

STRATEGIC PLANNING

Tuesday, May 21, 2019 – 5:30 p.m.

Police Training Room – Olean Municipal Building

Present: Members: Chairman Gonzalez, Vice Chairman Andreano, and Alderman Smith. Others: Alderman Dougherty; Alderman George; Mayor William Aiello; Nicholas DiCerbo, Jr., City Attorney; Fred Saradin, City Auditor; Bob Ring, Director of Public Works; Bob Bell, Fire Chief; Jeff Rowley, Police Chief, and Tiffany Taylor, Managerial Confidential Administrative Secretary.

1. Roll Call

Alderman Gonzalez called the meeting to order at 5:30 p.m. and asked that the record show that all committee members were present except Aldermen Witte and Crawford, who were excused.

2. Approval of Minutes of the Previous Committee Meetings (Tuesday, May 7, 2019)

A motion to approve the minutes of the May 7, 2019 meeting was made by Alderman Gonzalez, seconded by Alderman Andreano. Voice vote, ayes all. Motion carried.

3. Unfinished Business

None

4. New Referrals for Consideration

a. Presentation / Discussion – Spectrum Cable Franchise

Mark Meyerhofer of Spectrum Communications Government Affairs, explained that under New York State Law, Charter Communications is required to have a Cable Franchise Agreement with each city in which they operate. He explained that the prior Agreement between Charter and the City expired in 2016, but that the two parties have continued operations under those terms since. He explained that a new Agreement would have a fifteen year term and that the franchise fee would remain at 5%. He explained that the proposed agreement would also allow for Charter to capture other revenue lines as well.

Mr. Meyerhofer continued that once the Common Council reviews the revised agreement, a public hearing will need to be held, and a formal resolution will need to be passed.

Alderman Gonzalez explained that he has been on the Council for a number of years, and he is unsure how this works. He asked if the City has any control over how much is charged to citizens for their cable service. Mr. Meyerhofer replied that there is a federal cap on cable

franchise fees of 5%. He noted that the City does not have any control over how much services cost.

Alderman Andreano explained that she gets a lot of phone calls about the rates and slow internet service from Charter. Mr. Meyerhofer explained that if she has any future complaints regarding the internet that are not being resolved, that she should contact him in order to ensure that things are taken care of. He explained that some users may have older equipment that they had chosen not to upgrade, or a lower speed plan that they are not aware of.

Alderman Andreano explained that she also gets a lot of calls about trees and lines, and Mr. Meyerhofer explained that according to the language of the Franchise Agreement, it is the responsibility of Charter for a tree trimming if the tree is in contact with the lines. He explained that typically, the electric company comes and does the trimming first, so that they do not have to.

Mr. Meyerhofer explained that in 2018, the City received almost \$210,000 for franchise fees for the year. He explained that the Agreement is not exclusive and that other companies can come in and also have Cable Franchise Agreements with the City.

Alderman Gonzalez asked what was meant by “future revenue streams”. Mr. Meyerhofer explained that some customers are cutting the cord and moving towards streaming services. He explained that they are still watching TV, but at this time there are no franchise fees on these services. He explained that the language in the Agreement dictates that if the Federal Government allows for franchise fees on streaming services, that Charter will collect them.

Mr. Saradin noted that he budgeted \$205,000 for 2019-2020 franchise revenue, and Mr. Meyerhofer responded that this number depends on a number of things. He explained that more and more customers are ordering movies, and a franchise fee is charged on each of these.

Mayor Aiello explained that constituents have to be consistent when calling about their issues. He explained that he had workers at his house four times before the service was working right.

A PL and Resolution will be presented at a later date for Council approval to authorize the City to enter into a Cable Franchise Agreement with Charter Communications.

5. Approval of Committee Reports

None

6. Adjournment

A motion to adjourn was made by Alderman Gonzalez, seconded by Alderman Andreano. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 5:45 p.m.