

Andrew Cernota

Okay.

Steve Bolton

So I would recommend against having to do that.(laughing)

Jeff Poehnert

There are people on-

Andrew Cernota

I certainly don't want to do that.

Jeff Poehnert

There are people on Zoom too.

Andrew Cernota

Okay.

Jeff Poehnert

Yes.

Andrew Cernota

Um.

Cheryl Linder

Lauren?

Kim Kleiner

Ms. Veino

Pete Johnson

I think she's muted.

Lauren Byers

Yes.

Pete Johnson

All right.

Kim Kleiner

We need the people on Zoom to identify themselves.

Lauren Byers

Okay. Alderman Jette?

Alderman Jette

Yeah. So I'm here, Alderman Jette.

Andrew Cernota

All right.

Cole Morgan

Cole Morgan.

Jeff Poehnert

So we can see them.

Lauren Byers

Lauren Byers, DPW.

Andrew Cernota

And uh, attorney Bolton, do we need to have explanations as far as why people who are via Zoom are-

Steve Bolton

Why their attendance in person is not reasonably practical.

Andrew Cernota

Yes. All right. So if, if those that are tending by Zoom could, um, explain, give, a reason for meeting by Zoom?

Alderman Jette

Oh, this is Alderman Jette. Um, yeah, so I, you know, mistakenly, uh, you know, the, the notice that first came out said that we were meeting by Zoom, I, you know, I did question whether we could do that or not, and I was assured that there was a sufficient, uh, number of people who would be attending to establish a quorum, and I have work issues that require that I, uh, you know, that I could not attend.

Andrew Cernota

Okay. So work issues. All right. Um, Miss Byers?

Lauren Byers

All right. So I do have a meeting at 11:00 AM, so I wasn't able to come down to City Hall and then be able to get to my next meeting in time.

Andrew Cernota

All right, thank you. And Mr. Cole? Uh, Mr. Morgan?

Cole Morgan

Um, yeah, I also, thought this was a Zoom only meeting, but since then I broke my foot, so now it's medical.

Andrew Cernota

All right, thank you. All right. Um, now, that be behind us, Ms. Kleiner, would you like to start us off?

Kim Kleiner

Sure. Um, so the main purpose of the meeting was to bring the committee up to date. Although we do have some items that, remain unanswered. Um, we did meet, um, attorney Bolton, yourself, Mr. Johnson, Mr. Poehnert, and I, met with Bryan Christiansen, from Comcast, and had a discussion, bringing forth some of the, questions from the committee. Um, a couple, a few of those remain unanswered, Mr. Christiansen is doing his due diligence on Comcast side, for instance, the high definition, um, our request to add to their menu, um, things of that sort. Um, and we expect answers, to those questions, uh, shortly.

But, in the course of doing some of the research that the committee had requested, we did have some follow up on those questions. Um, and so the team has done a needs assessment. Um, when we asked them to look at the needs of the equipment and things, um, the latest on that, and it breaks out for a number of years, but in the present one year, the next year coming, um, approximately \$45,000, uh, two to four years out about \$33,000, three to five, \$116,500, and then five years plus, um, \$164,000. So we'll get those numbers out to the committee, but we just got those, and thanks to Mr. Poehnert and Mr. Johnson for doing that, exercise.

It's important for us to realize that as we're looking at the franchise agreement, um, and we consider the costs of the operations that we realize that we also had to request for proposals on the access channel. And those came in, there were two received. Um, it closed last Tuesday. We have asked Kelly purchasing, uh, Parkinson, our purchasing manager to put together a comparison, but those are public documents that, Mr. Poehnert will be including in your materials for next week's CTAB. So you can certainly review those, um, one of the questions we'll have at that CTAB meeting is how the CTAB wants to continue forward, um, with that process. There's in the past, there's been interviews and things of that sort that take place.

