

Approved minutes of Cable Advisory Committee of Dec. 11, 2008

## The Comcast license expires June 28, 2010.

The meeting was called to order at 7:51 p.m. by Vice Chairman Frits Riep. Attending were John Covert, Mike Geis, Les Gerhardt, Brian Costello, Brandy Brandon, Oleg Volinsky, and Peter J. Epstein (attorney). Selectwoman Terra Friedrichs attended parts of the meeting.

Peter J. Epstein introduced himself and discussed the scope of his services. A discussion of some of the aspects of forming a Municipal Access Corporation followed, shedding light on the following activities or issues:

- File articles of organization with state (Form 1023)
- Need three people to serve as incorporators, either as stand-ins or as initial officers
- Draft by laws, circulate, achieve consensus WRT directors, number thereof, terms thereof, representation thereon by BoS, SC, and CAC, liquidation, and conflicts of interest (per IRS)
- Need an employer ID (John will take care of on-line, but name needed first)
- Need to settle on timing of incorporation
- Need to hire an Executive Director
- Need to construct a preliminary budget

A discussion of funding for the MAC ensued, including the following issues:

- History of disposition of funds from Comcast and Verizon
- Assets to be received by MAC from the town of schools and revenues to be received by the MAC from Comcast and Verizon

Peter noted that we got a good deal with 5% of gross revenues and that the MAC should have three streams of revenue – franchise fees, PEG access, and a portion of cable company gross revenues.

Peter asserted that these monies should not be spent for things other than cable – not fair to subscribers.

We need the names of three people, with addresses, to incorporate the MAC. Those should not be members of BoS or CAC because of potential conflicts of interest. We also need a name for the MAC and that name is required to include CORP or INC.

There should be an odd number of directors. Peter recommended five, seven if the BoS is to have a representative. Ideally, the board members should have specific expertise such as law, accounting, and marketing. Peter also recommended staggered terms.

WRT personal liability, we can get D&O insurance but that does not cover malfeasance or failure to file certain forms or rejecting community programming (Chap. 180).

One of the first actions of the Board of Directors of the MAC is to hire an Executive Director, somebody who has experience both in start-up and in ongoing operation. The next is to find a location, or locations, for the studio.

Factoid: Westford has an Executive Director (Erika Davidson).

It was the overwhelming consensus of the group that there is likely to be a problem with the money that has been accumulated, or should have been accumulated, for cable purposed.

The following are the e-mail addresses for CAC messages:

[cac@acton-ma.gov](mailto:cac@acton-ma.gov) official business CAC plus L-auren Rosensweig, Terra Friedrichs, and Mark Hald.

[cableinterest@covert.org](mailto:cableinterest@covert.org) items of interest or draft documents – the above plus attorneys, service providers, and other interested parties.

Unapproved minutes are circulated to [cac@acton-ma.gov](mailto:cac@acton-ma.gov) and approved minutes are circulated to [cableinterest@covert.org](mailto:cableinterest@covert.org) plus the Town Clerk.

Items to be accomplished in the near term:

- CAC presence at Volunteer Fair
- John to appear at BoS meeting on Monday for Citizens Concerns

ç Bill Solomon by conference call è

William Solomon joined us by telephone for a discussion of:

- Estimated budget for MAC
- Discussion with Greg Hall – (I-Net design consultant)
- Key issue for license renewal is I-Net, who owns what, who is responsible for maintenance and upgrades, what Town wants and needs, what Comcast wants and needs

How bad would it be if I-Net went away? It would be a DISASTER according to Mark Hald.

Factoids:

- Bidirectional split, channels cherry picked and parceled to schools and more than one LAN is supported over a Gbps backbone (completely fiber, multiple fibers)
- Two fiber links, one for video and one for data
- A 1240 rate form details Comcast expenditures on the I-Net, prorated by miles of network
- I-Net goes to well over one dozen locations (28 drops?)

- What can the town take over, interface to fiber at each end of the fiber according to John Covert
- This is Comcast equipment through fiber termination
- Data network – components owned by town, layer 2 switches for example, town owns GBICs?, Comcast only provides dark fiber
- Video network (Greg needs to confirm from his records) optical transceivers are owned by Comcast (processors and modulators as well). Also Comcast responsible for in building cabling right up to the wall plate. However, the town can take it over (may have to use a company like Greg's to do service from time to time). The conversion from analog to digital, may or may not have to be done. However, Mark Hald likely has a better understanding of the data network than the video network. OK for Town to take over maintenance of everything but fiber (which is nested in with Comcast fiber, on poles). External plant is all passive, just glass (no repeaters, single mode fiber only. WDM used by Verizon on poles (passive)

Greg to do an estimate of the annual expense to the town for ten years for assuming the responsibility of maintenance and upgrades

We are not going to negotiate the stuff that is already there, but if we build a new school or a new town building we pay to hook it up.

Financial benefit to Comcast and cost to Acton for letting Comcast out of the infrastructure for the video. The most we can take on is everything but what is on the poles. (fiber)

Issue: Comcast needs to donate equipment that is already there.

Greg can have something for us by the middle of next week but let us say within two weeks for getting something to Bill from Greg 22<sup>nd</sup> report to bill (speak to John if needed)

Ten years is a long time to continue to use analog (analog TVs will be obsolete, but will still have cable ready analog tuners)

We need to have the ability to take the content and redistribute it over the I-Net using any technology that is appropriate.

ç End of conversation with Greg è

5% of gross revenue, continue to maintain I-Net, maybe some capital in exchange for Acton's maintaining the I-net. A hearing would cost ~200K and require a great ascertainment

Town understands that we cannot get Comcast to run public access.

See Stoneham, Wilmington, Wakefield (church, new bldg, high school). Site visits are excluded from open meeting law (Terra and another selectperson to be invited by Terra)

Peter Scott designs studios – have him out for a plan for two separate studios.

Representative from schools to be obtained by Terra—both an elected and a staff

Brandy will work with Terra and Steve to get the missing data on where the money went.

Bill expressed interest in getting copies of reports furnished by Comcast and Verizon, say one to two years (quarterly studio reports).

Kevin Long, who owns an AV company, to do a capital plan for studio, cameras in meeting rooms, editing, field equip, etc.

Need operating budget for – Chick Sherwood or Executive Director to do an operating budget.

Need to get the license to specify distribution of funds (i.e., funding for ACAT, Inc.)

We have about 6200 subscribers

Be ready to negotiate with Tim Kelly in early March

Site visit with selectmen/manager in February

Move to adjourn at 10:45 pm by Brandy , seconded by Mike, agreed unanimously.

Minutes for 11/23/08 meeting to be approved at next meeting.