

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

DATE: January 19, 2005
4:30 PM

PLACE: Urbana City Council Chambers
400 S. Vine, Urbana, IL

MEMBERS PRESENT:	CHAMPAIGN Richard Atterberry Brian Silverman	URBANA Barb Gladney Jim Hayes Kevin Maxson Peter Resnick (<i>By Phone</i>)
	PARKLAND Tom McDonnell	U OF I Stan Yagi

MEMBERS ABSENT: Giraldo Rosales, Karen Walker

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

OTHERS PRESENT: Art Svymbersky – Insight Communications

CALL TO ORDER

Chairman Atterberry called the regular meeting of the Champaign-Urbana Cable Television and Telecommunications Commission to order at 4:33 PM.

MODIFICATIONS TO AND APPROVAL OF AGENDA

Commissioner Silverman requested that Insight Communications provide information about “Cable Cards” during the System Operator Report.

APPROVAL OF MINUTES

Commissioner Gladney requested a small modification to the October 20, 2004 minutes. Change was accepted by the Commission. The following minutes were approved by the Commission as amended.

- A. October 13, 2004 - Study Session
- B. October 20, 2004 - Regular Quarterly Meeting

CORRESPONDENCE

Jeff Hamilton presented the quarter's cable complaints to the Commission. Mr. Hamilton informed the Commission that one complaint dealt with the lack of a senior citizen rate for cable service. Commissioner Silverman stated that some municipalities have seen problems with this type of age-related discount. Commissioner Resnick informed the Commission that the City of Urbana's human rights ordinance allows such discounts. Commissioner Silverman stated that age-related discounts could run afoul of state anti-discrimination laws. Commissioner Maxson reminded the audience that Basic cable service was available for around \$12 a month.

Mr. Hamilton also shared a web site address (www.hearusnow.org) with the Commission and audience. He suggested this web site could be a valuable information resource on cable television, media consolidation, cell phones, and emerging technologies.

Mr. Hamilton shared that Insight Communications notified the City of Champaign that premium channels are now only available to customers with digital cable boxes. He stated that Insight had also sent their annual FCC Form 1240 to the City. This is used to update and set the maximum Basic cable rate. Lastly he informed the Commission that Insight had notified the City that the subscription fee for the Classic service tier was going up 40 cents a month.

OLD BUSINESS – Political Content on PEG Channels

Chris Foster stated he had discussed Commissioner Silverman's request (a policy dealing with political content on City-produced government access programming) with Urbana City Attorney Steve Holz. Commissioner Silverman pointed out that the municipal elections will be held in April and that he'd like to see policy in place before that time. Commissioner Gladney said the topic would be added to the next UPTV Commission agenda. In response to an inquiry from Commissioner Resnick, Commissioner Silverman clarified that the UPTV public access policy regarding political content also needs to be reworked. Commissioner Resnick raised First Amendment concerns about restricting political speech on a public access channel. The item was tabled until the next quarterly meeting.

REPORTS

A. Study Session Recap

Commissioner Gladney reviewed the discussions shared during the January 12, 2005 study session on public access television. Commissioner Resnick asked if area high school students could air programming on public access. Chris Foster responded that there were no age requirements to use public access. Commissioner Resnick suggested that UPTV reach out to school-age children as a possible way to increase public access programming. In response to a question from Commissioner Resnick, Commissioner Silverman stated that the Commission should do research before requesting another channel from Insight Communications.

B. Committee Reports

There were no Committee reports.

C. STAFF REPORTS

1. **Urbana:** Chris Foster stated that the UPTV studio is currently being setup for public access producers to use. The City of Urbana is also hiring an Outreach Coordinator for UPTV.
2. **Champaign:** Jeff Hamilton reminded the Commission that NATOA is holding a Voice-Over-IP web-conference February 7-9 and that the Commission is invited to attend. Mr. Hamilton also shared the results of a recent Channel 5 viewer's survey. He acknowledged the survey wasn't statistically valid due to the small sample size, but that staff was pleased with the respondents' answers and programming suggestions.

D. Report by the CATV System Operator

Art Svymbersky provided the Commission with Insight Communications' operating report for the last quarter. Mr. Svymbersky stated that Insight had recently stopped burying cable drops due to the winter weather. He also shared that the Style Network had recently been added to the Classic tier.

