

SPECIAL MEETING

CITY COUNCIL

MARCH 18, 2009

6:30 P.M.

RENEWAL OF
COMCAST CABLE HEARING

A Special meeting was held by the City Council of the City of Long Branch on Wednesday, March 18, 2009 relative to Cable TV renewal with Comcast Cablevision.

Present: Michael DeStefano, Council President; Dr. Mary Jane Celli, Council Vice President; David G. Brown, Councilman, Brian Unger, Councilman

Others present: Barry Capp, Esq.; Howard Woolley, Business Administrator; Howard Marlin, Cable TV Commissioner; Kevin Cieri, Cable TV Commissioner; Rob Clifton, representative of Comcast

Absent: Mayor Adam Schneider; Anthony Giordano, Councilman

The pledge of allegiance was recited. Certification was read.

Rob Clifton – Comcast representative

Spoke regarding the Federal Mandated Renewal process. The current certificate of approval will expire on September 19, 2009. This is a document needed in order to operate a cable television system in a municipality in NJ. It's issued by the Board of Public Utilities after municipal consent and the cable company's application has been reviewed for compliance with state and federal requirements. The process began in 2006. December 2008 a copy of the application was supplied to the municipality. Once the application is presented to the town, the town has within 60 – 90 days of the filing to hold a public hearing. After this hearing, 30 days from tonight, the town will have 30 days to issue a consent ordinance or a resolution of denial. The timeframe is flexible since the current COA doesn't expire until September. If consent is granted Comcast has 30 days to file with the State of New Jersey a petition which is the application which will be presented as well as the ordinance. The consent ordinance that Comcast is seeking is the use of the right of way, not a contract which obligates the municipality to do anything except to allow Comcast to run the plant along municipality rights of way. It is non exclusive which means that any other cable provider can come in before this governing body and ask for the same things that Comcast is asking for. The City Council must judge Comcast's application on its own merit and under certain criteria. Rates are governed under State and Federal Statute and can not be negotiated.

Motion was made by Councilperson Celli, seconded by Councilperson Brown to open the public hearing on the special issue of the cable contract.

Faith Titelbaum – 9 Marshall Court

Spoke regarding having all meetings, zoning, planning, council etc... taped and shown on the local cable channel.

Dan Mancini – 35 Sternberger Avenue

Spoke regarding the elderly and handicapped that are not able to come to the Council meetings would like to see the meetings televised.

Steven Worsely – Executive Director of (inaudible) gear up program in Long Branch

Would like to see public access to watch the meetings on television to keep on top of things. This way the committee can stay involved.

Michael Salvatore – District Administrator – Long Branch Public Schools, 540 Broadway

Spoke regarding the Board of Ed having their own channel. We have two fully functioning TV studios along with editing labs and would like the channel brought back to the school. We'd like to ask the Council to commit to make sure the school has a channel when negotiating the new contract.

Austin Gelzer – 385 Ocean Boulevard

Asked why the studio was in Monmouth University and not in Long Branch?

Mr. Marlin stated that originally the signal that is sent out by the provider was at City Hall. They needed the space, we just had a small room to use our equipment in, we did move to the Library, the renovations of the Library came up within that time and again we were disposed of. Fortunately the University was in the process and completed their communications building and they had a beautiful studio and plenty of room and with the negotiations with the City we were able to move the equipment in that we had, plus the equipment that they had available to our Cable Commission and that's where we are now and we are very happy they were able to provide us with the space and the equipment and the facilities.

Mr. Gelzer stated that it was his understanding that Monmouth University's space is running out and was wondering if that was true and asked if there were any plan to bring it back to Long Branch and seconds the remark made by the Superintendent that the schools should be involved with Channel 20.

Disappointed with the Web but there should be more content and less rerunning of the same bands that play here. Asked if there is a schedule of things that are on Channel 20 posted on the Channel 20?

Mr. Cieri - It was stated that there are two bulletin boards, one for the day time schedule and one for the evening schedule. It's in the regular rotation of the slide when there is no programming.

Mr. Gelzer - asked if there was a review process or an advisory board. Who makes the decisions as to what's on Channel 20.

Mr. Cieri stated that most of the programming going on now is mostly historical in nature. There is an avenue for feed back, there is a website and an email address where people can email us and let us know of a problem with programming.

