

NORTH METRO TELECOMMUNICATIONS COMMISSION MEETING

December 19, 2018
6:00 p.m.

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

AGENDA

1. CALL TO ORDER/ROLL CALL
2. CONSENT AGENDA **pp. 1-12**
 - 2.1. Approval of the minutes of the regular meeting, October 17, 2018
 - 2.2. Approval of the October and November financial reports and bill lists
3. CITIZENS TO BE HEARD
4. NORTH METRO TV REPORT **pp. 13--28**
 - 4.1. Monthly update
5. REPORT OF EXECUTIVE COMMITTEE **pp. 29-44**
 - 5.1. CenturyLink Franchise Issues Update
 - 5.2. FCC FNPRM Update
 - 5.3. Building Roof Replaced
 - 5.4. Budget Adjustment
6. REPORT OF OPERATIONS COMMITTEE **p. 45-46**
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. 47-59**
14. ADJOURN

NORTH METRO TELECOMMUNICATIONS COMMISSION

UNAPPROVED MINUTES

Commission Meeting – October 17, 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, Jennifer Rauner; Circle Pines

Directors Absent: Steve King; Centerville, Dale Stoesz; Lino Lakes

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

Comcast Rep:

CenturyLink Rep:

CONSENT AGENDA

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

The September 19, 2018 minutes, and the September bill list and financial reports were approved as presented. **Motion for approval made by M. Murphy. 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 September and October. Topics included:

- Instructor, Eric Houston, has created a spooky new lecture for his traveling series. It's called Dracula, Frankenstein and King Kong: Monster Movies of the 20s and 30s. He traces the history of monster movies from silent era greats through the first wave of Universal Pictures monster movies. The class will be

made available to senior centers, libraries, park and rec departments and the Anoka County History Center.

- The Sports Department covered the annual North Metro Youth Football Championship Bowl in October. Five games, from the second to sixth grade were produced live and recorded for additional playback. It has become a tradition to play all of the games during a youth football marathon on Thanksgiving Day.
- NMTV 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. NMTV has also been hired to produce a promo later this month for the non-profit, 23rd Veteran. This is the second time that organization has hired us to get drone footage of their event.
- Rusty Ray was hired as the News Producer, to replace Ben Hayle. He has fourteen years of experience in broadcast news. He and Danika produced their first episode of North Metro TV News and are gearing up for candidate debates and live election night coverage.
- The NMTC building roof has become seriously damaged. Leakage has been causing some electrical problems. The LMC insurance structural engineer determined that it was not due to hail damage. Three bids were compared for replacing the roof. Of the three bids, the Giertsen bid was the most thorough and specifically addressed the problem areas that had been highlighted by the LMC structural engineer. The bid was not the lowest, but it is the most thorough in describing the work to be done, outlining the specific problems to be addressed, and included a qualifications page that listed a BBB rating of A+, and a written 10 year warranty of workmanship. Staff recommended accepting the Giertsen bid.

MOTION: To accept the Giertsen bid for replacing the NMTC facility roof. **Motion made by C. Hansen. Second, A. Parranto. Motion passed unanimously.**

REPORT OF EXECUTIVE COMMITTEE/OPERATIONS COMMITTEE

There was no report of the Executive Committee.

REPORT OF LEGAL COUNSEL

M. Bradley reported on the following items:

- A chart, comparing the new Federal Small Cell Wireless Facilities Rules for State and Local Governments with current Minnesota State law, was distributed and reviewed. The chart has been sent to the City Administrators.
- The Cable Franchise Fee NPRM has been published in the Federal Register. It is important that the Cable Commission participate in sending comments and reply comments to the FCC. The NPRM could very negatively affect franchise fees.

MOTION: To participate in comments and reply comments regarding the Cable Franchise Fee NPRM. **Motion made by A. Parranto. Second, C. Hansen. Motion passed unanimously.**

- CenturyLink was not ready for a follow-up meeting to the October 1st meeting, regarding possible franchise violations and an exit strategy for the Prism cable TV service. They hope to be ready for another meeting in another week.

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 6:16 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, November 21, 2018 at 6:00 p.m.** at the city offices of Spring Lake Park.