The only reason I bring this up is looking at the cost of those proposals. They're higher both than what we have traditionally spent. So we really can't look at this in a vacuum, we have to consider not only the technical needs of our operations, but also, um, these requests and how we're gonna continue with that. I know there's been a lot of discussion about whether we needed to raise the franchise fee. Um, I have had a discussion, um, considering all the items that I just mentioned, um, with the administration, um, and I think we want to consider whether we can look towards a different split, of course, this would all have to be approved by the board of Alderman, um, but right now you have 2.7% of that four going to the general fund, um, and 1.3%, um, going to the PEG access. Um, so, you know, looking at those numbers, could that split be enough to meet the difference, changing that? Um, and Mr. Johnson, um, did the research that the committee requested on other communities, so I'd pass it to Mr. Johnson.

Pete Johnson

So, uh, the last meeting, I was tasked to go out and, check with the NHCCM, the New Hampshire Coalition for Community Media to see what, other communities are taking for franchise fees, and how much of that franchise fee is being, dedicated to PEG access. Um, the NHCCM had, probably three or four years old now, a survey that they did, um, that got information from 22 communities in the state,

uh, of those 22 appears that nine were taking 5%. Um, and then everything from two, uh, three, three and a half, 3.75, four, um, were being taken by the others. Those were blind, um, statistics, they were only listed as community number one, or station number one through station 22. Um, I did go out and, uh, also look at some other communities that didn't appear to be reflected on that list and, um, sent information via the NHCCM Facebook page, asking for additional information and potentially more current information, so.

Um, we did get a number of communities respond. Um, Raymond takes 2% and all 100% of that goes to PEG. Exeter takes 5%, half of which goes to their PEG operation. Milford, uh, takes 3%, uh, 100% going to PEG. Salem takes 4.5% with 100% going to their PEG operation. Derry takes 5% with 100% going to PEG. Bedford takes 5% with 100% going to PEG, and Merrimack, uh, currently takes 3.75% with 100% going to their, uh, PEG revolving fund. Um, I can get out the, uh, the NHCCM all the 22 stations don't want to go through them here today, but I can get that information out to people via email if they want. Thank you.

Andrew Cernota

Miss Kleiner, did you have anything to add to that?

Kim Kleiner

Um, no, I, the only point that I'd like to note and, and in a lot of the statistics that, um, Mr. Johnson got, you saw a 100% going to PEG. The only, caution I would give to that is, you have some costs that are associated with the running of PEG, that are either indirectly or directly, absorbed by IT. So it's, it's not as clear to say that PEG operates totally independently, I think we've done a great job of, you know, working together and making sure that the information team and the PEG team, rely on each other when needed, right? Whether it's technical support or whether it's, um...

So I think that there was some value in the city looking at a portion of that fee going to the general fund, right, which, you know, offsets the general, the budget. So, that's the only caution I would give is that I think these communities, I'm not sure I wanna dive a little deeper to see how they handle, um, is it totally separate? And in some communities, it really is. It's a, it's kind of this outside organization that runs the whole thing, you know? They've been hired to do so. Um, and then you can see that 100% cost, um, might really make sense.

Andrew Cernota

Thank you. And, and an additional thing that I'd like to just mention is that some of the people that spoke at our hearing, were, were making reference to their home, towns and the, the percentage rates that, that they were talking about, and several of those, and several of the ones that, appeared to be from the, survey there, were more affluent towns and the ability of individuals to pay higher rates. Um, they're more insulated from that than say someone that is, in Nashua and living in apartment that that might have, um, be limited to using cable as opposed to some of the other alternatives, and that might even be included in their rent. Um, so I think it's worthwhile to keep that in mind and the ability of people to pay, uh, pay an additional amount, when we're considering the, uh, considering that. Um, all right. I think, I'm, as you mentioned, that both of the RFP proposals that, that came back, were higher, than what we're currently paying, um, as far as the public access-

Kim Kleiner

Yes.

Andrew Cernota

I know it, uh, procedures for handling, RFP process are fairly strict, but are you able to share with us approximately how, what, uh, how much more, we're talking about?

