

V I R G I N I A:

At a recessed meeting of the Washington County Board of Supervisors held Tuesday, December 20, 1994 at 6:00 p.m., at the County Administration Building in Abingdon, Virginia, the following were present:

PRESENT:

James T. Osborne, Chairman
 Dulcie M. Mumpower, Vice-Chairman
 Bobby D. Ingle
 Maurice H. Parris
 Kenneth G. Mathews

Mark K. Reeter, Assistant County Administrator
 Joseph B. Lyle, County Attorney

ABSENT:

Joe Derting
 Jackson H. Barker, Jr.
 Bruce Bentley, County Administrator

1. Call to Order

The recessed meeting of the Board of Supervisors was called to order by Mr. James T. Osborne, Chairman at 6:25 p.m. Prior to the call to order, informal discussion took place between Messrs. Osborne, Mathews, Lyle, Reeter and Kersey. Mrs. Mumpower arrived at 6:20 p.m., Mr. Parris at 6:25 p.m., and Mr. Ingle at 6:35 p.m.

Board of Supervisors Chairman Mr. James T. Osborne welcomed Mr. Don Kersey, Area Manager of Scripps Howard Cable Company and stated that the purpose of this work session meeting was to discuss aspects of cable television service in Washington County, and the pending renewal of the county franchise agreement with Virginia Highlands Cable Company, owned by Scripps Howard Cable Company.

2. Work Session with Virginia Highlands Cable Company Concerning Proposed Franchise Agreement

Discussion commenced between the Board of Supervisors, Mr. Lyle, Reeter and Kersey concerning complaints about cable service extensions and type of cable channel programming by Virginia Highlands Cable Company. Mr. Mathews inquired of Mr. Kersey why the City of Norton receives more cable channels from Century Cable Company for less cost than does the Washington County from Virginia Highlands Cable. Mr. Kersey responded that he was not certain as to

the particulars of Century Cable's service to Norton, but that the Federal Communications Commission (FCC) regulates cable service rates per size of the cable system. Generally, smaller market systems can carry more than one "superstation" channel such as TBS and WGN without incurring a copyright penalty which increase consumer costs.

County Attorney Joe Lyle commented that Wise County has seven or eight cable companies providing service throughout that locality. Mr. Lyle asked how cable channels are selected, to which Mr. Kersey responded that a combination of customer input through surveys and corporate decisions by Scripps Howard are used to determine which channels are offered in each market.

Mr. Osborne, along with Mrs. Mumpower and Mr. Ingle inquired about extensions of cable service, citing examples of areas in their respective districts where service was requested by households but not provided by Virginia Highlands Cable. Examples were also cited where cable was provided on one side of a road, but not extended to the other side of the same road when requested. Mr. Kersey responded that the proposed franchise agreement contains provisions in Section 3.9 concerning how extensions are to be made. There must be at least 15 residents within 1320 cable-bearing strand feet (one-quarter cable mile) in order for service to be extended to a requesting party at no cost. Service will be extended if technically feasible to parties so requesting in areas that do not meet the above criteria with a customer charge for such extensions. As to denials of service crossing one side of a road to another, Mr. Kersey stated that these should not have occurred if there were not technical reasons for such denials; each particular denial along these lines would need to be reviewed on a case-by-case basis to determine exact circumstances.

Mr. Osborne inquired as to why the proposed franchise agreement was for a fifteen-year term. Mr. Kersey explained that it would be in the county's financial interest to have a fairly long franchise term in order to be able to rely on cable franchise fees paid annually as revenue to the county. Telephone companies are presently entering the cable television industry; recent court action has held that telephone companies providing cable television services do not pay these franchise fees. Mr. Lyle commented that Congress may soon change this exemption.

Mr. Kersey continued by saying that a \$4.5 million capital upgrade of the Virginia Highlands cable system was being planned by Scripps Howard for the next five years. The upgrade was designed to improve the technical capabilities of the system in order to offer improved service, more channels and easier extensions of cable service. No new service areas would be immediately added as part of the upgrade.

Mr. Ingle stated he felt fifteen years was too long a term for the franchise agreement. Mr. Mathews requested Mr. Lyle to look into whether the \$4.5 million upgrade could be made part of the proposed franchise agreement.

By consensus agreement, Mr. Lyle is to work with Mr. Kersey on the proposed franchise agreement and to present recommendations to the Board of Supervisors as soon as possible.

3. Adjournment

Upon motion of Mr. Parris, seconded by Mrs. Mumpower, the Board of Supervisors voted to adjourn to the next regular meeting of the Washington County Board of Supervisors, Tuesday, December 27, 1994.

The vote by the Board of Supervisors on this action was as follows (5-0)

Mr. Osborne	Aye	Mr. Ingle	Aye	Mr. Mathews	Aye
Mrs. Mumpower	Aye	Mr. Parris	Aye		

James T. Osborne, Chairman