

# NORTH METRO TELECOMMUNICATIONS COMMISSION MEETING

October 17, 2018  
6:00 p.m.

**SPRING LAKE PARK CITY OFFICES**  
**1301 81<sup>st</sup> Avenue NE**  
**Spring Lake Park, Minnesota**

## AGENDA

1. CALL TO ORDER/ROLL CALL
2. CONSENT AGENDA **pp. 1-10**
  - 2.1. Approval of the minutes of the regular meeting, September 19, 2018
  - 2.2. Approval of the September financial reports and bill list
3. CITIZENS TO BE HEARD
4. NORTH METRO TV REPORT **pp. 11--17**
  - 4.1. Monthly update
5. REPORT OF EXECUTIVE COMMITTEE **pp. 18-28**
  - 5.1. FCC Actions
  - 5.2. CenturyLink Franchise Issues Update
  - 5.3. Comcast Franchise Renewal Update
  - 5.4. Roof Replacement
6. REPORT OF OPERATIONS COMMITTEE **p. 29-30**
7. REPORT OF LEGAL COUNSEL
  - 7.1. Monthly Report
8. REPORT OF COMCAST
9. REPORT OF CENTURYLINK
10. NEW BUSINESS
11. OLD BUSINESS
12. REPORT OF DIRECTORS
13. COMMUNICATIONS **pp. 31-42**
14. ADJOURN

# **NORTH METRO TELECOMMUNICATIONS COMMISSION**

## **UNAPPROVED MINUTES**

**Commission Meeting – September 19, 2018**

### **CALL TO ORDER**

Chair D. Swanson called the regular meeting of the North Metro Telecommunications Commission to order at 6:00 p.m. at the Spring Lake Park city offices.

### **ROLL CALL**

**Directors Present:** Dick Swanson; Blaine, Al Parranto; Ham Lake, Cindy Hansen; Spring Lake Park, Mike Murphy; Lexington, Dale Stoesz; Lino Lakes, Jennifer Rauner; Circle Pines

**Directors Absent:** Steve King; Centerville

**Others Present:** Heidi Arnson; Executive Director, Mike Bradley; Legal Counsel

**Comcast Rep:**

**CenturyLink Rep:**

### **CONSENT AGENDA**

- **Minutes, Bill List, Financial Reports**

The June 20, 2018 minutes, and the June, July, and August bill lists and financial reports were approved as presented. **Motion for approval made by J. Rauner. Second, C. Hansen. Motion passed unanimously.**

### **CITIZENS TO BE HEARD**

None present.

### **REPORT OF NORTH METRO TV**

H. Arnson reviewed the North Metro TV report as presented in the packet. A summary was also given of activities for the months of August and September. Topics included:

- With the start of school, fall sports coverage has begun. In addition to recording games, NMTV also produces a weekly sports wrap-up show called Sports Den, and the Coaches and Captains segments that highlight all of the

school teams, players and coaches. They also create a short highlight video after each game and post it on YouTube and Facebook.

- The traveling lecture series provided by NMTV Instructor, Eric Houston, remains popular. Two classes were presented at the Edgewater Senior Center and one at the Anoka County History Center. Both venues have booked additional classes.
- Municipal Producer, Trevor Scholl, met with the Operations Committee to encourage them to contact him with any ideas or information that would be good programming for the City channels.
- Long time News Producer, Ben Hayle, is leaving to be the Communications Coordinator for the City of Blaine. It is a great opportunity for him, but he will be missed. Staff is in the process of filling the position.

#### **REPORT OF EXECUTIVE COMMITTEE/OPERATIONS COMMITTEE**

M. Murphy reported on the following items:

- Staff met with Matt Fulton, Polco National Engagement Director, to learn about Polco's Civic Engagement tool and how it might benefit the Member Cities. The Operations Committee was familiar with the tool and did not wish to purchase it at this time. The Executive Committee agreed.
- Mike Bradley completed the commissioned model drone ordinance, drone usage policies for staff, and an explanatory memo. The documents were emailed to the City Managers. It is not required that the Member Cities adopt a drone ordinance, but it is encouraged. NMTV staff will be implementing the usage policies.

**MOTION:** To approve implementation of the recommended drone usage policies as prepared by Legal Counsel. **Motion made by M. Murphy. Second, C. Hansen. Motion passed unanimously.**

- The impact of CenturyLink's decision to cease promoting the Prism product on current franchise compliance and franchise renewal was considered by the Executive Committee. A recommendation was made to notify CenturyLink that they were in violation of the franchise agreement. CenturyLink staff requested that they have an opportunity to address the issues before action was taken by the Commission. Legal Counsel and staff agreed that tabling the issue was reasonable.

**MOTION:** To table issuing a Notice of Franchise Violation to CenturyLink regarding franchise compliance issues. **Motion made by M. Murphy. Second, C. Hansen. Motion passed unanimously.**

- FCC actions intended to accelerate wireless broadband deployment and what effects that might have on local governments control of their public rights-of-way and local franchising were discussed. A letter has been sent to the FCC on behalf of the Commission, regarding the recent actions.
- The City meeting video-on-demand schedule was revisited. Time frames for meetings that are available on VOD and long term storage issues were discussed. Each City will determine what schedule works best for it.

#### **REPORT OF LEGAL COUNSEL**

M. Bradley reported on the following items:

- 5G small cell cable could be the next wave of competition for traditional cable companies. This could significantly impact cable franchising if wireless carriers are not subject to the same cable franchising standards as its wireline competitors. While 5G is wireless to the home, the antennas are connected to backhaul fiber located in the public rights-of-way. If 5G rolls out as quickly and effectively as the companies promise, the move away from traditional cable could increase rapidly. This could decrease franchise fees in the near term. It was recommended that local authorities understand the impact of cable franchising for Cities and that we participate in advocacy with the League of MN Cities, MACTA, and NATOA. We will also want to educate State and Federal Legislators and participate in relevant FCC dockets.
- The FCC recently released a draft Second Further Notice of Proposed Rulemaking (NPRM) that could further decrease franchise fees by treating all in-kind contributions (such as I-Nets, and free TV service to public buildings) as franchise fees. The value of those in-kind contributions could be subtracted from the franchise fees collected by Cities. The Commission will be participating in this docket.
- The FCC continues to work to erode local government's control of their rights of way by considering more restrictions on small cell management. In addition to MN State Law on small cells, there have been changes to Pole Make Ready Rules and new local preemption and shot clocks proposed. The FCC has opened multiple dockets that propose to preempt local government authority. The Cable Commission has filed a letter with the FCC opposing the proposed rules.
- Federal legislation is being considered regarding small cell deployment and net neutrality.
- State legislation, across the country, is being considered regarding small cell legislation and net neutrality. In Wisconsin, Charter Communications is making an effort to have the state eliminate franchise fees on cable service.

**REPORT OF COMCAST**

No report was presented.

**REPORT OF CENTURYLINK**

No report was presented.

**NEW BUSINESS**

No new business was presented.

**OLD BUSINESS**

No old business was presented.

**REPORT OF DIRECTORS**

No reports of Directors were presented.

**ADJOURN**

The meeting was adjourned at 6:34 p.m. **The motion to adjourn was made by C. Hansen. Second, M. Murphy. Motion approved.**

The next meeting of the NMTC will be held on **Wednesday, October 17, 2018 at 6:00 p.m.** at the city offices of Spring Lake Park.

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Dale Stoesz; Secretary, NMTC

**NORTH METRO TELECOMMUNICATION  
BILL LIST**

SEPTEMBER 2018

Date	Check #	Payee	Amount
SEPTEMBER	COMBINED	PAYROLL	41,622.99
SEPTEMBER	COMBINED	IRS/US PAYABLE	13,226.72
SEPTEMBER	COMBINED	MN REVENUE PAYABLE	2,299.40
SEPTEMBER	COMBINED	PERA PAYABLE	7,224.96
SEPTEMBER	COMBINED	PEACHTREE	42.90
SEPTEMBER	COMBINED	DISCOVERY BENEFITS	962.50
13361	9/3/18	Richard D. Larson	463.75
13362	9/5/18	Matthew Waldron	41.27
13363	9/5/18	Print Central	204.00
13364	9/12/18	Blaine Lock & Safe Inc	375.00
13365	9/17/18	Lemika Fondren	500.00
13366	9/19/18	Steven D. King	135.00
13367	9/19/18	Jennifer Rauner	135.00
13368	9/19/18	Alan M. Parranto	135.00
13369	9/19/18	Michael A. Murphy	135.00
13370	9/19/18	Dale K. Stoesz	135.00
13371	9/19/18	Cynthia A. Hansen	135.00
13372	9/19/18	Michele J. Silvester	181.53
13373	9/19/18	Neutron Industries	182.80
13374	9/19/18	Benjamin Hayle	21.80
13375	9/19/18	Noah Warren	500.00
13376	9/19/18	Taylor Fondie	500.00
13377	9/26/18	Winfield's Windows & Things, Inc	345.00
13378	9/26/18	Falcon Prince Inc.	715.00
13379	9/26/18	ECM Publications	395.00
13380	9/26/18	Bradley Law, LLC	8,668.75
EPAY-01	9/2/18	POPP TELECOM	209.29
EPAY-02	9/3/18	Comcast	285.92
EPAY-03	9/3/18	T-Mobile	103.16
EPAY-04	9/4/18	Principal Financial Group	440.85
EPAY-05	9/5/18	SA Fleet-Wex Bank	43.57
EPAY-06	9/5/18	U.S. Bank Card Service	343.76
EPAY-07	9/12/18	AT&T Wireless	387.62
EPAY-08	9/14/18	CenterPoint Energy	29.34
EPAY-09	9/14/18	Republic Services	161.34
EPAY-10	9/14/18	Comcast Business 100M/100M	756.78
EPAY-11	9/22/18	HealthPartners	11,602.45
EPAY-12	9/26/18	City of Blaine-utilities	257.84
EPAY-13	9/26/18	Connexus Energy	2,214.99
EPAY-P01	9/19/18	Richard R. Swanson	135.00
EFILE	9/1/18	Authorize.Net	28.30
EFILE	9/16/18	Chase Visa Card Services	3,543.21
EFILE	9/1/18	Virtual Merchant Credit Card	45.02
AUGUST SALES TAX	9/5/18	MN Dept. of Revenue	127.00
			<b>99,998.81</b>

# North Metro Telecommunications Commission

Balance Sheet  
September 30, 2018

## ASSETS

### Current Assets

Cash - Checking Account	\$ 2,322,159.40
Petty Cash	150.00
A/R - NMTC	168,868.06
Prepaid Insurance - NMTC	14,543.48

