

Agenda Item - 03

SHREWSBURY ELECTRIC & CABLE OPERATIONS

COMMISSION MEETING

**December 17, 2018
7:00 PM**

MINUTES

**PRESENT: R. HOLLAND – Chairman
M. LEMIEUX
K. MARSHALL
M. REFOLO
A. TRIPPI**

ABSENT: None

OTHERS

**PRESENT: M. HALE
R. IACCARINO
J. LAVERTY
J. PRATT
J. MALAVER**

- 1. Meeting Called to Order – 7:02 PM**
- 2. Review and Consider Approval – Bill Schedules**

The bill schedules were reviewed and approved.

3. Review and Consider Approval – Meeting Minutes – November 26, 2018

After a brief discussion,

A motion:

Accept the November 26, 2018 minutes with the removal of J. Pratt as being present.

Motion made by A. Trippi and seconded by M. Lemieux.

Without further discussion, the minutes were approved as amended.

4. Review and Consider Approval – 2019 Cable Rate Adjustment

M. Hale presented and reviewed the following recommendations for a cable rate adjustment effective February 1, 2019:

1. Increase the Basic cable rates from \$25.00 to \$26.40. Increase Expanded Basic cable rates from \$44.50 to \$48.20. Expanded Basic service requires Basic subscription as well. The total cost for this service, including the Basic package increases from \$69.50 to \$74.60, or \$5.10 per month.
2. Increase Digital rates from \$18.00 to \$18.75.
3. Adjust the Franchise fee from \$4.61 to \$5.01.
4. Maintain the bundled discount of \$20 per month for those customers who have internet, telephone, and Digital Cable or higher.

Senior discounts will be applied in accordance with the terms of the CATV license and customers will be notified one month in advance of the rate adjustment.

After a brief discussion,

A motion:

Accept the recommendations for the 2019 Cable Rate Adjustment as presented.

Motion made by A. Trippi and seconded by R. Holland.

Without further discussion, the motion was approved unanimously.

5. Review and Consider Approval – TiVO Installation Fees

M. Hale reported that pre-installation staging and in-home installation time for TiVO equipment is significantly longer than installing SELCO-Cable's legacy cable boxes.

He recommended that the SELCO Commission vote to modify the TiVO Installation fees for new customers to \$50 for the first TV and \$25 for each additional TV. Upgrades from an existing level of CATV service to TiVO will be \$23 per TV. New installation for Basic or Expanded Basic cable will be \$35 for the first TV and \$18 for each additional TV.

The new fees will be effective January 1, 2019.

A motion:

Accept the recommendation for the TiVO Installation fees as presented.

Motion made by K. Marshall and seconded by A. Trippi.

Without further discussion, the motion was approved unanimously.

6. SELCO Cable & Internet Road Map Plan Presentation by SELCO Cable Staff

Joel Malaver, Manager of Cable Operations, presented and reviewed SELCO-Cable's Cable and Internet Road Map Plan:

- SELCO-Cable's plant is a two-way system, downstream and upstream, segmented into 64 nodes.
- At present, downstream has approximately three more years of capacity while there are six nodes upstream, located along the commercial corridor, that are hitting 80% capacity. Most other upstream nodes are at 50% upstream capacity.
- Solutions include Docsis 3.1, at a total investment of \$10M in the first two years, or Fiber-To-The-Premises (FTTP) that can be deployed in sections throughout town, requiring approximately five years for an entire buildout.
- A second, emergency backup, Headend may be included in the trunk build out along Route 9.
- Proposal – SELCO continue expanding its fiber infrastructure first in the commercial corridor, nodes 27, 28, 56, 55, 52, 47 at a total cost of \$365,032, then migrating those extreme bandwidth users, i.e. Charles River labs, to FTTP or GPON.
- Customer package options would include a competitive installation cost and

ways in which to strategically lock in customers, making it difficult for competitors to lure away SELCO-Cable customers, i.e. Verizon, etc.

M. Hale recommended that SELCO-Cable continue to deploy fiber, watch as to how 5G develops and what the competitive threat is. He asked CTC to revise their report to show what the impact is on their recommendation if Comcast takes 20, 30 or 40% of SELCO-Cable's customer base. Do their models still work?

Following further discussion, R. Holland suggested that SELCO further investigate both the Electric and Cable systems' back up plans in the event of an emergency where systems fail, i.e. Headend failure.

7. Review and Consider Approval – Operating Brief

M. Hale presented and briefly reviewed the Operating Brief:

- Internet customers are down by 9 customers in December.
- Wireless customers are close to 800 at present. By 2023, the goal is to have 25% penetration, approximately 3,300 wireless customers.
- Shrewsbury's Rotary Club requested that SELCO assume all responsibility for maintaining the clock located in the center of town, at the junction of Main and West Main Streets. M. Hale agreed to the request with the provision that the Rotary have the clock fixed prior to handing it over to SELCO and agree to have SELCO's logo added to the "credits" on the clock.
- Recognition to a job well done to both SELCO-Cable's W. Yovan and E. Leon in addressing a telephone outage issue.
- The Town of Shrewsbury can now advertise itself as a "Gigabit Community."
- A letter has been mailed to electric residential hot water heater customers advising them that their rate will be changing because the program controlling electric hot water heaters no longer exists.
- Shrewsbury's Police Department recently installed a speed control device on a SELCO pole. M. Hale informed the SPD that they should notify SELCO in advance of installing any items on SELCO's poles.

8. SMC – Update

M. Hale reported that there has been a number of conference calls. There's a working group comprised of the Town Manager Kevin Mizikar, Selectwoman Moira Miller, SELCO Commissioner Maria Lemieux, SELCO General Manager Michael Hale, two new SMC Board members and two members of Shrewsbury's Retirement Board who are all in agreement.

At the working group's December meeting, the Retirement Board reported that they are willing to take another look to see if there are any available options. The Board would like to draft a letter to PERAC requesting an opinion as to how to proceed.

SMC's Board requested that all present SMC employees be retained on SELCO's payroll through April 1, 2019 while working through the issues. SELCO agreed to the request.

9. Adjourned – 8:35 PM

A motion:

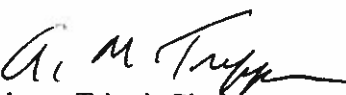
Adjourn the meeting.

Motion made by A. Trippi and seconded by M. Refolo.

Without any further discussion, the motion was approved unanimously.

The next SELCO Commission meeting is scheduled for Tuesday, January 8, 2019 at 7:00 PM.

Respectfully submitted,


Anthony Trippi, Clerk
SELCO Commission

Referenced Documents and Authors

Commission Meeting Minutes – November 26, 2018 – A. Trippi

Cable Rate Adjustment 2019 – M. Hale, J. Pratt

TIVO Installation Fees – J. Pratt

Cable Distribution Road Map – J. Malaver

Operating Brief - M. Hale, J. Covey, M. Quitadamo, R. Iaccarino, J. Laverty, J. Pratt, J.

Malaver, G. Onorato