

**CITY OF CORTLAND
CABLE COMMISSION
Monday, February 7, 2011**

Present: Richard Menapace, Chair; John Nagelschmidt, Deputy Chair; Jim Forshee, Lisa Kahle, Chris Poole, Sharon Stevans, Kevin Williams, Commissioners; and Vince Minnella, ex-officio member; Barbara Bergeron, Secretary

Chair Menapace called the meeting to order at 7:07 PM.

Commissioner Forshee made a motion to adopt the July 19, 2010 minutes. Commissioner Chris Poole seconded the motion and the motion passed.

Commissioners Jim Forshee, Sharon Stevans and Vince Minnella met with Time Warner representatives in the fall and were advised David Whalen who oversees a very large area in the northeast would be getting back to the Commission soon (within a month) regarding renewing the contract. With the exception of the downtown drop and minor technical things, the meeting went very well and the commissioners believed the contract was close to being finalized. Commissioner Stevans suggested Chair Menapace contact David Whalen for an updated status, and he suggested he should call Carol McTague.

Commissioner Williams reported on New Visions who met with the Town and Village of Homer. Carmen Blanka (sp?), company representative stated New Visions was very interested in providing "triple play services" (cable, internet, and telephone) to Homer as they consider it a model town. New Visions is funded by grants and purchases 100% new and state-of-the-art equipment. Homer is small enough to run fiber optics along Main Street and houses with all three services. Gary VanGorder, Mayor Mike McDermott and Kathy Arnold were also at the meeting. The estimated fee is \$79, \$89, \$99 per year with no specials with a minimum subscriber base of \$500. If no "triple play," broad band over power to pipe in signal which is not a good data signal; fiber is cheaper. Pay on demand tier, "a la carte." Commissioners Forshee and Williams foresee a life cycle of 10-20 years replaced by wireless. New Visions is very anxious to do contract with Homer. Town/Village contract with Time Warner Cable; get offer from some other company, 15-year term to be negotiated.

Questions/Concerns:

Commissioner Forshee: Do they only want Homer? There doesn't seem to be a time table. Homer has a tight commission, investment in fiber not as expensive as long runs such as would be needed in McGraw. He would like to talk to a representative from New Visions. After one year, is there any recourse if service not good in Homer?

Vince Minnella noted if Homer did this, there would be a cut in the county base and would provide competition. What services do they provide? Ala carte has more costs.

Commissioner Forshee asked if the service would be provided to residents only. Commissioner Williams advised "life line" is approved."

Mr. Minnella asked if New Visions has same services as Verizon franchise with "sports plus." Local originality? 100,000 PEG access doubtful; would they (New Visions) be required to have commission channel? Commissioner Forshee asked about channel 536, where is it and can everyone pick it up. He would like to propose these questions to a New Visions representative.

Commissioner Williams wonders if TWC knew the Commission was looking at competition contract for 15 years, would Time Warner Cable push exclusivity. Commission minutes are on broadband and it is assumed New Visions knows the Commission is looking to renew contract with TWC.

Chair Menapace asked if there has been any research done on New Visions and Commissioner Poole asked where they were located. Commissioner Williams advised New Visions has a web site and currently has provided services in Mattydale, Manlius and Jamesville the last two years. Carol McTague's husband is a friend of Commissioner Williams' contact person. Homer was picked for the reason of concentration.

Chair Menapace asked what kind of grants; Commissioner Williams advised "federal government" for start up businesses.

Commissioner Poole suggested broad band over power line not a good conception and asked how heavily invested is New Visions in this venture, would they go bankrupt; fiber optic okay; remember the Manassas, Virginia company.

Chair Menapace asked if fiber optics was the same as FIOS and Commissioner Williams replied, "yes." If Homer goes with New Vision, will that weaken PEG. Commissioner Williams noted there was a franchise in Locke but he has not been able to locate it.

Chair Menapace asked if the Commission should invite someone from New Visions to attend a meeting.