Total Current Assets 2,505,720.94

### Property and Equipment

Office Equipment - NMTC	1,285,000.85
Accum Deprec - NMTC	(1,944,400.79)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,503,204.17
Land-Polk/125	225,700.00

Total Property and Equipment 3,054,504.23

### Other Assets

Deferred Out Related/Pension	163,031.00
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Total Other Assets 163,031.00

Total Assets \$ 5,723,256.17

## LIABILITIES AND CAPITAL

### Current Liabilities

A/P - NMTC	\$ 1,260.00
Accrued Payroll Taxes & W/H's	449.54
PERA - REFUNDS	310.09
PERA PAYABLE - PRIOR	(768.59)
Accrued Vacation	95,783.65
Accrued Wages	35,861.40
Franchise Fee App	991,433.01
Due to City of Blaine	762,119.00
Due to City of Centerville	47,261.00
Due to City of Circle Pines	67,778.00
Due to City of Ham Lake	197,534.00
Due to City of Lexington	25,328.00
Due to City of Lino Lakes	233,475.00
Due to City of Spring Lake Par	81,504.00
Deferred In Related/Pension	132,827.00

Total Current Liabilities 2,672,155.10

### Long-Term Liabilities

Net Pension Liability	632,009.00
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Total Long-Term Liabilities 632,009.00

Total Liabilities 3,304,164.10

### Capital

Net Equity	386,721.40
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	(279,042.36)

Total Capital 2,419,092.07

Total Liabilities & Capital \$ 5,723,256.17

# North Metro Telecommunications Comm

## Cash Receipts Journal

For the Period From Sep 1, 2018 to Sep 30, 2018

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
9/4/18	AUGUST PAYPAL	AUGUST PAYPAL PAYPAL	307.96	307.96
9/14/1	PERA OVERPAYMENT	CREDIT FROM JOHN HADDEN NOT ELIGIBLE/THRESHOLD Public Employee Retirement	310.09	310.09
9/26/1	SEPT CC SALES-VM	SEPTEMBER CREDIT CARD SALES-VIRTUAL MERCHANT Credit Card Sales	310.00	310.00
9/27/1	SEPT CC SALES-AUTH	SEPT CREDIT CARD SALES-AUTHORIZE.NET SEPT CREDIT CARD SALES-AUTHORIZE.NET-FEES Credit Card Sales	0.44 14.56	15.00
9/30/1	INTEREST	INTEREST-COMMISSION CHECKING INTEREST - COMMISSION	3,428.01	3,428.01
			<b>4,371.06</b>	<b>4,371.06</b>



# North Metro Telecommunications Comm

## Check Register

For the Period From Sep 1, 2018 to Sep 30, 2018

Filter Criteria includes: 1) Accounts Payable only. Report order is by Date.

Check #	Date	Payee	Amount
EFILE	9/1/18	Discovery Benefits	22.50
EFILE	9/1/18	Authorize.Net	28.30
EFILE	9/1/18	Virtual Merchant Credit Card	45.02
EPAY-01	9/2/18	POPP TELECOM	209.29
EPAY-02	9/3/18	Comcast	285.92
EPAY-03	9/3/18	T-Mobile	103.16
13361	9/3/18	Richard D. Larson	463.75
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AUGUST SALES TAX	9/5/18	MN Dept. of Revenue	127.00
EPAY-07	9/12/18	AT&T Wireless	387.62
EFILE	9/12/18	Discovery Benefits	470.00
13364	9/12/18	Blaine Lock & Safe Inc	375.00
EPAY-09	9/14/18	Republic Services	161.34
PEACH	9/14/18	Peachtree/Sage Software	19.20
EFILE	9/14/18	Public Employees Retirement	3,501.64
EFILE	9/14/18	IRS/US BANK	5,915.83
EFILE	9/14/18	MN Dept. of Revenue	1,098.31
EPAY-10	9/14/18	Comcast Business 100M/100M	756.78
EPAY-08	9/14/18	CenterPoint Energy	29.34
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13372	9/19/18	Michele J. Silvester	181.53
13373	9/19/18	Neutron Industries	182.80
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13379	9/26/18	ECM Publications	395.00
13380	9/26/18	Bradley Law, LLC	8,668.75
EFILE	9/27/18	MN Dept. of Revenue	3.32
EFILE	9/27/18	IRS/US BANK	118.08
PEACH	9/27/18	Peachtree/Sage Software	3.30
PEACH	9/28/18	Peachtree/Sage Software	20.40
EFILE	9/28/18	Public Employees Retirement	3,503.77
EFILE	9/28/18	IRS/US BANK	5,919.85
EFILE	9/28/18	MN Dept. of Revenue	1,099.07
EFILE	9/30/18	IRS/US BANK	1,272.96
EFILE	9/30/18	MN Dept. of Revenue	98.70
EFILE	9/30/18	Public Employees Retirement	219.55
<b>Total</b>			<b>58,375.82</b>

# North Metro Telecommunications Comm

## General Journal

For the Period From Sep 1, 2018 to Sep 30, 2018

Date	Reference	Trans Description	Debit Amt	Credit Amt
9/1/18	ACCRUED VAC/SIC/COMP	ACCRUED VAC/SIC/COMP ACCRUED VAC/SIC/COMP	95,742.22	95,742.22
9/1/18	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	12,346.60	12,346.60
9/30/18	ACCRUE WAGES	ACCRUE WAGES ACCRUE WAGES	12,346.60	12,346.60
9/30/18	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
9/30/18	ACCRUED VAC/SIC/COMP	ACCRUED VAC/SICK/COMP ACCRUED VAC/SICK/COMP	95,783.65	95,783.65
	<b>Total</b>		<b>229,119.07</b>	<b>229,119.07</b>

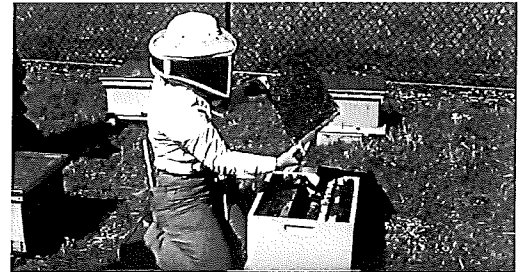
# North Metro TV

September 2018 Update

## Program Production

In September, a total of **94 new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **74:45:00 hours of new programming**.

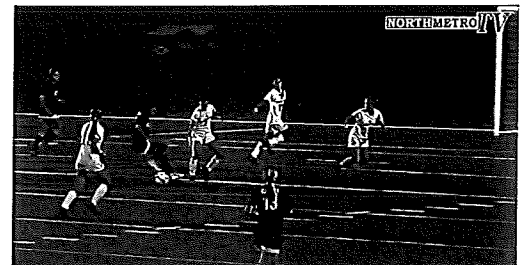
- 30 programs were produced by the public
- 41 programs were produced by NMTV staff
- 23 programs were produced by City staff



## Van Shoots

The HD truck was used for **46:30:00** hours of production. Events produced live and recorded for additional playbacks include:

- Volleyball: Spring Lake Park vs. Blaine
- Boys and Girls Soccer: Andover vs. Centennial
- Football: Centennial vs. Totino Grace
- Football: Osseo vs. Blaine
- Volleyball: Osseo vs. Blaine
- Football: Hopkins vs. Spring Lake Park
- Football: Blaine vs. Champlin Park



## Workshops

Workshop	Instructor	Organization	Students
Lighting	Eric Houston	General Public	2
Lecture - This is Orson Welles	Eric Houston	General Public	13
Bad Movie Bros Taping	Eric Houston	Video Club	4
Lecture - This is Orson Welles	Eric Houston	Edgewood Senior Living	17
Intro to NMTV	Eric Houston	General Public	5
Camera	Eric Houston	General Public	2
Lecture - Jim Henson & the Muppets	Eric Houston	Edgewood Senior Living	20
<b>7 Workshops</b>			<b>63 Students</b>

## Home Movie Transfers

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Home movie transfers have become one of our most popular services. Residents can transfer their family videos themselves for free, or pay NMTV to do it. NMTV can also transfer film, slides, and photos for a fee.

Month	Hours Transferred	Tapes	Film Reels	DVDs	Photos/Slides	Fees Paid
January	201.75	57	122	20	409	\$1,159.00
February	120.5	41	53	15	1,164	\$780.00
March	167.5	64	0	74	237	\$381.00
April	128.00	52	53	17	781	\$195.00
May	59.00	29	18	9	0	\$460.00
June	133.75	45	36	31	475	\$354.00
July	166.5	27	54	28	230	\$200.00
August	224.5	64	11	62	649	\$1,157.00
September	138.75	35	0	3	1,112	\$345.00
<b>TOTAL:</b>	<b>1,212.25</b>	<b>414</b>	<b>347</b>	<b>259</b>	<b>5,057</b>	<b>\$5,031.00</b>

## Public Usage Stats

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For statistical purposes, the public access department documents total numbers of unique individuals and total hours of usage of the facility by the general public, every month. These numbers include regular users, class participants, individuals transferring videos, people who attend events, and any other public usage of the facility. The numbers do not take into account the many members of the public who work with any other NMTV department, such as news, sports, municipal, or educational.

Month	Unique Individuals	Total Usage Hours
January	111	460
February	112	685.25
March	117	552.25
April	47	295.5
May	103	409.25
June	116	556.75
July	101	513.25
August	106	612.75
September	90	441
<b>TOTAL PUBLIC USAGE:</b>		<b>4,526.00</b>

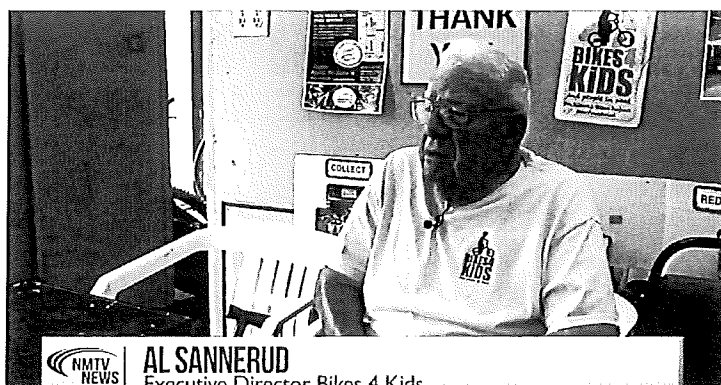
## Production Highlights

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### NMTV News Highlights

Each week Danika Peterson and Ben Hayle create a news program that highlights events, people, issues, and information important to citizens of our Member Cities. Some September highlights include:

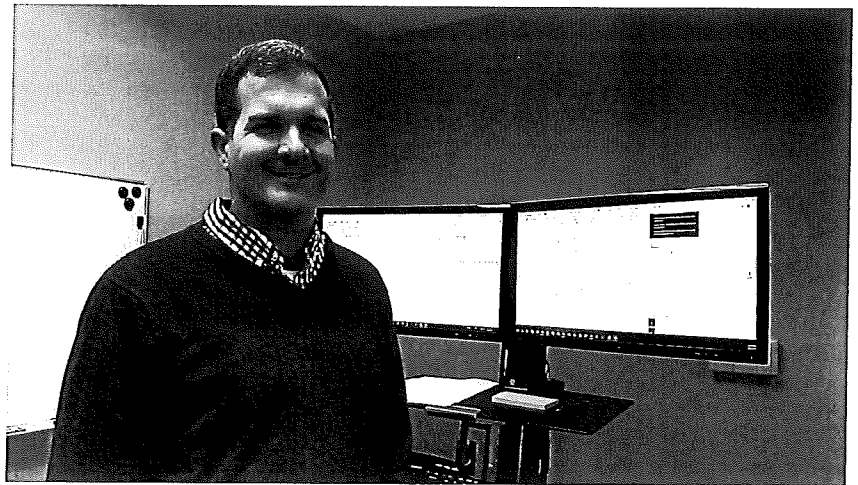
- National Sports Center Eyes Dome
- Blaine Trail System
- Blaine Sees Record Development Year
- Ham Lake's Al Sannerud Named Minnesota Outstanding Senior
- Ben Says Farewell



In addition to daily playbacks of North Metro TV News on the cable systems, there are 518 local stories archived for viewers on the NMTV YouTube page. The page can be accessed through the northmetrotv.com website.

