible for leading the efforts that resulted in this Board retaining the services of Don Gillis as our legal counsel. Don's experience, insight, and intellect have had, and continue to have, a significant impact on the quality of this Board's work. Similarly, Bill was also responsible for leading the efforts to create and fund a permanent Administrator position, and to search for and eventually hire Kathy Hagaman as our Board's Administrator. Her tireless efforts on our part have also made a significant impact on the productivity and quality of our Board's undertakings of its responsibilities.*

*Eventually, Bill moved from Birmingham to Beverly Hills, and for a very short period was not a member of this Board. So, the Board elected me as its Chairman. Fortunately, Bill was soon appointed to fill an open position by the Beverly Hills Village Council. He became our Vice-Chairman and began to fulfill a new and vital role -- that of an advisor and counselor to your current Chairman. His always-available assistance and insights have been invaluable to me, and I -- along with this Board and our four communities -- will miss his presence deeply.*

*I do not envy the Beverly Hills Village Council. They have a very big position to fill in appointing a new member to this Board. I wish Bill the best of everything life has to offer in his retirement. Volunteers like Bill are rare. We have been fortunate to have his help.*

#### **APPROVAL OF MINUTES OF THE JUNE MEETING OF THE CABLECASTING BOARD**

The correction was made to include Bob Colgan in the list of those present.

MOTION by Janks, supported by Devereaux, that the minutes of a regular Cablecasting Board held on June 16, 1999 be approved as amended.

Motion passes unanimously.

#### **POTENTIAL ORDINANCE VIOLATIONS**

Last month MediaOne was notified that customer complaints reviewed by the Board could constitute ordinance violations. MediaOne has submitted written responses regarding these complaints. Hall referred to a letter from MediaOne dated July 14, 1999 regarding the cable company's increase in rates to commercial subscribers. It is in response to a letter from Kathy Hagaman to MediaOne addressing a complaint from the Birmingham Racquet Club about a price increase. Notice of the price increase was not provided to the Cablecasting Board which may be a violation of the Cable Ordinance.

Hall stated that the Cable Ordinance requires a 45 day notice to the subscriber and the Cablecasting Board prior to implementation of a rate increase. The Board has been advised by its legal counsel

that this is probably superseded by federal law which requires 30 day notification. This notification was provided to the commercial subscribers but was not provided to this Board.

DiMaria responded that commercial rates are not subject to Federal Communications Commission (FCC) regulation to the same extent as rates paid by residential customers. Therefore, the cable company's commercial rates are not subject to the local regulation requirements regarding rates.

Hall stated that the Board will have to make a decision as to whether it believes this is an ordinance violation. He stated that "subscriber" is defined in the Cable Ordinance as a recipient of services of the cable communication system; it does not differentiate between commercial and residential subscribers.

Gillis asked DiMaria if he is satisfied with the assumption that, because rates are not subject to regulation for commercial establishments, notice of the rate increase is not required. He would like to see what authority there is for this premise.

DiMaria stated that there was a notice sent to each commercial subscriber to make them aware of the change and the different packages now being offered.

Gillis understands MediaOne's position to be that, because commercial rates have not been regulated by the FCC, any notice requirement imposed by local authority is unlawful. Gillis questions whether there is any authority for this position. He would suggest that the company abide by the 30 day notice regulations it has given the commercial customers. The Cable Ordinance requires that the Cablecasting Board also receive notice. He contends that it is simple enough for MediaOne to comply.

Janks suggested that this may be a violation of the Cable Ordinance based on the definition of subscriber in the Cable Ordinance.

Gillis suggests that no sanctions be applied for this particular matter on the basis that 30 day notice was given to commercial subscribers. A technical violation may be in order. Gillis does not agree with the position taken by the cable company. However, because there is no clear authority one way or another, he suggests it would be best to list this violation as a technical default without the imposition of sanctions.

MOTION by Janks, supported by Leckie, that MediaOne's failure to provide notice to the Cablecasting Board of a rate increase to commercial subscribers is a technical violation of the Cable Ordinance.

Motion passes unanimously.

Hagaman referred to the copy of a sample letter mailed to the commercial subscribers. Considering the last three months of service that everyone in the consortium has received, she took exception to the following sentence: "In an effort to continue to provide you with outstanding services, MediaOne

is issuing a package change for your small business Total Basic service.” Hagaman questions the validity of that comment and thinks it should be changed.

