

**CHAMPAIGN-URBANA JOINT CABLE AND
TELECOMMUNICATIONS COMMISSION
MINUTES**

DATE: January 21, 2004
4:30 PM

PLACE: Urbana Council Chambers

MEMBERS PRESENT:

CHAMPAIGN
Richard Atterberry
Giraldo Rosales
Karen Walker

URBANA
Barb Gladney
Jim Hayes
Kevin Maxson

PARKLAND
Tom McDonnell

U OF I
Stan Yagi

MEMBERS ABSENT: Brian Silverman

STAFF PRESENT: Chris Foster - City of Urbana
Jeff Hamilton - City of Champaign

OTHERS PRESENT: Art Svymbersky and Dave Treat - Insight Communications

CALL TO ORDER

Chairman Atterberry called the regular meeting of the Champaign-Urbana Joint Cable and Telecommunications Commission to order at 4:31 PM

APPROVAL OF MINUTES

The following minutes were approved by the Commission
- October 8, 2003 - Study Session – Approved as submitted.
- October 15, 2003 - Regular Meeting – Approved as amended.

CORRESPONDENCE

- A. Jeff Hamilton shared an e-mail he had sent to Insight Communications in November 2003. Mr. Hamilton appreciated the quick response Insight provided to a fiber cut that took Channel 5 off-air on October 31, 2003.

- B. Jeff Hamilton shared another e-mail he had received from the Champaign City Manager's Office. The note was an acknowledgement and appreciation to Insight for the quick service call a citizen received to a problem they had with their cable service.
- C. Chris Foster shared a conversation he had with a customer inquiring why cable service wasn't available in the Savannah Green area. Dave Treat responded that Insight was currently running cable into that area and cable service would be available within a few weeks.
- D. Chairman Atterberry shared an e-mail the Commission had received from a citizen. The customer was asking the Commission to consider special, discounted rates for cable service for the elderly and others living on a fixed income. Commissioner Atterberry stated that he had responded to the e-mail by stating that the Commission had very little ratemaking authority.

OLD BUSINESS

- A. Sign Language Interpreting
In response to a Commissioner's inquiry at the January 7, 2004, study session, Jeff Hamilton informed the Commission that the City of Champaign would provide sign-language interpreting services for Champaign's Channel 5 viewers, given proper notice. Chris Foster informed the Commission that at this time, Urbana's Channel 6 didn't have the technical capability to provide this service.

COMMITTEE REPORTS

- A. Technical Committee
The Technical Committee had no report.
- B. PEG Report
Commissioner Gladney stated that the Urbana Public Television (UPTV) meeting would be held March 11, 2004, at Noon, in Urbana's Council Chambers. Commissioner Gladney also reminded the Commission they have a study session on PEG channels scheduled for October 14, 2004.

STAFF REPORT

- A. Cable Modem Fee Ruling
Jeff Hamilton informed the Commission that the City of Champaign had received official notice from Insight that the City would no longer receive franchise fees from Insight's cable modem services. This notification was made in response to last fall's 9th Circuit Court of Appeals ruling that cable modems are exempt from cable franchise fees. Mr. Hamilton informed the Commission that as a result of this decision, Champaign's cable modem users should have seen savings on their

bills, and that the City of Champaign would lose approximately \$60,000 a year in franchise fees.

B. Commission Budget Update

Jeff Hamilton updated the Commission on the current funds left in the Commission's operating budget. As of early January 2004, the Commission had approximately \$1700 left, and very few expenses were expected during the remainder of the fiscal year. Mr. Hamilton informed the Commission that funds were available for other Professional Memberships and educational materials.

C. Commission Directory

Jeff Hamilton shared the most recent contact information the City of Champaign had on its web site for each of the Commissioners. This information was in response to a request from Commissioner Gladney. Mr. Hamilton asked each Commissioner to review their contact information and notify him of any corrections or changes.

