

Gorham Cable Television Committee Minutes 5/22/08

Members Present: Richard Portwine, Lee Stanley, Sergei Haramundanis
Also Present: Matt Robinson- Town Councilor, Cindy Hazelton-Recreation Director,
Georgia Humphrey – Station Manager, Kelly Roussel- Media Specialist

NOTE: This meeting was called in response to Town Council moving \$67,000 from the Cable Reserve Account to general funds for Municipal Budget 2008-2009. Town Council also voted that future franchise fees would be distributed as follows: 91% to Town & 9 % to Cable Reserve. At the Town Council meeting of 6/3/08 all funds in Cable Reserve Account (approximately \$412,000) was transferred to Town Capital Projects Account.

- ✓ Reviewed questions & responses from Time Warner Cable Meeting of May 2006
 - Subscriber counts for 5 years 2001– 4913 / 2002- 5131 / 2003-5232 / 2004 – 5236 / 2005 – 5341
 - Road Runners Subscribers – confidential
 - Digital Tier subscribers – 2200
 - HDTV subscribers – 515
 - Digital Phone – confidential
 - What services not included in calculations of Town franchise fee – installation
 - Can Time Warner Cable payments be made in town – no
 - Impact of Satellite TV on subscriber numbers – no comment
 - Status of digital conversion – Federal funding for converter boxes will be available
 - Are all schools wired for cable – not sure of status
 - ✓ Some discussion about clarifying cable status at Village School also double check franchise wording. Mr. Robinson questioned what school dept. has planned for cable at the new Whiterock School.

 - ✓ Opening Comments – Georgia Humphrey
 - Announcement of new web site www.gocat.org and updated brochure
 - Settled into the new facility and technical systems are working well
 - Outreach is improving with more availability of equipment and studio space
 - Facility GOCAT is at a junction point and Station Manager is requesting input and help from the committee in direction.

 - ✓ Questions were asked from the committee about clarification of the responsibilities and functions of the committee. Station Manager will research.
- Agenda Item 3
- ✓ Elected Chairperson – Richard Portwine 3 yeas (present committee only 5 people always vacancies) committee did not elect a secretary (Agenda Item 4) at this point. Georgia Humphrey will provide minutes to the Town Clerk’s Office.
- Agenda item 5
- ✓ Operations Report – Georgia Humphrey
 - Committee decided to postpone portions: Update Tech and Outreach / Studio Use & Production report. Georgia will send out a hard copy of information to review at next meeting.

- 2007-2008 Budget
- ✓ Rough figures: Total operations: \$100,000 Human Resources: \$72,000 All Other Accounts: \$30,000 [specifics available through Town Office] This figure includes all technical repair/ replacement/ computers/software & office and media supplies. Increase of 7.9 % for this budget. The increase is directly related to adding more funds to establish the service of streaming and downloading video to extend our outreach to more than just cable subscribers. Actual cost for this function has not been determined at this point.
- ✓ Mrs. Hazelton offered comment about recent staff changes in Town/School IT Dept. and also the service we are using for Internet (Virtual Town Hall). VTH has a streaming option for towns but it is expensive The town may have outgrown this service at this point so research is needed to determine best route to deliver the streaming service. Depending on how costs look, this would be the place to go to reserve and ask for the funding. Cindy also mentioned that there are some serious discussions to be had in regards to technology and consolidation with other departments.
- ✓ Mr. Haramundanis commented that there appeared to be more than this one project to be considered. In order for the cable committee to recommend to the Town Council what the budget is going to look like or what projects might come up, what is needed is a 3 to 5 year plan. Who does this?
- ✓ Mrs. Hazelton replied that staff traditional does an outline and than brings to committee for action.
- ✓ Ms. Humphrey mentioned that she has a list of projects and requests already on hand.

Agenda 6

- ✓ Discussion of Budget and Cable Access Funding
- At Regular Town Council meeting of 4/8/08 the Town Manager was directed to keep the Town Budget at zero impact on the Tax Rate. The following week 4/15/08 Mr. Cole brought back his suggestions to accomplish this mandate, (consult minutes from that Town Meeting to see his total plan for savings). Savings included some staff personnel cuts, trimming hours, reviewing job descriptions. A significant item for Gorham Cable Access was Mr. Cole's plan to transfer \$67,000? from cable reserve to the general fund to be allocate as council saw fit.