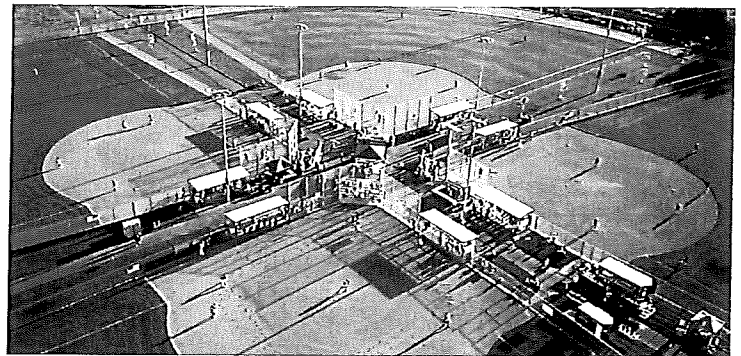
## Hello to Rusty

We didn't know if it could be done, but then we went ahead and did it...we've found a replacement for Ben Hayle. Rusty Ray has fourteen years of broadcast news experience, from shooting and editing to reporting and anchoring. He and Danika have been working out what they are going to be able to do for election coverage, and they are gearing up for their first episode of North Metro TV News. Rusty has some great ideas for additional programming and we are all looking forward to working with him.



## Drone Service

North Metro TV was hired to produce a promo, utilizing drone footage, for the Minnesota Softball Military Appreciation Day. T.J. worked with the organization to produce a two and a half minute piece that utilized both drone and standard camera footage. The group was very happy with the finished product. T.J. will be producing another promo, in October, utilizing the drone, for the non-profit, 23rd Veteran. This will be the second time that organization has hired us to get drone footage of their "Nearly Naked Ruck March." The event takes place at Bunker Hills on October 27th.



## Election Programming

It's another big election year, but we've found ourselves in a bit of a tight spot. Our primary election coordinator, (Ben) resigned his position at the worst possible time for our election coverage. Typically, we schedule "Meet the Candidate" forums for all contested races pertinent to our Cities, including state, county, municipal, school district, and in some cases federal contests. The timing of Ben's departure and the timing of the hiring of his replacement, made it impossible for us to produce that kind of extensive coverage. In an effort to get as many debates of interest to our viewers on the channels and website, we requested copies of debates taped by other organizations, if they were pertinent to our area, and sent staff out to cover additional debates organized by other entities, like the League of Women Voters. With the hiring of Rusty, we have been able to schedule Meet the Candidate Forums for our contested municipal races and we will be producing our live election night results program.

## City Productions

Municipal Producer, Trevor Scholl, completed four projects in September including interesting stories from the state fair with some local flavor. Projects completed include:

- Solar Sites for Bees, Berries, and Beer
- Lexington Fall Funfest Preview
- Running Aces at the State Fair
- AHS Animal Rescue

New and ongoing projects include:

- Ham Lake senior dance day



- Talked with Operations Committee regarding contacting with ideas
- Meeting with Ham Lake staff to discuss and plan future projects
- Business profile on Urban Air Adventure Park. Done shooting, in edit process
- Taping and editing Blaine, Lino Lakes, and Centerville Mayor's Minutes
- Circle Pines City promo. Have drone shoots scheduled
- Lino Lakes organics recycling

Trevor touches base with contacts on a regular basis and also encourages Cities to contact him whenever they have an idea for a new show.

## Production equipment consulting for cities and schools

### **Blaine**

- No equipment consulting was necessary.

### **Centerville**

- No equipment consulting was necessary.

### **Circle Pines**

- 9/25/18: Set up a meeting with A Systems and City staff. This is the last meeting before the HD upgrade takes place. Will review everything to make sure everyone is on the same page.
- 9/27/18: Ordered transmission equipment for HD signal transport after upgrade.
- 9/27/18: Answered Z System questions before upgrade.

### **Ham Lake**

- 9/5/18: Noticed the Makito X feed was jittery. Restarted, now looks fine
- 9/5/18: Two dais monitors down due to power surge that damaged the monitor power supplies. Emailed Z systems. They will provide new power supplies. Loaned two power supplies until new ones come in.

### **Lexington**

- No equipment consulting was necessary.

### **Lino Lakes**

- 9/5/18: Dais monitor issues. an AJA DA that feeds everything, had two bad outputs. Replaced with a spare from the tech shop. Will get new one, as it is still under warranty.
- 9/5/18: An AJA Hi5-Plus that feeds the HDMI DA the program signal was not functioning. Also replaced with a spare and ordered a new one, which is also under warranty.

### **Spring Lake Park**

- 9/4/18: Dais monitors not working. Located an HDMI router and a Creston Scaler with power issues. Replaced the power supply, tested, now working.
- 9/27/18: Emailed Wanda regarding purple camera. Scheduled repair time.

### **All Cities**

- 9/17/18: Carousels are acting up. Tightrope looked into the problem and fixed what they could. Something is happening with the labeling. Somehow strange characters are being placed in file names.

## City Channel 16 Playback Stats

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	181	241:27:32
Centerville	49	66:13:39
Circle Pines	142	134:44:47
Ham Lake	74	75:53:24
Lexington	104	89:27:21
Lino Lakes	73	77:48:52
Spring Lake Park	140	155:36:04
<b>Totals:</b>	<b>763 Program Playbacks</b>	<b>841:11:39 Hours of Video Programming on Channels</b>

## Programs Produced by the Public

Title	Producer	Runtime
Off Constantly	David Bauer	00:28:53
Black & White or Gray	Brad Sanford	00:15:29
Chit Chat With Sue Aberholden	Sharon Carlson	00:24:31
Every Movie Ever (2 episodes)	Joe Scholz, Rick Bostrom, Ben Daniels/Ryan Frieundschuh, Gavin Van Trease/Eric Houston	00:53:54
Bad Movie Bros	Video Club/Eric Houston	00:46:20
A Fresh New Day	Anita Wardlaw	00:47:44
Cornerstone Church (3 episodes)	Rick Bostrom	01:19:58
Christ Lutheran Church (2 episodes)	Jacob Nessman/Chance Amundson	02:03:39
The Power of Love (4 episodes)	Rick Larson	02:00:00
LovePower (4 episodes)	Ann Sandell	04:00:00
Rice Creek Watershed District Meeting (2 episodes)	Theresa Stasica	03:35:20
Oak Park Moments (4 episodes)	Dave Turnidge	02:52:41
Hope Church (4 episodes)	Cindy Hardy	02:35:27
<b>30 New Programs</b>		<b>22:03:56 New Hours</b>

## Programs Produced by NMTV Staff

Title	Producer	Runtime
Anoka County Board Meeting (9/11/18)	T.J. Tronson	00:43:07
Anoka County Board Meeting (9/25/18)	T.J. Tronson	01:15:43
NMTC Meeting (9/19/18)	T.J. Tronson	00:35:45
MN Softball Military Appreciation Benefit Tourney Promo (Paid Drone Shoot)	T.J. Tronson	00:02:38
Columbia Heights Mayoral Forum (Paid Production)	T.J. Tronson	00:30:37
Columbia Heights City Council Forum (Paid Production)	T.J. Tronson	00:45:22
Columbia Heights Anoka County Commissioner Forum (Paid Production)	T.J. Tronson	00:31:30
NMTV News (3 episodes)	Danika Peterson/Ben Hayle	00:56:51
Blaine's Trail System	Danika Peterson	00:06:15
Blaine Fall Development Update	Ben Hayle	00:05:13
On Tap	Ben Hayle	00:27:14
Solar Sites for Bees, Berries, and Beer	Trevor Scholl	00:02:30
Lexington Fall Funfest Preview	Trevor Scholl	00:03:00
Running Aces at the State Fair	Trevor Scholl	00:02:45
AHS Animal Rescue	Trevor Scholl	00:05:20
Volleyball: Spring Lake Park/Blaine	Kenton Kipp/J. Millington	01:43:51
Boys Soccer: Andover/Centennial	Kenton Kipp/J. Millington	01:42:24
Girls Soccer: Andover/Centennial	Kenton Kipp/J. Millington	01:51:28
Football: Centennial/Totino Grace	Kenton Kipp/J. Millington	02:53:16
Football: Osseo/Blaine	Kenton Kipp/J. Millington	02:45:19
Volleyball: Osseo/Blaine	Kenton Kipp/J. Millington	01:24:29
Football: Hopkins/Spring Lake Park	Kenton Kipp/J. Millington	02:04:58
Swim & Dive: Blaine/Centennial	Kenton Kipp/J. Millington	01:00:35
Football: Blaine/Champlin Park	Kenton Kipp/J. Millington	02:29:50
Coach & Captains: Spring Lake Park Volleyball	Kenton Kipp/J. Millington	00:03:21
Coach & Captains: Blaine Volleyball	Kenton Kipp/J. Millington	00:03:31
Athlete of the Week (3 episodes)	Kenton Kipp/J. Millington	00:03:06



<b>Title cont.</b>	<b>Producer cont,</b>	<b>Runtime cont.</b>
Game Summary (7 episodes)	Kenton Kipp/J. Millington	00:07:50
Sports Den (3 episodes)	Kenton Kipp/J. Millington	01:23:18
<b>41 New Programs</b>		<b>25:51:00 New Hours</b>

