

**CHAMPAIGN-URBANA CABLE TELEVISION AND
TELECOMMUNICATIONS COMMISSION
SPECIAL MEETING
MINUTES**

DATE: December 11, 2006
2:00 p.m.

PLACE: Champaign Council Chambers
102 N. Neil St., Champaign, IL

MEMBERS PRESENT:	CHAMPAIGN Rick Atterberry	URBANA Peter Resnick Durl Kruse Barbara Gladney
	PARKLAND Tom McDonnell	U of I

MEMBERS ABSENT: Danielle Chynoweth, Giraldo Rosales, Karen Walker, Stan Yagi

STAFF PRESENT: Jeff Hamilton, Trisha Crowley - City of Champaign
Chris Foster, Bill DeJarnette – City of Urbana

OTHERS PRESENT: Stu Chapman – Municipal Services Associates
Tony Helton – Broadband Technology Associates
Jonathan Kramer – Kramer.Firm, Inc. (via phone)
Lou Karrison– Sikich, LLP (via phone)

Call to Order

Chairman Atterberry called the meeting to order at 2:05 p.m.

Cable Renewal Consultant Interview – Municipal Services Associates

Jeff Hamilton updated the Commission on the Cable Renewal Consultant project. He explained how an RFP for consulting services had been developed, released, and responses reviewed by the Refranchising Committee. This Committee is made up of Cable Commissioners and Champaign and Urbana staff. He explained that the Committee had selected three finalists to interview, and that today the Commission was interviewing Municipal Services Associates (MSA), consisting of the team of Stu Chapman, Tony Helton, Jonathan Kramer, and Lou Karrison.

Mr. Chapman explained that the cable renewal process is an excellent opportunity to catch up with cable technologies and look at future technologies. He also stated this is an important time to examine past compliance and performance. This project will determine the cable-related

needs of our community going well into the future. He referenced the Public Access Study Committee report and agreed with its findings. He also explained it is important to monitor the current legislative landscape, including federal, FCC, and state actions. If selected, he will keep the Cities and Commission updated on these issues. MSA's ultimate goal is to negotiate for very good agreements for both Cities. Mr. Chapman stated that he is local – only a few hours away and always accessible. His team works well together and they have a great deal of experience negotiating with cable companies, including Insight Communications. He stated he is a strong supporter of PEG and will evaluate what is needed for the future in Champaign-Urbana. Mr. Chapman will act as the team leader and lead negotiator.

Mr. Helton explained he will bring engineering and technology advice to the project. We will look for future technologies and make sure we have the bandwidth our community needs to implement them.

Mr. Karrison (participating by conference call) explained he will do the franchise fee evaluation – something neither City has done in the past. This will verify that Insight is paying the Cities what they should. He will do the evaluation at the local office where he has access to records and middle management staff. Mr. Karrison said that Insight will charge what the market will bear for cable services, and that PEG capital fees don't influence cable rates.

Mr. Kramer (participating by conference call) explained that he will conduct the technology audit - a very important part of the project. He will evaluate the cable plant and look for safety code violations and other problems which could impact Insight's ability to deliver future technologies. He stated that as a company, Insight has a poor record of meeting mandatory electrical safety codes. He plans to spend 7-10 days on-site evaluating the cable plant with Insight staff and will provide a very detailed, photo-documented report at the conclusion.

Commissioner Resnick asked how one can address technical standards for digital channels. Mr. Kramer responded that at the home, the signal is ultimately analog, which is what he evaluates.

Commissioner Gladney asked for an explanation of the needs assessment MSA plans to do. Mr. Chapman reported it will include hearings, phone surveys, and other items outlined in their written response. Mr. Helton stated that they have done several educational forums for other communities to educate the public about the project and the importance of this project.

Commissioner Kruse asked if the report will tell the Cities about public access and community media center needs. Mr. Chapman responded that the Public Access Study Committee report does a good job of that already. The needs assessment will evaluate support for public access in Champaign-Urbana.

Commissioner McDonnell asked if when we negotiate for a new PEG channel, should we think of it as a "channel" or ask for a specific amount of bandwidth. Mr. Chapman said to think of digital channels as "spin-offs" with niche programming. He also stated that some cable operators are making access programming available "on-demand".

Chair Atterberry stated that Champaign had been approached by AT&T regarding Project Lightspeed and asked if MSA would be able to provide guidance on that issue as well. Mr. Kramer responded that this could become a huge rights-of-way and a technical issue and to be careful because AT&T's idea of PEG is different from our own. Mr. Helton stated that he and Mr. Chapman are advising other communities on the AT&T issue now already.

Mr. Chapman thanked the Commission for their time and consideration. He stated he will work to avoid creating an adversarial situation, but will fight if that is what Insight requires.

Commissioner Gladney asked if our renewal became a formal renewal, how challenging would it be for MSA to get ready. Mr. Chapman stated that given the number and types of needs assessments outlined in our RFP, we will already be armed with the evidence we need going into the formal process. Mr. Kramer stated that documentation is key in formal renewals, and that we will be well armed in case we need it.

Chair Atterberry stated that a fourth special meeting would be needed on December 19, 2006, to evaluate all the presenters and to provide feedback and recommendations to the Refranchising Committee. Mr. Hamilton will assist in scheduling that meeting.

Meeting Adjourned at 3:37 p.m.

Respectfully Submitted,

Jeff Hamilton
City of Champaign