

Present: Correa, Decker, Fredrick, Hirsch, Jones, Tarini - Birmingham
Borgon, Delaney, Verdi-Hus and Woodard – Beverly Hills
Gallasch - Franklin
Ettenson – Bingham Farms

Absent: Frishman - Birmingham

Also Present: Hagaman - Interim Executive Director
Currier - Attorney for Cable Board
Martinico - Director of Technology, Birmingham Schools
Gillis and Helwig - Bloomfield Community Television representative
Valentine – Birmingham Staff Liaison
Pfeifer – Beverly Hills Liaison
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 MEETING MINUTES

Motion by Woodard, second by Decker, that the minutes of a Birmingham Area Cable Board meeting held on Wednesday, March 16, 2005 be approved as submitted.

Motion passed.

RECOGNITION RESOLUTION

Borgon read a Resolution of Appreciation recognizing former Birmingham Area Cable Board member Peter Hollinshead for his distinguished service and extraordinary accomplishments as a member of the Board representing Birmingham from April 2002 through March of 2005.

Motion by Delaney, second by Woodard, to adopt the Resolution of Appreciation recognizing former Birmingham Area Cable Board member Peter Hollinshead.

Roll Call Vote:

Motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Hagaman stated that Birmingham has begun the process of looking for a Cable Board member to replace Peter Hollinshead.

Granicus has submitted a revised proposal to provide web streaming capabilities to Franklin, Birmingham and Beverly Hills. The modified proposal reflects fewer capabilities than the original proposal but is more in line with the Board's budget. Hagaman suggested that Cable Board members discuss whether there is support to pursue the concept and notify the sales person of their decision. She commented that the Board would most likely

go out for bids depending on the number of companies that could provide web streaming service at the same level as Granicus.

Board members had questions about the proposal in terms of whether the communities have the technical capability to proceed with web streaming and whether there will be other expenses involved in preparation for the process. There are a number of inquiries that need to be developed and pursued.

Hagaman reported that the proposal for the MLTV equipment upgrade has been revised to reflect the fact that Jim Gillis will be leaving BCTV and will be unavailable to install the equipment. She recommends that the Board accept Roscor's revised quote, which includes the cost of installation.

The Board's proposed 2005/06 budget was sent to each of the municipalities for review. Hagaman has not received any comments to date. Borgon asked that approval of the budget be placed on the agenda for the May meeting.

PROCEDURE FOR FILLING THE EXECUTIVE DIRECTOR POSITION

Borgon asked for volunteers to serve on a committee to review applications and interview candidates for the Executive Director position. He proposed that the committee be representative of the four consortium communities. The committee will consist of Ettenson from Bingham Farms as chair, Pfeifer from Beverly Hills, Fredrick from Birmingham, and Gallasch from Franklin. Chairperson Borgon will serve on the committee.

The function of the committee will be to review resumes, conduct interviews, and make a recommendation to the Board as a whole on a candidate for the Executive Director position. The committee meetings will be open to the public, which will enable the members to interview candidates and make recommendations.

Borgon stated that he has arranged for Kathy Hagaman to assist the Board through the transition period.

COMCAST RELATED TOPICS

Subscriber Complaints

There were 39 complaints received by the cable office this month with the majority of grievances related to Comcast's April 1 rate increase. Hagaman commended the efforts of customer service representative Ishania Howze, who has been calling each subscriber who submitted a complaint.

Hagaman related that some subscribers have received nearly a \$10 increase in their cable bills. There were a number of seniors who had been receiving senior discounts. Comcast has discontinued a number promotional packages including these senior discounts. There was also a discrepancy discovered on some of the bills that added to the increase.

Hagaman reviewed that the Board met with Comcast management approximately two years ago and asked the company to reinstate senior discounts for all seniors. Comcast

raised concerns with that practice and did not agree to a senior rate. Hagaman thought that senior discounts should continue to be pursued.

Beller explained three occurrences that happened simultaneously. Comcast initiated a price adjustment after mailing notification of its intent to subscribers. In addition, 7% of the customers in this area had old promotional packages or rate codes. Comcast sent those subscribers a letter informing them of the closest package to the expired promotion and urged them to call Comcast for other options. Beller stated that Comcast has been attempting to streamline its system and eliminate inconsistencies that resulted from merging multiple types of billing systems, promotional packages and rate codes from previous cable systems that were acquired by Comcast.

At the same time, about 5% of the subscribers received bills with a clerical error that added \$3.25 to their increase. This error was caught and adjusted by Comcast, and a communication will be sent to those subscribers who received inaccurate bills. Beller commented that there were subscribers who received the normal price adjustment and were also moved from an old package to a new one. In addition, they may have mistakenly received a \$3.25 increase. Beller apologized for that clerical error.

Ettenson commented that the Cable Action Committee developed a recommendation and a format for advising subscribers who are not pleased with the Comcast rate increases and lack of competition. The procedure involves contacting legislators about rates increases with a second course of action being to cancel Comcast service.

