

BIRMINGHAM AREA CABLE BOARD MEETING

Wednesday, September 17, 2014 at 7:45 am

\*\*\*Village of Beverly Hills\*\*\*

18500 West 13 Mile Road

Council Chamber

**~AGENDA~**

1. Roll Call
2. Approve Meeting Minutes For Cable Board Meeting of July 16, 2014-M
3. Public Comments
4. Grant Request- Village of Bingham Farms- M
5. Grant Request-BASCC-M
6. Grant Requests(3)-Village of Beverly Hills-M
7. Adoption of Resolution Authorizing Transfer of Control from Comcast to Newly-Formed Company-M
8. Committee Reports
  - a. Cable Action Committee
  - b. PEG Committee
9. Executive Director's Report-M
10. Provider Related Topics
  - a. Comcast
  - b. AT&T
  - c. WOW
11. BAPA/BAMA Report
12. Old Business
13. New Business
14. Public Comments
15. Board Comments
16. Adjourn

PEG Committee meeting immediately following BACB meeting

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

Absent: Kelly, Lurie - Birmingham  
Heyman– Beverly Hills

Also Present: White - Executive Director  
Currier - Attorney for Cable Board  
Kowalski - Bloomfield Community Television  
Valentine – Birmingham staff  
Fred Eaton – Comcast

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 JUNE 18, 2014**

Motion by Heldt, second by Schneider, that the minutes of a regular Cable Board meeting held on June 18, 2014 be approved as submitted.

Motion passed.

#### **PUBLIC COMMENTS**

None

#### **TREASURER’S REPORT**

The Treasurer’s report was postponed until the next meeting due to the unavailability of quarterly reports.

#### **ANNUAL ELECTION OF OFFICERS**

McLain opened the floor for nominations to the office of secretary of the Cable Board. Heldt nominated Alan Heyman for the position of secretary of the Cable Board. There were no further nominations. Heyman was elected by acclamation.

Ettenson nominated Jeffery Heldt to serve as treasurer of the Board. There were no further nominations. Heldt was elected to the position of treasurer by acclamation.

Nominations to the position of vice-chairperson of the Cable Board were accepted. McLain nominated Mira Stakhiv as vice-chair. There were no further nominations. Mira Stakhiv was elected vice-chair by acclamation.

Heldt nominated Elaine McLain to continue as chairperson. There were no further nominations. McLain accepted the nomination and was elected vice chair by acclamation.

## **COMMITTEE REPORTS**

### **Cable Action Committee**

Verdi-Hus reported that the Cable Action Committee did not meet in July due to the lack of agenda items. The next meeting was scheduled for Thursday, August 7 at 5:30 pm at the Baldwin Public Library.

### **PEG Committee**

Heldt reported that the three-year Cable Board contract with Bloomfield Community Television expired on June 30, 2014. The contract is to provide television programming services for the Government Access Channel and Public Access Channel servicing the communities of Birmingham, Beverly Hills, Franklin and Bingham Farms. A provision of that contract allows the Cable Board to extend the contract for one year. There have been preliminary discussions with BCTV relative to a longer-term extension of this successful and productive partnership.

Motion by Heldt, second by McAlear, that the Birmingham Area Cable Board approve the extension of the Cable Board contract with Bloomfield Community Television through June 30, 2015 at the current pricing.

Greg Kowalski representing BCTV stated that the Bloomfield Township Board approved the contract extension at its meeting on Monday, July 14, 2014.

Roll Call Vote:  
Motion passed (8 – 0).

Heldt said that there will be a brief PEG Committee meeting following today's Board meeting.

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director White highlighted two complaints pending from last month's meeting, both of which have been resolved. Three new complaints received since the last meeting were outlined. Two complaints are outstanding, a billing issue and a customer service complaint.

The account balance for the MBS, BBCU and Beverly Hills accounts were provided to Board members together with budget to actual figures. Check disbursement information was included in the report.

FCC Chairman Tom Wheeler announced the members of an inter-bureau steering committee and working team leaders established to coordinate the agency's review of the merger applications from both Comcast-Time Warner Cable-Charter and AT&T-DirectTV.

The FCC has recently ruled that AT&T is a cable operator and that its U-verse Multichannel Video Service is a "cable service." This ensures that municipalities can continue to collect franchise fees from AT&T U-Verse annual revenues. The FCC stated that AT&T's U-verse video programming is a proprietary package of video programming (i.e., of AT&T's own choosing) that AT&T transmits over its own landline system of closed transmission paths that crosses local ROW. AT&T is therefore delivering a "cable service" over a "cable system."