Kim Kleiner

Absolutely. Um, so the, information is on the website, its public information. Um, we had, you know, certainly some... The way their proposals are laid out, some of them mentioned different if you choose this type of service, it's this amount of money. Um, but it was anywhere from the 130 that we're currently paying, um, to 180,000. It was, you know, in that range, depending on which type of services you chose or type of thing, which is helpful, because maybe we really wanna have those discussions on what do we think is needed most in the community? I think that's one of the reasons why speaking with both groups would be highly beneficial to get more information on what their vision is. Um, because sometimes you can't accurately get that from a paper or a description. Um, and, but I think that's one of the things that the committee asked for, right?

I think we really asked to see the vision, what they thought the community needed, or, the community requested. And so I think both are, are very good re- reflections of that. The only other thing that I would say is, I know there has at least internally, there's been some discussion on our concern of the reduction if Comcast, um, franchise fees that the city has received in the past few years, so, you know, we saw a reduction of, of 2%, just comparing, 2,000 and well, it'd be fiscal year 2020 to 2021. Um, before that, it's just slowly it's been decreasing each year, so we have to take that into consideration. I think there's some concern with people now streaming more, um, or, you know, moving to a other services other than, um, traditional Comcast. Um, and, you know, we have to imagine that as it gets tougher for families, they try to find, uh, more affordable ways. Right?

Um, when we looked at, you know, if you took so to date, um, with the figures that we had, um, in fiscal, um, 20, it was about 1.3, then it, then it dropped. Um, if we're looking at a 50-50 split, that's quite a bit of, of money, um, that the general fund would lose. Um, right now you're 2.7 in your 1.3, it's really like a 68% to a 32% split. Um, maybe you could look at that going to like a six, uh, you more of a 60-40, um, and would that cover the costs of our whatever proposal we choose, um, plus the technical needs, um, that the team has outlined, um, plus future costs of increased contracts, right? Whether it it's cleaning, um, whether it's, you have to consider employee wages, uh, in the cost of increases there. So I think we've been trying to map those all out, so the committee has a really accurate picture over in the next five years of what those increases are gonna be, and then we've gotta decide what we need.

Andrew Cernota

Thank you. Does anyone else have any questions?

Alderman Jette

Yeah. Um, Mr. Chairman?

Andrew Cernota

Yes, Alderman Jette.

Alderman Jette

Yeah, so a few things, number one, uh, so when, Ms. Kleiner, talks about, taking into consideration that, that the city, uh, IT department supports, uh, the, public education, the PEG, or facility, I think we need

to, you know, if we're going to, if we're gonna be taking that into consideration, I think we, we need to, you know, I know it's difficult, but we need to, you know, get some kind of an estimate as to what, you know, how much that is so we can, make an intelligent decision about that.

Alderman Jette

Um, the other thing is when Ms. Kleiner was talking about the range of, uh, of the proposals that we've received, I, I thought she said we had received two, and, uh, I know she mentioned that we're currently paying 130,000, I think she said, and then - when she gave the second number, I couldn't quite hear what she said, so she could tell us that again. And, the third thing is, with, um, I think it's consolidated, um, you know, laying fiber optic cable all over the city and, you know, proposing to, you know, provide the services in competition with Comcast. Are we gonna be able to get any kind of a franchise fee from them, you know, is that a source of, um, future income? Thank you.

Kim Kleiner

I'm sorry. I'm the last question, I'm not sure I-

Andrew Cernota

I, I can-

Kim Kleiner

... if I understood.

Andrew Cernota

... Jump in on that if you want. I, I believe he was asking about the, uh, FIDIUM. I believe they call it FIDIUM fiber. That's, uh, being advertised everywhere, uh, now, but if you drive around town, there are lots of loops of cable hanging on the poles. Uh, but they're busy, uh, laying fiber optic. Um, they presently do not have their own television service, they partner with, uh, I believe Hulu and a couple of others that you can actually, um, put them into your bill. Uh, so they do get money that they're profiting from a TV service, uh, on their system, but that's not considered, uh, at least at this point that I'm aware of a cable service that would require them to have a franchise, uh, agreement with the city. Um, I think there might even be some litigation going on, it's possible, I don't know.