Denise Hoagland – 68 Ocean Terrace

Concurs with the previous conversations as far as televising City Council meetings and agrees that school sports should be televised.

Philip Falcone – 27 Coral Place

Member of the Cable Commission. Asked Mr. Clifton what it would take to train people as producers in such instances as it would pertain to emergencies and filming from town hall whether for Council meetings or emergency management situations where the PD could flip a switch and go live on the Channel. How would we do that and also the technical aspects of implementing the school channel?

Mr. Clifton stated that you could move the head end back into the building and the other is a direct connection between City Hall with the University. Spoke regarding fiber links. As far as a second channel, that is something that could be negotiated. As it stands now on the existing analog channel line up, 2 through 97, that channel space is filled right now so most likely that second channel would be a digital channel but we are moving to an all digital world within the next couple years. The second channel is an issue for negotiations as well. As for the equipment, any additional equipment for the studios would be negotiated as part of a technology grant that the company could provide. As far as technical support and training, Comcast does not have any on staff production crews any longer but your high schools and the Monmouth University has a tremendous program which they probably have students that will volunteer to do work, volunteer to do training, volunteer to produce programming. We've seen this in a lot of places.

Councilman Unger asked how long before the internal unit could get a cost estimate for linking a piece of fiber from here.

Mr. Clifton – It should be relatively quick, within a week or so.

Went on to speak about digital signal and stated that the federal government moved it back from February to June because of the demand that their federal coupon program had and the availability of purchasing digital boxes from Radio Shack and Best Buys.

Councilman Brown asked how long would Comcast do that for the people.

Mr. Clifton stated that the industry is looking at three years. Comcast is looking at 2 years to switch every body to digital at some point. Comcast is starting to use a DTA, digital to analog box and if you're a basic cable subscriber you can get this box and get all the channels that are going to switch from analog to digital. There are about 11 or 12 channels that Comcast considers basic cable but you cant see them unless you have a digital converter so even when these customers at a lower level service get a digital box for the same amount of money they are paying now, they will get about 11 or 12 additional channels on top of that and no additional cost. We will let you know when that program is set up.

Councilman Unger asked about gross subscription revenue coming to the City.

Mr. Clifton stated it was 2% of the basic revenue. When Verizon can service 60% of the City, the franchise fees that we pay to the City will increase to 3.5% on the total cable bill.

Councilman Unger stated that it would be fair or accurate to estimate once Verizon hits 60% capability in Long Branch and they go to 3.5% and Comcast goes to 3.5, the City's revenue could double or triple over the next several years so cost factors such as getting additional camera's or adding a fiber link to Monmouth University would be a much different scenario once the City's got three times as much revenue. The contract with Comcast is going to run for at least ten years and what the public needs to know is that the 110 or 120,000 we get now which goes in the general revenue is going to double or triple and it might effect how the public views our proceedings here and our decisions in broadcasting from City Hall.

Council President stated that any money taken out of the general revenue has to be filled in by raising taxes so it's a balancing act and that's why you can't

say it's a definitive thing that franchise fees can be dedicated to a specific purpose.

Councilman Unger stated that it's a policy decision that Council and the Administration makes.

Cornelius Williams, Cable Commissioner – 81 Avenel Boulevard

Asked Mr. Clifton, for clarification purposes, the school channel would probably have to be digital, can you give us an estimate as to how long before Comcast goes digital.

Mr. Clifton stated that Comcast as a company going all digital is probably a couple years away but we've moved the lease access channel up to digital so the school channel would be digital but it would be in what's called a limited basic tier which means you would get a stripped down box and you'd be able to see the school channel. As far as providing the channel in digital now, it would be, if negotiated, a second channel would probably be a matter of months to construct, up and operational. There are 7,000 digital customers out of 9,200 subs so you have a very high digital penetration rate.

Councilwoman Celli asked Mr. Clifton if Comcast has ever given consideration to giving the seniors a lower rate.

Mr. Clifton stated that there is a discount if a person qualifies for the PAD deduction for the state. The state only allows us to give a discount if you are eligible for the PAD. We can not give a senior discount because it is discriminatory pricing but if a citizen qualifies for PAD, they receive 10% off their limited basic channel service.

Mr. Marlin asked if there could be something given to them so it could be posted on the bulletin board. Mr. Clifton will supply that.