The U.S. Supreme Court ruled in favor of broadcast television in its dispute against streaming service Aereo. The Court decided that Aereo violated the copyrighted work of major television networks by streaming their content to subscribers who paid anywhere from \$1 a day to \$80 a year for the service. Pay-TV providers are relieved about this decision because Aereo would have given consumers one more reason to “cut the cord” and get rid of cable. Consumers are complaining loudly about this ruling on Twitter and other social media channels. The justices said that Aereo was operating like a cable system and that cable systems must pay for the programming they transmit.

## **PROVIDER RELATED TOPICS**

### **Comcast**

Fred Eaton, Comcast Senior Manager of External Affairs, reviewed that he made an announcement to the Cable Board this Spring that Comcast was preparing to enter into an arrangement whereby it would be acquiring the assets of Time Warner Cable. As a part of that larger transaction, Comcast has declared its willingness to divest sufficient numbers of customers so that Comcast would have fewer than 30% of all cable and satellite customers in the country following closure of the acquisition. Eaton stated that it has now been decided that subscribers would be divested in Michigan and surrounding states including Minnesota, Indiana, Kentucky, Alabama, and Virginia.

Eaton read from his scripted notes. Comcast systems in Michigan and several other states in the Midwest and South are going to come under the ownership of a new company, temporarily named Midwest Cable. This change is coming about as a result of Comcast’s pending acquisition of Time Warner Cable. Upon the completion of the merger, followed by the planned divestiture, Comcast will have 29 million subscribers or 29% of the multi-channel video market. Midwest Cable will be a new independent publicly traded company. Midwest Cable will initially own 2.5 million Comcast legacy subscribers concentrated in the Midwest and the South; about half of those will be in Michigan. Midwest Cable will be the nation’s fifth largest cable company.

The new company will retain existing Comcast facilities, assets, and employees. The new company will initially have an estimated value of \$14.7 billion and will have an expected \$4.5 billion annual revenue at launch. With regard to the new company’s relationship with Comcast, Comcast shareholders will initially own two-thirds of the stock of Midwest Cable. Comcast Corp. will have no ownership interest. Comcast will have no management or control and will be prohibited from owning more than one percent of the shares for the first eight years.

Eaton talked about the complicated transactions involving stock conversions and the new company’s relationship with Charter Cable. There will be a three year management agreement renewable annually with Midwest Cable and Charter so that Charter will provide services to the new company to include procurement, programming management, product development, Internet and fiber connectivity, marketing, commercial sales and customer care. Charter would be a one-third owner of Midwest Cable. Eaton said that Charter will be initially under contract with Midwest Cable to provide many of the functions of a cable company. Comcast will have a one-year agreement with Midwest Cable to provide transitional services.

Eaton related that all of what he has said is contingent upon approval of the Time Warner acquisition. Comcast's goal has been to close the Time Warner deal by the end of the year. The Midwest Cable deal would come about no sooner than the first quarter of next year.

Eaton stated that Michigan Public Act 480 specifies the process for change of control. PA 480 does not require Comcast to obtain the consent of its local franchising authorities. The FCC Form 394 Application is a process for franchise authority consent to transfer control of the Local Franchising Authority from the Cable Company. As part of the FCC transfer process, local franchise authorities representing 80% of customers involved in the change of control must give their consent before the FCC approves the deal.

Borgon asked about the future status of "comcast.net" email addresses. It was questioned whether Comcast personnel and policies would change under Midwest Cable. Eaton did not have an answer to these questions. Ettenson asked if Midwest Cable would have the same programming purchasing power as Comcast. Eaton responded that, during the three year contract with Charter, one of the services that Charter will provide for Midwest Cable will be negotiating programming deals.

Cable Board Attorney Tim Currier from Beier Howlett stated that PA 480 governs the establishment of a new franchise and not a transfer. Specifically, Comcast did not reject the existing franchise agreement established under federal law. Comcast has elected to go through a 394 Transfer process, which permits this cable consortium and its member communities to do one of three things: not approve the transfer; accept the resolution in approving the transfer; or to enact a resolution that approves the transfer upon reasonable conditions that can be established in the resolution.

The franchising authority is permitted to ask questions of the cable providers about the transaction within the first 30 days of receipt of FCC Form 394. This transaction became known since the last BACB meeting. Pursuant to discussion with the Cable Board chairperson, Beier Howlett undertook formulating initial questions, which were sent in a correspondence to Comcast dated July 11, 2014. The Board is expecting written answers to its inquiries. Eaton responded that a team of people from the corporate office in Philadelphia will be responding to these inquiries.

