

MINUTES
CABLE FRANCHISE REVIEW COMMITTEE
THURSDAY, May 19, 2005
CITY MANAGER'S OFFICE
6:00 P.M.

Members Present: Mike Joyal, Doug DeDe, Brian Miller, Audra Lurvey, Jean O'Shea, Ed Bliler and Dana Lariviere.

Lariviere began by stating that he had been tasked with reviewing and forwarding the letter which he has not yet done but will get it to Mike Joyal by Monday. He also has compiled the survey statistics which he will also forward to Mike for distribution to the members. Since the last meeting, they have received a letter from Comcast indicating their desire and willingness and desire to enter into the informal process of negotiations. He would like to see the committee decide if they would like to enter into the informal process with Comcast while continuing a parallel path of formal negotiations. The committee agreed. He asked Joyal how to proceed with the informal process.

Joyal stated that the next step will probably be to invite Comcast in to sit down and they may come with a draft copy of an agreement which we can haggle with them and if they agree great, if not then we're back where we started from. He would like to continue the process so that at the very least we will get to and RFP statement of what we want in a cable franchise. He feels this is important because Verizon may be coming to us in the next year or so looking for a franchise as well. He clarified that we would still have to continue the renewal negotiations with Comcast regardless of whether or not there may be someone else coming in but we also are laying the groundwork for the future.

Lariviere clarified that continuing the process of the RFP is for Comcast solely, not for competitors. Joyal stated yes it is our request to Comcast with the list of the needs of the community for them to meet which has been ascertained by the surveys, etc.

Bliler asked about mentioning the studio which was supposed to be provided throughout the years of the present contract but was taken away and can this be a part of the informal process.

Lariviere explained that the informal process is meant more to start the negotiations with a clean slate and not mention past issues but the formal process allows for measuring their performance against their franchise agreement and be able to ask why they didn't comply with the agreement and could be grounds for us choosing not to extend the agreement.

Miller asked if the RFP should be ready for the first meeting.

Lariviere stated it would be ready in time, but we also wouldn't want to tip our hand and see what they propose first.

Bliler feels that it should be clear up front that we are unhappy with past performance.

Lariviere stated that everything is fair game, but we shouldn't appear to have preconceived notions from the start.

Joyal suggested that they be invited to a committee meeting to begin the informal process and to provide us with a copy of their draft proposal ahead of time to get the ball rolling.

The committee consensus was to invite them to attend on 06/09/05.

Next, Lariviere asked if anyone has come up with anything more that needs to be addressed that hasn't come up yet.

O'Shea stated that in reviewing ascertainment information from 2003, there is a mention of mid-price cable which has since been eliminated as well as a request for a reduced rate for seniors.

Lurvey stated that there were reduced senior rates offered through senior housing.

Lariviere stated that it is correct that both of those offers have been eliminated.

Minutes – Cable Franchise Review Committee

May 19, 2005

Page 2

Lurvey addressed video-conferencing and wonders if this would be a revenue making possibility for the city.

Lariviere stated that the more likely scenario for this set-up would be a public/private partnership where they would provide the pipe for this service and we could find someone to provide the equipment and there could be an opportunity to charge for a per use basis.

Bliler stated that it is extremely important to tie the school department to the city.

Lurvey agrees that there are many services that the schools could utilize i.e., broadcasting of sporting events, various presentations, etc.

Bliler envisions a child being able to follow along with their class while at home sick.

Bliler stated he feels it is important to find out their profit margin in Dover so we know how much we can realistically ask for and expect to get.

Lariviere stated that the annual report will list the profit margin but would not be broken down to Dover specifically, perhaps regionally.

Lariviere stated that we won't be any worse off pursuing this via the informal process and may be better off. The ultimate decision comes from the City Council once the Committee has presented what they feel is the best contract they could bring forward.

Miller reviewed the County government request for getting the pipe laid to the facility to be able to conduct arraignments from the jail.

Lariviere stated that is something that will have to be well-defined in the agreement.

DeDe asked what other cities have ended up with after going through this process.

Lariviere stated that some cities have done better than others in getting concessions. Some municipalities are also providing their own broad bands, but there is a movement going on across the country by cable companies to go to court arguing unfair competition and have succeeded in some states.

He has invited people from Portsmouth to come and have gotten no response.

His impression after speaking to Durham was that they basically took what was offered.

Miller asked about the survey results.

Lariviere explained that there were approximately 148 respondents and again stated that they will be forwarded to Mike for distribution.

Discussion ensued regarding the lack of input regarding the price of the service and that people are treating like another utility bill basically because there is no other option for the service.

The Meeting concluded with the understanding that the next meeting would be scheduled for 06/09/05 with an alternative date of 06/20/05 if Comcast is unable to meet on the 9th.

Transcribed by V. French