



# City of Cambridge

O-38.

**IN CITY COUNCIL**

July 30, 2001

VICE MAYOR MAHER

**ORDERED:** That the City Manager be and hereby is requested to direct AT&T to make the cable bills easier to read and understand and more consumer friendly.

In City Council July 30, 2001.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, reading "D. Margaret Drury".

D. Margaret Drury  
City Clerk

**SEE COMMITTEE REPORT #4.**



# City of Cambridge

O-39.

**IN CITY COUNCIL**

July 30, 2001

VICE MAYOR MAHER

ORDERED: That the City Manager be and hereby is requested to direct AT&T to report when the new cable bills are generated about the NESN fee.

In City Council July 30, 2001.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

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D. Margaret Drury  
City Clerk

**SEE COMMITTEE REPORT #4.**

# City of Cambridge

## CABLE TV, TELECOMMUNICATIONS AND PUBLIC UTILITIES COMMITTEE MEMBERS

*Vice Mayor David P. Maher, Chair  
Councillor Kenneth E. Reeves  
Councillor Michael A. Sullivan*

In City Council July 30, 2001

The Cable TV, Telecommunications and Public Utilities Committee held a public meeting on Friday, June 22, 2001 at 10:40 a.m. at the North Cambridge Senior Center, 2050 Massachusetts Avenue, Cambridge.

The purpose of the meeting was to discuss cable services affecting senior citizens and to give a status report on the issue of the senior discount on cable bills.

Present at the meeting were Vice Mayor David Maher, Chair of the Committee, Donald Drisdell, Deputy City Solicitor, Nancy Glowa, First Assistant City Solicitor, Lisa Peterson, Commissioner of Public Works, Jason Marshall, Mayor's Office, Paul Schlaver, Executive Director, Cambridge Consumer Council and Donna P. Lopez, Deputy City Clerk.

Vice Mayor Maher opened the meeting and stated the purpose. He informed the attendees that the City fought long and hard to get a discount for senior citizens. The initial contract was negotiated with American Cable Systems fifteen years ago and contained, by side letter agreement, a 15% discount for seniors living in public housing. The contract now is with AT&T. All former cable companies have been better to deal with than AT&T. The City Council wanted the City Manager to secure a discount for all seniors, regardless of where they were living. The City administration was happy when it thought that this had occurred. The negotiation was to give a 10% rather than a 15% discount. The original 15% discount applied to what was called, at the time of negotiations, Total Basic Service. AT&T took the description of Total Basic Service and after the contract was signed changed its name to Standard Cable Service. AT&T identified a new service called Basic Service and applied the discount to that, leading to a \$0.69 discount. Negotiations were not done in good faith. The City Council, he said, urged the City Manager to take this matter to the full extent permitted by law. Why would the City negotiate a discount for seniors from \$5.00 to \$0.69, he asked. If this issue went to court it could take one to two years to resolve. Vice Mayor Maher urged the seniors to complain about the service and to send letters that will be made part of the record and forwarded to AT&T. This is a situation where a large company is not acting in good faith and the senior citizens are being harmed. He stated that the City Manager is the licensing authority for the cable TV license. Mr. Healy has put the cable company on notice that it is in violation of the contract. A public hearing will be held on July 16, 2001 at 5:30 p.m. AT&T will be summoned to the public hearing to hear allegations by the City. Speaking as an elected representative, Vice Mayor Maher urged the attendees

4

to reduce their cable service and to eliminate the premium channels and to inform AT&T the reason why they are taking this action.

Vice Mayor Maher, in response to comments by the seniors, made the following motion:

ORDERED: That the City Manager be and hereby is requested to direct AT&T to make the cable bills easier to read and understand and more consumer friendly.

He further stated that the AT&T Renewal License is for ten years. The City, he said, would push to have the discount retroactive in court. He informed the attendees that an AT&T representative informed his committee that the bills are being redesigned.

Barbara Cooney, 30 Churchill Avenue #307, asked if this was a breach of the AT&T contract. Mr. Drisdell stated that the City Manager has notified AT&T, in writing, that AT&T has breached the contract. This is the reason for the public hearing being held on July 16, 2001.

Ms. Cooney stated that she felt that people on disability should also be entitled to the discount. Mr. Drisdell stated that the license renewal was based on the original cable license. The original license included a discount for persons 65 years of age or older and only in certain types of subsidized housing. The discount was expanded to include all senior citizens 65 years of age or older regardless of where they are living.

Vice Mayor Maher asked the attendees if the discount was apparent on their cable bills. The response was in the negative. An affidavit is required stating that seniors are 65 years of age or older to receive the discount.

Ms. Cooney inquired if the City is seeking a second cable carrier. Negotiations have been on-going with RCN to acquire a second cable carrier, responded Vice Mayor Maher. The only problem with a second carrier is that the whole city will have to be rewired. One cable carrier will not allow another cable carrier to use its wires. It will take two years at least to dig up and rewire the City, he said. Also, RCN has stepped back and is not as eager to come to Cambridge, he said.

A senior asked about Direct TV. Mr. Drisdell stated that it is a different company and a different technology. Vice Mayor Maher stated that this service is done on an individual basis. Reception is good and there are more channels with Direct TV, but it is expensive. Direct TV does not carry public, educational and governmental channels stated Mr. Drisdell.