Currier asked several of the written questions that would be of interest to subscribers. Can Comcast give any representation that the transaction will not cause any increases in subscriber prices? Eaton answered that he could not answer definitively, but said that it would be unwise of the new company to burden its customers with transaction costs.

Currier asked if call centers would be located where they are currently. He asked who would be the cable provider representative to the Cable Board. Eaton did not have an answer to these questions.

Currier stated that the proposed Resolution indicates that either Midwest Cable or a new franchisee may assign or transfer its assets. He asked which cable company will ultimately have

the Franchise Agreement? Eaton responded that Midwest Cable is a temporary placeholder name for the company that it is going to become.

Currier asked if Midwest Cable has been incorporated and in what state. He asked how much of Charter Communications does Comcast own. Eaton will get to the Board with answers to these inquiries. In response to another inquiry, Eaton said that there will be no entities in Michigan that will be going from Comcast to Charter. What is presently Comcast will become Midwest Cable or whatever name is assigned to that company. Those subscribers will receive some services by way of Charter.

Currier stated that this consortium would request the following statement from Comcast as a formal part of the transfer request: “In all instances, the transferee will assume all obligations, known or unknown with respect to the existing franchises.” Eaton responded that he is not the person to negotiate this, but it is assumed that Midwest Cable will assume the franchise obligations of the predecessor company.

Currier related that his July 11, 2014 letter to Comcast states that the member communities of the BACB reserve their right pursuant to Section 10.5.6 of the Franchise Agreement that they may have to require Comcast to pay and/or reimburse the BACB and/or any individual member community for all costs reasonably incurred due to any proposed transfer. Eaton was not prepared to speak to this statement.

McLain thanked Fred Eaton for attending the meeting and sharing his information with the Board.

#### **AT&T**

There were no representatives present from AT&T.

#### **WOW**

There were no representatives from WOW.

#### **BAPA/BAMA Report**

Greg Kowalski 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 June 19, 2014 – July 16, 2014).

Kowalski stated that three people attended the camera workshop. One was interested in producing a program and two were interested in camera operations. The next camera workshop is scheduled for Tuesday, October 22, 2014 from 10:00 am to noon or 6:30 pm to 8:30 pm. Call 248-433-7790 to sign up.

The Beverly Hills control room equipment has been purchased and should be installed today.

McLain mentioned that the Executive Director sent a note to BCTV on behalf of the Board to congratulate staff on the awards received as part of the 35th Annual Telly Awards.

**OLD BUSINESS**

None

**NEW BUSINESS**

None

**PUBLIC COMMENTS**

None

**BOARD COMMENTS**

Joe Valentine congratulated the newly elected officers on their appointments. Valentine announced that he was promoted to City Manager and that this would be his last meeting as staff liaison. He introduced new staff liaison Amanda Thomas, who recently joined the manager's office as a management analyst.

The meeting was adjourned at 8:39 a.m.



July 28, 2014

Birmingham Area Cable Board  
P.O. Box 165  
Birmingham, MI 48012

Re: Grant Request

Dear Board Members:

The Village is again respectfully requesting a grant from the Birmingham Area Cable Board to offset the costs of maintaining the Village website in addition to costs incurred for ordinance hosting as well as search capabilities for Village minutes and ordinances.

Websites have become a critical communication tool that provides the general public with 24 hour access to important Village services and information. Bingham Farms has expanded its online access to include Council meeting packets as well as Planning Commission & Design Review Board packets.

The Village of Bingham Farms respectfully requests consideration of a grant to offset these costs. In reviewing Village expenses, the Village is respectfully requesting grants for the following:

FY 2014-2015

Website Hosting	\$ 195
American Legal (hosting of Village ordinances & search engine)	\$ 495
Minutes on Demand (hosting Village minutes & search engine)	<u>\$ 750</u>
Total	\$1,440

Should you have any questions, please feel free to contact the undersigned. Again, thank you for your consideration.

Sincerely,

Kathryn P. Hagaman  
Clerk/Administrator



Birmingham Area Seniors Coordinating Council & Center

2121 Midvale Street, Birmingham, MI 48009-1509 • 248.203.5270 • Fax 248.203.5272 • [www.bascc.org](http://www.bascc.org)

July 24, 2014

Cathy White  
Executive Director  
Birmingham Area Cable Board  
P.O. Box 165  
Birmingham, MI 48012

Dear Ms. White,

BASCC was established 37 years ago to be of assistance to older adults in the Birmingham School District service area. The center provides a wide variety of personal enrichment, fitness, social and travel programs as well as outreach services to adults 50+. There are over 1,100 members who participate in programs at the center. Our seniors particularly enjoy having access to cable TV for sporting events and news programming. The internet in the computer center makes it possible for the members to have one-on-one computer instruction and it provides them with the ability to connect with family and friends during BASCC's hours of operation.

