

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

Absent: Correa – Birmingham

Also Present: Hanson, Executive Director
Currier, Attorney for Cable Board
Antuna and Helwig, Bloomfield Community Television representatives
Beller, Comcast representative
Pfeifer, Beverly Hills Council 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 Ettenson, that the minutes of a Birmingham Area Cable Board meeting held on Wednesday, September 21, 2005 be approved as submitted.

Motion passed unanimously.

PLANTE-MORAN 2004/2005 AUDIT REPORT

Monika Lesinski from Plante & Moran presented the audit report of BACB financial statements as of June 30, 2005. The Board received a clean report.

Lesinski remarked that this is the second year that the provisions of the Government Accounting Standards Board (GASB) Statement No. 34 have been applied to the financial statements. The resulting document presents financial reports including both the modified and full accrual basis of accounting. Questions and comments from Board members were addressed by Lesinski. Copies of the audit report are on file at the Cable Board office for public review.

Lesinski reviewed the August 5, 2005 letter of comments and recommendations that accompanies the audit report. In performing the audit, Plante & Moran reviews internal controls that are in place and makes recommendations. The letter noted two matters that were considered reportable conditions. Bank reconciliations should be performed on a monthly basis in order to discover any errors or irregularities in a timely fashion. To further strengthen controls, reconciliations should also be reviewed by someone independent of the reconciliation process. Hanson remarked that this issue has been resolved. The interruption occurred during the change in the Executive Director position.

Lesinski noted that there were several variances between amounts budgeted and final actual expenditures in the current year. Since the budget process includes a great deal of estimating, it is not unusual for significant variances to develop. The auditors recommend that the Board monitor expenditures and appropriately amend the budget so that it can serve as an effective management control. Borgon thanked Lesinski for her report.

COMMITTEE REPORTS

PEG Committee

Committee chair Fredrick combined the PEG Committee report with his NATOA Conference report. He learned at the conference that many cable boards only program one channel, the government channel. The educational channel is handled by the local Board of Education, and many communities have either no public access channel or have another entity handle it. The fact that this Board programs two channels, government and public access, demonstrates that it is more ambitious than many communities.

The PEG Committee has two goals: 1) to increase the number of programs relevant to our area, and 2) to increase awareness of its channels among our citizens. A current initiative is to develop a clear identity for Channel 18. The Board has authorized an expenditure for equipment that will allow for a separate bulletin board apart from Bloomfield Township with our Channel 18 logo appearing on the screen. In addition, the Board is working towards providing 24-hour programming on Channel 15 to make content more available to the audience.

Fredrick reported that Bob Borgon, Tom Hanson and he met with BCTV staff last Monday to review program priorities. It was suggested that Board members maintain a relationship with their municipalities to obtain community information that can be emailed to BCTV for inclusion on the bulletin boards. Fredrick requested that members watch our channels in order to provide feedback to the PEG Committee.

Fredrick stated that his NATOA report relates to audience surveys and programming sources. An audience survey would be limited to determining the general awareness and usage of channels 15 and 18. The possibility of conducting a survey has been discussed and discarded at this time on the basis that it is probably impractical. Fredrick reported that survey results that have been taken for government channels indicate that 84% of viewing is a result of channel surfing. Another interesting finding is that the most watched programs on the government channel are municipal meetings and not concerts or documentaries. The highest viewership is during prime time (5 pm to 11 pm) despite network competition.

Fredrick touched on the topic of other program sources. These include programming from other markets or film festivals available at little or no cost. The problem is that this programming may not be as relevant as local programming. Fredrick suggested that a music background played on the bulletin board may draw viewers. There is a company that will provide local weather and traffic for our channel. It was learned that many communities use their council chambers as studios.

Cable Action Committee

Hirsh reported that the Cable Action Committee did not meet formally last month. The committee has been asked to help publicize the need to send individual letters and emails to local representatives in Lansing regarding the Michigan Telecommunications Act rewrite. Hirsh asked for the assistance of Brian Jones, who was a legislative aide in Lansing for many years and worked on the rewrite of the current Michigan Telecommunications Act. He distributed a memo including recommendations from Jones for the Board's individual and collective action.

