DOVER TOWNSHIP BOARD OF SUPERVISORS WORK SESSION MINUTES November 25th, 2024

The Dover Township Board of Supervisors Work Session for Monday, November 25th, 2024, was called to order at 6:01 PM by Chairperson Stephen Stefanowicz in the Dover Township Board of Supervisors meeting room. Supervisors present were Chuck Richards, Stephen Parthree, Robert Stone, and Michael Cashman. Other Township Representatives in attendance were Laurel Oswalt, Township Manager; John McLucas, Planning Director; Christian Miller, Solicitor; Christopher Hamme, Public Works Director; Daniel Cohen, Cohen Law Group (attended virtually via Microsoft Teams); and Brooke Scearce, Township Secretary. There was 1 member of the public present.

This meeting is being recorded for the purpose of minutes only.

DISCUSS SHENANDOAH CABLE TELEVISION, LLC

Manager Oswalt stated that Daniel Cohen will be presenting the topic and will be available to answer any questions that the Board might have. Cohen Law Group has been utilized by the Township in the past to negotiate an agreement with Comcast. The agreement with Shenandoah is an amended version of the Comcast agreement.

- D. Cohen stated that he works for Cohen Law and this law firm only represents local governments and only in cable and wireless broadband matters. Cohen Law Group has been privileged to represent Dover Township in other projects including the Comcast Franchise Renewal and has the privilege to work with Dover again for another agreement with a company called Shentel. Shentel is a cable operator who provides video services over a wired system, much like Comcast. If the Board chooses to approve the agreement, Shentel would be a competitor cable operator. The agreement that is before the Board members is making sure that it's in the best interest of the Township.
- D. Cohen stated that he could provide a quick overview of the agreement or only answer any questions that the Board members might have.

The consensus of the Board was for Daniel Cohen to provide a quick overview of the agreement.

D. Cohen stated that in the agreement, the Township will assess a franchisee fee, and the fee is 5% of gross revenues. There are 25 enumerated revenue sources as part of gross revenues in the agreement. The franchise fees are only eligible for cable service and not phone service or internet service. All franchisee fees are passed through to cable customers as a separate line item on their bill. Having cable competition is a good thing for the Township. When there is cable and internet competition it results in reduced rates or at least level rates and it also improves customer service. This will allow residents of the Township a choice which perhaps they don't have now. When it comes to building out their system, Shentel will not agree to a certain number of homes per mile. However, they expect that they will cover at least 65% of the Township with their intention being to go further than that over time. They do have a setback requirement of 150

within their service area so any house within 150 feet of their distribution line would get a standard installation rate. Those residents who are beyond 150 feet of the setback requirements would have to pay extra, but it would only be on the portion from 150 feet to the home. A few other things that are in the agreement that are beneficial to the Township are right of way protections. Since Shentel will be doing construction in the Township, the agreement states that any damage must be repaired within 20 business days. The agreement also allows Shentel to provide only cable services to municipal facilities, schools, and libraries. For most cable agreements, the only enforcement measures they have is to revoke the agreement, but in this case, the Township would have the ability to fine Shentel up to \$250 a day until the problem is corrected. If there is a problem that needs to be enforced a written violation would need to be provided to them 45 days prior to the monetary fines going into effect.

- S. Stefanowicz questioned whether Comcast customer who want to switch to Shentel, can reuse the cable line that runs from the residents house to the street that was previously installed.
- D. Cohen stated that the cable line could not be reused. A new cable line would have to be installed because the cable line is owned by an individual cable company.
- S. Stefanowicz questioned why Dover Township is one of the few municipalities that would have two competitors.
- D. Cohen stated that there are about 300-400 municipalities out of the 2,500 municipalities that have some cable competition. He said maybe the question would be better stated asking why Shentel would want to provide services to Dover Township. He would assume that Dover is on a growth path which would be beneficial to investing in due to a continued gain of customers over time. Shentel is also beginning to provide services to other surrounding municipalities.

Manager Oswalt noted that Shentel has been building out in the York County area over the last three to four years. They started in the York Township and Spring Garden Township area. Then they moved towards York City, West Manchester, West York, and Manchester.

- S. Parthree questioned if there is a downside to having competition in the area.
- D. Cohen stated that the only potential downside to having competition is that the Township is going to undergo major construction. The construction of a network in the Township will be an inconvenience until the system is built.
- S. Parthree questioned if the construction will just consist of hanging wires on existing poles.
- D. Cohen stated that new wires would need to be hung but he is not sure if there are areas of the Township where underground wires are required. Requiring underground cabling would obviously lead to more disruption.
- S. Parthree questioned if Attorney Cohen has seen any rate decreases within other municipalities when another cable franchisee is permitted in their municipality.

D. Cohen stated that he is unsure because they have not tracked the rates. However, on a national scale, every three years the FCC does this very thing through a Cable Competition Report. Based on the latest report in 2023, it states that in the areas where there is cable competition, rates do drop and/or rate increases are less dramatic.

Manager Oswalt stated that she went through the Comcast agreement and the Shentel agreement line by line to see what the differences were. A few items she noticed were as follows; an extra provision for the build out language since they are new; the setback requirements are 150 feet versus 125 feet; and under section 3.8 of the agreement there was an additional protection for the Township that was not in the Comcast agreement.

D. Cohen stated that the FCC setback requirements are 125 feet, but Shentel requires a 150-foot setback. He stated that section 3.8 G is good for the Township, assuming normal business conditions, any downed lines affecting pedestrian access for vehicle motion, or representing a public safety condition must be addressed within 2 hours.

Manager Oswalt noted that in the Comcast agreement and the Shentel agreement there is language regarding PEG channels. A PEG channel is a public access channel for governmental television to be run on.

D. Cohen stated that Comcast no longer offers the one-time grant for a PEG channel and neither does Shentel.

Manager Oswalt stated that since Comcast is already established in the Township, their bonding is much lower. The bonding for Shentel is \$100,000.00 for the first two years because they are going to be coming into the Township and building their system out. However, there is a provision to reduce the bond amount overtime.

Manager Oswalt noted that she provided the same appendix that's in the Comcast agreement which shows all municipal, library, and school locations that would be eligible for cable services. The next step if the Board is in favor of the agreement would be to advertise the ordinance for approval at a public meeting.

C. Hamme questioned if the services could be provided to the well house and pump locations.

Manager Oswalt stated that the service provided is only for cable, and not internet.

- R. Stone questioned whether consumers would be able to receive high speed internet through Shentel.
- D. Cohen stated that consumers can receive high speed internet.
- S. Stefanowicz questioned what the next steps are to adopt the Shentel ordinance.

Manager Oswalt stated that if the Board agrees with the language of the draft agreement and the appendix as drafted, the ordinance will need to be advertised, a public meeting will need to be

held, and then adoption of the ordinance will also need to be completed. If the ordinance is approved, Shentel will still be required to get all their permits that are required to be able to start the build out process.

C. Richards stated that the Middle School is still listed on the appendix, but the Middle School is now the High School.

Manager Oswalt stated that the change to the appendix to correct the High School would be addressed.

Motion by R. Stone and seconded by S. Parthree to authorize the advertisement for the Ordinance to adopt the agreement with the Shentel cable franchisee, as presented. **Passed** with 5 ayes.

With no further discussion on this matter, Chairperson Stephen Stefanowicz adjourned the Work Session at 6:43 PM and the full Board of Supervisors entered an Executive Session to discuss personnel matters which was then to be followed by the regular Board of Supervisors meeting at 7:03 PM.

Respectfully submitted by: **BMOTHE** W.

Brooke M. Scearce, Township Secretary