

Present: Hirsch, Hollinshead, Laidlaw – Birmingham  
Borgon, Delaney, Lacroix, Woodard – Beverly Hills  
Ettenson – Bingham Farms  
Anderson – Franklin

Absent: Bello and Wilson - Birmingham

Also Present: Hagaman - Executive Director  
Currier – Attorney for Cable Board  
Helwig – Bloomfield Community Television representative  
DiMaria - Comcast representative

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. Borgon welcomed new Birmingham member, Arnold Hirsch.

### **APPROVE MINUTES**

Motion by Ettenson, seconded by Delaney, that the minutes of a Birmingham Area Cable Board meeting held on July 17, 2002 be approved as submitted.

Borgon related that Hagaman, DiMaria and he will be attending the annual NATOA (National Association of Telecommunications Officers and Advisors) conference next month and will not be present at the regularly scheduled Cable Board meeting of September 18. He proposed rescheduling next month's meeting to Wednesday, September 25.

### **RESOLUTIONS OF APPRECIATION**

Resolutions of appreciation were prepared to acknowledge Molly and Stephanie Borgon for their assistance in designing a Cable Board logo. The resolutions will be signed by Board members and presented to the recipients.

Motion by Borgon, seconded by Delaney, to adopt the following resolutions.

### **BIRMINGHAM AREA CABLE BOARD DECLARATION OF COMMENDATION**

The Birmingham Area Cable Board hereby acknowledges and commends the creative services provided to it and awards this declaration to Molly Borgon and Stephanie Borgon for community service to the Board for their contributions in designing the official Board logo.

Motion passed unanimously.

### **DISCUSSION OF RESPONSIBILITIES OF THE DIRECTOR POSITIONS**

The Cable Board elected new officers for the position of Chairperson, Vice-Chairperson and Secretary at its July meeting. The election of Treasurer was deferred until this meeting.

A copy of the By-Laws of the Birmingham Area Cable Board (BACB) were distributed to members so they could review the duties and responsibilities of the officers. Borgon encouraged members to become involved and volunteer for open positions on the Board. He mentioned that the Executive

Director assists the officers and that a financial background is not essential to assume the Treasurer position.

Liability insurance information has been included in the material distributed to the Board. Hagaman reviewed the coverage afforded to Cable Board members provided by the Michigan Municipal Risk Management Authority (MMRMA). Questions were addressed by Currier.

### **ELECT TREASURER**

Delaney indicated that he would serve in the position of Treasurer. Laidlaw nominated James Delaney as Treasurer of the Cable Board. Delaney was elected by a unanimous vote of the Board.

Borgon commented that Lee Wilson has expressed an interest in serving on the PEG access committee. Borgon appointed Wilson to that committee.

### **SELECTION OF AUDITING FIRM**

#### Franchise Fee Audit

A Request for Proposal for a franchise fee audit was sent to five companies. Three companies responded by the July 31<sup>st</sup> deadline. Board members have copies of proposals submitted by Doeren Mayhew, Plante & Moran, and Sikich Gardner & Co.

Doeren Mayhew	- \$5,000
Plante Moran	- \$8,600 - \$10,600
Sikich Gardner	- \$14,700 (plus travel and expenses)

The proposals were reviewed by Borgon, Hagaman and Helwig for a joint audit of Comcast for both the Birmingham Area Cable Board and Bloomfield Community Television with the cost of the audit shared by those organizations. The three firms responded to a one-year audit since Comcast has been the cable provider since January 1, 2001. The Board may want to extend the audit period into the first six months of this year.

Hagaman remarked that Plante & Moran has performed the two prior audits for the Cable Board. The firm is heavily involved in the cable field and has a strong background in franchise fee audits. While the proposal from Doeren Mayhew represents the low bid, it is based on only 30 hours of work. Both Plante & Moran and Sikich Gardner estimated a minimum of 60 hours to complete this audit. There is a concern with the depth of the Doeren Mayhew audit and the qualifications of the individual who would be conducting the audit based on a lack of cable experience.