Terry Romanoff, Manager of the Russell Apartments, stated that there is no savings to change to a second cable carrier. Vice Mayor Maher stated that a survey was done and there is no decrease in prices with competition. He stated that the City has tried to get the Food Channel in Cambridge and AT&T will not provide this service because it

4

does not generate revenue. RCN would provide the Food Channel because of competition.

Vice Mayor Maher informed the attendees that NESN was made part of the Standard Package because there was a good survey response.

A senior informed the committee that AT&T is trying to sell digital boxes. AT&T does make calls to update its service, said Vice Mayor Maher. Mr. Drisdell stated that local government cannot control prices and programming. Federal law limits the City's control over cable matters.

Ms. Clooney stated that if people have a cable ready TV a cable box is not needed. She would need a box if she wanted HBO.

James Dunn, from Belmont, stated that AT&T took over cable in Belmont. He informed the committee of a promotional deal for NESN. Ms. Clooney stated that effective July 16, 2001 only one-half of the bill should be paid for NESN. Vice Mayor Maher made the following motion:

ORDERED: That the City Manager be and hereby is requested to direct AT&T to report when the new cable bills are generated about the NESN fee.

Eileen McGaughey asked if the discount was across the board to all seniors. Vice Mayor Maher responded that it is a 10% across the board discount for what was known as Total Basic Service at the time of negotiations, and which is now called Standard Cable Service. Commissioner Peterson stated that this is the \$35.00 package. AT&T is now arguing that because of the changed name of the service, the discount is only available for Basic Service, meaning that the discount would only be \$0.69, but the City's position is that the discount should be for what is now called Standard Basic Service, which would make the discount approximately \$3.50. Seniors who do not live in senior housing need to file an affidavit stating that they are 65 years of age or older to get the discount.

A senior stated that the complaints are with AT&T and they are unable to communicate their complaints to AT&T.

Ms. Romanoff encouraged the seniors to call the Consumer Council if there are services that they are charged for and are not receiving. Vice Mayor Maher urged the attendees not to be afraid to down grade their services because of the way AT&T is treating senior citizens in the City.

Paul Schlaver, Executive Director, Cambridge Consumer Council, stated that when the July bills are received the seniors should bring the bills to Ms. Romanoff. The Basic Service is approximately \$7.00 with an additional \$1.85 fee for the cable box plus a fee for NESN. The \$35.00 package will be increased by \$5.00. Even with the discount of approximately \$3.50 the bills are still increased. He informed the attendees that the Service Protection Plan is generally not needed in senior housing.

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Ms. Clooney stated that the digital boxes are \$88.00 per month. She suggested calling Susan Warnock to complain about the cable fees and service. If AT&T thinks it will lose money they will respond, stated Vice Mayor Maher.

A senior stated that he did not know why the channels cannot be consistent city to city. Pay Per View channels are sold by the cable carriers, said Vice Mayor Maher. Money is being made with the Big ShowTime Channels.

Another complaint was received about the Cable TV Guide. The Guide should be part of the Basic Service. AT&T wants the subscriber to buy their TV Guide.

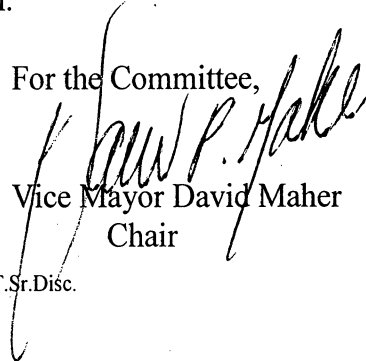
Vice Mayor Maher suggested that a flyer be prepared explaining digital TV and the fact that no boxes are needed for cable-ready TV.

Vice Mayor Maher thanked all attendees and urged the seniors to write a letter to the City Council stating their displeasure with AT&T. He also urged that letters be sent to the state and federal level. He cautioned the senior to be careful with the service that they are eliminating because there may be an additional charge to reactive the service.

Ms. Romanoff stated ---PEOPLE POWER ---MAKE YOUR VOICES HEARD!

The meeting adjourned at 12:40 p. m.

For the Committee,

  
Vice Mayor David Maher  
Chair

010622.CableTV,TelecommunicationsandPublicUtilitiesREPORT.Sr.Disc.

# City of Cambridge

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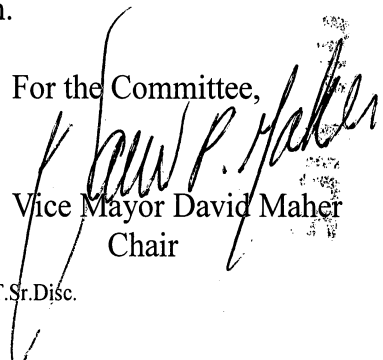
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The meeting adjourned at 12:40 p. m.

For the Committee,

  
Vice Mayor David Maher  
Chair

010622.CableTV,TelecommunicationsandPublicUtilitiesREPORT.Sr.Disc.

310S

**Committee Report #4**

Committee Report from Vice Mayor David Maher, Chair of the Cable TV, Telecommunication and Public Utilities Committee, for a meeting held on June 22, 2001 to discuss cable issues affecting senior citizens and to give a status report on the issue of the senior discount on cable bills.

In City Council July 30, 2001

*Report Accepted*

**PLACED ON FILE**

*Two*  
**ORDER ADOPTED**

*see order #38 and  
order #39*