Andrew Cernota

So there would not be any, um, increase, uh, from, from them as far as a franchise fees concerned. Uh, the other question you, um, posted or posed, uh, Alderman Jette, was the, uh, the numbers currently, um, we're paying \$134,000, uh, this, uh, fiscal year for the PEG service, or, um, excuse me, public access service, uh, and the second number that she said, uh, the, um, uh, range was up to \$180,000, if I'm correct, uh, Miss Kleiner?

Kim Kleiner

That is correct. And so, um, you, you know, the proposals will make sure that Mr. Poehnert gets out, um, with the CTAB materials, um, but for instance, one of the proposals are broken down by year. Um, so one of the proposals, you know, has 175 year one and 163 year two, um, and it depends upon number one, there's start, you know, startup costs for them taking over as, as a new, a proposed new company. Um, and then costs go down the second year. So it's not one fixed amount each year is my, uh, is what

I'm trying to say, you really need to look get the proposals, and then there's different costs depending on different, um, services per se. If you're interested in a news channel, a news segment, you know, for instance, but we'll include the proposal so that you can really see 'em and then Ms. Parkinson, um, Kelly, the manager of purchasing, she does an excellent comparison, so she, she's putting that together as we speak.

Andrew Cernota

And I could go into the third part of what, uh, he was asking on, um, you know, how much does the PEG group pay for certain, you know, city services? Uh, we currently do not pay for telephone, internet, uh, the building space that we're in, or, uh, like garbage pickup, those types of things are provided, uh, by the city. But, uh, we do pay for our electric in the building, we pay for gas, heat. Um, and there are, I believe we're one of the only departments that pays up front for all of our, um, benefits, you know, we, we have our salaries and benefits that are being taken out of, uh, that PEG funding as well, so.

Jeff Poehnert

Yes.

Andrew Cernota

um, a lot of other ones, the benefits are sort of hidden off to the side, uh, and are paid for by the city, like the teachers or whatever, that's not included in their, uh, you know, school budget from the way I understand it, so.

Alderman Jette

So, uh, could I follow up, uh, Mr. Chairman?

Andrew Cernota

Please.

Alderman Jette

Um, so my, my point is that, uh, you know, I don't wanna put any kind of, I don't wanna characterize this, uh, but I, I don't know how, otherwise to say it, if the city is claiming that, uh, that it's entitled to more the, um, anyway, a portion of the, uh, of this, uh, money, um, this, you know, public act, the, I'm not sure how to refer to it, you know, the money that we're receiving from Comcast, uh, you know, we, we talked about other towns devoting 100% of whatever they charge, uh, to that. Um, and if we're claiming that, um, that we are entitled to part of that to, because we support, um, uh, uh, public access in, in, in various ways, so, you know, we mentioned IT, you know, whatever, whatever numbers we're claiming, we, we ought to have, uh, you know, some, some figures or some, at least some estimates as to what that is-

Andrew Cernota

If I could just to offer a little bit of clarification there, the, the current breakdown, um, isn't, uh, wasn't based on the presumption that the city was providing services to, um, the, um, uh, PEG, um, facilities. Um, originally the city's, uh, several contracts ago, the city, uh, received 3% franchise fee and all of that went into the general fund, and from that fund, the city provided some, uh, funding, uh, for Channel 16, uh, to cover government meetings. I think it came to about \$11,000 a year or something like that at, at

the last time that, that, that structure was in place. Um, then with one of the, um, uh, franchise agreements, uh, negotiations, um, the, the fee was increased to 4% and that 1% was dedicated to, um, public and gov, uh, and education, or, well, sorry, government and education access. Um, it didn't, uh, didn't pro- uh, provide for, um, public access, um, that's, um, education and government access funding, um, in that contract, um, was used to establish our current, um, uh, facility over, um-

Pete Johnson

Riverside.