Commissioner Gladney inquired about the number of channels on the Basic tier. Mr. Svymbersky responded that Basic cable includes 19 channels. Chairman Atterberry inquired about Insight's increased call volume during December. Mr. Svymbersky explained that cold weather and college student-related calls were responsible for that increase.

Commissioner Silverman discussed Cable Cards with the Commission, explaining that some new televisions have this feature, which eliminates the need for a cable box. He stated that he had just learned that Cable Cards are available from Insight and he suggested that this needs to be marketed to the consumer. Mr. Svymbersky stated that there are approximately 30-40 local customers currently using Cable Cards. The Cable Cards are available for lease price of \$1.99 per month or free of charge if the customer uses Insight's DVR service. In response to a question from Commissioner Silverman, Mr. Svymbersky stated that the Cable Cards could be programmed and updated remotely from the cable office. Commissioner Silverman reiterated that Insight needs to market the Cable Cards to its local customers. Mr. Svymbersky stated that information has been sent to customers in billing statements, and that a joint-marketing campaign with local retailers was a possibility. In response to a question from Commissioner McDonnell, Mr. Svymbersky stated that currently only higher-end television sets use Cable Cards, but that that will likely change over the years ahead.

Commissioner Atterberry inquired about the status of local HDTV channels on the cable system. Mr. Svymbersky responded that negotiations were currently taking place with WAND-TV and the Fox affiliate. In response to a question from Commissioner Silverman, Mr. Svymbersky stated that in order to watch ESPN-HD, a subscriber would need a special HD-cable box or a Cable Card.

NEW BUSINESS

A. Commission Membership Renewals

Mr. Hamilton informed the Commission that its annual membership in NATOA had been processed for next year at a cost of \$750. He also informed the Commission that their memberships in IL-NATOA and the Alliance for Community Media were also up for renewal at a cost of \$60 and \$100 respectively. The Commission voted unanimously to renew all memberships.

B. Public Access Study Committee

Commissioner Gladney presented the Commission with a formal motion to create a Public Access Study Committee. The Committee will report back to the Commission by July 2005 and will be composed of the PEG Advisory Committee, Cable Commissioners, and representatives from UPTV. The Committee will research independent access corporations, facilities, staffing needs, funding models, and new delivery technologies. Motion seconded by Commissioner Silverman. Commissioner Silverman proposed a friendly amendment to limit the Committee to not exceed twelve members and to include any other interested person deemed appropriate by the Chairman. The friendly amendment was accepted by Commissioners Gladney and Silverman. The Commission voted unanimously to approve the motion.

Chairman Atterberry indicated he will select Committee members and schedule a special meeting for the Commission to consider his recommended appointments in the near future. Commissioner Silverman inquired if the meeting could be held via conference call and also meet Open Meetings Act requirements. Trisha Crowley responded that this was possible, provided the special meeting was advertised and the public was given the opportunity to participate.

C. Cable Compliance Report

Trisha Crowley reminded the Commission that the City of Champaign has a franchise agreement with Insight Communications and that the City regularly completes a compliance check to verify that Insight is living up to their contractual obligations. The compliance report for fiscal year 2003-04 had recently been completed and that notice of non-compliant items had been communicated to Insight Communications last December. Ms. Crowley pointed out that the City checks a large number of compliance items, and that the vast majority of them are being met by Insight. She added that a few "housekeeping" details had been identified and corrected by Insight during the compliance check. She stated that the City was still waiting for an independent certified public accountant report on franchise fees as part of the compliance report. In a written response to the City's report, Insight indicated they are working to provide this information. Ms. Crowley explained that the City's compliance check also revealed violations of customer service standards as they apply to telephone on-hold times. Ms. Crowley asked the Commission to provide recommendations on how the City should respond to the violations. Mr. Hamilton stated that the call statistics provided by Insight show that Insight exceeded the average 30-second maximum telephone on-hold time four times during the compliance check period. Mr. Hamilton stated that in their written response, Insight stated that the telephone statistics provided by Insight was "raw data" that hadn't been "adjusted for allowable exceptions that are outside normal business

operations.” Insight further stated that when these exceptions are accounted for, Insight is in compliance with the franchise requirements. Ms. Crowley stated that the City feels the customer service requirements are an important part of the agreement and very important to our citizens. She pointed out that the City receives numerous complaints when customers are unable to reach the cable operator by phone.