## Programs Produced by City Staff

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<b>Title</b>	<b>Producer</b>	<b>Runtime</b>
Blaine Traffic Commission Meeting (9/4/18)	Blaine Staff	00:52:31
Blaine City Council Meeting (9/6/18)	Blaine Staff	01:33:12
Blaine Planning Commission Meeting (9/11/18)	Blaine Staff	02:21:45
Blaine Natural Resources Conservation Board Meeting (9/18/18)	Blaine Staff	01:26:31
Blaine City Council Meeting (9/20/18)	Blaine Staff	00:47:34
Centerville City Council Meeting (9/12/18)	Centerville Staff	01:59:22
Centerville City Council Meeting (9/26/18)	Centerville Staff	01:40:06
Circle Pines City Council Meeting (9/11/18)	Circle Pines Staff	01:46:39
Circle Pines Utility Commission Meeting (9/19/18)	Circle Pines Staff	00:44:53
Circle Pines City Council Meeting (9/25/18)	Circle Pines Staff	00:44:48
Ham Lake City Council Meeting (9/4/18)	Ham Lake Staff	00:39:35
Ham Lake Planning Commission Meeting (9/10/18)	Ham Lake Staff	00:09:23
Ham Lake City Council Meeting (9/17/18)	Ham Lake Staff	00:53:34
Ham Lake Planning Commission Meeting (9/24/18)	Ham Lake Staff	01:12:58
Lexington City Council Meeting (9/6/18)	Lexington Staff	01:09:33
Lexington City Council Meeting (9/20/18)	Lexington Staff	00:31:07
Lino Lakes City Council Meeting (9/10/18)	Lino Lakes Staff	00:53:17
Lino Lakes Planning & Zoning Meeting (9/12/18)	Lino Lakes Staff	01:17:09
Lino Lakes City Council Meeting (9/24/18)	Lino Lakes Staff	01:05:19
Lino Lakes Environmental Board Meeting (8/27/18)	Lino Lakes Staff	01:26:37
Spring Lake Park City Council Meeting (9/4/18)	Spring Lake Park Staff	01:44:10
Spring Lake Park City Council Meeting (9/17/18)	Spring Lake Park Staff	00:51:41
Spring Lake Park Planning Commission Meeting (9/24/18)	Spring Lake Park Staff	00:50:17
<b>23 New Programs</b>		<b>26:42:01 New Hours</b>

If you have any questions or comments regarding this monthly report please contact Heidi Arnson at 763.231.2801 or harnson@northmetrotv.com.

# NORTH METRO TV

## Production Statistics 2018

Programming Statistics													18 Total	18 Average
	J	F	M	A	M	J	JU	A	S	O	N	D		
Cablecast Programs	2644.00	2465.00	2625.00	1393.00	2506.00	2302.00	2940.00	2720.00	2487.00				22082.00	1840.17
Cablecast Hours	2108.00	1995.75	1948.75	1182.75	2103.50	1928.50	2376.00	2118.75	2091.50				17853.50	1487.79
Programs Produced - Public	19.00	27.00	24.00	22.00	18.00	23.00	15.00	31.00	20.00				199.00	16.58
Program Hours Produced - Public	12.25	12.50	7.75	13.50	10.50	20.50	11.50	26.75	13.00				128.25	10.69
Prog. Produced - Affiliated Public	8.00	10.00	2.00	12.00	11.00	7.00	8.00	6.00	10.00				74.00	6.17
Prog. Hours Produced - Affil. Public	5.25	6.50	4.00	10.50	11.50	4.50	7.50	5.75	9.00				64.50	5.38
Programs Produced - City Staff	21.00	21.00	26.00	26.00	21.00	22.00	21.00	23.00	23.00				204.00	17.00
Program Hours Produced - City Staff	20.75	23.50	24.00	27.25	23.00	24.50	18.25	21.00	26.75				209.00	17.42
Programs Produced - NMTV Staff	31.00	29.00	26.00	18.00	56.00	29.00	53.00	32.00	41.00				315.00	26.25
Prog. Hours Produced - NMTV Staff	21.00	16.50	17.50	12.00	32.00	25.50	54.00	11.50	26.00				216.00	18.00
Total Public Programs Produced	27.00	37.00	26.00	34.00	29.00	30.00	23.00	37.00	30.00				273.00	22.75
Total Staff Programs Produced	52.00	50.00	52.00	44.00	77.00	51.00	74.00	55.00	64.00				519.00	43.25
Total Internal Programs Produced	79.00	87.00	78.00	78.00	106.00	81.00	97.00	92.00	94.00				792.00	66.00
% Staff Produced Programs	65.82%	57.47%	66.67%	56.41%	72.64%	62.96%	76.29%	59.78%	68.09%				65.53%	65.53%
% Public Produced Programs	34.18%	42.53%	33.33%	43.59%	27.36%	37.04%	23.71%	40.22%	31.91%				34.47%	34.47%
External Programs Submitted	33.00	19.00	18.00	21.00	28.00	20.00	23.00	14.00	27.00				203.00	16.92
External Program Hours	24.50	14.00	14.25	16.00	23.00	14.50	16.50	11.50	20.00				154.25	12.85
Total New Programs	112.00	108.00	96.00	99.00	134.00	101.00	120.00	106.00	121.00				995.00	82.92
Equipment Usage Statistics														
Facility Hours Available	196.00	188.00	216.00	161.00	201.00	208.00	167.00	247.00	201.00				1785.00	148.75
Public Field Equipment Uses	6.00	12.00	11.00	9.00	8.00	8.00	12.00	11.00	9.00				86.00	7.17
Studio A	73.75	76.25	72.75	28.00	41.00	67.25	44.75	46.50	37.00				487.25	40.60
% of Available Time	37.63%	40.56%	33.68%	17.39%	20.40%	32.33%	26.80%	18.83%	18.41%				27.30%	27.30%
Studio B	5.75	28.25	7.50	31.75	5.50	17.00	25.50	33.00	31.75				186.00	15.50
% of Available Time	2.93%	15.03%	3.47%	19.72%	2.74%	8.17%	15.27%	13.36%	15.80%				10.42%	10.42%
Public MAC A Edit Suite	102.75	81.25	98.50	48.25	59.50	108.25	157.50	157.75	62.00				875.75	72.98
% of Available Time	52.42%	43.22%	45.60%	29.97%	29.60%	52.04%	94.31%	63.87%	30.85%				49.06%	32.80%
Public MAC B Edit Suite	101.00	70.25	84.50	94.25	64.00	50.00	53.00	65.25	56.25				638.50	53.21
% of Available Time	51.53%	37.37%	39.12%	58.54%	31.84%	24.04%	31.74%	26.42%	27.99%				35.77%	35.77%
Public MAC C Edit Suite	79.75	67.50	92.25	46.75	25.50	94.25	86.75	100.00	89.00				681.75	56.81
% of Available Time	40.69%	35.90%	42.71%	29.04%	12.69%	45.31%	51.95%	40.49%	44.28%				38.19%	38.19%
Production Van Statistics														
Production Hours	38.00	60.50	26.75	22.25	48.75	60.00	85.00	11.75	46.50				399.50	33.29
Number of Van Shoots	6.00	8.00	4.00	4.00	7.00	9.00	7.00	2.00	7.00				54.00	4.50
Average Hours Per Shoot	6.33	7.56	6.69	5.56	6.96	6.67	12.14	5.88	6.64				7.40	2.77
Number of New Volunteers	3.00	2.00	1.00	1.00	1.00	9.00	0.00	1.00	1.00				19.00	1.58
Volunteer Hours	29.00	40.00	4.00	12.00	32.00	108.00	159.00	2.00	12.00				398.00	33.17
Public Access Statistics														
Number of Workshops	11.00	11.00	10.00	1.00	6.00	11.00	8.00	10.00	7.00				75.00	6.25
Number of Students	78.00	65.00	105.00	1.00	9.00	80.00	71.00	71.00	63.00				543.00	45.25
PAP Volunteer Hours	146.75	216.50	159.50	101.00	109.50	205.75	159.25	168.75	151.75				1418.75	118.23
Total Public Facility Usage Hours	460.00	685.25	552.25	295.50	409.25	556.75	513.25	612.75	441.00				4526.00	377.17

## **EXECUTIVE COMMITTEE MINUTES**

Meeting of October 3, 2018

Executive Cmte. Present: Dale Stoesz; Lino Lakes, Dick Swanson; Blaine

Absent: Mike Murphy; Lexington, Cindy Hansen; Spring Lake Park

Others Present: Heidi Arnson; Executive Director, Rose Valez; Admin. Asst.,  
Mike Bradley; Legal Counsel

### **CALL TO ORDER**

The Chair called the meeting to order at 6:00 p.m.

### **APPROVAL OF MINUTES**

**Approval of the September 5, 2018 Executive Committee meeting minutes was tabled, due to the lack of a quorum.**

### **EXECUTIVE DIRECTOR / OPERATIONS COMMITTEE REPORT**

- Mike Bradley reviewed recent FCC actions. Both the new Federal Small Cell Wireless Facilities Rules for State and Local Governments and the Cable Franchise Fee NPRM could affect Cities very negatively. He reported that a model small cell ordinance for Cities would be tweaked to reflect new rules and then made available. It was recommended that the Commission participate in submitting comments and reply comments regarding the NPRM.
- Mike Bradley and Heidi Arnson met with CenturyLink regarding the Executive Committee's recommendation to find CenturyLink in violation of their franchise. Discussion centered on CenturyLink's plans for Prism TV, whether it would be renewing franchises, and if not, what the exit strategy will be. Another meeting has been scheduled.
- A work plan for the Comcast franchise renewal process was considered. Priorities were discussed.
- The NMTC facility roof has significant water damage. The underside of several areas of the roof have experienced water leaking through the shingles which has softened the plywood under the shingles. The LMC insurance structural engineer has determined that the damage was not caused by hail. Several contractors have been contacted for bids. Since the damage is over several areas of the roof, it is recommended that the entire roof be replaced. The Operations Committee recommended that the entire roof be replaced. The consensus of the Executive Committee present, was to move forward with the replacement of the entire roof.
- Rusty Ray has been hired as the new News Producer. He has 14 years experience as a reporter and anchor in broadcast news. He will start October 8th.

**OLD BUSINESS**

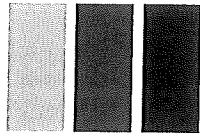
- There was no old business.

**NEW BUSINESS**

- There was no new business.