Hagaman stated that the Cable Action Committee may want to send these 39+ complaints to Washington. Hirsch will prepare a news release to the local media saying how many complaints were received and the number that were related to the rate increases.

Beller clarified that there is a difference between a customer complaint regarding a standard price adjustment and a complaint that is received as a result of a clerical error or being moved from a discontinued package.

Currier stated that the question was asked at the last Board meeting as to whether there is anything in the Franchise Agreement saying that people have certain rate classifications. There is no reference to rate classifications in the document. He mentioned that, in addition to the contract between municipalities and cable providers, there is a contract between the cable provider and the subscriber. The question is whether these contracts refer to temporary promotions or a permanent rate classification. Those original contracts between a subscriber and the earlier companies have to be honored as a condition of FCC Form 394 transferring control of the franchise.

Currier commented that the Board has discussed the need for senior discounts with Comcast over a period of time. It now has complaints from a number of seniors that their discounts were taken away, which implies a prior rate classification. The original contracts would indicate whether Comcast is obligated to continue the senior rate. If commitments have been made, those obligations must be met.

Gallasch stated that he is offended that there are Comcast representatives who have informed customers that the Cable Board has approved the Comcast price increase.

Borgon affirmed that the Board is not in agreement with the rate increase. He noted that two-thirds of the subscribers in this consortium subscribe to the analog tier while the reasons given for rate increases are due to increased programming costs and improvements to the digital tier.

Ettenson expressed the view that a la carte pricing needs to be brought to the attention of legislators by those subscribers who feel strongly about it.

Hagaman remarked that a continuing problem reported by subscribers is that supervisors do not return their calls.

Hagaman referred to an April 7, 2005 Free Press article by Mike Wendland regarding recent complaints by Comcast high-speed Internet customers about disruptions and slowdowns in their service. The difficulties were a result of Comcast centralizing some Internet functions in two national clusters instead of regional systems. Hagaman reported that there were calls to Comcast that were not answered during that time. The problem was resolved when the Detroit area service was pulled from the national servers and reverted to local servers until the national issues were corrected.

Monthly Subscriber Statistics

There were no comments on the Comcast system statistics for March.

Other Issues

Beller provided Board members with a Customer Complaint Log Summary with a total of 12 complaints within the first quarter of 2005. The complaints were organized by categories: service related, price, field issue and other. Beller reviewed the complaint statistics.

Beller was informed that a report duplicating the complaints received by the Board is not the intent of the complaint log summary that Comcast is required to provide the Board. The Franchise Agreement states that Comcast is to provide the Board with a quarterly report including all complaints received directly by Comcast from subscribers in the consortium.

Beller responded that Comcast is a service organization that receives between 400,000-600,000 calls per month on a variety of topics. The company does not have a system for classifying calls that would distinguish between a complaint about channel content from a question about a customer's package, etc.

Currier stated that the ICCA consortium receives a disk every quarter containing all customer cable television complaints from Comcast. He makes a copy for the municipalities in that consortium.

Beller stated that she understands the request of the Board and will take a look at the format of the customer complaint log.

Beller made announcements of recent Comcast contributions to the community: 1) Comcast is involved in the March of Dimes Kensington Walk; 2) Comcast volunteers in Birmingham were recognized by the Birmingham Youth Coalition and the United Way in the Governor's Honor Roll recognition luncheon on April 18, 2005; 3) Comcast has partnered with the Birmingham Bloomfield Chamber on recent events, including sponsorship of the Legislative Luncheon to be held today.

COMMITTEE APPOINTMENTS

Borgon reviewed that committee appointments are usually coordinated with the Cable Board's July election of officers. Because there are a number of vacancies on the PEG and Cable Action committees, members were asked to indicate their interest in volunteering for one of the committees. Borgon appointed members to the committees as follows:

PEG Committee – Fredrick as chairperson; members: Decker, Frishman, Gallasch and Verdi-Hus.

Cable Action Committee – Hirsch as chairperson; members: Correa, Ettenson, and Jones.

COMMITTEE REPORTS

PEG Committee - the PEG Committee has not met since the last meeting.

Cable Action Committee – Hirsch stated that a function of the Cable Action Committee is to raise issues that were previously discussed but not resolved. At the last meeting, Board member Decker suggested that Comcast be asked to justify its price increases and whether they are market based or due to the direct costs of providing services to viewers.

Beller responded that she cannot provide specific market based breakdown of costs for the four communities. She can speak in general on the number of cost elements including gas prices, personnel, programming, investment in the infrastructure, reliability and maintaining customer service standards. Comcast spends time and money on its business operations, customer service and infrastructure in addition to its programming.

Hirsch commented that Comcast continues to score record profits each year yet the company feels obliged to raise the rates to its customers. He did not think it is necessary for Comcast to raise its rates routinely without justification.

WEB STREAMING – GRANICUS PROPOSAL

Decker stated that he thinks it is appropriate that, at some point in the future, the municipalities should have their meetings available at any time for residents to view. In this fast paced era, setting aside specific times to watch government meetings does not fit into people's schedules, and citizen participation in government suffers.