Hagaman stated that it is the recommendation of Borgon, Helwig and herself to secure the services of Plante & Moran for the franchise fee audit. She addressed comments and questions from the Board. Hagaman commented that it is not necessary to do a franchise fee audit on an annual basis. The Board may want to consider an audit every two or three years, depending on the result of the upcoming audit. The last audit of a former cable provider was conducted in 1996. Hagaman noted that a November 30, 2002 deadline was given for the completion of the audit. Delaney suggested that the term of the audit be extended from January 1, 2001 through June 30, 2002.

Motion by Laidlaw, seconded by Delaney, that the Birmingham Area Cable Board select Plante & Moran to conduct a franchise fee audit of Comcast for the BACB in conjunction with Bloomfield Community Television for an amount not to exceed \$10,600, with the responsibility of the Cable Board not to exceed \$5,300.

Motion passed unanimously.

#### Board Operating Fund Audit

Plante & Moran has prepared a proposal for an audit of the financial statements of the Birmingham Area Cable Board for the year ended June 30, 2002 to include the operating funds handled by Beverly Hills and the Franklin Bank money market account. Plante & Moran will provide this service at a cost not to exceed \$3,100.

Hagaman discussed the Board's operating fund audit with Beverly Hills Finance Director Bob Wiszowaty. The Village of Beverly Hills employs the services of Plante & Moran to conduct its annual audit. It is proposed that the auditing firm simultaneously conduct a Board-specific audit. It is expected that the audit will be completed by October at which time an audit report will be presented to the Cable Board.

Motion by Laidlaw, seconded by Hollinshead, that the Birmingham Area Cable Board authorize Plante & Moran to conduct a Board Operating Fund Audit for an amount not to exceed \$3,100.

Motion passed unanimously.

### **COMCAST RELATED TOPICS**

#### **Comcast Performance**

##### Status of Promotions

Borgon stated that it came to his attention that there has been some confusion among cable subscribers and Comcast customer service representatives (CSRs) regarding the free movie coupons offered by Comcast. He arranged a meeting of DiMaria, Hagaman, Ettenson, Currier and himself to discuss the offers from Comcast and whether a cable box is needed to access the free pay-per-view movies. The customer survey was also a topic of discussion. DiMaria was asked to provide the Board with information at today's meeting.

DiMaria stated that he spoke with Call Center Director David Williams after that meeting about the importance of those offers being addressed properly. Customer service representatives were provided with additional written information and updated computer screens to remind them about the offers in place and how to implement them. Customers without a cable box cannot receive pay-per-view channels. If a customer without a cable box wants to receive a premium channel, they can receive HBO free for a month as part of this offer by calling Comcast and having a truck rolled out to remove a trap from the line. All premium channels other than HBO require a box.

Coupons for free movies expire on December 31. The offer for service upgrades was to expire on August 31. The Call Center Director has instructed CSRs to be liberal on the August 31 deadline for the reason that six to seven percent of the offers were received late. DiMaria affirmed that Comcast is trying to accommodate everyone it can with respect to these offers.

Hollinshead reviewed that the Board has discussed the settlement offer from Comcast to its constituents at the last two meetings. For a number of reasons, Board members have rejected the idea of sending a mailing that would describe this agreement. He is aware that Comcast has communicated these offers through its monthly statements. It appears that some confusion exists regardless of the fact that the member municipalities have a well-informed consumer populous. There appears to be issues that have not been communicated effectively.

Hollinshead mentioned that Hagaman is preparing an article to insert in the various municipal newsletters. He asked if there is something else the Board might consider doing to communicate these offers such as an article in the Eccentric newspaper or the Oakland County section of the Free Press and Detroit News. He suggests a piece written on behalf of the Cable Board and Comcast to describe more fully what is being offered and why it is being offered along with information on deadlines and instructions for implementation. He does not think this offer has been fully communicated.

Currier remarked that items discussed at the meeting with DiMaria may provide opportunities for further communication. The current status of consumer survey results will be discussed today and at the September meeting. That will provide the Board with an opportunity to obtain some free press with the various media discussed. Members of the media could be invited to the September meeting to discuss survey results with a request to report that these offers are continuing.