BASCC is applying for a Birmingham Area Cable Board grant of \$1835. This amount is slightly higher than the 2013-14 grant, as both the cable and internet had minimal increases in costs. The funds will cover the basic cable service for the television in the BASCC lobby, the projector in the activity room plus internet for the computer lab, My Senior Center (the BASCC members sign-in & daily program registration database) and the MediaCast TV, which broadcasts both the current and upcoming BASCC activities. Attached is a table that breaks down the estimated cable and internet service fees for BASCC.

I believe this request is aligned with the goals of the Birmingham Area Cable Board to provide quality local programming, cable and internet services to the seniors at BASCC. Thank you for considering this grant proposal. If you have any questions or concerns please contact me at 248.203.5271.

Thank you,

Kathleen Tillson  
Interim Executive Director  
Birmingham Area Senior Center



Birmingham Area Seniors Coordinating Council & Center

2121 Midvale Street, Birmingham, MI 48009-1509 • 248.203.5270 • Fax 248.203.5272 • www.bascc.org

The following table breaks down the BCTV grant proposal:

<b>Item</b>	<b>Estimated Cost</b>	<b>Total</b>
Basic Cable Service Lobby and Activity room	\$56.25/mo.	\$675
Internet Computer Room and Staff Computers	80.00/mo.	960
Projector Upkeep	200.00	200
<b>Total Grant Request</b>	<b>136.25 X12=\$1635 + 200</b>	<b>\$1835</b>

*Placed in the  
Mail 7/24/14*

## MEMO

To: Elaine McLain, Chairperson  
Birmingham Area Cable Board Members

From: Ellen Marshall, Asst. Manager/Clerk Village of Beverly Hills

Date: September 3, 2014

Re: Grant Request for Village of Beverly Hills

Internet services are a vital way for us to communicate with members of our community. We utilize our website to post community activities and updates as well as minutes, the Charter, the Municipal Code, etc. We also stream Village Council and Cable Board meetings both live and on-demand through our website and we send weekly GovDelivery messages over the internet that push information out to those who sign up for the free service.

The Village of Beverly Hills currently contracts with WOW! for internet services at the Village Offices at a cost of \$79.75 per month. WOW! has satisfactorily provided these services since May 2011.

The Village of Beverly Hills respectfully requests a grant in the amount of \$79.75 per month for Fiscal Year 2014/15 (July 1, 2014 through June 30, 2015) totaling \$957.00 to cover internet services for the Village Offices.

Thank you for your consideration.

## MEMO

To: Elaine McLain, Chairperson  
Birmingham Area Cable Board Members

From: Richard Torongeau, Public Safety Director

Date: September 3, 2014

Re: Internet Access Grant Request

During FY 2013/14, the Birmingham Area Cable Board provided a grant to the Department of Public Safety to cover the costs of Internet access to four computer services; local area network, building video, in-car video and audio recording. Each of these servers are monitored and maintained by off-site vendors.

Comcast Cable Communications is currently providing the Department with Internet service at a cost of \$79.90 per month (\$958.80 per year). The Beverly Hills Department of Public Safety respectfully requests a grant in the amount of \$958.80 for Fiscal Year 2014/15 (July 1, 2014 through June 30, 2015) to cover Internet services for the Department.

Thank you for your consideration.

attachment

MEMO

To: Elaine McLain, Chairperson  
Birmingham Area Cable Board Members

From: Ellen Marshall, Asst. Manager/Clerk Village of Beverly Hills

Date: September 3, 2014

Re: Grant Request for Village of Beverly Hills

Since January 2008, the Village has been web streaming bi-monthly Village Council meetings and monthly Cable Board meetings. Our current monthly charge for hosting is \$100.

The Village of Beverly Hills respectfully requests a grant in the amount of \$100.00 per month for Fiscal Year 2014/2015 (July 1, 2014 – June 30, 2015) totaling \$1,200.00 to cover the hosting and live broadcast costs associated with web streaming Birmingham Area Cable Board and Village of Beverly Hills Council meetings. Thank you for your consideration.