Andrew Cernota

... over at Riverside, um, and upgrade the infrastructure to provide, uh, a more professional, um, education and government access channel, that's also at the time when channels, uh, 96 and 99 were added, um, in our immediately proceeding, uh, franchise agreement. Um, at which point we, uh, the city, uh, from its, from the general fund had, uh, had established the public access. Um, funding was dedicated from the franchise fee in the franchise contract to provide for the, um, public access, um, and that that's where that 0.3% shifted from the government, um, or, I mean, sorry, the general funds, uh, to the, um, used by PEG, funds, so that that's kind of a, the history for it. So instead of, um, the city justifying using franchise fee for the general fund, we've actually been, um, historically we've been working the opposite way. Um, does that clarify a little bit as far as, Uh?

Alderman Jette

Yes, it does. Thank you very much.

Andrew Cernota

All right.

Alderman Jette

Thanks for your historical perspective. (laughing)

Andrew Cernota

All right, does anyone else have any questions?

Kim Kleiner

So I know the-

Andrew Cernota

Miss Kleiner.

Kim Kleiner

... um, the proposed franchise agreement, um, was sent over to the department of public works, um, for any, um, clarifications or corrections that they needed, I didn't know if, if Miss Byers knew if it had been reviewed or not?

Lauren Byers

I think they're actually in the process of reviewing it, I will check again with them today and get back to you, um, by Monday.

Kim Kleiner

Thank you. So at, at this point, I think, um, the proposals will go to CTAB and we can discuss them when we have a meeting next week. Um, but we'll continue just to wait for public works review, and for Mr. Christiansen's clarification on the items that we discussed, um, I know there was some real interest in having their menu, us being able to use their menu, certainly the High-Def questions. Um, so I think everything else has been clarified unless there were any remaining questions from the committee members that they want us to go research, I believe we've done. We've answered all the requests.

Andrew Cernota

I think you have. I think, um, we probably wanna look at those proposals and see how those would impact the funding. Um, I'd ask people to, to think about, um, the franchise fee question and, and, um, we'll also be looking at the, uh, needs assessment.

Jeff Poehnert

Yeah, yeah, yeah.

Andrew Cernota

All right. If there's nothing else, um-

Jeff Poehnert

Will I be getting everything for CTAB out later today.

Andrew Cernota

Excellent. Thank you. All right. Um, do we need a vote to adjourn?

Steve Bolton

Uh, it's traditional.

Andrew Cernota

Okay. (laughing) All right so, uh, is there a motion?

Cheryl Linder

Motion to adjourn.

Andrew Cernota

Um, Miss Linder has made the motion to adjourn, all those in favor?

Steve Bolton

No, you have to take it by roll.

Andrew Cernota

Oh, that's right. Have to adjust to the Zoom. Okay. Okay. Um, again, since I don't have a, a script in front of me, um, Andrew Cernota votes affirmative. Ms. Linder?

Cheryl Linder

Cheryl Linder votes, yes.

Pete Johnson

Pete Johnson votes, yes.

Nick Miseirvitch

Nick Miseirvitch votes, yes.

Jeff Poehnert

Jeff Poehnert votes, yes.

Kim Kleiner

Kim Kleiner votes, yes.

Andrew Cernota

Attorney Bolton?

Steve Bolton

Yes.

Alderman Jette

Alderman Jette-

Andrew Cernota

Alderman Jette?

Alderman Jette

Alderman Jette votes, yes.

Andrew Cernota

Uh, Ms. Byers?

Lauren Byers

Ms. Byers votes, yes.

Andrew Cernota

Uh, Mr. Morgan?

Cole Morgan

Cole Morgan votes, yes.

Andrew Cernota

All right. Motion has passed, all those, uh, we'll see everyone, uh, next week.

Kim Kleiner

Thank you.

ADJOURNMENT

The meeting was adjourned at approximately 10:32 a.m.