Borgon suggested that the Director prepare a press release for the next meeting. Hirsch commented that using all media options available is a good idea and will express the Board's advocacy on behalf of the subscribers. He volunteered to assist Hagaman in drafting a press release. Ettenson suggested that continuing communication is necessary. He concurs that a press release may be helpful, noting that there will still be people who do not see it.

#### Status of Survey

DiMaria presented an update of survey results. Comcast mailed over 7,000 survey cards as of yesterday and received about 253 or 4% back. The return rate is expected to be in the 9-10% range. As a result of the current responses, there have been nine truck rolls to fix customer issues at the home. DiMaria went through the categories and indicated how the first 253 respondents rate Comcast.

The rating is from one to four (poor to excellent). Picture quality was rated at 2.93; Channel availability 2.89; High-speed Internet 2.73; billing 2.58; field service/customer service 2.74; Telephone access 2.27. DiMaria related some of the feedback noted on the survey cards. He will try to provide the Board with comments received from the surveys. DiMaria will continue to update the Board on survey results. All of the cards will be mailed by the September meeting.

In response to an inquiry, DiMaria will also provide the Board with statistical data on other communities and how they rank Comcast.

#### Customer Complaint Log

DiMaria reported that the up-to-date quarterly complaint log through the end of July will be provided to the Board in advance of the next meeting. This data has been requested on a quarterly basis.

Currier commented that the format of that report was discussed in the recent meeting with DiMaria so that it is prepared in a fashion that is understandable and readable to members of the Board and communities that receive it.

#### Comcast Telephone Log

At the Board's request, DiMaria prepared a written explanation of the term 'total service factor'. This will help to clarify data included in the telephone log provided to Board members.

DiMaria distributed material prior to the meeting that includes charts indicating the number of customer credits that have been issued by Comcast to the BACB consortium communities totally and individually since September of 2001. There were over 12,000 credits in an amount in excess of \$200,000 issued to the consortium since September of last year when the billing conversion began.

Chairperson Borgon turned the gavel over to Vice-Chairperson Ettenson and left the meeting at 8:47 a.m.

DiMaria announced that Comcast has hired a new Vice-President of Customer Service for Michigan, Annmarie Patton. He also informed the Board that Comcast brought in the consulting firm of KPMG to look at all its customer service processes. The firm will examine the customer service operation and make recommendations on how to improve processes on an overall basis in this area. Patton will be working with KPMG to improve the overall effectiveness of customer service looking at both field operations and call center operations.

DiMaria would like members of the Cable Board to meet with Comcast's Michigan regional staff including Regional Vice President Mike Cleland and Annmarie Patton at a luncheon on either September 10 or September 17. Board members were asked to e-mail Hagaman with their availability. Currier suggested that it might be appropriate to post the event as a meeting of the Board in light of the Open Meetings Act.

DiMaria mentioned that there is an open invitation for Board members to contact him and visit the Plymouth Call Center.

#### **Subscriber Complaints**

DiMaria informed the Board that Comcast no longer has outside contractors doing cable work in this consortium. A couple of the complaints received during the last month relate to work that was not completed as a result of individual contractors no longer being employed with Comcast. This will no longer be an issue.

DiMaria commented on a follow up complaint from Erin and Jennifer Kravitz of Birmingham (#02-92). He summarized the complaint and the response from Comcast including the credits issued. The customer demanded that Comcast provide six months of free cable service. Based on the substantial amount of credit issued and the lack of service calls in its records, Comcast did not think that the customers' request was appropriate for the issue. The customer was offered 30% off their bill for six months, which they refused. These individuals are no longer a customer.

Ettenson remarked that the Board has had past discussions on whether to go through each individual complaint. Customer complaint reports including action taken by Comcast have been received for

complaints #02-93 through #02-98. It has been indicated that the action taken by Comcast to eliminate private contractors would probably result in non-recurrence of some of these complaints. Ettenson asked if there are any other trends with respect to the current complaints.

