

**CITY OF CORTLAND
CABLE COMMISSION
Monday, May 24, 2010**

Present: Richard Menapace, Chair; Jim Forshee, Chris Perrine, Chris Poole, Sharon Stevans, and Kevin Williams, Commissioners

Chair Menapace called the meeting to order at 7:05 PM.

Comm. Stevans made a motion to adopt the corrected minutes of May 3, 2010. Jim Forshee seconded the motion and the motion passed unanimously.

The purpose of this meeting was a telephone conference with Carol McTaque, of the New York State Public Service Commission to review the proposed contract with Time Warner Cable and City of Cortland, Homer, McGraw, and Cortlandville. Those present were asked to give their first name when speaking with Ms. McTaque.

Pg. 4 “Cable Communication Service” changed to “TV services.” Comm. Forshee questioned the wording change and that he felt it limited service to just TV leaving the internet and other services beyond the commission’s control. Ms. McTaque advised this was a FCC regulation who has total control.

Section 1- Comparing the proposed contract and Ms. McTaque’s recommendations, Chair Menapace posed the following questions: Who would be controlling internet information service, internet and telephone? Should there be a change in how revenues can become part of the franchise? Who takes care of problems? Ms. McTaque responded, Time Warner Cable, then Department of Public Services-Consumer Service Complaints Department or herself to help resolve problems. Comm. Forshee advised he had a 6-hour phone outage and went to TWC office who acknowledged there had been a problem and added, “it’s been resolved.” He later had five channels off cable for approximately four hours. He asked if there was a direct contact number to get to a higher plain than the local TWC office for a subscriber to use. Ms. McTague advised her office could intervene to handle technical issues, phone also. Comm. Forshee indicated he had problems with the phone, recently the internet, this morning the TV cable and noted monthly interruptions in service with one of the three. He used to get a deduction from his bill but got no help from the office in solving these problems and his concerns were not handled professionally. He would like network reliability. Ms. McTaque advised David Whalen, in Binghamton, does most of the cable franchising and she goes to him when issues need to be addressed. His contact number is 607-644-0025, extension 57312.

Pg. 6, Sect. 2—Why delete paragraph 3? It appears somewhere else. Ms. McTaque advised the Commission should ask this question and added she would like to be present when they meet with Time Warner.

Do we need a lawyer here? Her response, “not really,” and added, “she’d be happy to come.”

Pg. 7, Paragraph D—"Communication services" was changed back to "TV services." Ms. McTaque advised there were more important issues to address, consistency in a minor problem.

Pg. 7, Paragraph E—Change from "City of Cortland" to "municipality." Ms. McTaque would like to see the term revert back to "City of Cortland."

Pg 8, Section 4—5 Years? Ms. McTaque suggested "leave open" until everything has been discussed; compromises—if you want a longer term, TWC needs to give you something.

Pg. 9, Section 6, Paragraph B—deleted, 25, 26, 27 added back on pg. 10. Ms. McTaque advised that was "probably okay."

Pg. 13, Section 12—20 houses per mile not 35 for service—Ms. McTaque agreed with the commissioners on this change and encouraged them to stay with it. It's non-negotiable. Comm. Stevans asked if the Commission could revert back to the old contract. Ms. McTaque stated, "yes," and the Commission should not accept a document they are not comfortable with or which does not contain a movement forward. Someone from the Company (TWC) should explain the changes and why they were made in the proposed contract. She'll ask Mr. Whalen to come to the meeting as well. He might help alleviate logjams in negotiations noting it is always difficult with a give-and-take dialog. The Commission needs to meet with different Company people than ones they have talked with; bad cop vs. good cop; still waiting to see a good cop. Do not need all that arithmetic.

Pg. 16, Section 15—Service to facilities, scratched out paragraph B, old paragraph F now paragraph E—is that sufficient instead of paragraph B? Ms. McTaque affirmed, "yes."

Paragraph D--local government purposes—Ms. McTaque advised she doesn't see how they can limit the service to "local." It is limiting if no access to Syracuse, or for example, assemblymen in Albany or Tompkins County. Comm. Stevans noted there was an "employment office" in Cortland and Ms. McTaque advised that was a good question to ask the Company—would they be excluded from service?

Paragraph D also wiped out all private and elementary/secondary schools. Ms. McTaque stated she would like to see it stay in there!

Second paragraph after paragraph D, no charge incurred?

Section 16—PEG—Comm. Forshee noted the commission decided PEG worth keeping in there; 5 year agreement. They could front load \$15,000 the first two years of a five-year contract with \$0 the next three years and TWC should have some accountability.