What follows is a close transcription of the meeting. gah

- Mr. Stanley: This is the cable reserve account that has been building up over time?
- Mrs. Hazelton: Correct, established with the franchise agreement and is a % of everyone's cable bill. Has been accruing for some time.
- Mr. Haramundanis: Was this transfer a one-time occurrence or a policy change?
- Mrs. Hazelton: At that point that wasn't addressed. It was a motion and that item passed.

(Discussion of the actions taken by the Town Council indicates that there is some confusion. A formula was put forward by Mr. Cole that included portioning out operational expenses for GOCAT with reserve of franchise funds 91% to general revenue and 9 % to cable reserve.)

- Mr. Robinson: This is going to happen every year its been approved.
- Mr. Portwine: So, this account is being robbed?
- Mr. Robinson: This is the only department that has its own reserve account. Other departments have a revenue source (general fund) everything goes into one pool and that's how the town has always done it, now why this cable television reserve stayed on for so many years I don't know.
- Ms. Humphrey: If I could just input here, this is one of my concerns about the (*town council*) vote. There is a whole packet of information here that we don't have time to go over and I just want to make a couple of statements so we can discuss this. This is a change in policy. There was little discussion or notification before this action. I didn't have a chance to talk with to this committee or to work with that policy change. This is a slippery slope when you start tapping into those funds. It public access they call this the "pothole debate".
- Mr. Robinson: Cindy wouldn't be here if we didn't tap into somebody else's reserve. I'm just saying the police department wouldn't be here either.
- Ms. Humphrey: Can I just put this out and we can discuss it. The franchise fee has been developed from the Telecommunications Act, the Federal Communications Act. In this packet there is a lot of background about it. I can't do it in an hour. I know Matt does his research so I'm hoping Matt that you will look through it and get an idea about where this funding comes from, why it's there, and what it's intent is. It's just my opinion and my take on the legal discussion of it, that this is a very different account than any other account in the town. Just please read the background.

I also want to say that in the time I have been here, I have been promised a number of times that Public Access would get a workshop with Council. It has never happened. I think it's about time that we get some kind of workshop if that kind of change can happen in an instance. That's just my opinion on it. I think this is a Cable Committee Project. I think what you folks can do for cable access television is to at least have a chance to work with the council so they know what the intent is, what the procedure is, what we are trying to do, why it's here, because I really do not believe that is clear. I don't believe that the council knows that. They either don't know it, don't want to know it, or they disregard it. I don't know which of those things. I have a tendency to think, seeing those people (council) work and knowing that they are good people and that they want the best for the town, that they just haven't got a background to understand why I envision it and why other people in Cable Access Television envision it as something different than what the council is perceiving it as.

I also have grave concerns when I hear, and I want to get out in front of this, another reason why I am trying to activate the committee. I also have grave concerns when I hear all the access funds going into general funds and this is why, I have often said that the station manger's job serves two masters. We work for the town and we work for the citizens, that is the mandate and the principal behind public access. If a town councilor wants me to do one thing and a citizen, not a councilor, wants me to do something else, what am I suppose to do? Further more someone is going to walk away from that situation, mad at me, or whoever is in this position. So if you put all of this money into general funds than this stops becoming community access and starts becoming a media department for the Town of Gorham, that's a different thing.

I want to get out in front of them wanting to use all of the money to general funds and then allocating our budget just like the library or just the fire department, just like the police department, public works, or the recreation dept. because, the bottom line is this is going to be the least important thing. The 1st amendment and citizens having the right to address their government is not particularly popular, especially with the government. So I have concerns about that.

My last piece is that technology is changing so fast that FCC can't stay in front of it, nobody is in front of it. It is changing so fast and furious that we have no idea what we are going to need to do. I don't have any HD anywhere. We don't have HD. Furthermore there are so many other things that could happen and so many changes in the FCC, frequency bands are opening up, they are selling them off. There's a lot going on. You could spend 40 hours a week following the changes, there are people doing that. They're called lobbyists.