Hall referred to the MediaOne letter dated July 12, 1999 responding to the complaint of Tracey Breen which the Board believes to be an ordinance violation related to unmarked vehicles and unidentified workers in the area.

DiMaria responded that there appears to be a violation of the Ordinance and the cable company’s mandates. Based on the information in the letter to the Board, MediaOne is unsure whether it was their contractor or how close the person was to the contractor when they determined that there was no identification. DiMaria cannot say that this would be an ordinance violation unless he could have more detailed information than has been provided at this point.

Janks stated that the issue is making sure that, henceforth, MediaOne people are identified.

DiMaria assured the Board that this is a mandate MediaOne requires of its contractors. They are continually reminded to have identification.

Janks asked what happens if a contractor is caught without the proper identification.

Geroux, Director of Field Services, explained that a control that has been implemented by MediaOne to require independent contractors to present their picture identification at the start of the day in order to receive their materials. There are now quality assurance people in the field checking on these people to make sure they have identification and truck signs. MediaOne provides the truck decals.

In response to an inquiry, Geroux stated that MediaOne has terminated installation contractors that are not displaying truck signs or identification badges. If contractors cannot pick up their materials, it will affect their productivity and they would be terminated and replaced with another contractor. It is a nationwide requirement that contractors display identification.

Buterbaugh related an incident that occurred on his property involving a MediaOne contractor with no identification.

Geroux stated that MediaOne advocates calling the police if a resident has a concern about security or conduct of contractors.

Kuhne commented that Geroux is saying that anybody who has concerns about a violation of this ordinance should report incidents to MediaOne. He asserted that people have not been able to get through to the call center. He questioned how people can convey these concerns to MediaOne about customer service issues if the phone number is always busy.

Janine Morse, Director of Office Services and the individual responsible for the call center, stated that there has been an issue with the customer service lines being extremely busy because MediaOne is moving so quickly with the rebuild. There is a T-1 line that feeds from the Birmingham area into

the call center. Customers have a lot of questions because MediaOne has been activating the system so quickly. Morse informed the Board that there has also been a problem with Ameritech for two or three months. Customers are experiencing a fast busy or a ring with no answer instead of being connected to an automated answering service. There has been no resolution to this issue by Ameritech. Hagaman questioned whether this is an Ameritech issue since some calls get through on the same line.

Morse stated that she can give the Board an 800 number to call in on. Hagaman asked why this alternate number is being suggested at this point when there have been serious problems with getting through to the call center for months. Morse commented that some of the consumer service representatives (CSRs) have been giving customers the 800 number.

The discussion returned to the issue of lack of identification of contractors and their vehicles. Hagaman took exception to MediaOne's response to this complaint. Because the person complaining did not provide the exact date and time and did not call the police, MediaOne is not acknowledging that the situation occurred. People are asked to notice things and call with their complaints. When they do, the situation is dismissed because there is no police report.

Gillis remarked that a police report is not needed to file a complaint. All that is needed is the testimony of a subscriber.

DiMaria stated that he contacts the people in the field the same day he receives a complaint of this nature. Contractors are well aware that this is a requirement that has to be met to be working for MediaOne. The complaints are forwarded to the people who can affect change.

Hagaman asked if anyone goes into the field and spot checks MediaOne contractors. Geroux stated that they are constantly correcting situations and working towards making sure that contractors are wearing their identification and use the truck sign.

Buterbaugh questioned how MediaOne knows its contractors are doing the work they are being paid to do. Geroux stated that, within a set period of time, quality assurance people are out in the field checking that the work has been completed. If there is a violation or a non-performance issue discovered, the contractor faces a back charge, fine, and/or termination.

Hall commented that he is not impressed with the company's response to Ms. Breen's complaint. He questions what anyone has to do in order to have something pass MediaOne's test as an ordinance violation. The Board could pass a motion finding MediaOne in violation of the Ordinance requiring identification. Hall is advised by counsel that there has to be specific case identification in order to assess liquidated damages. The Board could pass a motion that finds MediaOne in violation of the Ordinance and request work to be done prior to next month's meeting on preparing a case.

Janks proposes that MediaOne has heard the concerns of this Board regarding these incidents that have been going on for a couple of months. He asked MediaOne to come back to the Board next month with some answers on what can be done to resolve this situation.

Borgon remarked that it is important to look forward. MediaOne did not provide proper notification of the rebuild. There have been problems with identification of contractors. These are problems that MediaOne needs to correct, and we are looking for solutions.

