CHAMPAIGN-URBANA CABLE AND TELECOMMUNICATIONS COMMISSION STUDY SESSION

MINUTES

DATE; October 5, 2000

Thursday, 7:30 A.M.

PLACE; Original House of Pancakes

Champaign, IL

<u>City of Champaign</u> <u>City of Urbana</u>

MEMBERS PRESENT Tom Bruno Carolyn Kearns

Tom O'Rourke John Peterson

Barbara Gladney

Parkland College, Tom McDonnell

ABSENT MEMBERS Brian Silverman Joe Wiedman

Jeff Newnam

George Badger, University of Illinois

OTHERS PRESENT Steve Holz, City of Urbana; Amy Rose, City of Urbana

Insight Meeting

Dr. Peterson announced that Mr. Wildner, President of Insight, has expressed a desire to meet with the Cable and Telecommunications Commission. He suggested a morning meeting on October 11th. The Commissioners agreed to the idea of a breakfast or lunch meeting on that date, if possible. Thursday was also discussed as an alternative.

Mr. Bruno stated he and Ms. Kearns had met with Mr. Wildner in August. He was favorably impressed with him and believes he is paying Champaign-Urbana a courtesy call. Mr. Bruno said Mr. Wildner was not obligated to such a meeting, so the Commission should take advantage of his offer.

EAS Overide

Ms. Kearns stated she had spoken with the Urbana Fire Chief to get his opinion on the matter. She also said she thought a trial period of less than a year might be better. If something happens and the new system doesn't work, it should be reviewed immediately.

Dr. Peterson said he understands the intent is to buy a piece of equipment, which will allow the cable system to select a separate override for locally programmed channels. He will check with Greg Abbott of METCAD on where things stand on this issue. He explained that Channel 3 wants the option to provide their own weather cut-ins. The public safety personnel still want the ability to override all channels for local reports and non-weather related emergency announcements.

Dr. Peterson said a system which allows a complete override along with exempting Channels 3 and 15 from weather alert signals from Lincoln would require an additional piece of equipment, which the broadcast channels seem to be willing to pay for. The intent was to have a recommendation for the Councils by this fall.

Mr. Bruno stated the difference from when this was discussed a few years ago would be the ability to still cut in for local emergencies. That is the main reason it was defeated last time.

Transfer

Mr. Holz stated assuming the notice to Champaign is valid, the official date of receipt for the transfer notice would be August 17th. Urbana received the notice on August 22nd. The 120 day deadline would then be different for both cities. John Pestle has again been retained to act as a consultant for both cities. He has requested some additional information not included in the 394 forms submitted by the cable company. Therefore, our position would be that Form 394 has not officially been filed and the 120-day clock is not yet running. The concern is to maintain our current position with the cable company. Pestle is also looking into an apparent denial of transfer by another municipality.

The proposed paperwork should be completed by Pestle within a week and sent to the cities for review. Mr. Holz was not sure if the cable company's response to this would be received by the October 18th meeting.

Mr. Holz reminded the Commission approval by Council must also be included in the 120-day deadline. There should be enough time for the issue to be on the agenda of a Committee meeting and a Council meeting for Urbana. Decisions must be made by November 27th for Urbana and 5 days earlier for Champaign, if the original notice dates are upheld.

Cable Boxes

Ms. Kearns stated the issue of cable boxes has changed since the original battle with the cable company. She agreed with Mr. Badger's previous e-mail stating those customers wanting the extra service provided by the cable box should be allowed that option.

Dr. Peterson stated the channel capacity has been full for a few years and all new channels are being added as digital.

Mr. Bruno stated Mr. Badger also said the Commission need to re-examine if it's in the City's best interest to insist on being a system without cable boxes.

Mr. McDonnell explained this would mean taking away the advantages of new technology; such as digital cable.

Mr. Bruno said the cable box fight has saved the community from 10 or so years of mandated box use. But with the new technology, it may no longer be within the best interest to continue to insist upon no boxes.

Mr. Holz stated this would be the kind of thing to discuss at the meeting with Mr. Wildner. He agreed that the Commission should make sure it is not excluding the community from additional services provided by the box.

Mr. Bruno suggested not having the option of offering the more profitable services might cause the cable company to charge more for basic cable services.

Mr. Holz stated basic cable rates are still regulated by government standards. The other levels have been deregulated.

Mr. O'Rourke stated it would be bad strategy to be against the box, just because you've always been against having a cable box.

Dr, Peterson stated using the box would allow the cable company to go to digital offerings across the board, which uses less bandwidth. This would allow them to offer more channels. People would object less to boxes, if they were not charged an add-on fee for it. He stated we should look into the feasibility of that option.

Ms. Gladney stated if the Commission made the concession, which would allow more channels, then perhaps we could negotiate for more PEG channels.

Mr. Bruno said he thought the ability to promote more local channels would give the cable company another advantage over satellite systems.

Mr. Bruno stated Mr. Wildner also expressed the intention to make Champaign-Urbana a more interactive system. He hopes to offer things like interactive yellow pages. It's a more Internet-like concept.

The Commission discussed the need to publicize the October 18th meeting as a public hearing on the transfer.

Mr. Bruno said that during their previous meeting Mr. Wildner stated he knew about the history of the community's stance on the cable box issue and it would not be a problem. Therefore, Mr. Bruno said the Commission should be careful of what it wishes for.

The Commission discussed the possibility of getting media coverage of the meeting with Mr. Wildner to promote public comment at the October Commission meeting.

Miscellaneous

Mr. O'Rourke suggested keeping correspondence discussion at the meetings limited to written or e-mail correspondence. He suggests the correspondence should be read and submitted to the Commission, but no other discussion is required. He believes too much time is spent on this agenda item and the current format is inappropriate.

The Commission debated the format that should be used to discuss correspondence and communications received by Commissioners since the last meeting. This issue will be decided upon at the October meeting.

Ms. Rose stated she would report to the Commission on the recent controversy concerning adult content programming on Urbana Public Television.

The Commission discussed the role of the Commission as it pertains to the operation of the individual PEG channels.

Mr. Bruno stated the Commissioners should be able to comment on any issues they might be asked about.

Ms. Kearns stated she thought it is inappropriate for Commissioners to make statements on behalf of the Joint Cable and Telecommunications Commission concerning the operation of a PEG channel and its' internal policies. She believes the media should be diverted to a more appropriate source.

Meeting was adjourned 8:40 am