So I just think it is a pretty dangerous moment to be discussing putting all of that money into general funds I hear talk of it and it's very clear that some of the councilors would like to see that funded out of general funds and that is obviously the right of the Town Council to do that but I just wonder if they have an appreciation of the intent.

- Mr. Portwine: It kind of upsets me as a citizen to think that, what Cindy tells us is that they did away with a position and said they don't want to raise taxes and then all of a sudden they rob and pilfer. They really increased the tax base because they took this money and put it in that account so really they got their 8 or 10% or whatever they needed to fund that position so the taxes did go up but the money was taken from someone else's account that had never been touched before.
- Ms. Humphrey – no I don't think the taxes went up.
- Mr. Portwine: no the taxes didn't go up but they had to find that money somewhere so what did they do, they went and dipped into a pocket that they never had access before. When they first set up this whole system it was designed to fund public access TV it wasn't designed to fund someone's position.
- Mrs. Hazelton: we're at an interesting crossroads, I think Georgia's right it has evolved and technology evolved way ahead of it and now we're in a situation where we are accustomed to a service and a product and we've had a means of paying for it. Now where we're going is the fear of what's out there, what if cable is delivered through your telephone now and we don't have franchise fees and we don't have a revenue stream. That's not a pipe dream there.
- Mr. Stanley: Or everyone goes to satellite
- Mrs. Hazelton: It's going to be very interesting Saco River is negotiating with Time Warner. It's going to be interesting how far out they get. Because the way this shaking out, last time (Gorham negotiated) we got a 15-year, It (Saco River) will be a very short window. As the FCC determines, this is coming down to telephone companies versus cable versus the Internet. We saw writers go on strike because they weren't getting their piece of the action of viewers on line.
- Ms. Humphrey: There's technology over power lines.

- Mr. Stanley: What kind of franchise fee revenue are we talking?
- Ms. Humphrey: 5%
- Mr. Stanley: I mean what is the cash amount of the fee?
- Ms. Humphrey: I'm not sure because the last numbers I was given are from 2005.
- Mrs. Hazelton: It's around \$175,000-to \$185,000 annually. That's what is today. When we started it was maybe \$30,000
- Ms. Humphrey: We went to 5% in 2002 so in 2002 it was \$89,000 2003-\$117,000 2004-\$154,000 2005- \$176,000.
- Mrs. Hazelton: 2 things happened, when we started the franchise we were very lenient and used 3%. Most towns started at 5% because that was the max. We didn't go to 5% till 2002. We were into it 10-12 years.
- Mr. Stanley: What about the capital budget? Where is that? Do you have one this year?
- Ms. Humphrey: I don't have one.
- Ms. Hazelton: Capital as in budgeting expenditures?
- Mr. Robinson: equipment.
- Mrs. Hazelton: There is equipment that is considered operating equipment replacing a microphone, replacing a deck, some of that kind of stuff would be an operating expense.
- Ms. Humphrey: I went to capital reserve for the network server. When we came over from the high school, we didn't have our computers networked. We had "sneaker net" we had our thumb drives. So I went to reserve for that.
- Mrs. Hazelton: It's really been on a case by case basis.
- Ms. Humphrey: So when it is a significant amount of money that we haven't planned for in the budget then we go to reserve. We went to reserve when we put the meeting camera system in at the other location. So when it is a big-ticket item.
- Mrs. Hazelton: So then we put a proposal together, goes to Council, here's what we'd like to do, here's how much it's going to cost, here's the balance in the reserve.
- Mr. Stanley: Is this done just during the budgeting process or can that be anytime?
- Mrs. Hazelton: It's done case by case that can be done anytime. It does require a full council vote though. You can't go to the finance committee and do that; you can't go to the Town Manager and do that.
- Mr. Stanley: Bigger items.(price range)
- Mrs. Hazelton: they've all been over \$5000-\$7000 dollars.
- Ms. Humphrey: A lot of town's have a formula that they use. I know South Portland does. A certain % goes to the general funds and a percentage goes to the cable. If that's what the Town Council needs to do than that's what they need to do I'd just like to see it be done with a process, done thoughtfully and I'd like it to be equitable.
- Mr. Stanley: It sounds like this year it wasn't thought out as much as you would like it to be. It was used primarily to try and get someone that was going to be discontinued funded.

