

Present: Correa, Greenslade, Hirsch, Hollinshead, Kuhne, Wilson - Birmingham
Borgon, Pfeifer, Pinkos, Woodard – Beverly Hills
Anderson – Franklin
Ettenson – Bingham Farms

Absent: Camp – Birmingham
Delaney – Beverly Hills

Also Present: Hagaman - Executive Director
Currier – Attorney for Cable Board
Helwig – Bloomfield Community Television representative
Martinico - Director of Technology, Birmingham Schools
Beller - 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.

APPROVE MINUTES OF CABLE BOARD MEETING HELD ON DECEMBER 17, 2003

On page one under “Franchise Fee Review”, second paragraph, last sentence, change “hundreds of thousands of dollars” to read “approximately one hundred thousand dollars”.

Motion by Ettenson, seconded by Correa, that the minutes of a regular Birmingham Area Cable Board meeting held on December 17, 2003 be approved as amended.

Motion carried.

FRANCHISE FEE REVIEW

Currier reported that the Board is still waiting for a response from Comcast on unresolved issues with respect to franchise and PEG fee calculations. A meeting with Comcast VP of Government and Regulatory Affairs Michael Parker is planned after the response is received in an attempt to resolve the issue before going to litigation.

Beller responded that Comcast anticipates having a response to the Cable Board by the end of the month. This will be a topic of discussion at the February meeting between Board representatives and members of the Comcast management team.

BIRMINGHAM SCHOOL GRANT REQUEST

Lisa Martinico, Executive Director of Technology for Birmingham Public Schools, stated that the Cable Board has granted funds in the past to Birmingham Schools for cable related activities. With assistance from this Board, the School District has been able to equip its Board of Education room to better cablecast its board meetings, and it has been able to secure funds to equip its high school television studios. Martinico thanked the Board for its past support.

Martinico asked that the Board consider a request from Birmingham Schools for a one-time grant of \$4,000 for the purpose of purchasing editing equipment for Derby Middle School, a DVD player for the Groves High School television studio, and a version upgrade of editing software for three sites (Groves and Seaholm High School Television Studios and the district editing

facility). This grant will benefit students from all of the communities that the Cable Board represents.

Martinico stated that the items would be purchased through a bidding process consistent with state public bidding laws for school systems. She related that Birmingham Schools has made a significant investment in cable related activities and will continue to do so within its budget constraints.

Questions from Board members were answered by Martinico. She outlined what the School District hopes to receive as a result of the passage of the recent bond issues and how that effects availability of funds for equipment in the schools. A portion of the renovation money will be used to replace computer and printer equipment district-wide. It does not involve any cable equipment at this time.

In answer to an inquiry, Martinico stated that she will provide a record of the equipment purchased by the School District through grant money provided by the Cable Board including where it is being used.

Motion by Woodard, seconded by Pfeifer, that the Birmingham Area Cable Board fund a one-time grant of \$4,000 to Birmingham Schools for the purchase of editing equipment at Derby Middle School, a DVD player for the Groves High School television studio, and a version upgrade of editing software for Groves and Seaholm High schools and the district editing facility.

Motion carried.

COMMITTEE REPORTS

PEG Committee

Hollinshead reported that work is continuing on the River Rouge series. Anderson indicated that there is a meeting on the program tomorrow. It is in the final stages of assembly.

The Board has been advised that garage space is needed for its mobile production van. Helwig commented that it would be preferable to house the van in a garage due to the effect of cold weather on the equipment. The lenses fog up going from a cold van into a warm site. Storing the cameras in a separate location involves extra handling and transferring of sensitive equipment. Hollinshead stated that the PEG Committee will attempt to resolve this matter.

Cable Review and Liaison Committee

Hirsch stated that the Review and Liaison Committee did not meet last month but will resume its regular monthly meetings on January 28th. In the new year, this committee hopes to help the Board develop a closer relationship with the Michigan Chapter of NATOA (National Association of Telecommunications Officers and Advisors). The Committee would like to work more closely with NATOA and learn more about the group's lobbying efforts and background. There is an interest in how other cable boards handle their relationships with Comcast and other cable operators. Hirsch will be attending a NATOA Chapter meeting next week.

The Cable Review and Liaison Committee is completing a contact list of elected and appointed officials at the national and state levels who are responsible for cable matters ranging from the Federal Communications Commission and our senators and representatives in Washington to committees in the State legislature in Lansing. As a part of its liaison responsibilities, the Committee wants to communicate more regularly with government officials within the four member communities.

