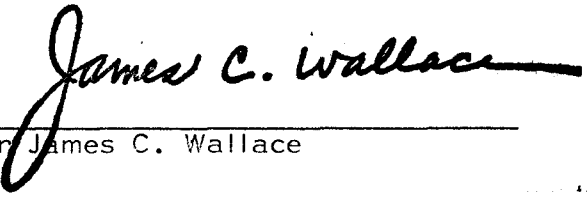


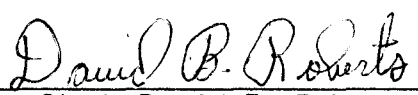
Mr. Edinger inquired whether the company had this arrangement with any other city. They did not. Mr. Edinger was concerned this might create a conflict of interest.

Council member Howes asked whether Mr. Clark had approached the High School for permission to locate there. He had not.

As there was no further questions, the hearing was adjourned.



Mayor James C. Wallace



Town Clerk David B. Roberts

MINUTES OF A PUBLIC HEARING OF THE MAYOR AND COUNCIL OF
TOWN OF CHAPEL HILL, FINE ARTS BUILDING
OCTOBER 16, 1979, 7:30 P.M.

Mayor Pro Tem Epting called the meeting to order. Present were:

- Marilyn Boulton
- Gerald Cohen (late)
- Jonathan Howes
- Beverly Kawalec
- R.D. Smith
- Bill Thorpe

Also present were Town Manager E. Shipman. Mayor Pro Tem Epting announced that Mayor Wallace and Council member Cohen had been delayed at another meeting and would be coming shortly. Council member Vickery was excused.

Village Cable

Mr. Hevner first corrected some errors in the consultant's report. In its proposal Village Cable had tried to address some of the concerns of council members. Mr Hevner introduced the directors for the company. The Council would be allowed to name two others. A UNC sports channel was proposed. All profits from this would go to the UNC Athletic Department. The basic service would be free to provide universal service. The construction site was already approved. Village proposed to offer TOCOM in its fourth year as it believed the current cost to be prohibitive. A 40 channel system would include radio FM dial and talking books for the blind. The company would have 24 hour live supervision. Mr. Hevner gave a presentation of the service tiers offered by Village which included local religious services, HBO, coverage of congressional hearings, a live sports channel and children's programming.

When questioned about the production of local performing arts, Mr. Hevner explained that the company would quickly expand in areas in which they were experienced such as communications and news, but could not produce drama in as short a time. They would however, support cultural interests in Chapel Hill.

Village did not have a full-time financial channel, but did have a 24 hour news wire, which would carry financial news as well.

Ms. Johnson questioned whether there might not be an ethical problem with Village Companies being involved in all types of media in the community. Mr. Hevner did not believe this to be a problem and named competing media companies in the area.

Mr. Olsen asked how much control the company would have on the programming on all channels. Mr. Hevner responded that although a company might have a great deal of control over a radio station, they did not have the same control over television programming. They would control only the local programming. The public access channel would be controlled by the public.

Although they had not installed a cable system before, Village Cable had commitments from banks for the capital needed.

American Cablevision

Mr. Doolittle stated the company was the second largest multiple system operator in the United States. It would not charge for access time or equipment for local programming. The company would provide schools, municipal agencies, libraries and other appropriate groups with expanded communications. A two-way capacity system would allow for live programming from these locations on demand. four channels would be provided for community programming with three channels reserved for future use. A portable color studio and mobile van would be provided for community use.

Mr. Doolittle then presented a Durham program which had been produced by Durham High School students in after-school hours.

As American Cablevision proposed a religious channel, Mr. Olsen asked if there would be any local church programs. Mr. doolittle responded that equipment would be available to any access group, whether it be a church or otherwise. Workshops would be held on the use of the equipment.

Mr. Vogel asked if the services now available in Europe would soon be a part of the system here. Mr. doolittle stated the technology was compatable. Additional satellite storage over the next few years would allow for the same services here.

Mr. Bob Turner had worked with American Cablevision to teach courses at Durham Technical School. He hoped the system would cooperate in having the same courses taught in Chapel Hill.

In response to questions on the availability of cable in Durham, Mr. Doolittle explained that the company was meeting its installation schedule; however the property owners permission was needed for some apartment complexes.

Cox Cable

Ms. Alice Welsh represented Cox Cable. She and several other citizens had formed an advisory Board of Directors to investigate and present a proposal to the Council. They had affiliated with Cox Cable of Atlanta which the group believed the best company for installing a system in Chapel Hill.

Mr. Walter Shaw, General Manager of the Public Broadcasting Station in Spokans, Washington, spoke in favor of Cox Cablevision. He had been one of Spokane's citizens to deliberate on granting a cabletelevision franchise in 1971. When granted the franchise Cox had honored its promises and commitments made during discussions with local groups in Spokane.

Mr. Wallace questioned whether local citizens sponsoring a company could influence that company. Mr. Lang pointed out the consultant did not believe a locally owned company would be an advantage to the Town. The Council should consider the commitment of the company. The General Manager would be responsible to the Board of Directors of Cox Cablevision in Chapel Hill.

The representative of Alert Cablevision stated any of the companies would be responsible to local needs in order to be successful.

Mr. Vogel pointed out that even if the franchise was granted to a company with local ownership, nothing precluded sale of the company.

Mr. Propster asked why Cox Cablevision would cost less over a ten year period. Mr. Lange answered they had the experience to gauge peneteation accurately, to know how to operate cost effectively, and to plan to keep rates down initially and keep them down. There would be no gifts to the school system or to UNC, but two channels would be made available to UNC and two to the schools. The company would only be offering cable television.

Mr. Vogel questioned the proposed head-in site of Elliott and Franklin Streets. The company had an option on property in Kroger Shopping Center. If they found a better site, they would try to acquire it. The tower would be about 150'.

Mr. Olsen asked if Cox had experienced working with an adjoining competing company. They had and were working with other companies in other areas.

Mr. Vogel asked why Cox was not planning for a TOCOM system. Mr. Lange responded the technology was not feasible in his opinion. They would offer part two-way but not complete two-way. Mr. Williams added that as soon as the TOCOM system was approved by UL they would install it.

Councilmember Thorpe inquired about the minority employees in each of the three companies.


Mr. Hevner stated that Village Companies were on schedule with their own Affirmative Action program. They had both blacks and women in the program.

American Cablevision had minorities at all levels in the company. They had an affirmative action program which had been successful over the past few years.


Mr. Lee had checked into the affirmative action program of Cox. They had 11% minority employees. He was satisfied their program was successful.

Mr. Wright questioned whether a 150' tower would be high enough for Chapel Hill. Mr. Lang said an on-site survey would be needed but he believed the 150' tower would be sufficient.

As there were no further questions or comments from the audience, the public hearing was adjourned.



Mayor James C. Wallace



Town Clerk David B. Roberts