- Mrs. Hazelton: There wasn't advance timing, when I sat down with David to discuss the budget it certainly wasn't discussed then. Usually there's some plan but that's not to say that isn't a permissible action.
- Mr. Portwine: That's correct but what's a little upsetting to me is that somebody on the council says there's a pot of money let's get some. That's what bothered me. When you (access) could come up with a bill for 15-20,000 thousand dollars and need it tomorrow.
- Mrs. Hazelton: Well the good news is that the reserve is sufficient, that wouldn't happen. But as we move forward, if there was depletion, it would be get in line like the everyone else.
- Mr. Stanley: The intent is going forward that 91% of the franchise fees are going to go to general revenue. That's not just this year's?
- Mrs. Hazelton: Well I guess I'm not clear either. That's probably a David (Town Manager) question. I understood that the cable budget would be presented, funded from the franchise fees and then of the residual balance.
- Mr. Portwine: Oh is that right, Matt?
- Mr. Robinson: I think that's what it was.
- Mrs. Hazelton: So if it's a 100,000 thousand and we're spending 80 of the 20 thousand remaining 91% would go to general funds but 9% would stay in reserve. So if would be funded it just wouldn't be 100% of the reserve.
- Mr. Stanley: So is it just for the 08-09 budget or going forward?
- Mrs. Hazelton: I don't know I was pretty focus on the 08-09.
- Mr. Haramundanis: I have a question. Was there any sort of impact analysis on the station for arriving at that number? I understand that we're trying to arrive at balance. It's basically a cash shortfall, that's the way I see it. The tax shortfall that the town has, using another fund that is not tax money to pay for that. But not make the amount too much that it impacts going forward with the plan that the station has. I'll go back to what I was asking for before like a 3 – 5 year plan, if we had that then we'd know what the right number was. It's sounds like what some other towns have done, try to come up with this formula, but you can't do that without a plan. So it seems like that's where we are.
- Mrs. Hazelton: I think when there is a plan laid out, there's some perspective on that. Here's what coming down the road, here's what it's going to take to do it, then everyone can kind of look out on the horizon, oh, ok, that's pretty much all of the franchise fees. We see this coming, there is a greater % on this project, and we're all in agreement we should move forward on. This is a new process; this is the first time in my 18 years. It certainly hasn't had a chance to shake out.
- Mr. Haramundanis: I'm thinking of it in terms of an annual thing It wouldn't be just a one time deal I mean the town is going to be faced with certain issues like this in the future where they are going to need additional funds for something.
- Mr. Robinson: We get this all the time, this is not a unique thing that we're doing here. Every year the state takes more and more of our money so the problem we're having is that we're trying to have a no tax increase this year

for obvious reasons. There's been talk about this reserve account for many years and the franchise fee because it is a tax on citizens also. When business, everything is business to me, it's not a personal thing. When business is good you don't look to do things. We lost money this year from the satellite antennas, they're talking about taking our excise tax to state, it's constant, the school revenue, So every year we are losing more and more money and the easy answer is to just raise taxes every year and have 15,000 people angry so it's not an easy task to do anything. I said it to Georgia before, I've always supported, this is my 7th year on the council, we've always supported everything that has come forward for GOCAT TV. We got to see if it works. There's no crystal ball to see. We're trying something different. We try something different every year on the council. When we build this new building we took a lot of time and care to satisfy your needs and IT needs and one of my things was to put more wires than we'd every need in a life time so we'd be set. I believe this whole Council is a very big supporter of access TV. I liked it when you and Michael (?), you talked about breaking the 2 stations, channel 2 and channel 3, which is a good part. So I think we've been a big supporter but it gets to the philosophy on revenue coming in, I mean we say the same thing about rescue and code which is a massive amount of revenue that comes in to this town to pay for everything else. If Medicaid says they're going to pay \$50 for an ambulance ride, it's the same thing if the franchise fee goes away and they go through the phone line. It's really a tough balance for everybody. We're trying to do the best for the whole town all 15,000 people. The goal this year was the 0 tax increase. We have a budget meeting coming up and everything could be changed. I think every year I've been on the council things have changed at that meeting. Because there is a difference, we're at a 0 tax increase but we spent a million dollars as a town.