The Committee will make presentations to the Birmingham City Commission and the Franklin Village Council updating them on activities and objectives of the Board. Neither of these two municipalities have a direct liaison with the BACB like Beverly Hills and Bingham Farms do with Dorothy Pfeifer and Mel Ettenson. Subjects could cover efforts to reduce the frequency and amount of rate increases for all cable users and to see special discounted rates for seniors.

These three initial actions: 1) joining with other cable boards through NATOA to have a more powerful voice in shaping our cable destiny; 2) identifying government contacts to whom we can address our concerns, and 3) enhancing local government relationships, are part of an effort to provide the Cable Board with the support needed to become more assertive in dealing with the cable operators who serve the citizens we represent. Individual Boards like the BACB can create static and actually impact cable providers. The Cable Review and Liaison Committee believes that the Board can accomplish more if it is able to unite with others who share its concerns.

COMCAST RELATED TOPICS

Subscriber Complaints

Four service related complaints were received in the last month. Beller reported on the disposition of three complaints indicating that all of the problems have been resolved with credits issued where warranted.

Hagaman commented on copies of two letters of complaint to Comcast from subscribers. A letter received from Dr. Grumet was sent directly to Comcast's community affairs department. Comcast is working on his problem. Beller indicated that Comcast is continuing to work on a service problem described by Mr. Sloan of Birmingham.

Ettenson asked Beller to comment on a remark in Mr. Sloan's letter stating that customers cannot send messages to Comcast on its website. Beller responded that Comcast has a website called www.commentsoncomcast.com. Subscribers can take a survey on their service level at that website and send e-mail through the normal web site or through this customer service web site.

Hirsch asked if Comcast keeps track of the number of service complaints it receives monthly from the consortium communities in addition to complaints received through the Board's complaint process. It was indicated that a quarterly complaint log is provided to the Board from Comcast. Hagaman will check on the status of these reports with Beller.

Monthly Subscriber Statistics

Board members have received Comcast Subscriber Statistics for December 2003. Borgon related that he has heard comments from residents about slow Internet speed and questioned if there is a problem with Comcast high-speed Internet. Beller responded that slow access to a web site is not

directly related to the speed of the Comcast connection. Some web sites are not as efficient as others and cannot accommodate as many visitors. The speed of a website is related to how the web site was designed.

Other Issues

Borgon stated that his recent Comcast bill contained a new channel line-up card that does not reflect last month's change in the line-up. Beller responded that this was a timing issue in terms of when the cards were printed and when the channel line-up notification occurred. Comcast is required to have channel line up cards printed and distributed annually.

EXECUTIVE DIRECTOR'S REPORT

Hagaman asked Board members if there is any interest in conducting a subscriber survey. The last survey was done during the franchise renewal process about five years ago. She asked Board members for their thoughts on the subject. The Board discussed whether to conduct a survey to gather data and ask questions relative to whether subscribers are watching the access channels. There was agreement that surveys can be valuable depending upon what the Board is trying to achieve and how the questions are asked.

Members talked about the best way to do a survey. A suggestion was made to post a questionnaire on the Cable Board web site. Another idea was to put survey questions and a phone number on the access channel and ask viewers to call with their response. It was mentioned that another way to gain information is through focus groups.

There was a consensus that it would be beneficial for members of the PEG Committee and the Cable Review and Liaison Committee to meet and determine what the Board is trying to achieve through a survey and to establish criteria. Each Board member will have an opportunity to add their input to the survey before it is initiated. Hollinshead, chair of the PEG committee, will work with Hirsch's Cable Review Committee on the survey.

MLTV15/PA18 REPORT

Helwig reported that BCTV produced six municipal meetings and one BACB meeting during the last month. Finishing touches are being placed on the River Rouge program. Police Chief Glomb from Franklin visited the studio and renewed his interest in producing programs. Helwig is scheduled to meet with Brian Murphy to continue discussions about Beverly Hills programming.

David Sommerfeld has been working with a committee from the Oakland County Adult Treatment Court to produce a one-time program showing the benefits of "drug court". Helwig recommends that the program be aired on PA 18 and BCTV 15 since it is initiated by Oakland County Circuit Court under the direction of Judge Joan Young.

BCTV produced 16 programs for PA 18 this month. Several upcoming programs are of special interest. Jim Gillis will direct the Martin Luther King Breakfast produced by Birmingham Bloomfield Task Force on Race Relations and Ethnic Diversity scheduled for January 19. Gillis is also in production of "Wall Street Geek\$", which came through the Program Development Committee. "Spectacles", a series about woman's issues produced by Birmingham resident Betsy LaBoe and directed by David Sommerfeld, will be ready for airing soon.