Jones outlined his suggestions for contacting legislators in terms of letters, faxes, and emails to legislators and possibly sitting in on some of the committee hearings. Ettenson commented on the importance of the Cable Board adding its voice to influence legislators in terms of the Telecommunications Act. He will work with Fredrick and Jones on this.

Pfeifer questioned the timeline on the rewrite of the Telecommunications Act and was informed that hearings are taking place today. The Board can expect a series of opportunities to represent the consortium at the federal and state legislative level.

Ettenson suggested that Jones and Hanson frame a resolution for consideration by the Board to be forwarded to state and federal legislators in support of local control of municipal broadband and cable franchising. It was also suggested that the governing bodies of the member communities adopt a resolution to be sent to Legislators. Beverly Hill has adopted such a resolution.

Motion by Jones, second by Ettenson, that the Birmingham Area Cable Board adopt a Resolution in support of the of the positions of the Michigan Municipal League and PROTEC in its efforts regarding State and Federal pending legislation that may impact local control of municipal broadband and cable franchising and forward copies of the Resolution to the House and Senate Representatives from the four consortium communities.

Motion passed unanimously.

Ettenson questioned the status of the municipalities' agreement with the Cable Board joining the PROTEC organization on behalf of the consortium communities. He noted that Bingham Farms is already a member.

Hanson related that he has been in contact with Joe Valentine and Birmingham City Manager Tom Markus, who have indicated their support of the Board's membership in PROTEC. Hanson is in receipt of an invoice from PROTEC for its membership at a cost of \$4,211.87, to be paid by the Cable Board. Confirmation was requested from the Villages of Beverly Hills and Franklin for the next meeting.

COMCAST RELATED TOPICS

Subscriber Complaints

Hanson reported six complaints in the last month with most of them involving field techs making additional visits that did not solve the subscriber's problem. Problems ranged from poor reception/intermittent service to unsightly exterior cable to poor customer relations/service. Comcast representative Beller indicated which complaints were still pending due to work on intermittent issues.

Hanson noted that he received five additional complaints in the past few days and that missed appointments is becoming a leading complaint. Beller commented that there is a process in place to provide the customer with a credit for a missed appointment. She has been working with the Comcast technical manager to determine if anything needs to be addressed to better manage the

operation in terms of following proper procedures. Comcast has stepped up its training efforts with respect to outside contractors.

Board members questioned whether there are also issues in terms of capacity and scheduling. It was stated that it is unacceptable for subscribers to be on the phone for 30 minutes or longer waiting for someone at Comcast to answer the phone.

Beller was asked if Comcast is meeting ordinance requirements for answering the phone at call centers. Beller responded that quarterly statistics will be made available to the Board in December. There has been a reduction in the 90% service level in terms of answering calls in 30 seconds during the past quarter. Comcast has increased its hiring to 15% in order to staff the call center. Comcast has announced the addition of 200 customer service positions at its Macomb Call Center. Beller assured the Board that Comcast is working on service and staffing levels. A new vice-president of customer service has been hired recently.

It was brought to Beller's attention that Comcast is violating the Consumer Protection Ordinance with respect to missed service windows and answering telephone calls within the proscribed time. She was advised that the Board will be considering liquidated damages if these problems are not addressed soon.

Beller will provide a quarterly report at the end of December that will report on service levels. The Board will review the report and take action in terms of liquidated damages in early 2006 if it is not satisfied with the progress being made by Comcast.

Beller addressed questions from Board members regarding problems with subcontractors, answering phone calls in a timely manner, and directing phone calls to the appropriate person. At the request of the Board, she will provide information on overflow call usage in this area.

In a follow up to Complaint #05-88, Ettenson asked if Comcast has sent a letter to the subscriber stating that the Social Security Number requirement is not legal and this information will not be requested of customers. Beller did not realize that a letter was to be sent to the subscriber. She has confirmed that the policy of not asking for this information is in place.

Hanson asked Beller to comment on the Service Call Center issues and field tech problems as they relate to the program rollout by Comcast. It was mentioned by Comcast corporate people at the NATOA Conference that the company is initiating a program across the nation called "Customer First". Beller will provide the Board with information on this internal initiative. It involves a comprehensive metric system to evaluate everything from the technical operation to the call center experience with the goal of providing the best customer service in a competitive market.