Dale Stoesz; Secretary, NMTC

**NORTH METRO TELECOMMUNICATION
BILL LIST**

OCTOBER 2018

Date	Check #	Payee	Amount
OCTOBER	COMBINED	PAYROLL	41,097.32
OCTOBER	COMBINED	IRS/US PAYABLE	12,895.27
OCTOBER	COMBINED	MN REVENUE PAYABLE	2,250.66
OCTOBER	COMBINED	PERA PAYABLE	6,895.61
OCTOBER	COMBINED	PEACHTREE	42.50
OCTOBER	COMBINED	DISCOVERY BENEFITS	2,762.50
13381	10/4/18	Terry Tronson	143.01
13382	10/4/18	Coastal Wintergreen LLC	1,870.00
13383	10/4/18	Richard D. Larson	316.00
13384	10/4/18	Rick Larson	18.15
13385	10/11/18	Metro Sales, Inc.	640.70
13386	10/11/18	Siemens Industry, Inc	571.00
13387	10/21/18	B Harris, Inc.	175.00
13388	10/21/18	Z Systems	9,285.76
13389	10/26/18	Alex Banashaka	262.50
13390	10/26/18	Peter Monahan	500.00
13391	10/30/18	Bradley Law, LLC	6,647.50
13392	10/31/18	Giertsen Company of MN, Inc	23,500.00
EFILE	10/16/18	Chase Visa Card Services	2,211.62
EFILE	10/1/18	Authorize.Net	25.30
EFILE	10/1/18	Virtual Merchant Credit Card	18.98
EPAY-01	10/2/18	POPP TELECOM	209.29
EPAY-02	10/3/18	Comcast	285.92
EPAY-03	10/3/18	T-Mobile	103.16
EPAY-04	10/4/18	Principal Financial Group	440.85
EPAY-05	10/8/18	SA Fleet-Wex Bank	92.89
EPAY-06	10/11/18	U.S. Bank Card Service	410.81
EPAY-07	10/12/18	AT&T Wireless	387.62
EPAY-08	10/14/18	Republic Services	161.51
EPAY-09	10/14/18	Comcast Business 100M/100M	756.78
EPAY-10	10/15/18	CenterPoint Energy	27.91
EPAY-11	10/22/18	HealthPartners	11,395.37
EPAY-12	10/26/18	City of Blaine-utilities	123.40
EPAY-13	10/26/18	Connexus Energy	2,316.55
EPAY-14	10/29/18	Federal Express	90.76
LEVY-TZ-01	10/15/18	MN Dept. of Revenue	86.40
SEPTEMBER SALES TAX	10/11/18	MN Dept. of Revenue	24.00
			129,042.60

**NORTH METRO TELECOMMUNICATION
BILL LIST**

NOVEMBER 2018

Date	Check #	Payee	Amount
NOVEMBER	COMBINED	PAYROLL	38,970.57
NOVEMBER	COMBINED	IRS/US PAYABLE	12,643.50
NOVEMBER	COMBINED	MN REVENUE PAYABLE	2,278.47
NOVEMBER	COMBINED	PERA PAYABLE	7,047.40
NOVEMBER	COMBINED	PEACHTREE	40.80
NOVEMBER	COMBINED	DISCOVERY BENEFITS	764.75
13393	11/1/18	Richard D. Larson	359.75
13394	11/1/18	Rick Larson	8.23
13395	11/5/18	Stewart Signs	617.50
13396	11/13/18	Giertsen Company of MN, Inc	46,095.00
13397	11/26/18	Aid Electric Corporation	349.00
13398	11/26/18	Lakes Marketing Group Inc	398.00
13399	11/27/18	Lilly Whittle	200.00
13400	11/29/18	Z Systems	4,600.00
EPAY-01	11/2/18	T-Mobile	102.16
EPAY-02	11/2/18	POPP TELECOM	210.49
EPAY-03	11/2/18	Principal Financial Group	440.85
EPAY-04	11/3/18	Comcast	285.92
EPAY-05	11/6/18	Comcast Business 100M/100M	756.78
EPAY-06	11/8/18	SA Fleet-Wex Bank	362.99
EPAY-07	11/14/18	CenterPoint Energy	40.16
EPAY-08	11/14/18	AT&T Wireless	387.62
EPAY-09	11/14/18	Republic Services	162.67
EPAY-10	11/22/18	HealthPartners	10,876.91
EPAY-11	11/26/18	U.S. Bank Card Service	692.22
EPAY-12	11/26/18	City of Blaine-utilities	194.21
EPAY-13	11/26/18	Connexus Energy	1,740.99
EFILE	11/1/18	Authorize.Net	31.90
EFILE	11/16/18	Chase Visa Card Services	2,146.50
EFILE	11/1/18	Virtual Merchant Credit Card	29.43
NOVEMBER SALES TAX	11/5/18	MN Dept. of Revenue	97.00
			132,931.77

