

Cable Advisory Committee Meeting

December 18, 2017

The Cable Advisory Committee met in the Town Hall as scheduled with Tom Alonzo, Steve Walker, Steve Malandrinos, and Heather Lemieux present. Attorney Bill Hewig present remotely for a portion of the meeting.

Public Comment

None.

Minutes/Correspondence

The minutes of 9/7/17 and 10/5/17 were approved and initialed.

Current Business

Bill Hewig presented Comcast's counter offer; they are offering \$170,000 capital and 4.75% annual revenue. Tom Alonzo and Bill Hewig discussed and countered with \$170,000 and 5%, which translates to a substantial amount over the ten year period. After calculating the actual revenue over the 10 year period, this offer ends up being less than the initial offer. Comcast has agreed to the counter. Over the life of the contract revenue is about \$2 million. Steve walker questioned if the agreement will be retro-active to the initial expiration of the last license. Mr. Hewig responded that usually they are not, we will most likely end up with a new start to the contract. Mr. Walker asked if the \$170,000 will be a lump sum or distributed over a period of time. Mr. Hewig answered that it is probably up to us. Steve Walker commented that PACC would need funding to start up a new studio and would prefer a lump sum. Mr. Alonzo said he would be agreeable to a distribution of 50% the 1st year and the remaining 50% in the second year if Comcast is not willing to do one lump sum. Mr. Hewig, responded that it may be difficult to persuade Comcast to provide one lump sum, typically Comcast prefers to spread it over 10 years, usually there is a capital infusion initially and then the remainder is disbursed ½ through the contract.

Committee discussed other requirements of the contract; the committee would require the video return to the high school and a 3rd channel within 2 years of the effective contract date. Steve Walker commented that if we could reduce that time frame that would be preferred as PACC is ready.

Paula made a motion to accept Comcast's offer of a Capital grant in the amount of \$170,000; to be distributed 50% in the 1st year and the second payment within 2nd or 3rd year, and a PEG fee of 5%. The video return line from the high school and the 3rd channel shall be completed within 2 years. Steve Walker seconded, passed unanimously.

Committee confirmed with Mr. Hewig that we will be seeking three side letters, on the following issues;

- Senior pricing
- 3rd channel
- High definition and program guide (epg).

Committee informed Mr. Hewig they would like to see the contract and the side letters. Mr. Hewig will craft the side letters (using the Marlboro sample side letter as a guide) and forward for review. At this point Mr. Hewig ended his remote connection.

Committee then discussed what they would like to see in the side letters.

Steve Walker suggested a meeting to assess availability of high definition be held no later than 1 year from the effective contract date and that Lunenburg be part of the 1st group of Comcast customers in Massachusetts to acquire HD & EPG.

Mr. Walker also requested that the committee require co-location of HD broadcast channels. With the new HD channel system Lunenburg would be 1070 and 1084. Mr. Walker commented that co-location is important for viewers. Additionally, when Lunenburg moves to HD, the ability to broadcast in both high definition and standard definition will be critical so that people with the basic package can still receive. Following discussion Committee developed the following criteria to be incorporated in the side letters:

EPG & High Definition Side Letter

1. High definition Channel & EPG - A meeting to assess availability shall be held no later than 1 year from the effective start date of the contract.
2. Comcast shall insure that both high definition and standard definition are broadcast so that people with the basic package can receive.
3. EPG & High Definition – Lunenburg shall be part of the 1st group of Comcast customers in Massachusetts to receive.
4. Lunenburg channels shall be co-located with the broadcast channels.

Educational Channel

1. Will request that this be incorporated into the contract rather than a side letter.
2. Request implementation of channel within one year. Committee discussed willingness to agree to two years. PACC is ready for the 3rd channel and there is strong interest in the community for this channel; the Committee will strongly advocate for the channel within 1 year; if absolutely necessary the CAC will reluctantly agree to two.

Committee telephone Attorney Hewig again to discuss the above points to be incorporated in the side letters.

Public Comment

Dave Passios thanked the committee for their time and diligence.

Meeting adjourned at 6:56.

Respectfully submitted,

Paula Bertram

RECEIVED & FILED

JAN 23 2018

**LUNENBURG TOWN
CLERK OFFICE**