Commissioner Stevans and Mr. Minnella would like the Commission to contact David Whalen, TWC, and let him know we're looking at options.

Chair Menapace reminded the Commission the body could only recommend, but final decision comes from the Mayor and Council members. Mr. Minnella thinks the Council should be aware options have been checked.

Chair Menapace remarked TWC lost 25% subscribers but has profit surplus due to selling more features. Commissioner Stevans noted New Visions subscriber base is a lot lower,

500 customers are required to fund a project. Chair Menapace also noted his dislike of the dish (direct TV) system especially the locations dishes are placed on homes.

Commissioner Williams advised New Visions provided (28.95 broad band) 25 MP down and 7 MB up. Solvay, Parish and Oswego also being serviced by New Visions; \$75,000

Commissioner Forshee: If New Visions move into Homer, would there be a pay office in Homer? Commissioner Williams is unsure what would happen during a large power outage. Mr. Minnella stated, "Verizon is the elephant in the room. What is TWC looking at? Broadband services—who can deliver it?"

Chair Menapace raised a concern about the the element of people stuck, who don't want new technology and are reluctant to catch up with the times.

Commissioner Poole, "frago dot" (?)

Mr. Minnella stated television will be internet and some folks don't know broad band is the spigot in the house.

Responding to Chair Menapace's question as where the Commission goes from here, Commissioner Williams offered to call New Vision to see if a representative would be willing to meet with the Commission.

Chair Menapace suggested a special meeting within two weeks or so. He would like time to prepare questions and compare their contract with TWC's. Mr. Minnella asked if New Visions had an information packet that could be sent to the Commission. Chair Menapace wondered how long to fix a customer signal problem with New Visions.

Commissioner Williams would like to review three top contracts with 5-year, 10-year, 15-year terms. Commissioner Forshee would like to see comparative contracts to our price range and population. Commissioner Stevans suggested Cortland has a good deal with TWC. Commission Willimams is concerned with the continual extensions offered by TWC; "are we important to keep or ripe to sell?"

Mr. Minnella agreed that the TWC contract was working good for both TWC and us. Timing was important; for example, lending rates that is no longer in play now. TWC suggests exclusivity and New Visions not requiring it?

Commissioner Williams wonders what TWC wants. Commissioner Stevans reiterated, we're doing okay—we have a studio and 1 staff.

Commissioner Williams also asked about the Commission enforcing the contract in regard to policing power and getting reports out regularly which has not been done.

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Commissioner Forshee suggested a penalty and Commissioner Poole warned the Commission to be careful, we don't want to antagonize them.

Mr. Minnella asked if Cortland was getting their franchise fee. Commissioner Williams responded Homer had done an audit recently and got \$12,000.

Chair Menapace will call Carol McTague.

Commissioner Forshee, when meeting with David Whalen, talked about PEG agreement and a facility near Troy which is it's own institution. Nearest studio to Cortland is in the Binghamton area. Commissioner Williams asked if PEG was no more.

Commissioner Stevans would like Dave Whalen be called and a letter written regarding the status of questions proposed in the fall meeting and his suggested response time of within a month, but as yet, the Commission has not heard back from him or a company spokesperson (They do not want Dohaney, as Commission does not want to go backwards).

President Menapace thanked Commissioner Williams for the information shared this evening.

Next scheduled meeting is Monday, March 7, 2011.

A possible meeting may be announced sooner if New Visions agrees to meet with the Commission. Chair Menapace suggested members be good listeners to any presentation by them. Mr. Minnella again requested information sent to the Commission prior to a visit from New Visions. Commissioner Poole suggested visiting their website NVPLC (New Visions Power Line Company) or something similar to this. Commissioner Williams asked if there were records on the number of outages and without reports being issued from TWC, no figures are currently known.

Chair Menapace will also contact Mr. Phillips, new commissioner and McGraw representative who was absent this evening.

Commissioner Poole made a motion to adjourn. Motioned seconded by Commissioner Forshee. Meeting closed at 8:06 PM.

Respectfully submitted,

Barbara Bergeron