In response to a remark from Beller on the use of PEG revenue from cable subscribers for a service that benefits non-cable subscribers, Currier expressed the opinion that web streaming would be an appropriate use of Cable Board funds. PEG funds are for the community and not just for the subscribers.

If the Cable Board decides that there is merit in proceeding with web streaming services, Currier suggested that the Board make a recommendation to its member communities. It is ultimately the decision of the communities as to how they want their records kept and their meetings broadcast.

Borgon stated that he is impressed with the proposal and thinks that web streaming of council and commission meetings is a wonderful step into the future. He is aware of the tight budgets of all the communities and understands that the four municipalities will not be able to fund web streaming. Borgon proposed that representatives of the member communities approach their governing bodies with the concept of web streaming to determine their interest before the Board considers underwriting the program.

Members of the Board expressed support and interest in pursuing the web streaming proposal for their communities.

The question of compatibility of the existing systems in the communities was raised. Jim Gillis from Bloomfield Community Television stated that Granicus would hook up the communities to its system based on the assumption that the communities can generate a video signal to do web streaming. Currently, Birmingham is the only community that will have this type of technology in place as part of its ongoing retrofit. Beverly Hills' system will have to be assessed to determine whether it has the ability to provide one more video outlet source to conduct itself over the live Internet feed for web streaming. Franklin's system would have to be re-evaluated, and there is no video signal being generated from Bingham Farms. In order to pursue web streaming, the Board would have to contract with a company such as Roscor to conduct an assessment of the production quality and services that are provided in the four communities. This assessment would determine what it would take to upgrade the four communities to be able to provide this type of service.

It was the consensus of the Board that there is a need for further research and assessment of the communities' web streaming capabilities. Decker volunteered to contact representatives from the communities and to guide the Board through the process of obtaining estimates for the evaluation of the systems of the member communities.

Motion by Etnenson, second by Woodard, to table consideration of the Granicus proposal for web streaming.

Motion passed unanimously.

EQUIPMENT UPGRADE – MLTV 15 – REVISED PROPOSAL

At its last meeting, the Cable Board approved the allocation of funds to Bloomfield Community Television in an amount not to exceed \$8,000 for the purchase of equipment

needed to improve playback capabilities and upgrade meeting coverage with a DVD format. This amount took into account that Jim Gillis would install and integrate the equipment into the existing system.

Gillis informed the Board that he will be leaving BCTV to take a position in Macomb Township and will not be available to install the equipment. Before the Board for consideration is a revised proposal from Roscor that includes installation of the new equipment.

Motion by Woodard, second by Gallasch, that the Cable Board increase the allocation of funds to Bloomfield Community Television in an amount not to exceed \$9,000 for the purchase of equipment needed to improve playback capabilities and upgrade meeting coverage with a DVD format.

Roll Call Vote:

Motion passed unanimously.

Zack Florance from BCTV will work with Roscor in scheduling the equipment upgrade installation.

MLTV15/PA 18 REPORT

Gillis stated that it was a busy month for non-meeting programs for MLTV. This trend will continue as summer concerts kick off in a few months. He commented that BCTV is pursuing programs of a non meeting source for the municipal channel.

The Village of Franklin nature series is being produced by Zack Florance and will premier next week. Steve Rota is working with Joe Valentine on the City of Birmingham budget show. David Sommerfeld helped produce a new Birmingham Historical program titled Automotive Art. The Birmingham-Bloomfield Art Center 2005 Michigan Fine Arts Awards was produced by Zack on March 18th and is airing this month.

BCTV completed a total of 54 programs for playback on PA 18 for this time period. Of this total, BACB residents or organizations produced 10 programs.

Gillis noted that BCTV did a show on both the Birmingham and Bloomfield Schools millage issues coming up for a vote on May 3.

Gillis stated that he will be leaving BCTV to assume the position of broadcast media manager for Macomb Township and develop their new government access channel. He commented that it took this wonderful opportunity for him to leave his position at BCTV.

Borgon stated that Gillis has been an asset to BCTV and to this Board and he will be missed.

OLD BUSINESS

Borgon stated that he is happy to see Birmingham Public Schools receive a grant from the Cable Board to be used for cable production equipment at the district level and at both Seaholm and Groves high schools.

NEW BUSINESS

None

BOARD COMMENTS

Delaney thanked Attorney Currier for providing the Board with his legal opinion dated March 28, 2005 on the Internet question. The Board asked Currier to research whether Comcast is violating the Franchise Agreement or the Cable Act by offering a discounted rate to subscribers who purchase both cable and Internet services. Currier's opinion was that they are not.

Valentine stated that the cable equipment for the Birmingham Commission chamber upgrade has been ordered. The first aspect of the project will be lighting improvements scheduled for mid May. The balance of the equipment will be shipped at the end of May and installed in early June. The new system should be operational in mid June.

Ettenson will keep Board members informed on the progress of the search to fill the Executive Director position.

The meeting was adjourned at 9:32 p.m.