- Mr. Portwine: A thing that concerns me is, you said this is a tax on the citizens of Gorham.
- Ms. Humphrey: It's not a tax.
- Mr. Portwine: It's not a tax on the citizens of Gorham it's a tax on the cable subscribers. You don't pay that tax.
- Mr. Haramundanis: Right, that is a franchise fee.
- Mr. Robinson: well you could say that about the impact fee too that's not a tax. It's a user fee that goes to the benefit of the community.
- Ms. Humphrey: That is not exactly what it is either, and that is in this information packet. The original concept of a franchise fee was based on Right of Way (ROW). Those cables are run on town property; they are run on the citizen's property. The citizens in town should get something for that commercial use. It's only due to regulations that favored the cable companies, that they were allowed to break out their bill. So that you get to look at that bill and say "I'm being taxed by that franchise fee." It shouldn't be out there that way it just serves the cable system. They don't want you to think that they are raising money for themselves. Look at that you've got to pay that extra amount. That's part of their working budget but because they are able to break up

the bill that way you see it as tax. It's not a tax that is cable paying for your lines.

- Mr. Portwine: They'll do the same thing with when we have to pay tax on the Time Warner Telephone. When that finally comes around.
- Ms. Humphrey: That's the problem with it. There is a lot of misinformation about what is, how it works, and why it's there. I just think that's unfortunate and it tells me that I haven't done my job, and I haven't done my job because I am so low on the priority list. Nobody cares about it. The Town Manager says if things are going well then we don't worry about it. Which is great except we wind up right here. Where we are right now is that people don't know what it's based on or how it works or why. That bothers me.
- Mrs. Hazelton: I think good place to be right now there is a chair of the cable committee, is a request from the chair and committee to the Town Manger for a workshop with council.
- Mr. Robinson: and Burleigh, he's the chair of the council.
- Mrs. Hazelton: Ask for some workshop time to discuss the operation, and the projected costs.
- Mr. Stanley: But is there time to do that before this budget?
- Mrs. Hazelton: No that's not going to happen before June 3rd.
- Mr. Portwine: No probably not.
- Mr. Stanley: This is looking forward.
- Mr. Robinson: This can't be changed anyway, what is this the 14th, April, May this couldn't not even be changed until November.
- Ms. Humphrey: I don't want you folks to think that I want you to come down here and fix this. I just want to make sure people know what is going on. I think having a 3-5 year plan will be helpful but I have never been given the ...authority or the request for that. I have always done plans. I have had so many phases since I've been here and I've seen them come to fruition, a little bit at a time, so I've got plans for it. We're definitely at a junction and it's not just the funding, it's the facility, we've got this facility. Let's do something with it. I understand that the town council has financial and fiscal responsibilities that are way past anything that access TV is doing. It's just low in the priority list. I am very sincere about how supportive the council has been and I feel a little bad to say but you're taking our money.
- Mr. Robinson: It's the town as a whole, you saw the budget process. We didn't go after personnel. We didn't cut hours. You look down the list. If a service was understaffed or adequately staffed, we didn't want to go after certain things. Let's hope that when the dust settles there's nothing that needs to be changed maybe we're worried about something because it's different. That's what I am hoping. We take chances everyday but we vote on things that we hope we make the best decision. Only 3 years ago everyone was about to shoot us over dispatch. You just don't know.
- Mr. Haramundanis: I think where it's going is this thing needs to be looked at annually so when we're talking about a workshop with council, committee, and station manger, once that's been established that should be something that

is looked at least once a year to determine if the amount the council comes up with makes sense for both the town and the station.