Beller clarified an issue regarding a recent complaint from the Williamsburg Condominiums and the complaint process that is in place. She will be writing letters to the appropriate parties to reinforce the procedure for resolving issues through Comcast first.

Elaine McLain from Birmingham was present to follow up on complaints voiced at the September Cable Board meeting. She has communicated with Tom Hanson but has not heard from Comcast regarding her service problems. McLain described her service issues and those of her neighbor. She read an email received from another subscriber with service problems, missed appointments, and failure to return calls. McLain expressed the view that everyone deserves access to Comcast customer service people without a 30 minute wait. McLain related repeated attempts to contact Comcast on behalf of her parents through the Comcast web site. She was informed that the parties must call Comcast.

McLain suggested that residents contact competitors for television service such as Direct TV and Dish Network. She concluded that Comcast cable service is getting worse and it is unreasonable to pay the prices asked by Comcast for their product.

Monthly Subscriber Statistics

There were no comments on the Comcast system statistics for August and September.

Other Issues

Beller referred to the Comcast Birmingham Area Cable Board Report dated October 19, 2005.

EXECUTIVE DIRECTOR'S REPORT

Subscriber complaints were discussed earlier. Hanson stated that the Board received a thank you from Franklin resident Shoula Schumaker, who is now satisfied with the signal into her home after years of intermittent reception problems. Also, Beverly Hills resident Don MacDonald thanked the Board for its assistance in resolving his issues with Comcast.

Hanson commented that a number of Comcast subscriber bills have been delivered to the BACB Post Office box in error. This is caused by subscribers inserting their bills backwards into the Comcast envelope so that the Cable Board address is displayed. It has been suggested that a bar code be printed on both sides of the bill, which would result in the bill being delivered to the proper location. Beller will inquire as to what can be done in terms of the bar code and provide the Board with a response.

Hanson attended the NATOA Conference in Washington D.C. last month, the October 12 PEG Committee meeting, and a meeting with Secretary/Treasurer John Decker. A meeting is planned with BCTV staff to review the production van. Hanson reported on payments made in the last month.

MLTV15/ PA 18 REPORT

Leslie Helwig reported that BCTV taped six municipal meetings during the last month. A special program co-sponsored by the Birmingham Youth Assistance was taped, *Today's Children: Over Protected and Over Managed*. BCTV also taped the fourth of a four-part series sponsored by the Birmingham Historical Museum, *How to Care for Your Valued Possessions*. Another interesting program in the works by David Sommerfeld will be about the Greenwood Cemetery.

BCTV taped 27 programs for PA 18 this month. Three were specific to the Birmingham area:

<i>Spectacles</i>	Birmingham producer Betsy Laboe
<i>Living the Moment</i>	Senior Women's Club
<i>Talk of the Town</i>	Birmingham producer Jim Lane

BCTV has been researching bulletin board operations and options for PA 18 at the request of the PEG Committee. Bids have been received for bulletin board system and a report is being finalized. Helwig asked Board members to give some thought to the content that they want on this bulletin board.

The Program Development Committee will meet on November 1 to consider four new programs. A volunteer workshop will be held on Wednesday, October 26 at 10 a.m. and 6:30 p.m.

2005 NATOA CONFERENCE REPORTS

The National Association of Telecommunications Officers and Advisors (NATOA) is a national association that represents the telecommunications needs and interest of local governments and those who advise local governments. Borgon related that four people from the Cable Board were sent to Washington D.C. to attend this year's NATOA Conference. Copies of their reports have been distributed to Board members.

Hanson indicated in his report that Washington D.C. served as the perfect place for the conference given the regulatory climate surrounding the proposed congressional rewrite of the Telecommunications Act of 1996. This rewrite is in response to current advancements in digital technologies such as IPTV (Internet Protocol Television), increased fiber deployment and new digital compression schemes. It is also due to telephony's entry into video delivery, which utilizes all of these advancements. The proposed legislation is potentially detrimental to local government control and authority over its own rights-of-way, franchising agreements, enforcement powers and access to marketplace and advancements among others.

Elements such as franchise revenues and universal service to residents as well as the ability to continue providing the best local law enforcement communications and homeland security communications are at risk from phone carriers, as they are now entering the video content market and desire to deregulate the marketplace and remove local franchising requirements.

