

MINUTES OF REGULAR SESSION
CITY OF HIGHLAND
TELECOMMUNICATIONS ADVISORY BOARD
CITY HALL
1115 BROADWAY
MONDAY, July 9th, 2012

7:00 PM

Call to order: Chairman George Marron called the meeting to order at 7:04pm

Roll Call: **Members present:** Chairman George Marron, Vice Chairman Jon Boulanger, Board Member Sharon Rusteberg

Also present: City Manager Mark Latham, Councilman Neill Nicolaides, City staff members Kathleen Mulcrone & Rebecca Casper, Dan Kennedy (formerly of Fidelity Communications), Paul Heckmann (Joyn-Itt Project Engineer), and Jamie Pickup (Graybar)

Minutes: Board Member Sharon Rusteberg stated that “and” should be removed from the bottom of Pg. 1 under the “Introduction” section, between the words “project” and “is”. Also, under Section C, page 2, the second sentence should read “Mark informed the Telecom Board that AT&T was not supplying an ETA on completion so he had called (and spoke) with the manager in charge of this at AT&T and discovered that the AT&T employee who was assigned to this “dropped the ball” and the ticket had been reassigned.” Rebecca noted the changes in the June 11, 2012 Telecom Meeting Minutes. Vice Chairman Job Boulanger made a motion to approve the above changes and George Marron approved.

Reports:

A. List of Customer Sign Up and Installs

According to Dan Kennedy, we currently have a total of 3194 passings (625 businesses) as of today. Currently, HCS has 468 residential customers connected to the fiber network. Kennedy stated that HCS is making internal changes to improve work flow processes and also stated that the upcoming completion of the RF overlay will make HCS much more efficient. Kennedy stated that the

major difference in the new RF overlay feature is a difference in 13 channels (some added, some dropped) that are not in the Digital Family package currently. We are also dropping the HD channels on the local channels. HCS is finalizing plans for redundancy and efficiency and cleaning up the link between HCS and the City which will improve quality of services (i.e. voice echo, etc). The final RF overlay feature is anticipated to be completed and available to customers by the beginning of August. HCS is also looking into offering a voodoo service on their new set top boxes, which would be comparable to Netflix and offer more services and better user experiences. Kennedy mentioned that Business packages for video are in the works as well. HCS is also planning to organize “block parties” in which HCS Representatives would walk door-to-door in designated service areas to try and get high penetration and signups, while letting the area become familiar with our services offered. Lastly, HCS is planning to display cardboard kiosks to display at local businesses to support our marketing efforts. In conclusion to recent reports, Dan Kennedy explained that HCS is making other internal improvements, such as customer follow ups, offering incentives for sign ups, offering referral rewards, etc. HCS Sales Rep, Brad Held, is contacting a minimum of 60 contacts per week and will start targeting enterprise businesses, including but not limited to, the hospital, car dealerships, Highland Supply, St. Paul School, and many others. Becoming more efficient on things like truck rolls for trouble calls, call centers for after-hours support, choosing a different voice provider, reviewing contracts with vendors, cutting install costs, etc. are all ways HCS is considering, which could allow HCS to become more efficient. According to Kennedy, we have already seen a potential savings of over \$300,000 so far just with the above changes. Kennedy also explained that HCS is currently at \$2500 per customer for an install, but we are trying to manage our cost to be \$1500 per install instead. HCS has “shaved off” \$344 per customer by doing away with set top boxes in the new RF overlay plan.

B. Phase III Status:

Paul Heckmann, project Engineer with Joyn-Itt Communications reported that LCP 13 is now completed and available to receive HCS services. LCP 14 is 20% spliced and will be complete and ready by early next week. Paul mentioned that LCP 15 has just begun the construction process. The contractors have set a goal of running 587 feet per day and completion is anticipated for August 17th for LCP 15. LCP 12 will be the last cabinet in Phase 3 and is anticipated to be completed by mid to late September.

C. Connection to Troy Update

According to Dan Kennedy, the circuit is live now, however we are in the process of scheduling a maintenance window with Logicalis and AT&T to finalize the connection for the redundant line.

D. Update on RF overlay and Package Discounts

Kennedy reported that he and Brad Held are presenting to Highland Home tomorrow. 26 residents currently live there and if 25 of them will agree to receive our services, NTTC would charge us a bulk rate. We would put in a free wifi router due to the age of the facility and would be able to use the existing wiring on the premises.

E. Update on Gigabit Initiative Grant

Latham said that Scott Bowles with Spectrum Engineering was on site last Tuesday and he anticipates the announcement of who will receive the grant around the first of August.

F. Local Public Access Channel

Latham reported that there is an ad going into the paper for the local public access channel for advertising this weekend. Marron asked if anyone has inquired on costs to insure the local access channel. Latham reported he has not seen any quotes at this time.

G. Marketing Update

City staff member, Kathleen Mulcrone, reported that Black Twig Marketing Firm will be on-site next week to participate in our weekly staff meeting. Black Twig has been in constant contact with Brad Held and they are going over a detailed strategic plan at our meeting next week.

H. Update on replacement for Fiber Operations Manager

Latham stated that they have conducted 4 interviews for the Fiber Operations Manager. One was from Minnesota and President of a telephone company with a lot of experience. A final interview was conducted today with an individual who worked for AT&T for 30 years and had a major part in UVerse and is currently a Regional Director with Frontier. None of the interviewed candidates had experience with fiber-to-the-home (FTTH) or the video side of the HCS fiber project. Latham also explained that Dan Kennedy, who has recently been doing contracted work for HCS, is also a firm candidate for the Operations Manager and comes to HCS from Fidelity Communications (Vice President) with extensive knowledge and experience in FTTH and telecommunications. A new Fiber

Operations Manager will be announced before the next Telecom Meeting in August.

Adjournment

Vice Chairman Jon Boulanger made a motion to adjourn the meeting. George Marron seconded the motion. Meeting adjourned at 8:00 p.m.