- Mr. Robinson: That would be more up to the council finance committee.
- Mr. Haramundanis: No, it's a new process I think.
- Mrs. Hazelton: If that's where we're going after workshop then we should just be expecting that during finance committee review and the budget process that it is discussed. That things are laid out, that there is a clear understanding of what (project) was to be next, and are we going to make that or not.
- Ms. Humphrey: It was really abrupt.
- Mr. Robinson: There have been rumblings for a long time.
- Ms. Humphrey: But that's not
- Mr. Robinson: And Bill Dale (Town Attorney) approved it too so it's not like it was something that came up that night so he doesn't think that there is a legal argument so, we would not make a big change like this if we were worried about...
- Ms. Humphrey: Now see that's all new information that nobody knows anything about. I don't know anything about that; does anybody here know anything about that? No.
- Mr. Haramundanis: I think what happen, it seems to me is, that there was an immediate need that the council needed to decide on and unfortunately all the people that are affected by it weren't part of the process.
- Mr. Robinson: But no one has been affected by anything yet except 30 people lost their jobs this year (school department budget). Those people were affected this year.
- Mr. Haramundanis: I'm saying by the change in the transfer of the funds to decrease the budget.
- Mr. Robinson: But no ones been affected
- Mr. Haramundanis: We don't know what the impact is. We don't know that yet.
- Mr. Robinson: I know today that 30 people lost their job June 3rd.
- Mr. Haramundanis: I don't know if you understand what I am saying Matt.
- Mr. Portwine: He's talking long term.
- Mr. Robinson: But we don't know what long term is going to be. First of all it's 91% of what's left over from your budget if you request a piece of equipment that's expensive...
- Ms. Humphrey: I'd like to request extra staff, I'd like to request lots of things but that has never been on the table. That's not how it's worked. I've been given a budget and it's been increased a little bit at a time like all the other departments. Like Sergei says (Mr. Haramundanis) there's been no plan for it there's been no build out for any of that. Do you see my position? I'm locked in.
- Mr. Robinson: I understand I see all parties.
- Mr. Stanley: Do you submit a budget every year?
- Ms. Humphrey: We work from the same budget every year and we just try to build out what we think the cost extensions are going to be for the following year.

- Mrs. Hazelton: But now we're in a new place, we've worked it for a year, now we're ready for the next step and if we are going to move forward then it's going to have different faces, different feel, different clientele and we want to be prepared for that. In the past we've had the cable reserve account to go to.
- Mr. Portwine: That's where I'm coming from long range were do we want to go.
- Mrs. Hazelton: Now we're at a place to move to the next level but there's been a change in the funding security. Well,... we don't know if there is a change.
- Mr. Portwine: Well there was a change funding.
- Mrs. Hazelton: Well next year if the franchise fees are a \$190,000 and we say we want to spend all 190 there is no residual left to go. We don't know if that would pass or not pass.
- Mr. Haramundanis: There is no impact analysis.
- Mrs. Hazelton: We don't know but the discussion should be had.
- Mr. Haramundanis: That was my point, Matt.
- Mr. Robinson: I'm not upset it just that ..
- Mr. Haramundanis: Thanks for saying that Cindy, I appreciate that. That says it better.
- Mr. Robinson: It's coming from every direction, it's not just you, I've got the library and everybody else. I keep looking at the list and we've lost 30 people in the town, for me I'm having a hard time. I'm looking at this and I've been a big supporter of GOCAT all the years on the council and I don't know what the future is going to be with this change, but I think the way we're going with expanding GOCAT going forward technology is changing but some technology is getting cheaper. Who would of thought that I can put my 1000 CD's on a thing this big, that cost me 300 bucks. We don't know, your right, you said it today Georgia, technology is changing so fast who knows. We're still supporting GOCAT TV.
- Ms. Humphrey: I know that but I still think it needs to be dealt with the conflicts of interest that happen and happens regularly. I am not comfortable with it. When I came up and spoke to you guys (council members) about being an advocate for the citizens, I really think that's (job description and mission statement) what it says. Now if it doesn't say that, I need to be told.
- Mrs. Hazelton: That's where I think we can have some success with a workshop because there needs to be a clear directive. Cable Committee can advise and have that discussion with council. What is the directive going to be and then it moves from a group decision to, ok this is the way. It's whatever it's going to be. It does get very difficult for staff to know where to go sometimes.
- Mr. Robinson: It's good for me to see because I love it when department heads are really passionate about what they do, because they care. If I never hear from a department head than I know they are just here for the paycheck. I really like the passion. I mean Cindy is the same way, give her a beach ball and she'll have a party with a 100 kids. It's good to see. I travel all over and I watch, well I don't watch but I flick to public access and it's amazing where

we are and where we could be to where some stations are still sticking a vhs tape in a machine and letting it run over and over.