The strategy of the four BACB representatives at the NATOA Conference was to cover all bases – lobbying, programming, technical and regulatory. Hanson reported that the four Board representatives covered all essential areas providing a strong representational presence for the consortium communities and forging strong networking connections to the benefit of protecting and continuing municipalities' rights to govern their own properties and enforce their own agreements with video carriers.

Hanson presented detailed information on the meetings held with elected officials and legislative aides, regulatory sessions attended, and the technology showcased at the conference. The Executive Director's NATOA report in its entirety is available for public review.

Hanson concluded that the Board has a mission to enforce its contract with Comcast while seeking ways to encourage and invite competition. Digital technologies should be deployed in a

way that protects local governments and enhances the quality and safety of our residents' lives and protects the revenues municipalities receive in exchange for permitting telecom companies to do business within the municipal rights-of-way.

Board member Frishman concurred with Hanson's comments with regard to the programs and meetings with legislators. She observed support among the NATOA members in terms of endorsing local control and property rights.

Local governments around the country welcome competition in terms of the long awaited entry of telephone companies into the video, voice, and data marketplace. However, municipalities do not want to lose all control over these new entrants to the federal government. All cable providers should be required to enter into a cable franchise agreement with the municipalities if they want to use that city's public rights-of-way. Many legislators have co-sponsored or are proponents of bills/laws that would eliminate local franchise agreements and put the federal government in control.

Frishman related that the legislators and aides gave BACB members quite a bit of their time during the week of the NATOA Conference. They provided direction on how they can be motivated, which is by having their constituents contact them repeatedly to remind them of this particular legislative goal. Constant communication with legislators through letters, emails, and phone calls is necessary to persuade them to act on our behalf. Our legislators must be reminded that this consortium supports local control in order to maintain franchise fees, PEG support and homeland security.

Brian Jones reported that much of the emerging technology will be addressed in the upcoming legislation. A major topic was the return of the digital spectrum in terms of first responders use for emergency services. One of the issues with that is whether it will happen before the current federal legislation moves forward. Other topics of discussion at the conference were:

- Emerging technologies' effect on right-of-way and tower siting issues. Jones will provide Board Attorney Tim Currier with summaries of lawsuits and other information he picked up at the conference.
- Federal or local government control over many of these issues has yet to be determined.
- Converter boxes – will the government help citizens pay for them?
- Cable operators vs. broadcasters – should cable operators pay broadcasters for broadcast signals transmitted over the airways?
- Effective communication of emergency services - Standards for use and sharing technology
- Senator Lautenberg (New Jersey) is sponsoring SB 1294 that would protect local governments' ability to offer broadband.
- Whether broadband will be available over electric power lines
- IPTV is a new emerging technology. Issues include intellectual property rights, privacy and distribution of this technology.
- Google is promoting a wireless network in San Francisco.

Hanson clarified that IPTV is an Internet protocol that would deliver television through a set-top box. Borgon thanked the members for their reports on the NATOA Conference.

Currier commented that there is a provision in our franchise agreement that says that, if this consortium grants another franchise with more favorable terms, those terms have to be given to Comcast. If the consortium is not the party granting the franchise and it is being imposed on the communities by another party and does not affect the Comcast franchise, this Board should not give up the position that it did not grant a franchise and, therefore, the “favored nation” clause does not apply.

Hirsch asked how Board members can keep on top of breaking developments with respect to Telecommunications legislation. Hanson indicated that he receives daily updates from MML and PROTEC, which he will pass onto Board members via email.

OLD BUSINESS

Decker commented that he has been asked to look into the webstreaming issue for the Village of Beverly Hills. He has contacted Birmingham’s provider, Power Stream, who will get in touch with Beverly Hills to receive the technical specifications necessary to provide a quote. Beverly Hills will then decide whether it wants to bring a proposal before the Board for funding.

NEW BUSINESS

Gallasch questioned whether it is appropriate for this Board to produce a series of postcards for distribution to municipal offices and concerned citizens who wish to contact local politicians regarding pending Telecommunications legislation. Currier will look into whether there are any prohibitions relative to this body producing cards for distribution to the public.

BOARD COMMENTS

None

PUBLIC COMMENTS

None

The meeting was adjourned at 9:54 a.m.