**ADJOURN**

**The meeting was adjourned at 7:10 p.m.**



Bradley

MEMORANDUM

**To: Interested Clients**  
**From: Mike Bradley and Vince Rotty**  
**Re: FCC Cable Franchise Fee NRPM**  
**Date: September 27, 2018**

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In the mid-2000s, the FCC issued a First and Second Order addressing how local governments may regulate cable service and cable operators. In 2015 (7 years after a request for reconsideration was filed), the FCC issued a Supplemental Order to the Second Order. We refer to these orders collectively as the 621 Orders, because the FCC was promulgating rules under Section 621 of the federal Cable Act. Following remand by the Sixth Circuit Court of Appeals of an appeal of the Second and Supplemental 621 Orders in 2017, the FCC recently released a Second Further Notice of Proposed Rulemaking (“NPRM”).<sup>1</sup> In the NPRM, the FCC is proposing to reverse how cable franchise consideration has been treated for the past 34 years, resulting in a reduction in cable franchise fees for local franchising authorities. The NPRM address three different issues: (1) reducing cable-related, in-kind contributions from cable franchise fees; (2) preempting local governments from regulating non-cable services; and (3) preempting state cable statutes.

**Cable-Related, In-Kind Contributions**

The FCC has tentatively concluded that cable-related, in-kind contributions required by local franchising authorities (LFAs) from cable operators as a cable franchise condition are franchise fees subject to the 5% franchise fee cap.<sup>2</sup> The impact on LFAs is that nearly all bargained-for consideration from cable operators as part of the cable franchising process will be reduced from the current gross revenue franchise fee (assuming the LFA is receiving a 5% franchise fee). This consideration could include:

- Institutional Networks
- PEG Video Feeds
- PEG Channels
- Right-of-Way Requirements, such as Relocation
- Discounted or Free Cable Service and Equipment to Schools and Public Buildings
- Electronic Programing Guide Service
- Video-on-Demand
- Interconnected Networks
- Discounted or Free Non-Cable Services

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<sup>1</sup> <https://docs.fcc.gov/public/attachments/FCC-18-131A1.pdf>

<sup>2</sup> The FCC has proposed to define cable-related in-kind contributions to include “any non-monetary contributions related to the provision of cable services provided by cable operators as a condition or requirement of a local franchise agreement, including but not limited to free or discounted cable services and the use of cable facilities or equipment. It does not include the cost of build-out requirements.” See NPRM ¶ 24.

We believe the Federal Cable Act does not support such a conclusion. Section 622(a)(1) of the Cable Act defines the term Franchise Fee as follows: “any tax, fee, or assessment of any kind *imposed by a franchising authority* or other governmental entity on a cable operator or cable subscriber, or both, solely because of their status as such.” Cable franchise terms are not imposed on cable operators. A cable franchise is a negotiated contract, which takes months and in most instances years to negotiate. As a result of negotiations, there are provisions that benefit both parties to the contract. For instance, cable operators seek special rights-of-way accommodations and commitments on how competitive entrants will be treated. In return, the operator may agree to certain cable-related, in-kind contributions to the LFA. The plain language of the statute, the legislative history, and other provisions in the Cable Act all support a conclusion that such bargained for contract consideration is not imposed and therefore not a franchise fee.

In the alternative, local governments must comment on how the value of in-kind consideration is determined. For example, in many instances the physical assets (such as an institutional network) were completely paid for by cable subscribers via a separate line item on their invoices or through the basic service tier rates. Rather than cost-based value, the FCC has tentatively concluded that the value should be fair market value, which likely does not take into consideration how the asset was initially paid for. This could result in local governments and cable subscribers paying for the asset more than once and perhaps many times over.

In addition, it is imperative to define when this new interpretation on the definition of franchise fees begins and how far back (if at all) a cable operator can go to recover previously provided in-kind consideration. Given that local government budgets relied on past practices of the last 34 years, it would be incredibly unfair and perhaps unlawful to allow retroactive recovery of previously provided in kind consideration.

Additionally, in many instances, LFAs enter into settlement agreements or separate agreements outside of the cable franchise agreement for in-kind consideration. Again, these are fully negotiated bargained-for contracts. It is unclear how the negotiated consideration in these agreements would be treated under the FCC tentative conclusions in the NPRM. Any action to reduce the bargained-for consideration would be an impermissible impairment of contract.

### **Mixed Use Networks**

In the NPRM, the FCC has tentatively concluded that local governments are prohibited from regulating non-cable services provided over a cable operators system. We are not aware of any LFA attempting to regulate any non-cable service under its cable franchising authority. We believe that the FCC does not have authority under the provisions of the federal Cable Act to prohibit the regulation of other non-cable services. To the extent that other services are provided over a cable operator’s system, a LFA must continue to have the authority to regulate non-cable services to the extent the LFA has the authority under state law and is not limited by federal law. For example, if a cable operator is providing telecommunications services over its system, a LFA may regulate the service and system pursuant to the applicable state law, subject to the restrictions in Title II of the federal Communications Act of 1934, as amended. Of course,

internet service continues to grow in importance and it will remain important to maintain authority over the system so long as it is reliant on the local public rights-of-way. Additionally, cable operators have constructed their systems such that only a portion of it is actually a cable system. In many instances, cable operators, using their cable franchising authority, are constructing fiber runs to provide other services such as back haul fiber service for wireless providers. Again, there is no basis upon which a cable operator should rely upon its local cable franchise to construct a system that will not be used to provide cable service and may not even be used directly by the cable operator.

### **Preemption of State Franchising Regulations**

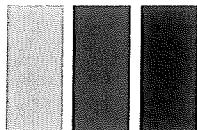
The FCC has also tentatively concluded that not only will it preempt local governments, but also state statutes, particularly state cable franchising statutes, to the extent the statutes conflict with the FCC's First and Second 621 Orders and this new proceeding that will result in a Third Order. This may have negative consequences in many states. In Minnesota, for instance, there is a very detailed cable franchising statute that protect local interests. It will be important to be vigilant about protecting state law.

### **Filing Deadlines**

Comments are due 30 days following publication of the NPRM in the Federal Register. The NPRM was released on September 25, 2018, but as of the date of this memorandum it has not been published. Reply Comments are due 60 days following publication.

### **Recommendation**

We recommend submitting Comments and Reply Comments directly to the FCC on this proceeding. We are assembling a group of clients to draft and submit comments and reply comments. We will split our time among the group with a not to exceed cap per client.



Bradley

TELECOMMUNICATIONS ADVISORY

**To: Interested Clients**  
**From: Mike Bradley, Michael Athay and Vince Rotty**  
**Re: New Federal Small Wireless Facilities Rules for State and Local Governments**  
**Date: October 1, 2018**

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The FCC released a new Declaratory Ruling and Third Report and Order (the “Order”)<sup>1</sup> on September 27, 2018, adopting new rules limiting how state and local governments may treat applications for the installation of small wireless facilities<sup>2</sup> on public property and other property located inside and outside the public rights-of-way (“ROW”). The FCC did not address whether the Order applies to local government agencies, such as a municipal utility that is legally independent from the municipality, as well as to the municipality itself. The rules are based on a new FCC interpretation of Sections 253 and 332(c)(7) of the Communications Act of 1934, as amended.

### **New Federal Test to Determine Reasonable Small Wireless Facilities Fees**

The FCC has developed three criteria to determine whether fees related to collocating small wireless facilities inside *and* outside the ROW in state and local government statutes and ordinances comply with Sections 253 and 332(c)(7). Fees are presumed “reasonable” under these Sections if:

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<sup>1</sup> The Order can be found at: <https://www.fcc.gov/document/fcc-facilitates-wireless-infrastructure-deployment-5g>

<sup>2</sup> The FCC in 47 CFR 1.6002(l) defines Small Wireless Facilities as follows:

*Small wireless facilities*, consistent with section 1.1312(e)(2), are facilities that meet each of the following conditions:

- (1) The facilities—
  - (i) are mounted on structures 50 feet or less in height including their antennas as defined in section 1.1320(d), or
  - (ii) are mounted on structures no more than 10 percent taller than other adjacent structures, or
  - (iii) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;
- (2) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in section 1.1320(d)), is no more than three cubic feet in volume;
- (3) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- (4) The facilities do not require antenna structure registration under part 17 of this chapter;
- (5) The facilities are not located on Tribal lands, as defined under 36 CFR 800.16(x); and
- (6) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in section 1.1307(b).

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Bradley Berkland Hagen & Herbst, LLC

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- **Test for Reasonable Small Wireless Facilities Fees**
  - **Approximation of Cost.** Fees Must Be a Reasonable Approximation of the State or Local Government’s Actual and Reasonable Costs;
  - **Objectively Reasonable.** Only “Objectively Reasonable” Costs are Factored into those Fees; and
  - **Nondiscriminatory.** The fees are No Higher than the Fees Charged to Similarly-Situated Competitors in Similar Situations.

This new cost-based test applies to the following types of fees:

- ROW access fees;
- Fees for the use of government property in the ROW, such as
  - Light Poles;
  - Traffic Lights;
  - Utility Poles;
  - Other similar property suitable for hosting Small Wireless Facilities.
- Application or review fees and similar fees imposed by a state or local government as part of their regulation of the deployment of Small Wireless Facilities inside and outside the ROW

Order at ¶ 50.

### **Presumably Reasonable Fees – De Facto Caps**

The FCC has found the following to be presumptively fair and reasonable cost-based fees under Sections 253(c) and not an effective prohibition under Sections 253 and 332(c)(7). The FCC states these new presumptively reasonable fees were based on its review of its pole attachment rate formula, as well as small cell legislation in twenty states, local legislation from certain municipalities in states that have not passed small cell legislation, and comments in the record. Order at ¶¶ 78-79. Subject to the limited exception described below, these fees appear intended to cap wireless facility fees.

- **Non-Recurring Application Fees.**
  - **Single Application.** \$500 for a single up-front application that includes up to five Small Wireless Facilities;
  - **Additional Applications.** An additional \$100 for each Small Wireless Facility beyond five, or
  - **New Pole.** \$1,000 for non-recurring fees for a new pole (i.e., not a collocation) intended to support one or more Small Wireless Facilities
- **Recurring Fees**
  - \$270 per Small Wireless Facility per year for all recurring fees,
    - Includes any possible ROW access fee or fee for attachment to municipally-owned structures in the ROW.

### **Authority to Charge Higher Fees**

The FCC recognized that there are “limited circumstances” in which a locality could prevail in charging fees that exceed the FCC’s presumptively reasonable fees by showing that such fees are

- A Reasonable Approximation of Costs,
- Those Costs Themselves are Reasonable, and
- The Fees Are Non-Discriminatory.

According to the FCC, this allows “localities to charge fees above [the foregoing] levels upon this showing [and] recognizes local variances in costs.” Order at ¶ 80. These fees are set at 2018 dollar values. It would seem reasonable for these fees to increase over time in accordance with the local consumer price index. Of course, there are other local factors that may be considered to justify fees higher than the FCC’s presumptively reasonable fees.

