

Cable Commission
City of Cortland
May 3, 2010

The meeting was called to order at 7:22 PM by Chairperson Nagelschmidt.

Present: Mayor Feiszli, Chair Nagelschmidt, Comm. Menapace, Stevens, Perrine and Forshee.

Chairperson Nagelschmidt announced his retirement as Chairperson, effective immediately.

On a motion by Comm. Stevens, seconded by Comm. Forshee, voted and approved to elect Comm. Richard Menapace as Chairperson.

Chairperson Menapace announced that the minutes for this meeting would be transcribed by the City Clerk's Office.

Chairperson Menapace noted that this meeting was called to discuss the corrections that Time Warner had made on the current proposal that was submitted by the Cable Commission.

On a motion by Comm. Stevens, seconded by Comm. Nagelschmidt, voted and approved to bring back the language in the proposed contract to show a five (5) year term for the franchise.

On a motion by Comm. Forshee, seconded by Comm. Stevens, voted and approved to go back to twenty (20) houses per mile as apposed to thirty-five (35) houses per mile for the cable company to run cable.

Comm. Nagelschmidt asked that the Commission meet with the cable company, person to person, to get answers. A conference call was suggested due to the fact that their attorney was in New York City. It was suggested that the villages be contacted so that they would have a representative present at that time.

Review and comment on Time Warner Cable response to contract proposal. Comm. Stevens suggested that they discuss paid access. Comm. Nagelschmidt noted that the City and villages would have to pay for public access and pass that cost on to the subscribers. He noted that there was no indication at this point that they would contribute anything and he suggested a justified compromise and then sit down with the cable company. Comm. Forshee noted that channel 17 and Channel 2 are lucrative channels and he felt that what Time Warner might go for is to move them. Comm. Nagelschmidt stated that they couldn't be moved by State Law and must be accessible to all customers even those with the basic package. It was noted that they didn't have to be consecutive channels. Comm. Stevens noted that moving these channels would

be confusing and had been confusing in other market areas, but felt it could be tossed out as a negotiating item. Chair Menapace noted that he had heard that they would not negotiate on that. Comm. Forshee thought that they should try and asked if it would be legal. Comm. Stevens felt that they would be willing to throw some money in to Channel 2 for some new equipment. Comm. Nagelschmidt noted that in a few instances, such as Carthage, that Time Warner had recycled some equipment for public access for free. Comm. Stevens asked if they wanted to keep the PEG access and not let it go. Comm. Menapace noted that the cost of the Channel 17 line to the high school didn't cost Time Warner or the taxpayers anything by dropping it. The only cost had been furnishing the line in. He noted that the School District had purchased all of the equipment. The only worry was Channel 2.

Comm. Stevens asked what the reply would be if Time Warner asked the high school to do what's on Channel 2. There was some discussion regarding the college. They reviewed the old contract noting that the Cable Commission had taken many things out themselves. Comm. Menapace noted that they should go with what they had previously presented only now they should take the money out. It was decided that they would take out fifteen thousand (\$15,000) for each of the first two (2) years of the contract, to buy new equipment. Comm. Nagelschmidt asked if the Commission should drop the amount and let the cable company come in with a proposal. Comm. Menapace felt that the Cable Commission should come in with their proposal and see what kind of counter proposal Time Warner made.

On the motion of Comm. Stevens, seconded by Comm. Nagelschmidt, to resubmit the language that the Cable Commission had in their proposal for PEG with the provision of the monetary schedule for equipment, which should read fifteen thousand (\$15,000) for each of the first two (2) years of the contract and the last three (3) years would be nothing.

Comm. Forshee asked to try and meet again on May 17, 2010 and he noted that he would like to have a conference call with NYSPFC Municipal Representative Carol McTague at that time. Hopefully, they would be able to come to some sort of agreement, but it was noted that the existing contract that they were going under was better than what Time Warner was currently offering.

The meeting was adjourned at 8:28 PM.

Richard Menapace, Chairperson