D. UPTV Programming Update

Chris Foster shared that UPTV had recently videotaped the Martin Luther King Jr. presentation, and once edited, it would be airing on both Channel 6 and Channel 5. Mr. Foster also informed the Commission about a new series on UPTV called *Profiles*. This series will focus on Urbana businesses and organizations. He also shared that UPTV was currently producing a second part to the program on the history of Urbana.

E. Public Access Update

Chris Foster explained that public access membership had increased to 61 people, and that the public access camera was being used extensively. Mr. Foster explained that this had resulted in some new public access programs on UPTV, but not as many as he expected. He felt that some public access users underestimated the amount of work that goes into a television production.

REPORT BY THE CATV SYSTEM OPERATOR

Art Svymbersky and Dave Treat presented Insight's 4th Quarter Report. Mr. Svymbersky shared that Insight had seen growth in basic cable subscribers in October, November, and December. He pointed out that the largest gains had been with their digital cable and high-speed data (cable modem) services. He shared that they had above-normal customer call volume in October and December, but that Insight had hit their goal (90 percent of calls answered) each month. He stated that Insight had 141 cable drops to bury, but that the winter weather would keep them from buying drops again until spring.

Mr. Svymbersky also announced that Insight was now offering a Digital Video Recorder (DVR) service to its customer. The DVR allows viewers to pause, rewind, and replay live television, or record programs without the need for videotapes. The DVR was

released in early January, and was a huge success, even without any marketing or advertising.

In response to a question from Commissioner Gladney, Mr. Svymbersky explained that the DVR was a one-box-solution, and could replace the customer's existing digital cable box. He stated that the DVR box rents for \$12.95 a month. In response to questions from Commissioner Walker, Dave Treat explained that the DVR would record approximately 30 hours of programming. The hard drive in the DVR is currently 80 GB, and that it would likely be upgradeable in the future. In response to a question from Commissioner McDonnell, Mr. Treat explained that they currently have 130 DVR customers in the region, which includes Champaign-Urbana and Danville.

In response to a question from Commissioner Yagi, Mr. Svymbersky explained that customer service calls fluctuate due to student users at the University of Illinois. He explained that the October 2003 call volume was higher than normal, but that November and December volumes were typical.

In response to a question from Chairman Atterberry, Mr. Svymbersky shared that Insight currently offered seven high-definition television (HDTV) channels and that they are actively seeking more HDTV content to put on the system. In response to a question from Chris Foster, Dave Treat explained that WCIA-TV was not currently broadcasting in HDTV, and therefore it was not available in HDTV on the cable system. In response to a question from Commissioner Rosales, Dave Treat informed the Commission that the customer needs a HD-ready TV set, to view HDTV programming. Simply renting Insight's HDTV cable box is not enough, and will not allow customers to see HDTV.

In response to a question from Chairman Atterberry, Mr. Treat explained that the snowy picture on WEIU-TV was a result of poor reception at Insight's headend. He explained that WEIU-TV, which broadcasts from Charleston, Illinois, was on the outer-fringe and antenna reception was often poor. Mr. Treat shared that, while snowy, WEIU broadcasted programming of interest to Champaign-Urbana customers -- which is why it is still on the cable system. Chairman Atterberry asked if Insight was required to carry WEIU as a result of must-carry laws. Mr. Treat was unsure of those requirements and offered to have Melody Brucker address the question at the next meeting.

In response to a question from Commissioner Rosales, Mr. Svymbersky shared that the Digital cable boxes rent for \$6.95/month, but the HDTV/DVR boxes are \$12.95/month. In response to a question from Commissioner McDonnell, Mr. Svymbersky stated that while customers can purchase a digital cable box, they cannot purchase a HDTV/DVR box at this time. In response to a question from Commissioner Walker, Mr. Treat explained that customers can continue to use their own DVR devices, like TiVo. Commissioner Rosales then pointed out that Insight offers a \$3 discount off the rental fee of a digital cable box for a customer's second digital cable box.