Hagaman responded that, overall, Comcast is reacting quickly to complaints as soon as they are filed. As far as trends, the elimination of contractors will probably decrease problems related to not having the necessary equipment on the trucks. Due to the expansion of cable service in the last ten years, it will not be unusual to receive four or five complaints a month, which is not high considering the amount of services offered. If the complaints escalate, recurring issues will be addressed.

### **Birmingham Link**

DiMaria reported that Comcast has submitted drawings identifying and mapping all underground utilities in the Birmingham downtown district to the City of Birmingham. Comcast will complete the underground fiber link to City Hall after issuance of a construction permit by the engineering department. DiMaria anticipates that the link will be completed within 30-60 days.

### **Monthly Subscriber Statistics**

There were no comments on the system statistics for July 2002.

### **EXECUTIVE DIRECTOR'S REPORT**

Hagaman prepared a draft of the Birmingham Area Cable Board Annual Report for fiscal year 2001-2002. She summarized the report as follows:

The Cable Board faced many challenges during the year. Major problems resulted from a billing conversion initiated by Comcast as well as a change in its high-speed Internet service from Roadrunner to Comcast system. The Board worked with Comcast to resolve customer complaints and ongoing customer service issues. The Board handled 136 complaints from July 1, 2001 through June 30, 2002. Comcast issued more than \$150,000 in credits to customers during the year as a result of problems experienced. For the first time in the history of the Board, Comcast was held in default of the franchise agreement, and liquidated damages were assessed. The Board approved a settlement agreement with Comcast to resolve the liquidated damages issue.

Hagaman mentioned projects that the Board completed during the year. A web site was designed to provide current information to cable subscribers. The Board has a contract with Gorilla Interactive to provide ongoing support for the site.

The Cable Board is in its second year of a three-year contract with Bloomfield Community Television to provide programming for the municipal access channel (MLTV15) and the public access channel (18). Programming on channel 18 increased dramatically. There were 85 municipal meetings produced for MLTV in addition to 40 other community related programs.

The location of Cable Board meetings was changed from the Baldwin Public Library to the Village of Beverly Hills council chambers. As a result, Board meetings are now broadcast live. There has been a total renovation of the mobile production van at a cost of approximately \$125,000. The Board reviewed and recommended a Transfer of the Cable Franchise from Comcast to Comcast/AT&T. All four municipalities approved the Transfer.

The Cable Board is comprised of 13 members representing four municipalities – Birmingham, Bingham Farms, Beverly Hills and Franklin. Birmingham is represented by seven members; Beverly Hills with four members; Bingham Farms and Franklin have one member each. At the end of the fiscal year Birmingham had three vacancies on the Board.

As a result of ongoing problems with cable Internet service, the Board passed a resolution to support local regulation of the service and forwarded a copy to Lansing. There has been no action taken on the request at this time.

Motion by Hollinshead, seconded by Lacroix, that the BACB Annual Report for fiscal year 2001-2002 be submitted to the member municipalities as presented by Hagaman and that a representative of the Board present the report to the governing bodies.

Motion passed unanimously.

Hagaman asked Hollinshead to discuss ongoing efforts to develop a logo for Channel 15. Hollinshead reviewed that, over the past several months, the Board has been looking at designs for a logo for Birmingham area cable television channels 15 and 18. The logo will be able to be used as graphic identity on the mobile production van, web site, cable television broadcasts and stationary. Wilson, Hagaman and Hollinshead have looked at several proposals and have not arrived at an acceptable alternative to present to the Board for consideration. There is a challenge in creating a logo that would reflect not just the channel numbers but also the names of the communities. Hollinshead suggested that the most prudent course of action would be to thank and appropriately compensate the organization retained by the Board to design a logo and continue the search for an agreeable design.

Hagaman commented that she has found a few other companies to consider for assistance in developing a logo. Hirsch has a background in public relations and has volunteered to assist with the endeavor.

