

Present: Frishman, Hirsch, Hollinshead - Birmingham
Borgon, Pfeifer, Pinkos, Woodard – Beverly Hills
Ettenson – Bingham Farms
Gallasch – Franklin

Absent: Correa and Kuhne - Birmingham
Delaney – Beverly Hills

Also Present: Hagaman - Executive Director
Gillis – Attorney for Cable Board
Helwig and Gillis – Bloomfield Community Television representatives
Holmes - 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

Motion by Pfeifer, second by Ettenson, that the minutes of a regular Cable Board meeting held on May 19, 2004 be approved as submitted.

Motion passed.

ADOPT FISCAL YEAR 2004/05 BUDGET

The budget document was sent to each of the member municipalities for review. There have been no questions or comments from the government bodies.

Motion by Pfeifer, second by Woodard, to approve the Birmingham Area Cable Board Budget for fiscal year 2004/05 as submitted.

Motion passed.

COMMITTEE REPORTS

PEG Committee

While awaiting a renewal of membership on the PEG Committee, Hollinshead stated that work is progressing on programming issues described at the May meeting with the support and involvement of BCTV. There is nothing new to report at this time.

Cable Review and Liaison Committee

Hirsch related several points to help keep the Board focused on continuing efforts to bring lower cable rates to residents and cable subscribers. The first item is that the federal government should reinstate cable rate regulations that were stripped away by the Telecommunications Act of 1996. The theory was that competition resulting from the legislation would result in a check on rate increases. Hirsch stated that the highest cable rate increases in history have occurred since the Act was passed. A large part of that competition was to come from satellite television, which has not happened. The Cable Board would propose that, when Congress considers revisions to the 1966

Telecommunications Act, it should eliminate any reference to satellite television as a competitive force.

The Cable Review Committee concurs that that Board should support the recent decision of Congress to have a la carte pricing researched by the Federal Communications Commissions (FCC) before taking legislative action. Menu pricing would allow individuals or subscribers to pick the channels they want to pay for and watch. Supporters see it as a way to reduce high prices and to keep unsuitable programming out of their homes. The cable companies are against a la carte pricing. Congress has given the FCC one year to study the matter and report back.

Hirsch recommends that the Cable Board should continue to pursue its previously stated action plan to put a damper on the pricing excesses of the industry. A model resolution pursuing means of persuading Congress and the FCC to place meaningful controls on cable television pricing was forwarded to the four consortium communities. The resolution was adopted by Bingham Farms, Beverly Hills, and Birmingham. It will be on Franklin's Council meeting agenda for consideration.

A sample consumer letter has been drafted by the Committee for use by cable subscribers in contacting Congress and the FCC. The letter states that the Telecommunications Act of 1996 should be revised so that cable companies are regulated as utilities. A copy of the message will be offered to cable subscribers who call the cable office complaining about pricing. Names and addresses of state and national legislative contacts will be provided along with the letter. The letter will be posted on the BACB web site, and communities are encouraged to include it on their web sites.

The Cable Review and Liaison Committee will also work to interest local newspapers in publishing stories about this Board's efforts to reduce cable prices. It is hoped that newspapers will see a benefit to the community of running a survey questionnaire on cable rates that readers can mail to the Board in an effort to gather support.

The Committee proposed that the BACB develop closer ties with NATOA (National Association of Telecommunications Officers and Advisors). The Board could begin by supporting NATOA's lobbying efforts in Washington by contributing to their lobbying fund. Hirsch related plans to urge NATOA to send out copies of the Board's municipal resolution and model subscriber letter to other state chapters across the country so that they can use it to spread the word.

Hirsch stated that the Committee continues to look into the possibilities of webcasting Cable Board meetings and, potentially, meetings of our member governments. Grant Pinkos, who has been leading the research on webcasting, suggests that the technology may be improving and prices may come down in the months ahead. The Committee proposes to put webcasting on the back burner at this time.

COMCAST RELATED TOPICS

Subscriber Complaints

Maria Holmes, who works with the Western Oakland County Cable Communications Authority, was present representing Comcast in Louise Beller's absence. Holmes will relay questions and concerns expressed by the Board to Beller for response at the next meeting.

