

Present: Heldt, Kelly, McAlear, McLain - Birmingham
Borgon, Heyman, Schneider, Verdi-Hus – Beverly Hills
Ettenson – Bingham Farms
Stakhiv – Franklin

Absent: None

Also Present: White - Executive Director
Currier - Attorney for Cable Board
Rota - Bloomfield Community Television
Galbraith – Birmingham Schools representative
Fred Eaton – Comcast representative

McLain 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 OCTOBER 15, 2014

Motion by Heldt, second by Ettenson, that the minutes of a regular Cable Board meeting held on October 15, 2014 be approved as submitted.

Motion passed.

PUBLIC COMMENTS

None

GRANT REQUESTS – VILLAGE OF FRANKLIN

Franklin Village Administrator Jim Creech was present with a grant request. He referred to a letter dated October 31, 2014 that includes support documentation for the \$2,000 grant issued in 2013/14 for web support. He is requesting a grant of an additional \$700 for costs incurred in 2013/14.

Creech related that Franklin did not spend the entire amount of grant money awarded last year for the Mindmixer program setup, installation and maintenance totaling \$3,500. For various reasons, the program was stopped after eight months with \$2,000 expended. A check for the remaining \$1,500 will be returned to the Cable Board.

At this time, the Village of Franklin is respectfully requesting consideration of a \$4,000 grant to offset costs associated with the website and Village Hall Comcast related costs for 2014-2015. A second proposal is a request for a \$2,300 grant to fund Comcast services at the Kreger House for community use.

Motion by Borgon, second by Stakhiv, that the Birmingham Area Cable Board approve a grant in the amount of \$7,000.00 for Village of Franklin website support and for Comcast related costs for its Village Hall and for the Kreger House in 2014-15.

Roll Call Vote:

Motion passed (10 – 0).

AUDIT PRESENTATION

Ali Hajazi and Spencer Tawa from Plante & Moran presented the audit report of the Birmingham Area Cable Board financial statements as of June 30, 2014. The Independent Auditor's Report indicated that the Cable Board's financial statements received an unmodified audit opinion for 2014, which means that the financial records are in accordance with accounting rules.

Spencer Tawa used the SmartBoard to present an overview of the financial statements and supplemental information. Mr. Hajazi reviewed the Management Letter from Plante & Moran and referred to only one item related to year-end accounting adjustments. Questions from the Board were addressed by Hajazi.

McLain thanked Hajazi and Tawa for their presentation. The audit report will be forwarded to the member municipalities. The Financial Report is available for public review in its entirety through a link on the Birmingham Area Cable Board website.

CLOSED SESSION FOR AN ATTORNEY/CLIENT PRIVILEGED COMMUNICATION PURSUANT TO SECTION 8(h) OF THE OPEN MEETINGS ACT

Motion by Borgon, second by Schneider, to go into closed session at 8:08 a.m. to review an attorney/client privileged communication pursuant to Section 8(h) of the Open Meetings Act.

Roll Call Vote:

Motion passed (10 – 0).

The meeting reconvened in open session at 8:53 a.m.

CONSIDERATION OF APPLICATION FOR FRANCHISE AUTHORITY CONSENT TO TRANSFER CONTROL OF CABLE TELEVISION FRANCHISE (FCC FORM 394) FROM COMCAST TO NEWLY FORMED COMPANY (MIDWEST CABLE, INC./GREATLAND CONNECTIONS, INC.)

Cable Board Attorney Tim Currier provided background information on this agenda item. The Cable Board has been endeavoring to review the FCC Form 394 Application that was filed by Comcast on June 17, 2014. Comcast is seeking franchise authority consent to transfer control of its franchise to Midwest Cable, which will later be known as GreatLand Connections, Inc.

In this regard, Beier Howlett has undertaken several meetings described in a letter of November 10, 2014 to the Cable Board. Written inquiries for additional information were made on July 11; a response was received from Comcast on July 24, 2014. Comcast representative Fred Eaton has been in constant telephone communication with Currier. On September 15, 2014 Leslie Brogan sent a proposed redlined Resolution for Consent of the Transfer with Conditions to Mr. Currier. Ms. Brogan attended the September 17, 2014 Cable Board meeting, at which time she and the Cable Board agreed to a 30-day extension to consider the Form 394 application. On October 1, 2014, the Cable Board responded to Ms. Brogan's proposed Resolution with a revised Resolution.

On October 9, 2014, Currier was informed via a telephone conversation with Mr. Eaton that a supplemental filing on the transaction would be filed with the SEC on October 31, 2014. The

Cable Board requested an additional month extension to review this filing. On October 13, 2014, Mr. Eaton provided Currier with supplemental information that was provided to Meridian Township.

There was a meeting with Mr. Eaton and Ms. Brogan on October 23, 2014 regarding the settlement of the Detroit v. Comcast litigation. Additional communication was received from Mr. Klayton Fennel from Comcast on October 23 regarding Comcast's position on the extension and also the Detroit v. Comcast legal position. On October 31, 2014, Form S-1 was filed with the Securities Exchange Commission further detailing the transaction with Midwest Cable. On November 18, 2014, Currier and McLain met with Mr. Michael Willner, who is expected to be appointed President and CEO of GreatLand Connections post transaction.

