



# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # 015-2007

## LETTER TO COMMISSION

TO: Mayor David Dermer and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: January 25, 2007

SUBJECT: **ATLANTIC BROADBAND NOTIFICATION OF A CABLE RATE INCREASE**

On January 25, 2007 the Administration received notice that Atlantic Broadband, the City's cable provider, will be making changes to their products, prices, and services effective with their March 2007 billing.

Attached is the letter from Mr. Jim Waldo, Vice President and General Manager, Atlantic Broadband, explaining the price increases and their packages.

Under the Federal Telecommunications Act of 1996, as amended, the Limited Basic Service tier is the only tier of service that the City may regulate. The Limited Basic Service will remain at \$12.48 per month.

<sup>RJP</sup>  
JMG\REP

c: Jose Smith, City Attorney  
Tim Hemstreet, Assistant City Manager  
Hilda Fernandez, Assistant City Manager

F:\CLER\CLER\FORMS\Atlantic Broadband cable rate increase March 2007.doc

RECEIVED  
2007 JAN 25 PM 3: 03  
CITY CLERK'S OFFICE

C: Bob Pender



RECEIVED  
2007 JAN 25 PM 2:04  
CITY CLERK'S OFFICE

RECEIVED  
2007 JAN 22 PM 7:01  
CITY CLERK'S OFFICE  
1681 Kennedy Causeway  
North Bay Village, FL 33141  
305.861.8069 PHONE  
305.861.9047 FAX

**VIA CERTIFIED MAIL**

Mr. Jorge Gonzalez, City Manager  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Fl. 33139

January 20, 2007

Dear Mr. Gonzalez,

As your full-service Digital Cable and High Speed Internet provider, Atlantic Broadband is committed to keeping you informed about changes in our products, prices, and services. As we enter the New Year, we want to advise you of the many improvements we have already, and to inform you of what is planned for 2007.

We recognize that the primary concern of most cable subscribers is that of the system quality and reliability and the introduction of new services. In 2006 we continued to upgrade our plant distribution network by installing additional fiber optic nodes and back-up power supplies. These improvements are providing enhanced digital picture quality, improved reliability and increased service offerings such as the introduction of digital phone service.

Of course, quality service requires a high level of customer care. Therefore, we continued adjusting our staffing hours and levels to meet the dynamic needs of our customer base. Customers can continue to reach an Atlantic Broadband representative twenty-four hours a day, every day.

Our investments in South Florida are yielding big improvements and bringing exciting new services to our customers here:

- The introduction in 2006 of the most technologically advanced Digital Phone service available today, providing choice and value to our customers for both local and long distance services.
- The launch of Video On Demand (VOD), a free service for all of our digital customers. VOD features a library of thousands of movies and programs for purchase along with an extensive offering of free content that customers can start and stop on their schedule.
- The addition of six new programming services to our Digital Line-Up: Fuel, The Tube Music Network, Soundtrack Channel, Lifetime Real Women, Tennis Channel and Fine Living
- The addition of 7 new networks to our Digital Spanish-language programming (now a total of 29 channels) : Infinito, El Garaje, Utilisima, Discovery Viajar y Vivir, CNN en Español, Discovery Kids en Español and EWTN Español.
- And by April 30, Plum TV, a 24-hour network featuring local interest programming, will be added to Limited Basic channel 5. In order to accommodate this exciting new network Atlantic Broadband Local Origination will move to channel 41 at the time of launch.

Our popular new channels, advanced services, improved customer care, and the investments in our system and technology are all part of Atlantic Broadband's commitment to providing the service our customers deserve and demand. But they also represent major expenses for our company, and that is why we find it necessary to adjust some of our prices effective with March 2007 billing. The following is an outline of some of the key features:

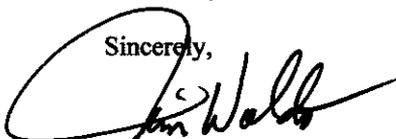
- With our most cost-conscious customers in mind, there will be no increase in the price for Limited Basic Cable Service. The price for this service will remain at \$12.48 per month.
- The monthly fee for Value (Expanded) service will be adjusted from \$48.95 to \$51.45 per month. This adjustment of \$2.50 represents an increase of approximately 5%.
- Our optional monthly Premium Movie service fees will also be adjusted as a result of increased programming costs. Customers with 1 Premium (HBO, Cinemax, or Showtime) from \$14.95 to \$15.95/month; 2 Premiums from \$24.95 to \$25.95/month; all 3 Premiums from \$33.95 to \$34.95/month.
- For the customers who receive the Value Service in conjunction with Digital Service, their monthly fee will change from \$67.90 to \$70.40. Our standalone Digital Service and receiver price remains unchanged at \$18.95/month, \$12.95/month without receiver. For the customers who receive the Value Service in conjunction with Mundo Latino Valor service will change from \$69.45 to \$71.45/month. Mundo Latino Completo (also includes Value service) will change from \$79.95 to \$83.45/month. Mundo Latino Básico and Mundo Latino Sólo prices remain unchanged.
- Digital Video Recording (DVR) s will be adjusted from \$9.95 to \$10.95/month.
- In addition, our High-Speed Internet rates will also be changing. The rates for our Starter and Preferred High-Speed Internet services will go up by \$1.00/month.

Please note that all of these changes affect less than half of our customers. Of course, all affected subscribers will be provided with the details of all changes this week. Copies of those notices are enclosed for your information.

Also, enclosed is a copy of a customized notice that is being provided to a small number of customers (less than two percent) informing them again their promotional packages expired more than two years ago, and of our desire to help them select a comparable package. We are diligently making every effort to personally contact every one of these customers to explain their options and assist them in choosing a current package of services to meet their needs. Programming and pricing changes for these customers will take effect with March billing starting February 25, 2007.

All of us at Atlantic Broadband hope you join us in our enthusiasm for what has been accomplished in the last year. Equally important, next year will bring continued investment in your community, as well as a continuation of our efforts to enhance and improve your broadband communications system. As always, I welcome your comments and any questions you may have.

Sincerely,



Jim Waldo  
Atlantic Broadband  
Vice President & General Manager

RECEIVED  
2007 JAN 25 AM 11:14  
CITY CLERK'S OFFICE