### **Aesthetics Requirements Sharply Limited**

The FCC also addressed aesthetic considerations related to small wireless facilities. Aesthetics requirements are *not* preempted if they are

- Reasonable
- No More Burdensome than those Applied to Other Types of Infrastructure Deployments
- Objective
- Published in Advance.

Aesthetic requirements that are reasonable, technically feasible and reasonably directed to avoiding or remedying the intangible public harm of unsightly or out-of-character deployments are also permissible. Aesthetic requirements that are more burdensome than those the state or locality applies to similar infrastructure deployments are not permissible. Order at ¶¶ 84-90.

### **6 Month Deadline to Publish Aesthetics Requirements.**

The FCC directed that local governments that wish to establish and publish compliant aesthetic standards must do so no longer than 180 days after publication of the Order in the Federal Register. Order at ¶ 89.

### **Undergrounding**

Many local jurisdictions have adopted undergrounding provisions that require infrastructure to be deployed below ground based, at least in some circumstances, on the locality’s aesthetic concerns. The FCC recognized that these requirements may well be permissible under state law as a general matter. However, such requirements must also survive

the provisions of Section 253. Order at ¶ 90. Specifically, the following would *not* survive Section 253 and are therefore preempted:

- **Effective Prohibition.** A requirement that all wireless facilities be deployed underground would amount to an “effective prohibition” on deployment under Section 253 given the propagation characteristics of wireless signals.<sup>3</sup>
- **Materially Inhibits Wireless Service.** A requirement that materially inhibits wireless service, even if it does not go so far as requiring that all wireless facilities be deployed underground, also would be considered an effective prohibition of service. Thus, the same criteria discussed above in the context of aesthetic requirements generally would apply to state or local undergrounding requirements.

### Minimum Spacing Requirements

Some local governments require the spacing of small wireless facilities installations be sited at least 100, 500, or 1,000 feet, or some other minimum distance, away from other facilities, “ostensibly to avoid excessive overhead “clutter” that would be visible from public areas.” Order at ¶ 91. The FCC acknowledged that such requirements may be reasonable aesthetic requirements. *Id.* To be compliant with Section 253, these requirements must be reviewed under the same standards for aesthetic requirements as those discussed above. *Id.*

### Local Governments Acting in their Regulatory Capacity

The FCC determined in the Order that state and local governments act within their regulatory capacity, rather than their proprietary capacity, when acting on small wireless facility permitting applications. The provisions here described therefore apply to local government terms for access to public ROW that they own or control, and to their terms for use of or attachment to government-owned property within the ROW, such as light poles, traffic lights, utility poles, “and similar property suitable for hosting Small Wireless Facilities.” *See* Order at ¶¶ 92-97.

### New 332(c)(7) Shot Clocks

Pursuant to Section 332(c)(7), the FCC created two new shot clocks for local government action on small wireless facilities. Order at ¶¶ 104-112.

- **New 332(c)(7) Small Wireless Facilities Shot Clocks**
  - **Collocation Application** – 60 days
  - **New Structure Application** – 90 days

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<sup>3</sup> The FCC noted agreement with the U.S. Court of Appeals for the Ninth Circuit observation that, “[i]f an ordinance required, for instance, that all facilities be underground and the plaintiff introduced evidence that, to operate, wireless facilities must be above ground, the ordinance would effectively prohibit it from providing services.” *See Sprint Telephony PCS LP v. County of San Diego*, 543 F.3d 571, 580 (9<sup>th</sup> Cir. 2008) (en banc); Order at ¶ 90.

These shot clocks apply to both single and batched applications. Order at ¶ 114. And they apply to *all* local government authorizations required of the applicant. Order at ¶ 144. Any state law shot clocks remain effective. That is, the remedies provided in the Order are “independent of, and in addition to, any remedies that may be available under state or local law, and “an applicant may pursue any such remedies where the siting authority fails to act within those shot clocks.” However, the applicant must wait until the shot clock period provided in the Order has expired to bring suit (as described below) for a “failure to act.” *See* Order at ¶ 147.

### **Tolling for Incomplete Small Wireless Facilities Applications**

The shot clock rules do recognize to a degree that siting applications must be complete to be considered. For small cell applications, shot clocks are *reset*, not tolled, if the municipality notifies the applicant within 10 days after submission that the application is incomplete. For subsequent determinations of incompleteness, the shot clock would toll—not reset—if the siting authority provides written notice within 10 days that a supplemental submission did not provide the requested information. *See* Order at ¶ 143.

- **New Small Wireless Tolling Rules**
  - Review Application for Completeness - 10 Days
  - Shot Clock Reset – Upon Submittal of Requested Information

While the FCC encouraged pre-application discussions between an applicant and local government, it found that mandatory pre-application procedures and requirements do not toll the shot clocks. *See* Order at ¶¶ 145-146.

### **Remedies for Failing to Comply with Shot Clocks**

The FCC identified expedited judicial review and preliminary and permanent injunctive relief as the remedies for violation of the rules provided in the Order, including shot clocks. Order at ¶ 121. Note that the Order does *not* provide for a “deemed granted” remedy – i.e. failure to comply with shot clocks (or other provisions) does not automatically result in the application being deemed to be granted without the municipality’s decision.

### **Existing 332(c)(7) Macrocell Shot Clocks Clarified**

The FCC clarified that the shot clocks provided in Section 332(c)(7) in a separate 2009 FCC Order did not relate to small cell wireless facilities. In this Order, the FCC codified those shot clocks and clarified that they relate to macrocell wireless facilities. Order at ¶ 139; 47 CFR 1.6001-1.6003.

- **Macrocell Shot Clock**
  - **Collocation Applications** – 90 days
  - **New Structure Applications** – 150 days

### **Impact on Existing Agreements**

The FCC did not expressly exempt or “grandfather” existing agreements from this Order. Order at ¶ 66. The Order’s effect on any particular existing agreement will depend upon all the facts and circumstances of that specific case. *Id.* “Without examining the particular features of an agreement, including any exchanges of value that might not be reflected by looking at fee provisions alone, we cannot state that today’s decision does or does not impact any particular agreement entered into before this decision.” *Id.*

### **Effective Date**

The Order is effective 90 days following publication in the Federal Registration. Order at ¶ 153.

### **Recommendation**

We recommend that all local governments review their existing small wireless ordinances, regulations and practices for compliance with this new FCC Order. We further recommend all local governments immediately begin developing and adopting written aesthetic standards for small wireless facilities since the Order requires they be published within 180 days of the publication of the Order in the Federal Register.

Please let us know if you need our assistance in understanding the Order and its application to your jurisdiction, or in reviewing and modifying your existing ordinances, regulations and regulatory processes to comply with the Order.

### **Disclaimer**

This advisory is a publication of Bradley Berkland Hagen & Herbst, LLC. Our purpose in publishing this advisory is to inform our clients and friends of recent legal developments. It is not intended, nor should it be used, as a substitute for specific legal advice as legal counsel may only be given in response to inquiries regarding particular situations.

**NORTH METRO TELECOMMUNICATIONS COMMISSION  
UNAPPROVED OPERATIONS COMMITTEE MEETING NOTES**

Tuesday, October 2, 2018

**CALL TO ORDER**

The meeting began at 10:35 a.m.

**MEMBERS PRESENT**

P. Antonen, B. Petracek, D. Buchholtz, B. Hayle

**MEMBERS ABSENT**

J. Karlson, D. Krueger, M. Statz

**OTHERS PRESENT**

H. Arnson, M. Bradley, V. Rotty

**APPROVAL OF MEETING NOTES**

The meeting notes of September 4, 2018 were approved by consensus.

**EXECUTIVE DIRECTOR REPORT**

- Commission Legal Counsel, Mike Bradley, reviewed recent FCC actions with the Committee. Both the new Federal Small Cell Wireless Facilities Rules for State and Local Governments and the Cable Franchise Fee NPRM could affect Cities very negatively. He reported that a model small cell ordinance for Cities would be tweaked to reflect new rules and then made available. It was recommended that Cities and the Commission take part in submitting comments and reply comments regarding the NPRM.
- Next steps in the franchise renewal process were discussed. Priorities were considered.
- Staff and Legal Counsel reported on a meeting with CenturyLink regarding the Commission's motion to find the company in violation of their franchise agreement. CenturyLink asserted its position that it is not in violation of the franchise. Discussion centered on CenturyLink's plans for Prism TV, whether it would be renewing franchises, and if not, what the exit strategy will be. Another meeting has been scheduled.
- The NMTC facility roof has significant damage. The underside of several areas of the roof have experienced water leaking through the shingles which has softened the plywood under the shingles. The insurance engineer has determined that the damage was not caused by hail. Several contractors have been contacted for bids. Since the damage is over several areas of the roof, the Committee thought it would be best to replace the entire roof.
- Rusty Ray has been hired as the new News Producer. He has 14 years experience as a reporter and anchor in broadcast news. He will start October 8th.

**OLD BUSINESS**

- There was no old business.

**NEW BUSINESS**

- There was no new business.

**ADJOURNMENT**

The meeting was adjourned at 11:55 a.m.

# The Future of 5G: The Bitter Battle for Local Control

BY: Mike Maciag, Governing | September 19, 2018

Back in 2016, several major phone carriers approached the city of McAllen, Texas, about building state-of-the-art 5G wireless networks. With the promise of ultra-fast internet connection speeds and an array of potential commercial and public applications, city officials eagerly entered into discussions about amending local ordinances to accommodate the necessary infrastructure. Months later, they were close to reaching an agreement on establishing a large-scale pilot program.

It all started to unravel, though, when McAllen and other Texas cities heard about a proposal in the legislature setting statewide rules for 5G installation and prohibiting local governments from negotiating their own deals. McAllen City Attorney Kevin Pagan says the wireless providers initially assured him they weren't interested in asking for state legislative help. But then the bill started gaining traction. Company representatives stopped responding to Pagan's emails about the licensing agreement, and he says he hasn't heard from them since.

The legislation sailed through both chambers and was signed into law last spring. McAllen has joined other Texas cities as lead plaintiff in suing the state over the bill. "I'd like to say it was a fight, but when the score has already been determined in advance before the starting gun goes off, it's difficult to call it a fight," Pagan says. "Nothing that we suggested of any substance was [included] in S.B. 1004."

Across the country, telecom companies are beginning to lay the groundwork for 5G wireless networks. The buildout often pits states against cities, as in Texas. But a proposal that the Federal Communications Commission (FCC) is set to vote on Sept. 26 would not only upend future local agreements, but also preempt states. If approved, localities across the country would have drastically less authority over 5G infrastructure.

The arrival of 5G represents a major advancement in wireless technology. It's expected to provide speeds at least 10 times faster than the typical 4G connection that many places now have. Testing is underway in select cities, and the FCC will start auctioning licenses for 5G spectrum in November. The first 5G-compatible smartphones are expected to follow next year.