Currier outlined the possible actions the Cable Board can take regarding this Transfer of Control. He clarified that the Cable Board will be forwarding a recommendation to its constituent communities of Birmingham, Beverly Hills, Bingham Farms and Franklin.

- Consent to the transfer without conditions;
- Failure to take any action prior to the expiration of the 120 day period from the LFA's receipt of the Application for Consent, in which case, consent will be deemed unconditionally granted unless the LFA applicants agree to an extension of time;
- Disapprove the application. It expressly provides under the Franchise Agreement and it is presumed under applicable law that the LFA may not withhold its consent unreasonably and must have reasonable grounds for disapproval;
- Consent subject to reasonable conditions.

Currier noted that, because of the settlement of the Comcast v. Detroit case, Comcast's position is that consent is no longer required and that the only requirement is that Comcast give notification of the Transfer within 15 days of the Transfer's completion.

This transaction involves the merger between Comcast and Time Warner. In order to do this transaction and satisfy the 30% rule, Comcast and Time Warner have to divest themselves of a certain amount of customers to meet that requirement. They identified the footprint of the Birmingham Area Cable Board area in the state of Michigan as a region that could be spun off to an independent company. The independent company was initially called "SpinCo" and is now known as Midwest Cable, Inc. The formal name of the company will be changed to GreatLand Connections, Inc. effective post transaction.

Pursuant to the Agreement, Comcast will transfer control, which is the subject matter of the 394 Application, to GreatLand Connections, Inc. After the consummation of the transaction, Comcast will have no ownership interest in GreatLand Connections, Inc. Charter will form a new holding company ("New Charter") that will obtain an approximate 33% stake in GreatLand Connections. Comcast shareholders, including former Time Warner Cable shareholders, are expected to own in the aggregate the remaining approximate 67% stake in GreatLand Connections. GreatLand Connections will be a publicly traded company.

Currier listed the documents and letters that have been reviewed by Beier Howlett on behalf of the consortium communities. He related that the three areas the communities may opine upon are whether the proposed transferee, which is Midwest Cable, is technically qualified, legally qualified (at the local level) and financially able to take over this franchise. Currier discussed these three issues. He proposed that the Cable Board pass a motion recommending to its member communities a Resolution granting the Transfer of Control of the Cable Television System from Comcast to Midwest Cable. Currier reviewed the conditions of transfer contained in the proposed Resolution.

Motion by Heldt, second by Ettenson, that the Birmingham Area Cable Board recommend to its constituent communities of Birmingham, Beverly Hills, Bingham Farms and Franklin adoption of a Resolution Granting Consent to the Transfer of Control of the Cable Television System from Comcast to Midwest Cable pursuant to the Conditions Precedent and Conditions Subsequent contained in the Resolution submitted by Timothy J. Currier, Attorney for the Birmingham Area Cable Board.

Roll Call Vote:
Motion passed (10 – 0).

The Resolution forwarded to the member communities reads as follows:

**RESOLUTION GRANTING CONSENT TO THE TRANSFER OF
CONTROL OF THE CABLE TELEVISION SYSTEM**

WHEREAS, Comcast of Colorado/Florida/Michigan/New Mexico/Pennsylvania/Washington (Comcast) is a current cable franchisee for the Local Franchising Authorities within the Birmingham Area Cable Board (BACB); and,

WHEREAS, Comcast and Midwest Cable submitted an application on June 17, 2014 for Franchising Authority Consent to the transfer of control of the cable television franchise; and,

WHEREAS, the Local Franchising Authority is relying upon such information as contained in the FCC Form 394 application, documents, and additional information provided by Comcast and acted upon the application and such information for Franchising Authority Consent. The Local Franchising Authority intends to consent to the transfer of control subject to the acceptance of the terms and conditions set forth herein with the hope that such consent is in the best interest of the Local Franchising Authority.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Local Franchising Authority does hereby consent to the transfer of control of the Franchisee from Comcast to Midwest Cable, LLC in the manner described in the Agreement and Plan of Merger dated April 25, 2014, subject to the following conditions precedent and conditions subsequent:

