



Mid-Willamette Valley Cable Regulatory Commission Committee Meeting

CCTV Conference Room, 575 Trade Street, Salem, Oregon
October 10, 2016

ATTENDANCE

- Members Present:** Sam Brentano, Brad Nanke
- Members Absent:** Daniel Benjamin
- Staff Present:** Alan Haley, Scott Norris, Perry Grier, Jolene Bray
- Guests:** Alan Bushong, CCTV
Marc Weinstein, City of Salem
Ryan Zink, City of Salem
Tim Goodman, Comcast
- Minutes:** Jolene Bray

I. **CALL TO ORDER: 4:01 p.m.**

II. **APPROVAL OF JUNE 9, 2016 MEETING MINUTES**

Commissioner Brentano made a motion that the June 9, 2016, meeting minutes be approved as submitted. Councilor Nanke seconded the motion and it was approved unanimously.

III. **UPDATE ON COMCAST FRANCHISE NEGOTIATIONS**

Alan H. said staff is requesting a 90-day extension to the Comcast franchise to allow them time to finish the negotiations. He said city and county staff will be meeting internally on Friday to discuss the proposed franchise that Tim Goodman provided them. Alan H. said they have received a lot of input from retained and staff legal counsel and they are ready to finish, but there just isn't enough time to process through the board of commissioners and city council before December 31.

Commissioner Brentano asked for an update on issues that have been settled or still being discussed. Alan H. said they have made progress on HD channels and have agreed to language that an HD channel will be added no later than January 1, 2018. He said they are still looking at 1.5% on PEG fees and a side letter of agreement about the return of fiber that is currently being used by the city and county. Alan H. said it is looking like the county will potentially be paying 30% of market value for the fiber by the fifth year. Commissioner Brentano asked if that was doable to return all the fiber in 5 years. Alan H. said he thought they could do it in six years, but with more funding can probably do in five. He said PEG is the biggest negotiating piece, as well as some customer service issues such as the potential closure of a local customer service center. Alan H. said they have approved a lot of language regarding gross revenues and police powers that MACC used in their franchise agreement. Ryan said they also proposed language that allows the city to comment if Comcast transfers 10% of ownership, while Comcast is proposing that jurisdictions can comment if they transfer more than 51%. Alan H. said it has been a positive outcome so

far and have tried to use pieces that other jurisdictions have already approved. He said they will reengage the attorneys to review what they have come up with to this point.

Tim agreed they have made good progress and said Comcast is happy where they're at. He apologized that the negotiations took a while, but said there is light at the end of tunnel now. He said he is available every day until end of this month for questions and wants to wrap this up and get it off his desk.

IV. COMCAST FRANCHISE 90-DAY EXTENSION RECOMMENDATION

Commissioner Brentano made motion to recommend a 90 day extension of the Comcast franchise through March 31, 2017. Councilor Nanke seconded the motion and it was approved unanimously.

V. CCTV TRUCK GARAGE PURCHASE DISCUSSION

Alan B. said he thinks they have a property that will work for CCTV's truck storage and training needs. He said the parameters need to be secure parking for two vehicles, indoor space for training, space for truck maintenance, office amenities, and parking for people taking training. He said he looked at existing facilities owned by the City of Salem, but none were available and the cost of building a new facility on city property was estimated to cost a minimum of \$850,000, which was too expensive. Alan B. said they continued looking for an existing facility and found one on Davcor Street. He said it is 5,000 square feet, has two doors, and is located on cul-de-sac with on street parking. He said the location is fairly close to city shops, which makes it very convenient because CCTV is close to signing an agreement for the city to perform maintenance on trucks. Alan B. said it needs approximately \$15,000 in repairs and improvements, such as a taller garage door, but he needs CRC approval before he can make an offer or negotiate price and improvements. He said the asking price is \$499,000, which he believes is too high and would offer \$460,000-\$465,000, dependent upon appraisal.

Commissioner Brentano made a motion that instructs staff to attempt to negotiate a purchase agreement for less than the asking price, subject to taking into consideration the inspection and appraisal, and if successful to pass it along with a favorable recommendation to the Marion County Board of Commissioners and Salem City Council. He said the CRC is looking for staff to negotiate a purchase and the commission doesn't need to be involved again within those terms and it can be taken directly to the board and city council. Councilor Nanke seconded the motion and it was approved unanimously.

VI. APPROVAL TO SELL ART DISPLAYED AT CCTV OFFICES

Alan B. said the City of Salem has an art exhibit policy that allows the sale of art at the city library and CCTV would like to do this also. He said he used this policy, changing "City of Salem" to "CCTV," and is requesting the commission approve it and allow CCTV to sell art in their lobby. He said there is currently no art work displayed at CCTV because artists didn't want to show there without the ability to sell. Alan B. said CCTV would receive a 10% administrative fee, as the library does, which would go back into the program providing public education and governmental access. He said their interest was not in revenue and didn't think they'd see a lot of income, but they were interested in showing art because it was popular. Alan B. said in the past, Arts in Action have hung the art and have done a good job doing that without damaging the walls. He said with the city's policy they are using, there is no liability to the host facility, CCTV, if art is lost, stolen, or damaged. Commissioner Brentano asked about editorial control over art pieces. Alan B. said they have total control and artists know in advance. He said CCTV is a G-rated location and anything brought in that was considered offensive would be removed and the artist would be asked to come collect.

Commissioner Brentano made a motion to approve the CCTV Community Art Exhibit Policy, as provided. Councilor Nanke seconded the motion and it was approved unanimously.

VII. APPROVAL FOR CCTV TO USE COMMUNITY TV CHANNEL SERVER TO FEED AUDIO TO NON-COMMERCIAL RADIO

Alan B. said CCTV and Mano a Mano have applied to operate a non-commercial radio station. He said their purposes are very minimal and will primarily be used for government meetings and to share emergency information. He said they may use billboard audio on the CCTV television broadcasts instead of using OPB audio. Alan B. said they would broadcast the Salem City Council and Marion County Board of Commissioners meetings, and the CCTV board also recommended that they broadcast city council meetings from Marion County's smaller cities. He said the idea for this came from a conversation with Roger Stevenson from the City of Salem's Emergency Management Department, who suggested they provide public information in an outlet without having to use a lot of resources. Alan B. said it would cover all of Marion County and almost all of Polk County, reaching 575,000 people. He said with this license they will receive four HD audio channels and are in discussions with KMUZ about allowing them to use one to boost their analog signal. He said this would take KMUZ from 34 watts to 250 watts, which will allow their broadcast to penetrate the walls of buildings. Alan B. said the capital costs would require equipment purchases, but said the cost of a transmitter is only about \$3,500. He said operation costs are expected to be very low because they are not providing what KMUZ is providing. Alan B. said he is requesting permission to use CCTV servers to help broadcast the audio signals.

Commissioner Brentano made a motion to approve the use of CCTV's television channel servers as outlined, but would like a review in six months and if it is not working it is discontinued. Councilor Nanke seconded the motion and it was approved unanimously.

VIII. OTHER BUSINESS

None.

IX. ADJOURNED: 4:41 p.m.