Two volunteer workshops are scheduled for Tuesday, January 27 at 10:00 a.m. and 7:00 p.m. It was decided at the last Program Development Committee meeting to organize workshops for producers who would like in-depth training and coaching.

Borgon requested that Helwig provide the Board with information on the number of hours of programming aired on both access channels breaking out original programming. Borgon commended BCTV for doing a great job on the holiday programming this year.

Ettenson acknowledged Comcast's assistance with producing, editing, and airing a public service announcement for an organization he is involved with called SCORE (Service Corps of Retired Executives sponsored by the US Small Business Administration). He believes that assistance from Comcast on public service announcements is available to everyone.

NEW BUSINESS

Hirsch understands from a recent newspaper article that cable television prices are being raised by Comcast in some southeast Michigan communities. The Board is interested in knowing Comcast's plans for this consortium.

Beller stated that four out of five Comcast customers are not impacted by the recently reported rate adjustment. Comcast is attempting to reach the point of having a consistent annual adjustment. She will keep the Board advised if and when Comcast is looking at a rate adjustment that will impact people in this area. This consortium will not be affected by the recent Comcast rate increases.

In answer to an inquiry, Beller explained that Comcast has inherited a variety of systems through acquisitions and mergers over the years, and those systems were at different levels from an infrastructure capability standpoint. There have been more infrastructure upgrades in some areas than others. Comcast has also inherited a variety of franchise agreements and pricing requirements over a three to five year period. Its goal has been to provide more consistency and continuity across the area.

Woodard commented that it has come to her attention that there are residents of Beverly Hills who think that this Board may not be doing all that it can to bring cable competition to the area. She questioned whether representatives of the Board have contacted Wide Open West (WOW) and requested that it consider providing cable service to this consortium.

Currier provided background on the issue of competition in this area. He stated that Americast was the predecessor of WOW. Americast came before the Board about five years ago with an interest in bringing cable competition to only the communities of Birmingham and Beverly Hills. Their presentation was rejected by the Cable Board on the basis that Americast would not agree to provide service to all of the consortium communities. Shortly thereafter, SBC acquired Americast and announced that it was no longer expanding the cablecast system. WOW acquired the Americast system and stated the position that it was not expanding its service area. WOW actually abandoned franchises where there were agreements but where the system was not built.

Currier stated that no overbuild has been successful. The economies of scale do not provide alternate companies the ability to have all the infrastructure at the same level of service. He added that the rate structure in communities with competition is not significantly different. The 11 member consortium to the east comprised of Royal Oak, Berkley, Ferndale, Troy, etc. has WOW cable service in 9 of the 11 communities. There is not a significant difference in cost between the communities. WOW has been questioned and has said that it would not service other communities in that consortium.

Charter Communication, another cable company north of this area, has also taken the position that it will not overbuild. Currier stated that there are communities that have entertained building their own cable system owned by the municipality. This has only been successful in the State of Michigan in those communities that own their utility systems.

Currier maintains that the problem of getting competition is not a problem of this Board, but a problem of the market. Currier represents the ICCA (Intergovernmental Cable Communications Authority) consortium of 11 communities. He will ask WOW representatives at a meeting scheduled for this afternoon about providing competition to the Birmingham area consortium.

Currier recalled that there was a discussion with Comcast's predecessor over "most favored nation" clauses in the franchise agreement. If competition came into the communities, the cable company wanted to provide service at the same level as the lowest common denominator. Many of the overbuild companies that come into an area state the position that they will not provide public, educational and government access channel programming and will give the community only one percent to provide their own PEG access. The Board's current arrangement with Comcast is to provide three percent to BACB for PEG access.

Beller added that competition is coming, not necessarily from other cable companies, but from other technology platforms including satellite and wireless.

BOARD COMMENTS

Greenslade asked if a report could be generated on the allocation of the Board's grant money in the last year or two. She thinks that there are groups such as senior or youth organizations that may be able to benefit if they knew grant money was available. Hagaman will prepare this report for the Board.

PUBLIC COMMENTS

W. A. Zimmerman of Camelot Court, speaking as a senior citizen, thanked the Board and particularly Ms. Woodard for bringing up the question of competition. He thinks that the Cable Board has an opportunity to do a great service to the citizens of Beverly Hills if they can induce WOW to extend its cable system from Royal Oak into Beverly Hills. He believes that there is a large rate disparity between WOW and Comcast service. He urged the Board to invite competition locally to provide cable and Internet service.

Borgon adjourned the meeting at 8:46 a.m.