Conditions Precedent

- a) The written representation by Comcast that it will promptly notify the Local Franchising Authority, in writing, of any change in service or operation in the cable system serving the Local Franchising Authority's community and/or change in the personnel directly responsible for the operation of the cable system in contemplation of, or as a result of consummation of the Agreement and Plan of Merger; and,
- b) The prompt and proper remediation of all existing defaults, if any, under the current Cable Franchise Agreement with Local Franchising Authority, pursuant to PA 480 of 2006 or other applicable law, as may be specified in writing by the Local Franchising Authority; and, the representation in writing by Comcast that it has no knowledge of any defaults except those that are identified by it; and,
- c) The Transferee agrees in writing to accept and be bound by the lawful terms and conditions of the Franchise Agreement and the cable regulatory ordinances, pursuant to PA 480 of 2006 or other applicable law. This Resolution is without prejudice to the right of the Local Franchising Authority, Comcast, and Transferee to take positions with respect to what constitutes applicable state law; provided, however, that in all instances, the Transferee will assume all lawful obligations of such franchise.
- d) All prior written agreements between the Franchisee and the Local Franchising Authority and any of the Local Franchising Authority's member communities, apart from the Franchise Agreement, shall remain in full force and effect, until such time as proper written notice is provided to change such terms and conditions and the Transferee shall cause the same to be honored by the Franchisee.
- e) The written representation by Comcast that all franchise fees that are currently due the Local Franchising Authority have been paid in full and on time.

Conditions Subsequent

- a) The Local Franchising Authority's approval shall be voidable if the Agreement and Plan of Merger is not consummated by August 31, 2015, or such Agreement is terminated prior to that time without the same having been consummated; and,
- b) The Transaction itself does not require any rate increases. To the extent that rate changes are made in the future, Midwest Cable will provide customers and the LFAs with reasonable notice of any such changes.

Grant of Consent

The Local Franchising Authority's grant of consent to the transfer of Comcast, to Midwest Cable, LLC pursuant to the Agreement and Plan of Merger dated April 25, 2014 shall be effective immediately subject to the above conditions, and further requires Comcast to notify the Local Franchising Authority promptly upon the closing of the transaction described in the

aforementioned Agreement and Plan of Merger. The Local Franchising Authority is hereby authorized to enter into, execute and deliver in the name of the Local Franchising Authority a certificate along with such other documents as may be necessary evidencing this Resolution without further act or Resolution of the governing body.

Fred Eaton from Comcast thanked the Cable Board for the effort and thoroughness that went into their review of the Transfer Agreement and for its recommendation of consent. Carrier mentioned the level of cooperation received from Fred Eaton and Leslie Brogan; they have been candid and responsive.

Members Heldt, McAlear and Borgon left the meeting at 9:08 a.m.

COMMITTEE REPORTS

Cable Action Committee

Verdi-Hus reported that the Cable Action Committee met on Thursday, November 6 and reviewed website updates and modifications. She mentioned that WOW customers will be receiving BAPA/BAMA programming, which will be added to the website. Executive Director White will complete and submit the annual State of Michigan Department of Licensing and Regulatory Affairs Franchise Entities Survey.

The next Cable Action Committee meeting will be on Thursday, December 4 at the Baldwin Library at 5:30 p.m.

PEG Committee

No report.

EXECUTIVE DIRECTOR'S REPORT

Executive Director White stated that four new complaints were received since her last report. Two complaints that involved billing issues with Comcast and WOW have been resolved. A Franklin resident had problems with burying Comcast wires; that work has been completed. A complaint from a Birmingham resident relative to terminating services was resolved.

The Executive Director's report included financial information from the last month. White stated that she completed and submitted the Annual Franchise Entities Survey. This survey attempts to track the impact of Public Act 480 with regard to such matters as cable/video services competition, service quality, number of complaints, PEG studios and equipment, etc. We have emphasized in the survey that, while PA 480 was meant to invite competition, improve customer service, and expand technological advancements, customer service disappointments continue and competition is not available to all consumers. In addition, price points are constantly changing and PEG channels are still not treated the same as the broadcast channels.

Comcast has notified the Cable Board of channel changes effective December 15, 2014.

PROVIDER RELATED TOPICS

Comcast

Fred Eaton had no further comments.

AT&T

There was no representative present. McLain noted that AT&T is expanding its service into some multi-tenant units.

WOW

There was no representative present.

BAPA/BAMA REPORT

Steve Rota highlighted programming outlined in the written report from Bloomfield Community Television on programming taped for Municipal Channel 15 (BAMA), PA Channel 18 (BAPA), and programming from BACB area organizations during the last month (information included in BCTV monthly report for October 16, 2014 through November 19, 2014).

Rota mentioned that BCTV staff looks forward to covering winter high school sporting events starting in January of 2015. Galbraith thanked the Cable Board for its support with broadcasting high school athletic events.

There were ten residents in attendance at the last camera workshop. Of those, six people expressed interest in producing their own show. No program proposals have been submitted at this time. The next camera workshop has been scheduled for Tuesday, January 27, 2015 from 10:00 am to noon or 6:30 pm to 8:30 pm. Call 248-433-7790 to sign up.

OLD BUSINESS

McLain reported that she attended the AVI Tech Conference. The focus was on how everything is going mobile; connecting with the consumer is in fashion. McLain anticipates attending an upcoming Rotary Club meeting to inform the audience about the Birmingham Area Cable Board and how it can be a resource to member communities.

NEW BUSINESS

None

PUBLIC COMMENTS

None

BOARD COMMENTS

None

The meeting was adjourned at 9:26 a.m.