Commissioner Silverman pointed out that fines could be levied for non-compliance violations if Insight doesn't adequately address the problem. Commissioner Gladney suggested that Insight develop a plan to better handle service calls during the months of August and September when college students return to town. Commissioner Maxson stated that the amount of punitive fines the Commission could recommend isn't likely to have an impact on Insight's business practices. Ms. Crowley explained that the violations are cyclical and call statistics spike every year when the college students return to town. Commissioner Yagi stated that the City needs to receive the accurate data from Insight.

Commissioner Silverman moved that by the next quarterly meeting, Insight provide the actual call statistics and that City staff provide options for the Commission to consider. He suggested these options could include fines and Insight's action plan to deal with the situation in the future. Commissioner Yagi agreed and suggested that Insight needs to provide the correct data and move to fix the problems. Commissioner McDonnell asked that Insight define what the allowable exceptions are and how they are determined. Commissioner Yagi seconded the motion. Motion was approved unanimously.

Chairman Atterberry pointed out that the City of Champaign did an annual compliance review, but that the City of Urbana did not. He encouraged the City of Urbana to also complete compliance checks on a regular basis. Ms. Crowley suggested that perhaps a joint review could be completed in the future.

D. Set Future Study Session Topic

Commissioner Maxson started the discussion by suggesting that the topic be set after the new Public Access Committee is formed. Commissioner Silverman suggested a study session on new TV technologies. Commissioner Maxson pointed out that this had already been the subject of a recent study session. Commissioner Gladney suggested a study session on topics that will help with upcoming franchise renewal processes. Commissioner Silverman suggested that learning about new technologies would be important as the Commission moves toward franchise renewal. Commissioner Yagi encouraged the Commission to look at new technologies and their impact on franchise renewals, but not at TV specifics like “Plasma vs. LCD”. Chairman Atterberry directed Commissioner Yagi to locate local resources to discuss these upcoming technologies, and suggested the Technical Committee also assist with the planning of the April Study Session.

AUDIENCE PARTICIPATION

Randall Cotton, 508 E. Clark Street, Champaign, reiterated his strong interest in local public access. Mr. Cotton cautioned the Commission to not gauge public interest and support for public access television solely by the poorly attended study sessions on the

subject. He also expressed concern over a Commissioner's comment that we need to get "buy-in from the franchisee" in regards to getting a new public access channel. Mr. Cotton stated that the Commission and Cities should instead "insist" on the new channel. Mr. Cotton then asked what the Commission meant by the phrase "opening the franchise" and if discussions had taken place with Insight yet. Chairman Atterberry responded that he had not discussed the issue with Insight yet, and that his use of the phrase "buy-in" referred to both City Council's, not the franchisee. Chairman Atterberry further explained that the phrase "opening the franchise" means legally renegotiating the franchise agreement before it expires and that is something that needs to be approached carefully.

Mr. Cotton inquired if the Commission had considered moving the study session meetings to a later hour so that the public could more easily attend. Chairman Atterberry offered that the Commission may consider this in the future, depending upon the topic of discussion. Commissioner Gladney explained that the Commission had held its meetings at 7:00 PM in the past, but that they were still poorly attended by the public. Chairman Atterberry reiterated the Commission is cognizant of the timing impediment and would consider a meeting time change as warranted in the future. Mr. Cotton finished by stating that he is a UPTV member and interested in serving on the newly formed Public Access Study Committee.

COMMISSIONER'S COMMENTS

Commissioner Hayes inquired if it was required that cable franchise agreements be fifteen years long. Commissioner Silverman responded that the term was negotiable, but that without a long term agreement the cable operator would be hesitant about putting lots of money into upgrading the local cable system.

NEXT MEETING DATE AND ADJOURNMENT

Next meeting dates were set at April 13, 2005 (Study Session) and April 20, 2005 (Regular Quarterly Meeting).

The meeting was adjourned at 6:12 PM.

Respectfully submitted,

Jeff Hamilton
Telecommunications/AV Technician
City of Champaign