- Mrs. Hazelton: Did you set a recess time for your meeting tonight?
- Ms. Humphrey: No, but we started at 7.
- Mrs. Hazelton: I just want to ask is that the way to proceed?
- Mr. Portwine: I think it's a good idea.
- Mrs. Hazelton: So Dick, that might be something you address to David and Burleigh, to request that (workshop).
- Mr. Robinson: I 'm going to council meeting I can't stay for all of it but I'll talk about your worried about the funding, the funding formula that we passed.and I'll also talk about the workshop.
- Mr. Portwine: I'll speak for just myself, I can understand where you're coming from but what bothers me is long range. You can say 90% this year, 90% next year, 90% after that and pretty soon something big breaks down.
- Mr. Stanley: So I can understand this correctly, they moved \$67,000 this year and then what they will do in following years. What is contingency (cable reserve account).
- Mrs. Hazelton: It started at over \$400,000.
- Mr. Stanley: There's still 300 odd thousand? So next year they might need more?
- Ms. Humphrey: It's sitting there because it has been locked down. It's been locked down about what we could do with it, how much we could spend. I was never told or allowed to ... There's been people on the committee that wanted to spend some.
- Mr. Portwine: Absolutely, why don't you do what you need to do?
- Mrs. Hazelton: Well that's how the process has been. A request would go we need microphones, we need this, we need this...it comes to \$15,000 will you approve it?
- Ms. Humphrey: I look at this like it's a business as well. I come from a small business background. I try to be frugal, what a novel idea. It's not like anybody has ever said well you can have more staff, you can have a huge new communications system that consolidates and works with the police and fire departments. You can download all kinds of programs from a KU satellite dish.
- Mr. Stanley: What was the thinking about how they were going to use that money at some point?
- Mrs. Hazelton: The capital that's been banking? Well nobody knew that we were going to come here (75 South St.) that's the first thing.
- Mr. Stanley: So they thought they might need some of that money. Did they use some of that money?
- Mrs. Hazelton: In the actual construction? No.
- Ms. Humphrey: There was a huge technology portion in the project.
- Mrs. Hazelton: What if the project had been over bid? Well, we can still go to cable reserve and get the project done. Again, those revenues did not jump that high overnight. Literally that's 18 years with the last. Since 2002 being a considerable jump in the %. So not only did we go from 3% to 5% but the

cable bill jumped from \$30 to \$90 so we couldn't project that. Now all of a sudden we have construction and it doesn't make much sense to go do a big project when we don't know what we're going to have here. That was a 2 year process, 4 years if you remember, the middle school gets funded, we start discussing the future of Shaw, we went out and down the road with one architect doing one totally different thing, didn't happen, scrapped it. Went to a different architect got a new plan went back out, got this plan, moved forward. So for 4 years it wouldn't have made a lot of sense to jump into a major technological project. We literally didn't know what our physical place was going to look like. Being in the back of the auditorium of Gorham High School, we knew what was going to happen there, that was going to be nothing.