Some localities are already looking to use the technology in ways that go well beyond improving internet speeds. Kansas City, Mo., partnered with Cisco and Sprint on building a public Wi-Fi network covering part of the city's downtown. It supports pedestrian sensors and interactive kiosks along a streetcar line. Bob Bennett, Kansas City's chief innovation officer, envisions a litany of potential future applications once 5G is enabled. Air quality and temperature sensors detecting pollution, he says, could play a role in determining where kids wait for buses. Others have hailed 5G as crucial for transmitting data to autonomous vehicles.

*FCC Chairman Ajit Pai has repeatedly hinted that he would scale back state and local authority over small cells.*

The key building blocks of 5G networks are small-cell antennas interwoven throughout city infrastructure, affixed to streetlights, utility poles or buildings. Providers typically describe them as the size of pizza boxes. But in actuality some of the antennas are much larger, while others are hardly noticeable at all. They generally need to physically connect to wireline fiber, so the first places expected to get 5G are densely populated urban areas with high consumer demand and existing fiber networks. One study conducted by the municipal advocacy group Next Century Cities, of jurisdictions considered to be leaders in technology, reported that 60 percent of communities with a wireline fiber connection to residences had small cells in place, while the same was true of only a third of those without existing



fiber.

Unlike cellphone towers, small-cell nodes have limited range and poor ability to send signals through physical barriers. So telecoms may need to install hundreds of small cells to cover a relatively small area -- an undertaking that becomes cost-prohibitive in less urbanized areas. For this reason, Blair Levin, a former FCC official who oversaw the National Broadband Plan, says 5G is likely to further widen the digital divide that has disadvantaged parts of rural America.

Supporters of the FCC proposal and state laws governing 5G frequently maintain that the laws will speed up construction, as well as potentially facilitate its use in currently unserved areas. In their pitches to Nebraska state lawmakers last year, lobbyists argued that a statewide rule would accelerate rural deployment. Citing comments provided by telecom providers, the FCC proposal similarly concluded that "resources consumed in serving one geographic area are likely to deplete the resources available for serving other areas."

But local officials contend that carriers won't bring their 5G networks to outlying areas absent market demand. "There is not a shred of evidence that suggests a penny saved in New York immediately gets invested in Montana," Levin says. McAllen's Pagan adds that his city offered companies a "healthy subsidy" to deploy internet service in unserved areas, but they weren't interested.

What's certain is that the FCC wants to lower the cost of deployment. As of early this summer, 20 states had enacted legislation aimed at facilitating 5G small-cell deployment, according to the National Conference of State Legislatures. FCC Commissioner Brendan Carr has stated that the order wouldn't alter nearly any provisions of the 20 existing state laws. But any that do not satisfy the proposed federal rules would be preempted.

*Source: National Conference of State Legislatures*

One major point of contention is the fees localities charge providers to mount small cells on poles and other public infrastructure. Cities argue that they should be able to charge carriers market rate fees based on land values or the value of nearby private property. State legislatures usually set much lower caps on the annual fees that localities can charge telecoms for each pole.

Texas state Sen. Paul Bettencourt, a Houston-area Republican who co-sponsored the Texas bill, believes local governments should levy only limited administrative fees. "We just don't need to make this a major revenue source," he says. "We should keep government out of the way of technology and let technology get us all there."

Before the state law passed in Texas, Houston was charging \$2,500 per small-cell node annually, while San Antonio was charging \$1,500. The state law sets the maximum right-of-way rate at \$250 per network node. For a large city with potentially thousands of nodes once the technology is fully implemented, the difference amounts to millions of dollars a year. Nationally, jurisdictions surveyed for the Next Century Cities study reported a median lease rate of \$1,200 per pole, with areas of high-priced real estate levying much higher fees.

Separately, video and cable companies pay Texas localities franchise fees based on their gross revenues for using public rights-of-way. Under the new state legislation, the Texas Municipal League fears that lower fee caps will incentivize cable companies to convert to 5G or wireless internet, meaning franchise fee revenues could one day disappear. Dallas, for instance, would lose up to \$40 million annually under such a scenario. "We have to treat it like it's private property and the taxpayer has to be reimbursed on the market basis," says Bennett Sandlin, the municipal league's executive director.

Nearly 40 local governments in Texas are participating in the lawsuit against the state, arguing that the law violates the state constitution. The suit largely hinges on a provision in the constitution prohibiting the legislature from authorizing localities to grant public money or a "thing of value" to corporations. The cities say that a fee limitation of \$250 per pole essentially represents a gift. In the past, the Texas Supreme Court has upheld laws if their "predominant purpose" is to accomplish a public purpose and

provide localities a return benefit. Most other states do not maintain a “thing of value” prohibition.

The FCC proposal, modeled after laws in Texas and other states, calls for all recurring fees not to exceed \$270 per small cell. Localities could levy higher fees, but would need to show they represented “reasonable approximation” of maintenance and other costs incurred. Fees also must be nondiscriminatory, in that one company can’t be required to pay more for similar uses than another.

Levin, who advises nonprofits and tech companies, thinks cities shouldn’t charge more than their cost burden, but also says local officials are in the best position to evaluate what those costs are. Cities incur construction management and permitting expenses for the installation of network nodes, along with potential liability expenses. Degradation costs result if mounted small cells lower the lifespan of infrastructure. Then there are opportunity costs representing what a pole might otherwise be used for. It’s likely to become more relevant once smart sensors, public safety gunshot locators and other technologies command more real estate.

Cities have further expressed concerns over the way state laws pare their ability to regulate where and how small cells are installed. Wilton Manors, Fla., Mayor Gary Resnick, who testified before a U.S. Senate committee earlier this year, points out that individual localities possess their own unique construction challenges, such as Florida’s islands and coastal areas. “By preempting, you take away the ability to work through some of these issues with the carriers,” he says. “The ability to come to a win-win [scenario] is becoming harder and harder.”

Some localities prone to severe storms, for instance, require that utility lines be buried. For cities, one of the more concerning provisions of the FCC proposal is that it considers such a mandate an effective prohibition of wireless service if required of all installations, a violation of the order.

There’s a lot of prep work cities need to do before considering applications from 5G providers. Lincoln, Neb., has entered into agreements with multiple providers wanting to mount antennas and other equipment on public infrastructure. So they’ve introduced an electronic permitting system enabling multiple departments to review applications simultaneously. Staff must also draft local rules. The Tampa City Council, for example, approved a 120-day moratorium on new small-cell applications last year in order to do so, prompting a lawsuit from the wireless industry trade group CTIA.

To speed up deployment, the FCC order sets time limits for cities to process small-cell permit applications: 60 days for those where other equipment is affixed to existing poles and 90 days for new construction. Observers are concerned that cities might not be able to handle the workload if they’re flooded with hundreds of applications at once. The FCC guidelines allows for batch permitting if proposed installations meet certain criteria, meaning cities might need to review several hundred applications within the 60-day window. Seattle reports it increased staffing in several departments to review requests.

Network installations pose technical hurdles as well. Some poles are unable to handle the extra weight and electricity of a network node, says David Young, Lincoln’s right-of-way manager. Additionally, the proliferation of small cells has prompted worries over potential health risks, particularly given how close some pole-mounted antennas are to homes. The FCC last updated its radiation exposure guidelines more than two decades ago, based mostly on existing cellphone towers. Citizens in several communities have protested installations, and the agency is in the process of updating its standards.

One of the most common complaints from residents and officials concerns the aesthetics of small cells, which sometimes take the form of unsightly large boxes and wires hanging from poles. Crown Castle, a wireless infrastructure provider, has worked with several jurisdictions on designing small cells to blend in with the individual neighborhoods, such as white decorative light poles constructed along a boardwalk in Ocean City, Md. Crown Castle’s Richard Rothrock says many of the most successful deployments have occurred when the company has been left to work with city staff.

*One of the most common complaints concerns the aesthetics of 5G small cells.*

Several local governments have already reached agreements with telecom providers to achieve

various policy objectives, but their fate may now depend on the FCC order. When wireless providers approached the city of San Jose, Calif., about deploying 5G nodes, officials made improved access to areas with low internet participation a precondition for reducing fees. The eventual agreement, announced this summer, set tiered costs per network node installation, with lower fees for companies deploying more nodes. Along with this incentive, three companies pledged to contribute a total of \$24 million over the next decade to a digital inclusion fund. The agreement is proof, says San Jose Mayor Sam Liccardo, that cities can work with the industry to bridge the digital divide.

San Jose's agreement, covering what is thought to be the largest small-cell deployment so far, has been widely cited as a model by government associations. The wireless industry, though, feels otherwise. "It would ... be a mistake to take such an arrangement -- negotiated by a locality with significant leverage and particular unrelated needs and challenges -- and treat it as a model nationwide," Verizon's Will Johnson wrote on the [company's website](#).

But it might not matter, as the FCC order includes no carve-out exempting any existing local agreements. FCC officials did not address multiple requests for comment on whether the proposal was intended to preempt agreements that local governments already have in place. The order is based largely on recommendations developed by the FCC's Broadband Deployment Advisory Committee last year and earlier this year. State, local and tribal officials made up only four of 25 members of a [committee](#) on state and local regulatory barriers. One of those members, San Jose's Liccardo, says it quickly became apparent that the industry was dominating the outcome, and he [resigned](#) his position in January. "What we're seeing through the FCC, Congress and many state legislatures," Liccardo says, "is a willingness of those public officials who have been co-opted by private industry to impose on local taxpayers the obligation to subsidize big telecom."

FCC Chairman Ajit Pai has repeatedly hinted that state and local authority over small cells would be scaled back. "The more difficult government makes it for companies to build a business case for deployment, the less likely it is that broadband providers -- big and small -- will invest the billions of dollars that are necessary to connect consumers with digital opportunity," he said in a [speech last year](#).

If the FCC order is approved, industry observers anticipate litigation will follow. A [Senate bill](#), the STREAMLINE Small Cell Deployment Act, outlines similar rules for states and localities. The legislation, while unlikely to pass this year, already has attracted some bipartisan support.

*This story was originally published by [Governing](#).*

This article was printed from: <http://www.govtech.com/network/The-Future-of-5G-The-Bitter-Battle-for-Local-Control.html>

# 5G—It's All About the Wires

'Wireless broadband' is supported by wired infrastructures connecting devices to the Internet

Jonathan Spalter

Sep 28, 2018

"In fact, the technology we know and experience as “wireless” is—and always has been—supported behind the scenes by wired infrastructure." -Jonathan Spalter, USTelecom

It seems everywhere I turn there are stories about fifth generation (5G) wireless: Will the U.S. win the global race to 5G? Will 5G close the digital divide? Will 5G replace my home broadband? The federal government has joined in asking these questions—with the FCC and the White House holding public discussions this week on how to support 5G development in the near future.