Hagaman reported that the six complaints received in the last month have all been resolved. Five of the complaints were service related and one concerned pricing. Also included in the Board's packet is a letter sent to Comcast by a subscriber regarding an Internet problem, which is being handled by Comcast.

Pfeifer commented that one of the complaints is from her neighbor. They live in a detached condominium where the grounds are managed by a single crew. Pfeifer questioned why it would take three or four weeks for a crew to return and bury cable after an installation. Holmes will ask Beller to respond to this question.

Hollinshead asked if the situation at Merrillwood Apartments in Birmingham has been satisfactorily resolved. Beller will be asked to follow up on this loss of service and repair.

Monthly Subscriber Statistics

Board members are in receipt of final system statistics for April 2004 and preliminary subscriber statistics for May 2004.

EXECUTIVE DIRECTOR'S REPORT

Hagaman related that Birmingham representative Matt Lund has resigned from the Cable Board due to a possible conflict of interest. Birmingham currently has two vacancies to fill.

Hagaman reported that Hirsch, Frishman, Ettenson and she attended the Michigan NATOA meeting. The meeting was informative and productive.

Board members have received a preview agenda for the annual NATOA conference taking place from September 14-18 in San Francisco. The 2004/05 Cable Board budget includes funds to send two Board members in addition to Hagaman to the NATOA conference. Members interested in attending should contact Hagaman. Borgon commented on the value of these informative sessions and urged a member of the PEG Committee to attend.

At its July meeting, the Cable Board will consider rescheduling its September meeting until the week after the NATOA conference. Election of officers will be held at the next Cable Board meeting.

Hagaman attended the Open House at Comcast's new Plymouth facility. She toured the facility and met many of the Comcast staff.

MLTV15/PA 18 REPORT

Jim Gillis reported on BCTV's plan for coverage of summer concert series in Birmingham, Beverly Hills and Franklin.

Gillis stated that the John Heiney of the Downtown Birmingham Principal Shopping District Board will be coordinating and producing a show about what Birmingham will be doing to host local and out-of-town people during the Ryder Cup, September 14-19. Steve Rota will direct that show to be hosted by Jim Lane. The main focus will be scheduled events in downtown Birmingham with some coverage of public safety issues. It was noted that Bloomfield Township has already done a show on traffic restricted areas and security connected with the Ryder Cup, which could be aired as a supplement to this show.

It was mentioned that the Ryder Cup time frame coincides with the NATOA Conference.

Gillis commented that the Birmingham *In the Park Concerts* have been extended to September 15 in conjunction with the Ryder Cup. Lighting will be an issue because it becomes dark early in the evening in September. Coverage of this concert depends on whether supplemental lighting can be brought in to film the show. This is being discussed.

BCTV will cover the kickoff of Jazzfest in Birmingham on July 15th. Summer in the City returns to the steps of Birmingham City Hall in July and is scheduled for taping through August.

Former volunteer Catherine Yeh, Groves High School graduate and MSU junior who has worked with BCTV, will be hosting interviews connected with the park concerts and will be involved in other programming. Because this is something that Yeh wants to pursue as a career, she will be availing herself as talent for the next few months.

Regarding public access programming, Gillis stated that Gerry Doelle finished a special show done at the BCTV studio with a 12 panel team. Doelle receives quite a bit of publicity for his show *Everyday People*. A new show *The Lex Files* hosted by Board member Lex Kuhne premiered this month. His first guest was motivational speaker Joe Caruso. Gillis stated that BCTV has been working with the head chef at the Community House on a program called *Flash in the Pan*, which will premiere on June 21.

Gillis reported that Roscor installed a direct computer feed switcher into the control room in the Beverly Hills Council chamber. Beverly Hills now has the ability to have all presentations viewed as a direct source feed during live and rebroadcasts of the program.

Gillis reminded everyone of the 20th Anniversary Celebration Open House at BCTV on Thursday, June 17 from 4:30-6:30 p.m. Two volunteer workshops are scheduled for July 1 at BCTV.