Ms. McTaque asked, “has the Commission come up with figures and is the figure enough?” Comm. Stevans advised it wasn’t enough to expand and maintain better equipment. Ms. McTaque asked if the Commission had a list of equipment and Comm. Forshee advised, “yes, and they fainted.” Ms. McTaque advised having an equipment list was easier for municipalities. She suggested if you need \$16,000 to buy XYZ, ask for \$20,000. It’s better to say what is needed, what might breakdown, what needs replacing, and what should be added. Comm. Stevans asked if the numbers had to be in the contract. Ms. McTaque suggested they did not, but that a game plan was helpful noting companies are reluctant to give any money without specifics. An option would be to suggest allowing the Commission purchase the equipment in lieu of money. Comm. Stevans had heard the Company probably would lower the amount for equipment. Ms. McTaque suggested the Commission would have a better shot by suggesting a longer term and reiterated the Commission should not accept anything that doesn’t meet the needs of the community. Comm. Forshee was concerned the subscriber might get the cost in a line item on their bill. He would like channels kept. There are currently two stations #2 and #17 with #118 and #120 still available. His concerns: 1) many subscribers do not have televisions that have the higher numbers and 2) TWC should pay for any channel move and notification to subscribers. He noted TWC changed digital from analog—so they gave the Commission something. Wording 2 to 21 or 22; 2 to 118 is not reception problem. Ms. McTaque advised she would check this problem with someone downstate.

Regarding PEG, Ms. McTaque asked if the Commission was still looking for funding: studio, personnel—Commission concerned cost might pass to subscriber. Comm. Stevans noted one staff with Comm. Forshee noting is paid out of franchising fee support from access. Ms. McTaque responded, “sounds reasonable to keep status quo.” She noted the Commission might want to consider a longer contract as she was concerned with the five-year term. Might be good to have a Plan A and Plan B especially if TWC willing to meet requests from the Commission.

Pg. 20, Section 17—deleted paragraph B, C, F, H? Ms. McTaque advised the Commission should ask the Company why these were deleted.

Pg. 21, Section 18—franchise fees—Commission does not know what it means. Ms. McTaque advised, “it’s normal stuff.”

Paragraph D—late fee, scratched fee—Ms. McTaque asked the Commission if they ever had late payments or were payments made timely.

Pg. 22, Section 19, paragraph B—scratched out—Ms. McTaque advised this section needs to be put back in.

Pg. 23, Section 20, paragraph F—We used to be informed on a monthly basis. Ms. McTaque advised to have it changed back to “required.”

Section 21—guarantee of performance—(security fund) it’s all gone. Ms. McTague commented this was a bargaining chip. If the Commission can give the Company a reason why, same as late payment, if it ever came up, we would need to go back to see if paid late.

Section 25—further on page to section 33—a lot scratched out; Comm. Stevans noting the Company made major changes; i.e., Commission #26 the Company relabeled “municipality right to equal rights and service” and section 33, they made section 30. Ms. McTague advised the Company needs to explain why all the cuts.

Appendix A—took out everything as well as Appendix B. Ms. McTague agreed it was beneficial to have a list where the service options are.

Comm. Forshee had a concern that the service was now free, but down the road, looks like a possibility of charging in the future.

Chair Menapace asked what was the next step. Ms. McTague advised the Commission write up the changes, call Mr. Whalen within the next month or so and invite the Company to meet and discuss some of these changes. Just send revisions the Commission made, label question areas under discussion/dialog, 5-year or 10-year planning.

Comm. Forshee asked if the Commission prepared the list for PEG, should a copy be sent to Ms. McTague and Mr. Whalen ahead of time. She would like that and suggested end of the month and last week of June were not good for her to attend a meeting but the middle of the month was best. She suggested early July and designate a couple commissioners for the first meeting that should basically handle one large issue—PEG, noting 90% of the time would be spent on language changes. Gear other meetings for other issues. Comm. Forshee suggested cable drops, channel line up change, schools, PEG were areas that needed a lot of time and attention. She agreed to come twice for meetings and advised she would get back to the Commission regarding channel change. The call ended at 8:20 PM.

Comm. Forshee suggested looking at 5, 10 or 15 year contract terms. Comm. Chris Poole asked what happens to contract if City of Cortland becomes part of Cortlandville. Comm. Williams advised that possibility was a long way off. Comm. Poole suggested the current contract should be enforced. Comm. Williams suggested the Commission pick out items that the Company should be doing that they are not doing now or suggest going somewhere else. Comm. Forshee suggested they look again at the security fee.

Next meeting scheduled for Monday, July 12, 2010. Meeting adjourned at 8:35 PM.

**Respectfully submitted,
Barbara Bergeron**