Kuhne stated that the Board has heard anecdotal evidence and knows that ordinance violations have occurred. This franchise is not just concerned with the ends but we are concerned with the means.

DiSessa would like MediaOne to tell the Board at next month's meeting what it has done to correct this situation.

MOTION by Kuhne, supported by Borgon, that the Cablecasting Board finds a technical violation with regard to identification of MediaOne contractors and vehicles, and that sanctions be held in abeyance until next month when a report is received from MediaOne responding to this Ordinance violation in terms of steps taken to correct the situation.

Motion passes unanimously.

Hall referred to the July 12, 1999 letter from MediaOne addressing several complaints that involve a report that MediaOne failed to meet the ordinance requirements to make service calls within a specified period of time. Hall stated that the Cable Ordinance requires that MediaOne must respond to service calls within 24 hours.

DiMaria stated that many of these issues were resolved within hours of being made aware of the situation. The problem has been with customers not being able to get through to the call center. He asked MediaOne representatives to speak to these issues.

Morse stated that there were eight lines open to customers when the calls were being answered in Birmingham. This was increased to 24 lines when calls were routed to the call center. Those 24 lines are used by Birmingham and Bloomfield. In answer to an inquiry, Morse stated that each of the lines are not staffed. They are answered on a first come, first served basis and the CSRs are not geographically assigned.

Morse stated that there are 134 representatives. She can have up to 90 employees on the floor at one time answering the phone for all of metropolitan Detroit. On an average, there are 75 representatives on duty between 8 and 5 and fewer in the evening. The number of CSRs is based on historical volume statistics.

Morse stated that there were five CSRs answering phones in Birmingham about a year ago. As MediaOne started the rebuild, the staff was almost doubled. The staffing throughout the call center was increased by 15% since the call volume has increased. MediaOne is presently in the process of hiring additional staff. Morse commented on the difficulty hiring qualified applicants in today's economy. After hiring employees, it takes about 90-120 days to get them on the phones. Representatives go through a seven week training period before they are put on the phones.

Hagaman asked if anyone tests the CSRs after that seven week period. Morse responded that CSRs are monitored periodically and provided with feedback. Each representative gets about six monitors a month.

Martinico asked questions about the problem with Ameritech's T-1 line and what happens after the twenty-fifth call. She asked if Morse has called a vendor meeting to address problems with Ameritech.

Morse responded that Ameritech has indicated that there is a problem and they are working on it. Cannon added that MediaOne sent Ameritech a letter indicating that it wants the problem resolved.

Gillis remarked that there have been a number of complaints from subscribers about customer service representatives being unknowledgeable and arrogant to subscribers. The training and monitoring by supervisors does not seem to be effective in certain cases.

Morse stated that their goal is to weed these people out. If a customer brings it to MediaOne's attention that a representative has been rude, appropriate action is taken.

Martinico stated that, if there is a large pipe handling all the calls for the Birmingham area and it is not working at times, there are times when all 24 calls cannot get to MediaOne. She maintains that the 800 number should be publicized immediately. Morse says that this is something that she can provide.

Morse stated that MediaOne has not ordered another T-1 line because of the turnaround time with Ameritech and the fact that MediaOne anticipates that the volume will decrease after the last five nodes are activated.

Martinico stated that her concern is that MediaOne's sole line for this area does not seem to be working and people cannot get through to the call center. The problem will continue after the rebuild is done.

Morse stated that it has been extremely challenging for the call center during activation of nodes due to converter swaps and wiring problems. Subscribers have experienced service problems with the push to 750 MHz. Because there is a need to change the frequency from HRC to Standard, customers are having to reprogram their televisions. There are a magnitude of issues that arise as the company is activating the subscribers onto the system which is driving a large call volume.

DiMaria stated that the statistics show that the difficulties experienced getting through to the call center during the last three months is directly related to activation. The rebuild has been going on for over a year. What has been experienced during the last quarter is customer activation at the home which has driven the call volumes up significantly from what was experienced during the rebuild. The spike in call volume is directly in proportion to the day MediaOne started activating four to five nodes a day trying to meet its deadline.

DiSessa questioned the training of the staff and whether customers who ask to speak to a supervisor are being allowed to do so.

Morse stated that the call center has a well established escalation process. They empower the representative to handle a situation if they are able. Representatives are not trained to tell subscribers that they cannot talk to a supervisor. Morse remarked that a supervisor may not be available with the magnitude of calls being experienced and the complexity of issues with the rebuild. There is a supervisor in the call center until 10 at night. During off hours, there is a senior representative available. There is a customer advocate desk to help get situations resolved.