NEW BUSINESS

Pfeifer informed the Board that the Beverly Hills Council at its meeting last night reappointed Bob Borgon and Carol Woodard to serve an additional three-year term on the Cable Board with appreciation and recognition given for their dedicated service.

Currier stated that Comcast customers received notice of a change in installation charges with their last bill. At its meeting Monday night, the Birmingham City Commission brought up the notice of change, which includes an increase. They questioned whether Comcast was permitted to do this.

Currier related that the current Franchise Agreement allows Comcast to raise those rates provided they give 30 days notice. Prior to sending the notice to the general public, Comcast is required to send a notice of rate change to the local franchising authority and this Board, which has not happened. Currier would request that the Board entertain a motion authorizing him to send a notice to Comcast that they have not complied with the Franchise Agreement with respect to that notification.

Additionally, customers also received an arbitration notice with the last billing. Currier stated that it is a troubling document for several reasons. It is a unilateral change to the Consumer Protection Ordinance, which also has to be sent to the local franchising authority and this Board simultaneous with its distribution to the general public. Comcast is attempting to confine the subscriber to a binding arbitration agreement with respect to the customer's disputes with Comcast. It does not pre-empt customers from coming to the Cable Board with their disputes. It has what Currier considers to be an illegal clause saying that all customers who do not opt out of this arbitration agreement within 30 days cannot involve themselves in a class action lawsuit against Comcast. He views the notice as illegal, inappropriate and devoid of public policy. Currier questioned why Comcast felt it necessary to eliminate its customers' class action rights across the country.

In the past, class action lawsuits have been brought by consumers with respect to issues like overcharges and late fees. A class action suit is the only economical way to protest certain action. This arbitration notice is attempting to unilaterally strip customers of their class action rights. Currier would also request that the Board entertain a motion that would allow him to put Comcast on notice that the consortium protests both the installation charge change notice because it has been improperly given and the arbitration notice, because it has been improperly given and has improper content.

Hagaman related that, as Bingham Farms Clerk, she received a letter dated June 9, 2004 from Comcast that addressed the installation charges. It basically indicates that a change will be made to the "Install Additional Outlet" charge and that the new price is a decrease. Attached to the letter was a Residential Installation Rate Notice. Currier stated that the Birmingham City Clerk did not receive this notice as of yesterday morning.

Motion by Ettenson, second by Pfeifer, that the Birmingham Area Cable Board authorize Tim Currier to send a correspondence to Comcast placing them on notice for failure to advise this Board of a change in installation charges and of an

arbitration notice in accordance with the Franchise Agreement and Consumer Protection Ordinance.

Motion passed unanimously.

Woodard questioned the fact that Comcast's letter of June 9 focused on one charge that decreased with no information on whether the other installation charges increased or stayed the same. She suggested that the Board address the other charges on the Residential Installation Rate Notice next month when Beller returns. The Board requested a copy of Comcast's 2003 residential installation rate notice for comparison purposes.

Hirsch suggested taking this complaint public. Hollinshead commented that the motion adopted by the Board and Currier's letter to Comcast could form the core of a press release. Currier will provide a copy of his letter to Hirsch in the event that the Board wishes to forward it to public officials in Washington and Lansing.

BOARD COMMENTS

In answer to an inquiry, Currier stated that the resolution to reinstate cable regulation was passed unanimously by the Birmingham Commission without discussion. There were public comments at the end of the meeting at which time two citizens spoke with some conviction in opposition to Comcast rate increases.

PUBLIC COMMENTS

None

CLOSED SESSION

Motion by Pfeifer, second by Ettenson, to go into closed session to discuss confidential attorney/client privileged opinion exempt from disclosure.

Roll Call Vote:

Motion passed unanimously.

Board members and Executive Director Hagaman went into closed session with Attorney Currier at 8:40 a.m. and reconvened in open session at 9:14 a.m.

Motion by Pfeifer, second by Hollinshead, to adjourn the meeting at 9:15 a.m.

Motion passed.