Councilman Unger asked if the fair balance rules that apply to Comcast newsmakers for example, do they apply to your programming on Long Branch Channel 20 for election campaigns.

Mr. Clifton stated that the only governing Comcast has over local municipal access channels is to make sure they are not running commercial programming but whatever the city deems as its access policy rule, we don't get involved in that. If there is a complaint the FCC would.

Robyn Kempf – Cable Board Commissioner

Asked what the limited basic channels are.

Mr. Clifton stated that limited basic is 2 – 23 and that is what you need without a digital converter. If you had a digital converter, limited would basically jump up from channels 166, 199 and 241 through 250, 611 and 850.

Discussion ensued regarding the number of subscribers that were senior citizens.

Mr. Ozer – 779 Boyer Avenue

Would like to see the town meetings on the cable channel.

Motion to close the public hearing was offered by Councilperson Celli, seconded by Councilperson Brown.

Council comments:

Councilman Brown – Nothing at this time.

Dr. Celli – I've asked my important question about the seniors. I would really appreciate it, I know you're probably prohibited by law but it would be, we have a lot of seniors in this city and we all know what the economic times are but if you would take it back to your management and see if there is something they might consider. Not too many of our seniors are on PAD and that's why I am a little concerned and I understand why you have the rules.

Councilman Unger – This is national Sunshine week so I read in the newspaper so I think its an appropriate time to try to consider ways to broadcast the important governmental meetings here at City Hall to the whole community. In thinking about some of the comments today, I had a conversation with the Superintendent of schools earlier this week to see what he thought about deferring some of our costs of broadcasting City Council meetings and he thought that upperclassman at Long Branch High School that he may be interested in having a program where they help staff the camera's or assist with the lighting or somehow produce these Council meetings. I thought that was an interesting offer on his part and secondly, we've heard time and time again that Monmouth University doesn't have enough students, doesn't have the staff, doesn't have the time to devote to helping us to get a signal out of this building so that the public can see what we do here and listen to the reasons we give for the votes we cast and it occurred to me that we have two brand new beautiful television studios in our school systems, one at our middle school and one at the high school and the fiber link from here to there might be much less expensive then trying to hook up with the head end of Monmouth University so I think we really should think about the future, think about the next 10 years. We are in the

digital age already. I personally would love to be able to have a Council meeting where people at home could email questions to a moderator here who could screen questions and give them to us to answer during the council meeting. Its what people do at annual meetings, conventions and corporate conferences all over the US and there is no reason why people shouldn't be able to participate from home so I hope we keep that in mind going forward and I wanted to thank the commission and my colleagues on the City Council here and Rob, thanks for coming and I want to thank everyone in the audience that came to participate today.

Mr. Marlin, Cable Commissioner – The only thing that I would think about is as Councilwoman Celli said that the seniors that would be involved in having to get a box that would be the converter for the digital if and when, would that be considered a no charge fee for seniors or something of that sort to lighten the load a little bit?

Mr. Clifton stated that there is a program that is being rolled out and we are doing area by area is a free digital box for non-digital customers. Those customers that have regular, screwed in the back of the TV set providing them with a free basic stripped down converter which will allow them (inaudible) right now its being done with no charge so at some point as we move closer to switching the system to digital, I see nothing on the horizon that's going to change what we've already started.

Mr. Marlin spoke regarding going from analog to digital on certain channels.

Mr. Cieri stated that on behalf of the Commission, we would like to thank the Council for organizing the running of this public hearing. At least it didn't rain this time around, the last two that we had this past January and January in 2008 for anybody who remembers, it was down pouring, a storm or what have you and we didn't have too much of a turn out. I'd also like to thank Rob for coming out, I know it's a long day for him with his office down in Toms River so I want to personally thank everybody for coming this evening, your comments and suggestions will be taken to heart, I can tell you that much and we look forward to fruitful negotiations and new contract with Comcast come September.

Council President DeStefano – I to would just like to thank everyone for coming out this evening, Mr. Clifton for joining us from Comcast, the Commission members that have shown up. I should mention that I'm not entirely opposed to one of the notions Mr. Unger brought up and that would be a question answer forum. I see that as an entirely different forum, not one that would necessarily occur during a Council meeting but I could see that being a useful forum on a regular basis just in terms of, what are the issues, what are the straight answers so

perhaps that would be something worth looking into and considering. Thank you again, we are adjourned.