

October 8, 2014

**BOARD OF SELECTMEN  
MINUTES  
OCTOBER 8, 2014**

Present: Mary Blanchard, Chairman  
Priscilla Gimas  
Mary Dowling  
Craig Moran  
Suzanne Kennedy, Interim Town Administrator

Mary Redetzke was absent.

The Chairman called the meeting to order at 6:00 p.m. following the Pledge of Allegiance.

**Vote to Sign the Warrants for the November 4<sup>th</sup> Election**

**MOTION: That the Board sign the warrants for the November 4, 2014 election, by P. Gimas.**  
**2<sup>nd</sup>: C. Moran**  
**Vote: Four in favor; M. Redetzke was absent.**

**Discussion of Approval of the Charter Communications and Comcast Corp. Cable License Transfer**

M. Blanchard read the opening statement for the public hearing on the Cable Television License Transfer into the record.

Frank Foss, Manager of Government and Regulatory Affairs for Comcast appeared before the Board and provided an opening statement. He said that he has been in the business for 23 years, and many of Comcast's technical and operational managers have been long standing in the company. He provided financial information and information on the legal structure of the company.

F. Foss said that they have upgraded their systems so that they are fiber rich, and their equipment and technical capabilities are much better. Regarding signal quality, they have changed to a digital system. They comply with FCC standards and know of no complaints related to that. He noted that they have strived greatly over the last ten years to improve their service, including online services, TV service and the opening of new service stores. He noted that Comcast is second to none concerning operation. They offer a notebook one-time purchase of \$149.95 for income eligible students. They also offer training online or individual classes, and reach out to school principals. He said that they provide exemplary community investment, and asked that the Board consider their application favorably and approve the request for transfer.

C. Moran asked what Comcast's rating would be nationally on their service on a scale of 1-10, 10 being the worst. F. Foss said that it would be 8 or 9.

Attorney William August, counsel for the Town, said that all of the Charter systems are already state of the art fiber coax. Heidi Vandenbrouck, Senior Communications Manager and Michael Ballandese, Manager of Technical Operations of Charter appeared before the Board. M. Ballandese said that Charter has a hybrid fiber optic system.

F. Foss said that 12 years ago, before Comcast came to this area, AT&T broadband was operating in this area, and most customer service calls were answered outside of the United States. The biggest change was that they started to take all of the cable calls in regional customer service offices.

P. Gimas said that she has received numerous email complaints about Charter; now the Town is looking at a company whose customer service is one step worse than Charter's. She expressed concern about customer service. She asked about internet essentials, and whether customers would subsidize the reasonable rate for needy families. F. Foss said that there is no subsidization.

M. Dowling asked what their master plan would be for improving their rating on customer service. F. Foss said that there are a number of things that are measured. They also measure call resolution and where the calls are going. He noted that there is always a problem with the response unit queue, and they are trying to shift the call measures so that they can be answered faster.

M. Dowling noted that if people don't have digital boxes, they need to get one. They would be free for one year, after which time there would be a charge. F. Foss said that they provide boxes to certain customers who wanted a certain level of service and also a digital DTA, which is less expensive, but with fewer capabilities than a cable box.

M. Dowling asked how many towns Comcast services in Massachusetts. F. Foss said that over 200 towns currently have Comcast. He noted that they offer college scholarships to students.

Attorney August said that there are no fixed timetables for the approvals. F. Foss said that it could be done by the first quarter of next year.

M. Blanchard said that she would like strong support for the PEG program. She asked F. Foss if he would be willing to come back before the Board after the consolidation takes place. F. Foss said that he will retire next year, but Comcast will come back to address any concerns and questions. Attorney August said that there are territorial assignments within Comcast, and Heidi Vandenbrouck will follow up and report any problems.

C. Moran expressed concern about bundled packages, with phone service going out when the cable goes out. F. Foss said that they have battery backup on their systems that will last for four hours. He said that power outages with lack of phone service have not been a major problem. M. Blanchard said that maybe people won't opt to get bundle packages, if they might lose phone service during outages. F. Foss agreed that it was a valid point. C. Moran stressed that having a power supply for the phone is important when the power is out.

M. Blanchard asked how many communities have voted on this matter. F. Foss said that nearly all of them have voted, and they need 85% of the subscriber base.

H. Vandenbrouck announced that they have a Charter store at 7 Main Street, where people could get their box or have it shipped to their residence. They have expanded store hours of Monday through Friday, 10:00 a.m. to 6:00 p.m., except on October 15<sup>th</sup>, when the hours will be 9:00 a.m. to 7:00 p.m. and Saturdays 9:00 a.m. to 5:00 p.m.

M. Blanchard noted that signal quality is a major concern. H. Vandenbrouck said that 90% of the digital transition has been seamless, with a few hiccups. She suggested that subscribers call the Charter number to get help with issues, and said that they pride themselves on their excellent customer service.

C. Moran pointed out that cable company services are not regulated.

M. Dowling said that the best thing that the Board and the Energy Advisory Committee had done was to negotiate the new cable contract; however, she questioned whether holding up the transfer itself was in the best interest of Sturbridge.

M. Blanchard said that they have reasonably demonstrated qualifications for the transfer. Attorney August recommended approval of the transfer.

P. Gimas stated that she would vote for the transfer under duress, because she didn't feel that she was representing the people who do not like Charter, and in order to prevent the Town from having to go through litigation. M. Blanchard said that all of the Selectmen are looking out for the best interests of the Town. If the deal goes through, Comcast will come back to meet with the Board for better communication.

**MOTION: That the Board of Selectmen grant consent to the license transfer from Charter Communications to Comcast Corporation based on the following findings:**

- 1. Comcast has stipulated that it will assume and be bound by all of the license obligations in the existing cable license issued by the Town to Charter through the term of said license, which expires on April 26, 2015. Similarly, the Town relies on Comcast's stated agreement to be bound by a subsequent renewal license, if any, issued to Charter if such subsequent**

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**Charter renewal license issues prior to the closing, if any, of the proposed Charter Comcast license transfer.**

- 2. Comcast has demonstrated management, technical, financial and legal qualifications to operate the Sturbridge cable system, including but not limited to demonstrating a commitment to continuing to support local PEG Access community television facilities and related facilities showing relevant management qualifications necessary for operating the Sturbridge cable system.**

**Notwithstanding the foregoing, this approval is subject to the transfer not being effective until Comcast satisfies legally required preconditions to the transfer, if any, including closure of the Comcast Time Warner Cable acquisition and receipt of necessary federal government approvals, if any, if and to the extent such preconditions are legally necessary for the Comcast Charter transaction to close.**

**Based on the foregoing and in reliance on any material representations, the Board of Selectmen as Franchising Authority grants consent to the license transfer from Charter to Comcast, by M. Dowling.**

**2<sup>nd</sup>: M. Blanchard**

**Vote: Three in favor; C. Moran opposed; M. Redetzke was absent.**

**MOTION: To adjourn, by P. Gimas.**

**2<sup>nd</sup>: C. Moran**

**Vote: Four in favor; M. Redetzke was absent.**

The meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Judy Knowles

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BOS Clerk

Date