Janks stated that MediaOne knew that all the nodes were being turned over and the cable company should have been better prepared. There have been more complaints received in the last two months than in the eight years he has served on this Board. He is hearing a lot of excuses and not seeing a lot of results. He questioned what is being done to fix it.

Geroux stated MediaOne has done complicated rebuilds and it anticipated increased volumes. MediaOne merged all of its technicians in Oakland and Macomb county and equipped them with the equipment needed to work in this franchise. Prior to the rebuild, there was a staff of 12-15 technicians at the Eaton Road office. MediaOne equipped over 90 technicians for the rebuild.

Geroux stated that MediaOne did not anticipate the combination of factors that were experienced in the way of converter swaps and node activations. There have been compatibility problems that have not been seen in previous rebuilds and retrofits that have been challenging. The staff reached a point 30 days ago when it slowed down the number of nodes being activated. Technicians were brought in from Wayne County and Ann Arbor. a two week sabbatical was taken from activating nodes in an attempt to make sure there was quality service. MediaOne has not and will not go back to the pace it had during the peak of node activation. It has been a rebuild/converter swap all in one because of HRC issues, the compatibility of the electronics, and because of the age of the network.

There are five nodes yet to be activated at this point. Service volumes are being monitored carefully to return to same-day or next-day service. MediaOne is adding staff and taking a slower approach in an effort to be proactive going into the subdivisions to determine the quality of service. MediaOne had an aggressive approach doing the converter swaps. It was their experience in turning over the nodes that 20% of the customers did not respond to the letters and calls and did not schedule appointments until the night the nodes were activated. Geroux related problems with inside wiring, fitting changes, replacing jumpers, and customer education.

Kuhne stated that the Board understands the problems MediaOne is encountering on a technical basis. There was a lot of information communicated today, but the public has not heard it. It has not appeared in the local newspapers or marketing ads. The most contact that the people in the four communities have is with MediaOne's customer service area. People do not know what the cable company is encountering, why their channel line up changed in the middle of the night, and why they don't know what the new channels are.

Hall maintains that there are people in the community that have done a lot of their own internal wiring and set up their entertainment centers. There has been no communication on these technical issues through mass mailings to the customers or via local newspaper articles. He suggests that the 800 number be publicized. MediaOne should send out a letter with every bill for the next two or three months.

Janks suggests that MediaOne consider giving a system-wide credit to people. The cable company should convey to the public that it had a problem and they are addressing it. DiMaria stated that MediaOne is working on something that will go out very soon.

Fleischer suggested making a video displaying the back of a television and explaining the technical aspects of wiring and cable.

Cannon concurred that their customer communications has not been stellar and that MediaOne has been looking at a lot of different methods including a Local Origination show.

Hall stated that the Cablecasting Board would like some definite solutions proposed for next month's meeting. Hall moved onto the next agenda item so the Board's legal counsel can present an update on franchise renewal before he has to leave the meeting. The Board can return to the issue of subscriber complaints.

### **FRANCHISE RENEWAL**

Gillis reported that the status of franchise renewal is based on discussions with Jon Kreucher when he was in town and subsequently through telephone conversations from his office in Florida. Legal matters relating to level playing field provisions of the franchise agreement have been fully resolved and will be reflected in the final documents of the Franchise Agreement.

There are two technical issues that the Board can consider with its technical consultant. One of them is a provision for the benefit of the Birmingham School District written by Martinico. The proposal was presented to MediaOne and marked up by Mr. Kreucher. He was not able to accept it as written. That matter has not been fully resolved.

The second matter relates to the Birmingham Institutional Network. The Board's technical consultant Dennis Fasset has not been able to extract a proposal from MediaOne for this private network. The failure of the company to respond by furnishing the proposal has prompted Mr. Fasset to suggest an entirely different approach. That matter still needs to be resolved. Gillis stated that he is not equipped to handle the technical distinctions of these discussions but he is not pessimistic that this matter will not be resolved in the near future. We will continue to work to resolve these two matters as quickly as possible.

Hall commented that the negotiating team is waiting for information from MediaOne. MediaOne is busy with the conversion to a new system which is taking precedent over responding to Board questions and issues regarding the I-net and the School District issues.

