



Town of Northborough

"Cable" Committee meeting
5/15/18

Present: **Kathy Dalglish, NCAT Director**
 Dick Swee Chair (by Phone)

The meeting reviewed comments submitted by Dick Swee for the Verizon contract renewal.

Dick Swee's Verizon contract comments are attached.

Respectfully submitted,

Dick Swee
Chair

5/13/18

From: Dick Swee (Northborough "Cable" Committee Chair)

Subject: **Comments on Verizon-Northborough Cable License Renewal Agreement draft**

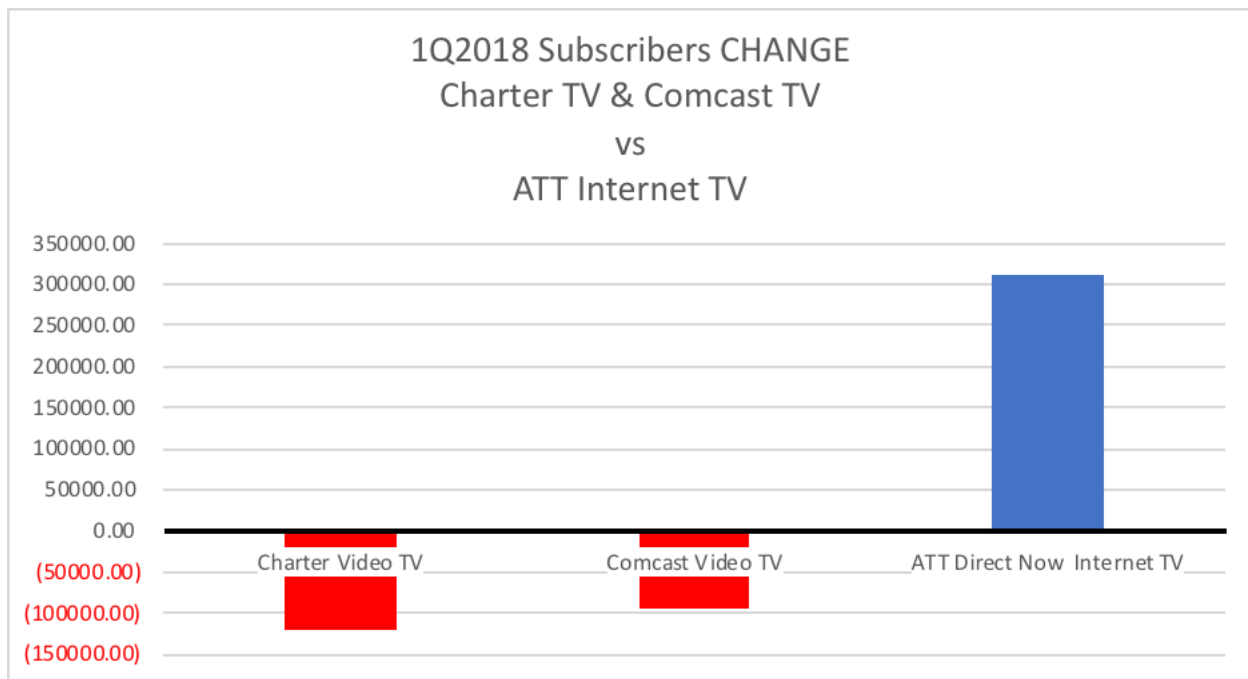
These comments are inputs to the town process, but please note that the committee has not been involved in any vendor negotiations.

1- **BIGGEST CONCERN** (Section 1.17):

The agreement provides funding to the town based on traditional old-style TV-video subscribers only. There is **NO PROTECTION as TV-Video subscribers are lost**. The cable industry is losing TV-Video subscribers as customers move to internet-based alternatives.

A circuit-breaker clause should be added to the funding section that says that funding cannot fall by more than a specific percentage (example was done in NYC so can't fall by more than 22.5%).

Below is a chart showing the 1Q2018 financial results TV-Video subscriber loss in the cable industry by Charter and Comcast and comparison to internet gain TV from ATT. **You can see dramatically the subscribers are moving away from traditional TV-Video sources which WILL AFFECT Northborough funding revenue.**



2- Subscriber definition (section 1.35) – Needs more clarity and specificity to definition of a subscriber since this is the basis for town revenue calculation. For example a subscriber could be defined to include TV-Video AND Internet-TV subscribers.

- 3- Section 1.36 probably should reference FTTP instead of FTP.
- 4- Section 3.1 and 3.2 could be strengthened by adding the phrase “100% coverage of town” to “all residential subscribers”. The 100% would then include people who are currently not subscribers.
- 5- Sections 3.3 and 5.1.3 show that service should be provided to public buildings. But the requirement should be strengthened to include a bandwidth requirement. For example, the library or school or PEG office may require a higher bandwidth due to number of simultaneous users. Could add that Gigabit service is required as a minimum. Also why is Fire Departments not included?
- 6- No senior citizen discount identified in contract. Should be added.
- 7- Contract should require vendor to notify before changing any PEG channel numbers
- 8- Section 4.3 spelling error – conne3ction should be connection.
- 9- Section 5.4 Can limits be placed on how much money licensee can recover from its subscribers for PEG costs. Why should they pass all costs to subscribers?
- 10- Section 6.4 Recovery of payments to the town should be for life of contract, not just 3 years.