- Mr. Robinson: We didn't think we'd even be sitting here in the original plan.
- Mrs. Hazelton: So 6 years later, 4 of construction and 2 of occupancy has put us here with a pretty hefty cash flow.
- Mr. Portwine: You said 2019 (franchise agreement contract with Time Warner Cable). By then Fairpoint is going to be the business.
- Mrs. Hazelton: You'll be getting I Love Lucy episode 10 over your telephone. Pay per view, whatever. Then where will we be? So when we need the new satellite or the new whatever and we don't have a reserve to go to than we're in line with everybody else. Nobody can answer that because nobody knows.
- Mr. Haramundanis: In regards to the workshop, what is going to be presented there. You were mentioning a lot of great projects that should go forward. In terms of what we cover there. There's a lot of preparation there. I'm not sure how long that is going to take you to put all that together. Maybe it's not in a formal 3-5 year plan. I would at least recommend that you put down everything that you think in as much details as possible, including numbers to cover all that and based on that, we can make some priorities and see how that fits with what the council has already decided on.
- Mrs. Hazelton: I don't think you would look to get a workshop before August.
- Mr. Portwine: I don't think there is a real urgency.
- Mrs. Hazelton: Well, you want to get in before Christmas, before December. So if you have your workshop either August, September at the latest
- Mr. Robinson: If you go into October, the council is not going to entertain that workshop when a new council will be sitting 6 weeks later. When you get a workshop, get right to the points on things because most council workshops aren't 2 or 3 hours long.
- Mrs. Hazelton: You have time to put out your talking points.
- Mr. Haramundanis: If we are in agreement then what we should do is. you want to put a draft together I don't know how long that will take with your current workload Then we have another committee meeting to look it over, at least one other meeting we might need 2.
- Ms. Humphrey: I think the new policy is that we should meet 6 times a year. What I'd like to do is go the next 3 months consecutively because there is a lot of other things to address like a policy guide. The one on record is from 1991 and it is not enough legally.

- Mr. Robinson: Georgia are you sure it's 6 times a year? I think it says at least 2 per year and to provide minutes of the meetings.
- Ms. Humphrey: I'll double check what the policy says.
- Mr. Portwine: Certainly there is a lot to do.
- Mr. Haramundanis: We have immediate need here which is a little bit different for us and we need to meet a little more often.
- Ms. Humphrey: I think we're at a place where the cable committee needs to be more active. That's my fault because I've had my head down just plugging away. We have some great help with Kelly being on board. I actually have some time to prepare a meeting.
- Mrs. Hazelton: Did you do a tour? Was this your first time through?
- Mr. Haramundanis: Yes it was. Yeah it's a beautiful thing.
- Mrs. Hazelton: It's an amazing resource and now we need to get people in there.
- Mr. Stanley: Has there been an open house?
- Mrs. Hazelton: Not specifically to cable and a how to, it was part of the general open house for the facility.
- Mrs. Rousell: We've talked about doing an open house specifically for GOCAT. We've talked about having a technology center and we've been offering classes.
- Mr. Haramundanis: (Getting people to the facility) It usually takes advertising, which means money from the budget.
- Ms. Humphrey: That's another piece, when I first came on board and practically the entire time, I have been a production company. I've done the production. That's not the way it is suppose to go. It's suppose to be a facility for people to come in and get the gear, we'll show you how to use it, go get it (video). This has turned out to be a conflict for me because if I don't make an event to videotape, than people hold me personally responsible and that's not right. The point is that the staff needs to have some insulation from person conflicts. Personal issues that could make the whole access model vulnerable because there is a personal problem, because I didn't make it out to videotape something.
- Mr. Haramundanis: That sounds like a staffing issue.
- Ms. Humphrey: Not really, it's about this is citizen media, they're suppose to come get equipment and tape it themselves.
- Mrs. Hazelton: Unless we want to be a media production company.
- Mr. Haramundanis: Why not we're changing everything else
- Ms. Humphrey: It's what I've done for years.
- Mr. Stanley: As long as you keep doing it there is going to be less involvement.
- Mrs. Rousell: If it wasn't just you, if you had a staff video people to go out.
- Mr. Portwine: I did it for at least 10 years then somebody said why don't you go down and tape that and I said guess what I'm not doing it anymore. I think I did it twice this year (commentary for hockey/ thanks Dick).
- Ms. Humphrey: What we do with non-profits is the organization gets the show together with the guests and everything and we will provide a crew for the

taping in the studio. We love to do that. That is a perfect use of our resources. Anyway, I really appreciate you guys coming in.

- ✓ Discussed the next meeting date. Set for Wednesday June 18, 2008 at 7pm GOCAT Studio.
- ✓ Adjourned 8:28 PM