But what is it, exactly?

“5G” describes an evolving set of next generation technologies that represent the newest and fastest wireless connectivity. Many providers are planning to launch 5G services this year using mobile wireless, fixed wireless, or both. And though 5G wireless technology is making headlines worldwide, there’s an important but often overlooked component missing in the discourse—the wired broadband networks. Why? Because 5G can’t and won’t exist without an extensive, ubiquitous wired backbone, and the hundreds of billions of dollars of investment by America’s broadband companies required to deploy them.

In fact, the technology we know and experience as “wireless” is—and always has been—supported behind the scenes by wired infrastructure. This includes your cell phone’s internet *and* your home’s internet connection. Mobile cellular networks depend on wireline backhaul connections to cell sites, with nearly all wireless traffic traveling over a backbone of fixed networks. They are only wireless in the proverbial “last mile.”

And your home’s WiFi is really just a short range extension of a fixed broadband network, be it cable, DSL, or fiber. Put a different way, when in the near future I send a video via a 5G network from my iPhone in Washington, D.C. to a friend in Oakland, California, some 3,000 miles away, that data will transit wireline networks for 2,998 miles of that trip. Its path would be wireless for just a single mile on each end of the journey.

As with previous generations of wireless communications, users will experience 5G via “wireless” devices; but the ultra-fast speeds will be brought to us behind the scenes by one—or a combination—of those wired connections. So wired infrastructure, including increasingly dense fiber networks, will be essential to making widespread 5G a reality.

Until this solid infrastructure is extended further throughout the country—including to our most remote areas—the benefits of the latest, ultra-high-speed wireless technologies will be realized chiefly by those living in cities and close suburbs, which could exacerbate America’s urban-rural digital divide.

Regardless of the “how,” closing that digital divide is one of the primary, shared goals of the nation’s wireline broadband providers. USTelecom members are investing billions of dollars and working across the country on the ground to do so. Industry investment of over \$70 billion annually has helped increase rural connectivity by 71 percent over the last decade. That sort of dedication deserves more than a passing nod in the next-generation connectivity conversation, knowing that—in fact—these investments are enabling the strong wireless connections that are stealing the show.

America’s broadband innovators, be they small, mid-sized, and large, agree that it is now more important than ever to dive deep into the conversation of closing the digital divide. While it will be a challenge, an arsenal of technologies exists that will help close the gap. Broadband providers are using the most economical combinations of technologies like fiber, cellular, and small cells. Meanwhile, providers are developing technologies like fixed wireless, which could be make a significant contribution to closing the urban-rural digital divide.

We need all hands on deck to bring more Americans online. It’s great to see our broadband providers, government agencies, and the White House doing more to support the development of next-generation wireless connectivity. But the fact is, wireless is all about the wires.

*Jonathan Spalter is the president and CEO of USTelecom, a telecommunications industry trade association representing broadband service providers, manufacturers and suppliers in the world of internet-based communications and entertainment.*

# Verizon's 5G threat to cable is 'overblown,' analyst says

by [Mike Dano](#) |  
Oct 8, 2018 12:31pm

Verizon is selling its 5G Home service as an opportunity for cable customers to switch providers. (Verizon)

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Verizon is specifically targeting cable operators with its new 5G Home service, according to Verizon's Ed Chan.

Verizon is targeting cities "where cable is today, just foundationally, because we definitely see the customer demand in those places," Chan [told Ars Technica](#). The cable industry has "done a very good job of always aligning to a single cable-only provider" in most U.S. cities.

"Those customers are very eager to get a choice in their broadband provider," Chan noted.

Thus, Verizon's [new 5G Home service](#)—which offers 300 Mbps service for \$50 per month to existing Verizon mobile customers—is an effort by Verizon to introduce additional competition into the wired internet market.

But cable companies like Comcast and Charter shouldn't be too concerned—at least according to the analysts at Jefferies.

"We continue to believe the threat of 5G to wired BB is overblown," the analysts wrote in a note about Comcast late last month, following Verizon's 5G Home announcement. "We are skeptical on the economic viability for a deep rollout given the propagation characteristics of mmWave, and expect sign ups will be slow. Further, given the full footprint rollout of DOCSIS 3.1, and the ability to upgrade the HFC plant to 10 GB symmetrical speeds with little capital investment, we expect 5G's perceived speed advantage will be short lived."

The analysts at Jefferies weren't alone.

"By the end of 2020, 5G fixed wireless solutions remain niche despite deployments by more than 50 network operators worldwide," the analysts at CCS Insights [wrote in one of their predictions for 2019](#). "A slew of providers offers fixed wireless access as an alternative to fibre in high-density areas. They follow early launches of 5G networks in the US that take the same approach to providing broadband access in a fixed location."

However, such services remain niche, representing only a tiny fraction of total 5G connections in the long term.”

Indeed, executives from cable companies like Charter and Comcast have generally downplayed the threat from Verizon’s 5G launch. They generally noted that their position in the market for internet services is largely cemented, and that they will be able to provide much faster speeds thanks to Docsis 3.1 technology as well as forthcoming network enhancements like Full Duplex, which promises to boost speeds to up to 10 Gbps.

However, Verizon isn’t alone in looking to use high-speed wireless services to disrupt the market for wired internet services. Starry, C Spire and others are seeking to challenge established wired internet services providers with high-speed wireless services.

# Here Comes the Third Wave of Cord Cutting: Home Internet Service

Cord-Cutting Isn't Going Away  
According to a new survey.

By Aaron Pressman  
October 1, 2018

The trend of people cutting their home Internet connections in favor of wireless online connectivity is accelerating, according to the latest survey from Pew Research. No doubt fed by falling prices for wireless service and the spread of unlimited data plans, Internet cord cutting has now reached one in five Americans, almost double the level of two years ago.

The percentage of people who say they depend solely on their smartphones to connect to the Internet has risen steadily from 8% in 2013, to 12% in 2016, to 20% this year. Pew first highlighted the trend in 2015 when it recorded that the percentage of households with home Internet connections declined to 67% from 70% in 2013. That measure has since bounced around a bit, but stood at 65% in the latest survey from 2018, Pew reported.

The trend marks the third wave of cord cutting over the past few decades. In the first wave of cord cutting, people dropped their landline phone connections, starting around 2003, in favor of more convenient wireless connections. Almost 54% of households have only wireless phone service now, according to the most recent survey by National Center for Health Statistics.

The second phase, which helped popularize the phrase “cord cutting,” started around 2010 as the price of cable television subscriptions started to seem excessive after the big recession. The percentage of households subscribing to cable or satellite TV peaked at 88% in 2010 and has since sunk to 79%, according to surveys by the Leichtman Research Group.

Internet video viewing has skyrocketed, as viewers increasingly moved to everything from Netflix (nflx, +1.33%) to short videos on Google's (googl, -0.23%) YouTube to cable-like packages of channels distributed over the Internet like Sony's (sne, +1.68%) Playstation Vue TV and AT&T's (t, +0.00%) DirecTV Now. Fueling the trend is the massive shift to watching video on smartphones and tablets.

The latest wave of cutting home Internet could thwart the cable industry's response to cord cutting of cable TV subscriptions. Analysts expected that most customers who fled cable TV would still buy home Internet service from cable companies. Higher prices for



broadband could offset the loss of TV subscription revenue. That assumption may have to be revisited.

On the other hand, lately wireless carriers have been raising prices and makes their unlimited plans more complicated and less generous. If that trend continues, it could thwart the desires of those who want to cut the home Internet cord.

# Cities will sue FCC to stop \$2 billion giveaway to wireless carriers

## After FCC vote, cities try to restore local control over 5G fees and equipment.

Jon Brodtkin - 10/3/2018, 10:52 AM

Cities are planning to sue the Federal Communications Commission over its decision to preempt local rules on deployment of 5G wireless equipment.

Seattle Mayor Jenny Durkan and City Attorney Pete Holmes yesterday said their city intends to appeal the FCC order in federal court. Seattle will be coordinating with other cities on a lawsuit, they said.

"In coordination with the overwhelming majority of local jurisdictions that oppose this unprecedented federal intrusion by the FCC, we will be appealing this order, challenging the FCC's authority and its misguided interpretations of federal law," they said in a press release.

The FCC says its order will save carriers \$2 billion, less than one percent of the estimated \$275 billion it will take to deploy 5G across the country.

In Oregon, the Portland City Council voted Tuesday to approve a lawsuit against the FCC, The Oregonian reported, saying the move "added Portland to a growing list of cities, primarily on the West Coast, that are preparing to fight" the FCC order. (UPDATE: Portland filed a lawsuit against the FCC.)

East Coast cities including New York City and Boston have also objected to the FCC decision. As we've previously reported, the FCC order drew opposition from rural municipalities as well.

The FCC vote on September 26 limited the amount that local governments may charge carriers for placing 5G equipment such as small cells on poles, traffic lights, and other government property in public rights-of-way.

The FCC order suggests up-front application fees of \$100 for each small cell and annual fees of up to \$270 per small cell. Cities that charge more than that would likely face litigation from carriers and would have to prove that the fees are a reasonable approximation of all costs and "non-discriminatory." Portland typically charges \$3,000 per year, The Oregonian report said.

Some cities charge different rates in different areas to encourage deployment. New York City, for example, charges as little as \$148 per month in underserved areas and \$5,100 in parts of Manhattan, a Bloomberg story said.

## **“Significant” overreach**

The FCC order also forces cities and towns to act on carrier applications within 60 or 90 days, and it limits the kinds of aesthetic requirements cities and towns can impose on carrier deployments.

"The scope of this overreach is significant," Durkan and Holmes said. "It impedes local authority to serve as trustees of public property and to fulfill cities' public health and safety responsibilities while establishing unworkable standards. This will increase costs and impose an unreasonable burden on local governments."

The Seattle officials said they "are particularly concerned about how the Order will compromise the safety, security, and reliability of critical electrical infrastructure, City Light's utility poles."

FCC Chairman Ajit Pai accused cities and towns of "extracting as much money as possible in fees from the private sector and forcing companies to navigate a maze of regulatory hurdles in order to deploy wireless infrastructure."

Pai argues that cutting fees in big cities will spur carriers to deploy more broadband in rural areas. But he offered no evidence that carriers' deployment decisions in rural areas are affected by permit fees in big cities, and the FCC order doesn't require carriers to build in areas where they wouldn't have done so anyway.

FCC Commissioner Jessica Rosenworcel, a Democrat, questioned the FCC's authority to override local rules in this case. She said that litigation against the FCC "will only slow our 5G future."