Hall stated that there was a meeting between the negotiating team and technical consultant Dennis Fasset for the purpose of educating the Board members on what was being requested of MediaOne relative to the School District and Birmingham I-Net.

DiMaria stated that he will present a proposal on these issues to the Board as soon as he receive the information back from the MediaOne design group.

Leckie stated that the Village of Bingham Farms received notification from MediaOne Monday that it is applying for an application for change of control from MediaOne to AT&T. Bingham Farms received two copies of the FCC Form 394.

Hall stated that the Board has not yet been notified of this or requested by its member communities to deal with Form 394. Hall asked representatives of the communities to forward a resolution from their governing bodies to authorize the Board to respond to Form 394 within the required 120 days. This will be an agenda item for next month. The Board is required to have public hearings on Form 394. The Cablecasting Board will draft a recommendation to the communities to accept or reject that request.

**Potential Ordinance Violations (continued)**

The Board is considering four potential ordinance violations relative to MediaOne failing to meet the requirements to make service calls within a specified period of time. On the previous issues of ordinance violation, there was a motion to accept the infraction as a technical violation of the ordinance with no liquidated damages pending a report from MediaOne at next month's meeting as to how it is going to resolve the issue. Hall would entertain a similar motion on these potential ordinance violations.

Kuhne stated that he is satisfied with MediaOne's explanations of the complaints under discussion. It was the sense of the Board that a motion is not required.

Hall stated that there are a lot of other subscriber complaints in the Board's packet that follow the same set of issues.

Hall asked MediaOne, as part of its response next month, to consider including a copy of its letter to Ameritech relative to the problems with the T-1 line. He would also appreciate seeing any response from Ameritech that substantiates the fact that this is an Ameritech problem not a MediaOne problem.

Kuhne asked for the 800 number which Morse could not provide. Hagaman asked Morse to call her with the 800 number.

Hagaman referred to the problems subscribers are having getting through to the call center. She thinks that MediaOne has failed its subscribers, this community, and itself in this rebuild. Customer service should be handling 90% of the problems, and it is not. On the positive side, dealing with

Mike DiMaria, Monica Jones Carpenter and Colleen Mayhew has been a pleasure. They have worked to resolve problems.

Buterbaugh asked why door hangers were not left on homes during the activation. DiMaria related that he discussed this with the person in charge of door hangings to make sure they were put out by the contractors when and where they were supposed to be. Complaints have decreased lately.

Jeffrey Wack, senior manager of marketing communications, explained the communication system and the information that went out to residents. He acknowledges that there have been problems with regard to getting the contract labor in the field to use the material that was produced. He explained how it ideally works and addressed questions from the Board relative to door tags, notices, mailings, and material left at the house.

Wack stated that MediaOne does notify customers in a more general fashion through messaging on bills. a customer newsletter comes out on a monthly basis and is mailed with MediaOne bills.

Morse stated that [wecare@mediaone.com](mailto:wecare@mediaone.com) is another avenue for customers to e-mail the company with concerns.

Due to the late hour, Hall proposes dispensing with the rest of the agenda except for the update on the rebuild.

### **MEDIAONE UPDATE ON REBUILD**

DiMaria stated that there are five nodes still to be activated. Geroux indicated that they anticipate this to be done by the end of the month. Two of those are multiple housing units. The network is about 95% complete. Crews are also out working on certifying the nodes to make sure everything is balanced properly. At that time, they will identify cable that will probably need to be replaced which will cause some momentary disruption in service.

Geroux stated that there is probably one and one-half to two months before the network portion of the rebuild is complete. Nodes are being certified to carry high speed data. Geroux addressed questions from the Board about the timetable for the digital tier and Internet service. In terms of residents having the new channel line up, that will be completed by the end of the month.

Hall asked that the Board read the other items in their packets and those delivered by MediaOne this morning. There are a few remaining issues to be addressed.

There have been some problems with sound quality of the "In the park" concert series. CreateTech maintains that the sound quality is fine on their tape. Hall would like to alert MediaOne that there is a problem and requested they work with CreateTech to resolve it.

### **PUBLIC COMMENT**

Bill Saunders stated that he is here this morning to say goodbye to the Board members. He has been on this Board for 25 years and is the last remaining original member. Saunders was pleased and

honored with Steve Hall's letter of recognition read earlier in the meeting. He will write some comments about his experiences on the Board and forward them to the Board. Board members applauded Saunders.

The meeting was adjourned at 10:00 a.m.