

Cable Communications Commission Special Meeting Minutes

Town Hall Room/Conference Room
Meridian Municipal Building, Okemos, MI

February 3, 2015

Present: Commissioners: Chair, Walter Benenson, Tunga Kiyak, Andrew Lathrop, Brian Seipel, Ronald Styka
Staff: Deborah Guthrie, Communications Director; Mike Wata, Esq.; Joseph VanEaton, Attorney; Andrea Smiley, Communications Administrative Assistant II
Township: None
Comcast: John Gardner, Senior Manager Government Affairs; Mike Ashton, Attorney at Law; Leslie Brogan, Senior Director of Government Affairs
AT&T: None
Haslett Schools: None
Okemos Schools: None

Call Meeting to Order:

Commissioner Benenson called the meeting to order at **4:10 pm**.

Public Remarks:

Lansing Community College (LCC) TV Station Manager, Daedalian Lowry attended the meeting to gain an understanding of the transfer. LCC students, Craig Jones and Tony Monge spoke on behalf of the students and their concerns with the transfer from Comcast to GreatLand.

Introductions: Introductions were made for phone conference attendees; Dr. Timothy Nantell, Ms. Susanna Gibbons and Garth Ashpaugh.

Approval of Agenda:

Chair, Walter Benenson moved TO APPROVE AGENDA AS SUBMITTED. Seconded by Commissioner Kiyak.

Voice vote: Motion carried unanimously.

Communications/Announcements:

Commissioner Benenson began by asking about the process of communicating with the Township Board; Commissioner Styka responded that the Transfer of Control issue is listed last on the Board agenda and that the Board would be looking for a recommendation as to how to proceed, as well as a summary of the issues, timeline, etc. Commissioner Benenson then asked about how the Cable Commission would come to a decision or recommendation. The answer was provided that a commissioner

would make a motion, the motion would need to be seconded and then a majority vote would be required for the motion to pass.

Possible Closed Session Comcast Transfer of Control:

Commissioner Benenson asked about the necessity of a closed session; Director Guthrie responded that an initial privileged transfer condition document had been provided, so now a closed session would not be necessary. The document was shared with Comcast representative, John Wagner.

Discussion Comcast Transfer of Control:

Ms. Susanna Gibbons, via phone conference, led the discussion by explaining the analysis provided by herself and Dr. Nantell concerning GreatLands financial situation. She also stated that they were not able to duplicate the projections presented by Ashpaugh. Commissioner Kiyak asked the question concerning the difference in the historical public numbers presented in the Nantell documents versus the projected numbers presented by Ashpaugh. Nantell referred to exhibit D in the Ashpaugh report stating that the projected operating expenses were assumptions and since the Ashpaugh report did not include details for the calculations, their firm was unable to duplicate. Nantell also stated that they did not understand the methodology used in the calculations. Nantell's main approach in their report was to verify the numbers provided in Comcast's financial reporting.

Attorney VanEaton commented that the two consultant reports may not be that different; however, the real issues are more about the rates and the customer service provided to the residents and the Township moving forward.

Garth Ashpaugh responded by stating that the Township had requested data, new customer costs versus current customer costs and liability issues from Comcast, but with no response or support from Comcast.

Commissioner Kiyak asked for clarification from Dr. Timothy Nantell on the rates moving forward. Further discussion continued concerning Comcast's financial reporting and the Township's financial reporting on the new company, GreatLand.

Attorney VanEaton provided a summary of recommendations for the commissioners to consider.

- Approval without conditions
- Maintain Approval with conditions position – based on the fact that information was not provided in a timely manner
- Do nothing
- Deny – in order to allow all parties involved to agree to conditions
- Approval with no action or take no action

Commissioner Seipel requested to make a motion and was denied by Commission Chair, Benenson.

Commissioner Kiyak requested additional information concerning PA 480, as it relates to other communities and their actions concerning the transfer request. Attorney Watza commented that he was only aware of two communities; Southfield and Meridian.

Action Comcast Transfer of Control:

Commission Chair, Benenson requested information about the process once the Commission makes a recommendation. Director Guthrie and Attorney Watza commented that the FAQ's and recommendation will be provided to the Board; they will then review and take action accordingly.

Comcast Attorney, Mike Ashton, commented that the Board could not hold up the transfer process; there is no requirement to negotiate the transfer. The PA 480 states that the transfer can take place and then the consumers/residents are informed after the fact. Attorney, VanEaton commented that state law does not modify ordinances in reference to police powers. Local law allows review of transfer and to take into consideration the impact of the transfer on the public.

Commissioner Seipel made a motion TO APPROVE WITHOUT CONDITIONS. The motion was seconded by Commissioner Benenson. Motion failed – no majority vote.

Commissioner Seipel made a motion TO REVERSE THE MOTION TO DENY from special meeting, held on January 26, 2015. Motion was seconded by Commissioner Kiyak.

Voice Vote: Motion carried unanimously

Commissioner Lathrop questioned whether Board will do a full review based on the deadline of February 27, 2015. Commissioner Kiyak noted that the conditions should relate only to the original franchise agreement with no renewal conditions.

Commissioner Kiyak made a motion TO APPROVE WITH CONDITIONS THAT BOARD FINDS APPROPRIATE. No second to the motion.

Commissioner Kiyak made a motion TO APPROVE WITH CONDITIONS RELATING TO TRANSFER ONLY AND EXCLUDING CONDITIONS RELATING TO THE FRANCHISE AGREEMENT RENEWAL. Commissioner Benenson seconded the motion.

Voice vote: Motion carried unanimously

Attorney, Mike Watza, commented that the motion would not prevent Director Guthrie and the attorneys from negotiating with Comcast on the conditions.

Public Remarks: Doris Schwartz asked the question of whether the recommendation to the Board, to approve with conditions, included all 28 conditions provided to the Board. Director Guthrie commented that

Commissioner Lathrop moved TO ADJOURN THE MEETING. Seconded by Commissioner Kiyak.

Hearing no objections, Chair Benenson ADJOURNED THE MEETING AT **6:12pm**.

NEXT MEETING:

The next meeting is a regular Cable Communications Commission scheduled for **April 1, 2015 in the Administrative Conference Room.**