Hagaman relayed a conversation she had with a subscriber about the role of the Cable Board and the broadcast of Cable Board meetings. This individual offered suggestions that might assist the viewer who tunes into Cable Board meetings mid-stream. She suggested that the chair indicate the agenda item being discussed periodically during the meeting. It was also suggested to insert a crawl at the bottom of the screen identifying the agenda item being discussed.

Leslie responded that BCTV identifies the meeting as the Birmingham Area Cable Board on the screen. She will look into displaying the agenda item during long discussions.

Hagaman reiterated that it has been suggested that next month's meeting be rescheduled from September 18 to September 25 due to a conflict with the NATOA annual conference being held in Chicago from September 18-21. Members in attendance were polled, and it was determined that a quorum would be available for a September 25 meeting. The rescheduled meeting date will be announced on the Channel 15 bulletin board and on the BACB web site. The meeting date will be posted by member municipalities.

### **MLTV15/PA18 REPORT**

Helwig commented that the PEG access committee met last night at the BCTV facility. Several topics were identified and will be pursued. She repeated an open invitation to Board members or members of the public to tour the BCTV studios.

Helwig announced that expansion and renovation plans for BCTV's studio have been placed on hold indefinitely due to the defeat of Bloomfield Township's public safety millage proposal. Services provided to the Board will not be affected.

Helwig reported on MLTV15 and Channel 18 meetings and programs produced during the last month. Summer has been busy with concerts. Extra programming was done during the election season. Tonia Lordy and Helwig met with the new Community Relations Director for Baldwin Public Library to discuss program ideas. Plans are underway for the Franklin Labor Day Parade.

Helwig distributed copies of a form that BCTV proposes to institute and distribute to people who request that their own tapes be played on channel 18. This form, which is used by surrounding community access studios, will expedite the process and outline responsibilities. It has been approved by Bloomfield Township's legal counsel as well as legal counsel for the other two consortiums.

Currier asked Helwig to add language to the Hold Harmless clause that would include the BACB and its four member municipalities. Helwig concurred.

Helwig commented that BCTV is using the Board's renovated production van, which is working very well. Decks recently purchased for dubs are expediting the studio's dubbing service.

### **BOARD COMMENTS**

Laidlaw reported that the PEG (public, education, and government) access committee met on Tuesday, August 20 between 7-9 p.m. at the Bloomfield Community Television offices. Those in attendance were Arne Anderson, Peter Hollinshead, Kathy Hagaman, Carol Greenslade and himself. Laidlaw had invited Ms. Greenslade, who is a Birmingham candidate for appointment to the BACB and has expressed an interest in local community television. Also in attendance were Leslie Helwig, Jim Gillis and Steve Rota from BCTV.

This was an initial meeting of the PEG committee to familiarize members with the BCTV facility and the function of the committee. There was a tour of the studio and presentation by BCTV staff followed by general discussion on a range of issues. There are no recommendations at the present time.

Hollinshead commented that the meeting was an important and necessary orientation on the BCTV facilities. He looks forward to continued discussions on programming development and improvement.

Currier announced that he and Mr. Salhaney will be conducting a seminar regarding the new Michigan Telecommunications Act and municipal compliance. The seminar is intended for clients of his firm, and Board members will be invited.

Woodard thanked BCTV for its part in the pre-election debates. She was a better informed voter because of those debates.

Delaney suggested that the BACB Annual Report include a page near the front listing the Board members' names and the community they represent.

**PUBLIC COMMENTS**

H. Hildreth Buterbaugh of 18171 Dunblaine in Beverly Hills asked for clarification as to whether a subscriber can receive HBO without a cable box in Beverly Hills and whether the coupons for free pay-per-view movies are usable without a cable box. He thinks that there should have been more explanation given to the subscribers regarding the use of the coupons. DiMaria addressed his questions.

Buterbaugh expressed the view that Comcast has been doing a great job. He suggested that, when Comcast offers something to the public in the future, it should make sure it is something that the public can get.

Motion by Delaney, seconded by Anderson, to adjourn the meeting at 9:52 a.m.

Motion passed unanimously.