

BIRMINGHAM AREA CABLE BOARD MEETING MINUTES – MARCH 21, 2018

Present: Abraham (alternate), Eick, Fenberg, Heldt, McLain, Shand – Birmingham
Bayer, Borgon, Delaney (non-voting liaison) Gugni, Maly – Beverly Hills
Stakhiv - Franklin

Absent: Ettenson – Bingham Farms

Also Present: Currier – Attorney for Cable Board
Kowalski – Bloomfield Community Television

McLain called the meeting to order at 7:45 AM in the Village of Beverly Hills Municipal Building at 18500 W. Thirteen Mile Road.

Matt McAlear who was moving on to other things came in to say “Good Morning” and thanked everyone.

APPROVE MINUTES OF CABLE BOARD MEETING HELD FEBRUARY 21, 2018.

Motion by Eick, seconded by Fenberg to approve the minutes of the regular Cable Board meeting on February 21, 2018.

Stakhiv made the following corrections: On page 1, under **REQUEST TO APPROVE FY 2017-18 BUDGET AMENDMENTS**, the 2nd sentence should read “...*that* explained her recommendation...” ; On page 4, under **PROVIDER RELATED TOPICS**, 3rd paragraph near the bottom of the page, 4th sentence should read, “...*game* players and multiple TVs.”; On page 5, under **OLD BUSINESS**, 2nd paragraph, remove the word “be” at the end of the last sentence. It should read, “...BACB is cognizant of it.”

On page 2, in the Motion at the top of the page, White corrected the dollar amount for PEG Grants. It should read, “\$120,000.00 to \$195,000.00”.

Motion by Eick, seconded by Fenberg to approve the minutes of the regular Cable Board meeting on February 21, 2018, as amended.

Motion Passed.

PUBLIC COMMENTS

None

TREASURER’S REPORT

Heldt distributed the Multi-Bank Securities statement, as of February 28, 2018, to the Board Members. He highlighted several items, including the CDs. Borgon was curious about the note at the top of Page 2. “Investment Objectives- None Specified...” Heldt would correct the notation for the next quarterly report.

Heldt’s second topic regarded the Franchise Fee Balance. He reminded the current Board Members of and introduced the new Members to the current Refund Policy and noted that the most recent

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Administrative Grant distribution had been in December 2017. At that time, he also pointed out the large amount of Franchise Fees on the books and a discussion about the amount of working capital had ensued. Agreeing with McLain, he sought out advice from representatives of the member communities, specifically Birmingham since it is the biggest economic contributor to BACB funding. A letter and email correspondence began with Joe Valentine, City Manager of Birmingham, which Heldt handed out. Valentine's recommendation and request was for "... a proportionate distribution of a majority of these funds back to the member communities from the franchise fees being held by the board." (Valentine clarified in a subsequent email that his suggestion would be 75%, 80%, or higher refund.) Heldt reminded the Board that the money belonged to all four (4) communities and BACB merely manages it for those communities. With that in mind, on page 7, Heldt provided pertinent balances of the Franchise Fees, per the June 6, 2017 Audit.

Motion by Heldt, seconded by Borgon to authorize BACB to distribute a second (2nd) Administrative Grant in the amount of three hundred ten thousand dollars (\$310,000.00) from the Franchise Fee balance to the four member communities.

For the benefit of the residents, McLain gave brief definitions of Administrative Grants and unrestricted Franchise Fees and how BACB's goal and mission was to be responsible for the distribution of unused funds back to the four (4) communities. Heldt further explained that there was a precise calculation as to how much each community would receive. Next month he intended to address a re-stated "funding policy" for Franchise Fees because he felt the current one was inadequate.

Borgon explained his support for the return of money to the municipalities and welcomed the opinions of the Board, referencing Valentine's expectation of the return of 75%, 80% or higher. Heldt and White agreed that the lower percentage (75%) was appropriate in that at the present time BACB did not have enough available money on hand to distribute any more. The balance number being used was as of June 30, 2017 and it has since fluctuated.