NEW BUSINESS

A. Commission Rules and Regulations Amendments

Commissioner Gladney stated she had sent some proposed revisions to the Commission's Rules and Regulations to Jeff Hamilton. Mr. Hamilton stated that the suggested changes were mostly housekeeping, and amounted to no substantive changes. The proposed changes were provided to the Commission is a strikeout version. Mr. Hamilton then informed the Commission that if they approved the suggested changes, that they would be forwarded to Urbana and Champaign's Legal Departments for review. Once reviewed, the amendments could then be formally voted on at the next regular meeting. Commissioner Hayes moved to accept the suggested amendments as presented. Seconded by Commissioner Yagi. Approved 8-0.

B. Alliance for Community Media Membership

Commissioner Gladney encouraged the Commission to purchase a professional membership to the Alliance for Community Media. She stated that the Alliance would be a valuable resource for the Commission and the PEG channels. Chris Foster offered that he has a personal membership to the Alliance and finds the organization, annual conference, and Alliance information very valuable. Mr. Foster recommended the Commission join the organization with annual dues of \$100. In response to a question from Commissioner Maxson, Jeff Hamilton stated that funds are currently available to join the Alliance, and that a budget request had been submitted to the City of Champaign's Finance Department to allow membership in subsequent years. Commissioner Gladney stated that the Alliance's annual conference was in July, and that at the Commission's April meeting, they should discuss sending a representative to the conference. Mr. Hamilton reminded the Commission that travel was the Commission's biggest expenditure annually, and the Commission may have to decide which conference to attend – The Alliance for Community Media or NATOA. Commissioner Gladney pointed out that both organizations also have regional conferences, which may be less expensive to attend. In response to a question from Commissioner McDonnell, Jeff Hamilton explained that membership in the Alliance includes: discounted Alliance publications, discounted Hometown Video Festival fees, discounted conference registration, the Alliance directory, and a subscription to the Alliance's magazine. Commissioner Gladney moved the Commission join the Alliance for Community Media. Seconded by Commissioner Yagi. Approved 8-0.

AUDIENCE PARTICIPATION

There was no audience participation.

COMMISSIONER'S COMMENTS

Commissioner Maxson informed the Commission that Dish Network recently began delivering Champaign-Urbana's local broadcast channels on its direct broadcast satellite service. He stated that DirecTV had also announced they would carry Champaign's local channels later this year. He stated this could be good for consumers, but pointed out the local PEG channels are not available via satellite.

Chairman Atterberry stated that the Commission's HDTV Forum had been well received by the public and that he had received positive feedback from the community on the value of the information presented. He then reminded the Commission their April study session would be on telephones. He explained that Champaign-Urbana was now enjoying robust, local competition by a handful of telephone service providers. Commissioner Gladney questioned if the study session would discuss cellular phone services. Chairman Atterberry stated that was open for discussion. Commissioner Walker pointed out that broadband-based telephone service was another area to consider. Commissioner Yagi questioned if Insight had plans to deliver phone service in the near future. He also pointed that another service, voice over IP should be considered for discussion, depending on how loosely the Commission wanted to define "telephone service". Commissioner Gladney stated that consumers should be made aware of all their options, including services coming soon to Champaign-Urbana. Commissioner Yagi warned the Commission that this could be a very broad discussion, and questioned if the Commission would invite all the local service providers, including cellular phone companies to present. Chairman Atterberry asked the Commission if anyone knew of a local "expert" that could guide the study session topic. No names were mentioned. Commissioner Maxson volunteered to develop the study session topic with the help of Chairman Atterberry.

NEXT MEETING DATE AND ADJOURNMENT

Next meeting dates are April 14 (Study Session) and April 21, 2004 (Regular Meeting).

The meeting was adjourned at 5:15 PM.

Respectfully Submitted,

Jeff Hamilton
Telecommunications/AV Technician
City of Champaign