## MEMORANDUM

DATE: September 10, 2014

TO: Board Members

FROM: Cathy White

Re: Monthly Report

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### CUSTOMER COMPLAINTS

Complaint No. 2014-33, which was pending on the date of our last meeting, has been resolved. This complaint related to a downed AT&T wire in Franklin along 13 Mile Road. The downed wire has been replaced and this complaint is now closed.

Complaint No. 2014-35 has also been resolved. This complaint involved a Franklin Comcast subscriber who kept losing her internet connection. Her service was fixed and she received compensation for the loss of service.

Complaint No. 2014-36 has been resolved. This complaint involved a Birmingham resident who lost his Comcast phone service for several weeks. The service has been restored and compensation was provided for the loss of service.

We have received four (4) new complaints since the date of our last meeting. Complaint No. 2014-38 was submitted via our website by a Bingham Farms resident who is experiencing an outage of her three Comcast services. This complaint is pending.

Complaint No. 2014-39 was submitted by a Birmingham couple that have power of attorney for a woman who has been hospitalized for several months. Her Comcast service was in vacation mode but in August she received a bill for over \$269.00 which indicated that her service was no longer in vacation mode. A request has been made to reinstate the vacation mode billing for this resident. This complaint is pending.

Complaint No. 2014-40 was submitted by a Birmingham resident who had a fire at his home and is temporarily living at another location. He returned some equipment except for a digital adapter and needs to receive credit for the equipment that was returned and clarification of his remaining charges. This complaint is pending.

Complaint No. 2014-41 was received from a Franklin resident who lost her Comcast cable, internet and phone service after a recent storm. Her power came back on but her Comcast services have not been restored. This complaint is pending.

Complaint No. 2014-42 was submitted by a Bingham Farms resident who has a downed Comcast wire on the easement area of her property that she would like removed so that the tree removal and lawn care companies she has hired can do work in that area. This complaint is pending.

#### FINANCIAL

The account balance for the MBS, BBCU and Beverly Hills accounts will be provided via hard copies at the meeting. In addition, budget to actual figures will be provided.

#### CHECK DISBURSEMENT

Since the date of my last report, I have written one (1) check as follows:

1. Birmingham Bloomfield Credit Union (Visa- MML webinar) \$30.00

#### ADDITIONAL NOTE:

1. The Comcast spinoff company in Michigan is now called Greatland Connections.

# Memo



To: BACB  
From: Steve Rota  
cc: Greg Kowalski, Cathy White & Elaine McLain  
Date: 8/13/14  
Re: Report July 17th, 2014 through September 17th, 2014.

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## **BAMA Programs**

During this time period we completed 11 regularly scheduled municipal meetings, three Baldwin Library Board meetings and the BACB meeting.

## **In Studio**

*County Corner* hosted by Marcia Gershenson.

## **On Location**

*Baldwin Library Lectures.*  
Franklin Labor Day Parade.

## **BAPA Programs**

From BACB area individual producers and organizations we've taped 27 programs. From individuals:

- ❖ Six *Making a Difference at TCH* hosted by Camille Jayne.
- ❖ Four *Spectacles* hosted by Ellen Rogers and Betsy Laboe.
- ❖ Six *Eye on Oakland* hosted by Chuck Moss and David Potts.
- ❖ Two *Beyond The Box Score 2014 Fall Show*.
- ❖ *Boys' Football Game*.
- ❖ *Boys' Soccer Game*.

From BACB area organizations:

- ❖ *Plant Based Nutrition Lecture*.
- ❖ *Senior Women's Club Lectures*.
- ❖ *Five In the Park Concerts*

## **CAMERA WORKSHOP**

Our next camera workshop has been scheduled for Tuesday, October 22nd, 2014 from 10:00 AM to Noon or 6:30 PM to 8:30 PM. Call 248-433-7790 and sign up today!

## **VILLAGE OF BEVERLY HILLS**

Control room with new equipment has been installed and in working order. Our staff was trained on the new equipment at the end of July.

## **PROGRAM DEVELOPMENT COMMITTEE**

The PDC has approved two new series. They will be assigned to a staff director and will start production soon. One show is about Mediation and will use actors presenting actual Mediations of real life disputes. The other show deals with daily issues called "The Rich Life." It will have a host along with a trained psychotherapist and one to two guests per show.

## **NEW HIRE**

Greg Black has accepted the Equipment Coordinator/Production Specialist position. Greg has been a part of our team for the past three years as a part-time employee. He has a degree in Electronic Media-Film Studies & Creative Writing from Eastern Michigan University. We are happy to have him on as staff, full-time and I would like to introduce to you Greg Black.