Fenberg questioned if there needed to be a Motion to suspend the current policy since at this meeting the Board would be distributing funds in excess of its policy. He cautioned the Board in the future to amend the fund policy going forward because what these numbers don't take into account was that if there were not sufficient funds, the Board would be borrowing from the restricted funds. He suggested there be a monthly Cash Flow Balance Report showing when monies were anticipated to come in and when possible disbursements would be made. The purpose would be to ensure that the fund balance was sufficient to cover the Franchise Fee flow of income and expenses. Otherwise, restricted monies would be given back to the communities and if that money was not replaced, there would not be enough restricted funds to give out when they were due. Bayer had the same concerns.

Heldt emphasized that he and White had done a cash flow analysis and a 75% distribution was doable, whereas 80% was not. PEG money and Franchise money were tracked on paper and those monies were deposited into one bank and pooled into one bank account. He promised that at a later date he would present a new restated policy to the Board.

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Currier advised that there need not be any action taken on the existing policy before a vote on the current motion. It could be addressed in the future.

Cable Action Committee would continue discussing this issue.

Delaney inquired as to the percentages each community currently received. White would provide the current figures.

Roll Call Vote:
Motion Passed (11-0)

REQUEST TO APPROVE FILMING OF 8 SPRING SPORTS EVENTS

McLain explained that normally this request would come from the PEG Chair, however, at the moment this position was vacant and available to anyone on the Board. She provided pertinent information regarding the Chair's responsibilities.

White discussed the email she received from Steve Rota of BCTV stating that there were eight (8) spring sporting events, all of which BACB would like BCTV to film. She listed all the events.

Motion by Stakhiv, seconded by Heldt to approve payment to BCTV in an amount not to exceed \$20,000.00 (\$2,500 each) for the filming of eight (8) spring sporting events.

Borgon confirmed that all events involved Seaholm and Groves teams.

Roll Call Vote:
Motion Passed (11-0)

COMMITTEE REPORTS

Cable Action Committee

White updated the Board that the committee had been diligently working on choosing a vendor for the website redesign project.

Eick, Chair of the Committee, detailed the 6 month process for selecting the vendor, and named those Board Members who had been intricately involved. Today, he and the committee were recommending Muniweb to redesign the BACB site which would include a very important marketing component that the other vendors had not offered. Muniweb had the lowest quote for the design, yearly maintenance which included a monthly fee for hosting, hardware, software and maintenance, as well as a 5% annual increase. Bayer added that Muniweb's quote included a complete update of the website in five (5) years which in itself would provide a lot of protection for the next generation.

On Thursday, McLain and White had a follow up conference call with the marketing individual who was associated with Muniweb. Even though this woman was not located in Michigan, she has endless experience throughout the country and would increase the traffic to our website which was a key component in choosing this vendor. McLain also thanked all those who participated in this

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lengthy and exhausting process. Eick concurred and thanked the subcommittee who added his or her background and expertise to this process.

Motion by Eick, seconded by Borgon to enter into a contract with Muniweb for the redesign of the BACB website in an amount not to exceed \$7,900.00, which includes \$170.00 monthly hosting, 5% annual increase and a complete update in 5 years at no charge.

Roll Call Vote:
Motion Passed (11-0)

PEG Committee

There were no issues to discuss.

EXECUTIVE DIRECTOR'S REPORT

Referring to the copy of the “Thrive” magazine from the Bloomfield Chamber of Commerce which each Board Member received, White pointed out BACB’s ad on page 19. She also passed out several copies of the “Venture Michigan” magazine which also had the BACB ad.

White referred to her monthly report dated March 15, 2018. There were two (2) new complaints filed since her last report in February. One (1) complaint was from a resident in Birmingham who had a charge on her Comcast bill for a package having to do with hockey (hockey tickets and the hockey channel) which she had not ordered. Even though she had contacted Comcast about the errors and had been told it would be removed, it kept appearing on her bill. In January, her service was cut off and in February, she was charged \$18.00 to turn it back on. The escalation team became involved, resolved the problem and applied a credit to her account. This complaint is closed. The second (2nd) complaint was from a Franklin resident who submitted a complaint to DTE concerning a downed wire which she wanted removed from her property. The wire belonged to Comcast and in less than 24 hours, a Comcast technician had removed the outside drop. This complaint is closed. Stakhiv provided more details of the Franklin complaint.

The account balances for the MBS, BBCU and Beverly Hills accounts were provided to the Board, in addition to the monthly Revenue and Expense Budget Reports, as of February 28, 2018.

Since the last meeting White has written two (2) checks on behalf of the BACB. Both checks were to the Village of Bingham Farms: one was a Municipal Support Services Grant of \$1,245.00 for website hosting and the other was a PEG Grant of \$9,800.00 for website redesign. White noted that the amount was more than what BACB would be spending on its own website redesign.

Additional Notes

White passed on the news that the White House, backed by the FCC, was proposing a new fee on communications providers. This would be for the FCC 2019 budget but BACB would need to be vigilant as these fees would be passed down to the communities. The National Association of Broadcasters was opposing this proposal, as it has in the past.

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The National Association of Telecommunications Officers and Advisors (BACB is a member) and the National League of Cities have filed comments in response to the FCC’s Notice of Proposed Rulemaking, “Bridging the Digital Divide for Low-Income Consumers...” The comments filed on behalf of municipalities support the FCC’s effort to extend the reach of the program to help low-income families access the internet.

Comcast notified BACB that there were some changes in the channel lineup which she noted in her report.

McLain commented on the importance of the FCC to BACB: 1) FCC establishes the PEG guidelines and 2) The only one (1) or two (2) complaints BACB has had to escalate to the FCC were an epic “fail”. She detailed the experience. Another important issue was that there were a number of bills in the Michigan Legislature which the providers were trying to move forward, dealing with the right-of-ways. She found it interesting and surprising that both the MML and the MTA (Michigan Townships Association) were neutral on this bill but in the past had wanted to protect the right-of-ways. Currier provided some background on this issue and answered specific questions from Board Members who were dealing with issues within their own communities. McLain emphasized the importance of “connectability” for First Responders.

White reminded the Board that the next Board Meeting would be the 4th Wednesday in April, April 25.

PROVIDER RELATED TOPICS

a. Comcast

There was no representative present.

b. AT&T/Uverse/Direct TV

There was no representative present.

c. WOW

There was no representative present.

BAPA/BAMA REPORT

Greg Kowlaski referred to Steve Rota’s memo to BACB dated March 15, 2018. He listed the completed **BAMA** Programs which were the six (6) regularly scheduled municipal meetings, the BACB Meeting, the Parks and Rec Board Meeting, the Advisory Board Meeting, the Multi Modal Meeting, Zoning Board Meeting and Baldwin Public Library Board and Trust Meeting.

For the **BAPA** Programs, from the BACB area individual producers and organizations, twenty-seven (27) programs were taped. He listed all the programs.

Regarding **PRODUCER WORKSHOPS**, he encouraged residents to come to the studio for a one-on-one session, especially those who were interested in producing their own show and those who want to volunteer and experience behind the scenes. Please call 248-433-7790 to schedule a date and time for you or to make any constructive comments.

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TRUCK INSTALL – The truck has been updated and was working great. Staff had truck training last week to make sure everything was working properly. The staff is very satisfied with how it turned out and the hard work and customer service Bluewater provided them.

White noted that the truck was in the parking lot if anyone would like to see it. McLain indicated that when the website is redesigned the logo will also be redesigned. The truck will probably need to be “rewrapped” to include some new information on it.

OLD BUSINESS

None

NEW BUSINESS

Stakhiv reported that the Personnel Committee would be sending out a questionnaire to all Board Members regarding input for the annual performance appraisal for the Executive Director. Please reply by March 30, 2018. The Personnel Committee will meet the first or second week of April. She will keep the Board updated on the committee meeting because it is an open meeting.

The Personnel Committee consists of Frank Maly, Mel Ettenson, Elaine McLain, and Mira Stakhiv.

PUBLIC COMMENTS

None

BOARD COMMENTS

None

There being no further business, the meeting was adjourned at 8:45 AM.