North Metro Telecommunications Commission

Balance Sheet
November 30, 2018

ASSETS

Current Assets

Cash - Checking Account	\$ 2,594,057.11
Petty Cash	150.00
A/R - NMTC	168,868.06
Prepaid Insurance - NMTC	14,543.48

Total Current Assets 2,777,618.65

Property and Equipment

Office Equipment - NMTC	1,285,000.85
Accum Deprec - NMTC	(1,970,200.79)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,503,204.17
Land-Polk/125	225,700.00

Total Property and Equipment 3,028,704.23

Other Assets

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

Total Assets \$ 5,969,353.88

LIABILITIES AND CAPITAL

Current Liabilities

A/P - NMTC	\$ 1,260.00
Accrued Payroll Taxes & W/H's	449.54
PERA - REFUNDS	310.09
Garnished Wages	86.40
Garnished Wages	(86.40)
PERA PAYABLE - PRIOR	(768.59)
Accrued Vacation	96,490.07
Accrued Wages	23,514.80
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 2,660,514.92

Long-Term Liabilities

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

Total Liabilities 3,292,523.92

Capital

Net Equity	386,721.40
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	(21,304.47)

Total Capital 2,676,829.96

Internally Prepared - For Management Use Only

North Metro Telecommunications Commission

Balance Sheet
November 30, 2018

Total Liabilities & Capital

\$ 5,969,353.88

North Metro Telecommunications Comm

Cash Receipts Journal

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

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
11/1/1	NOV CC SALES-AUTH	NOVEMBER CREDIT CARD SALES-AUTHORIZE.NET		240.00
		NOVEMBER CREDIT CARD SALES-AUTHORIZE.NET-FEES	6.96	
		Credit Card Sales	233.04	
11/5/1	OCTOBER PAYPAL	OCTOBER PAYPAL PAYPAL	152.96	152.96
11/26/	TAPE DUBS-CASH	TAPE DUBS-CASH Miscellaneous receipts	421.00	421.00
11/26/	TAPE DUBS-CHECKS	TAPE DUBS-CHECKS Miscellaneous receipts	142.20	142.20
11/26/	TRUCK-CREW COSTS	TRUCK PRODUCTION-CREW COSTS Miscellaneous receipts	400.00	400.00
11/28/	NOV CC SALES-VM	NOVEMBER CREDIT CARD SALES-VIRTUAL MERCHANT		718.00
		Credit Card Sales	718.00	
11/29/	NOV CC SALES-VM	NOVEMBER CREDIT CARD SALES-VIRTUAL MERCHANT		65.00
		Credit Card Sales	65.00	
11/30/	INTEREST	INTEREST-COMMISSION INTEREST - COMMISSION	4,305.18	4,305.18
			<u>6,444.34</u>	<u>6,444.34</u>

North Metro Telecommunications Comm

Check Register

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

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

Check #	Date	Payee	Amount
EFILE	11/1/18	Discovery Benefits	24.75
EFILE	11/1/18	Authorize.Net	31.90
EFILE	11/1/18	Virtual Merchant Credit Card	29.43
13393	11/1/18	Richard D. Larson	359.75
13394	11/1/18	Rick Larson	8.23
EPAY-02	11/2/18	POPP TELECOM	210.49
EPAY-01	11/2/18	T-Mobile	102.16
EPAY-03	11/2/18	Principal Financial Group	440.85
EPAY-04	11/3/18	Comcast	285.92
13395	11/5/18	Stewart Signs	617.50
OCTOBER SALES TAX	11/5/18	MN Dept. of Revenue	97.00
EPAY-05	11/6/18	Comcast Business 100M/100M	756.78
EPAY-06	11/8/18	SA Fleet-Wex Bank	362.99
PEACH	11/9/18	Peachtree/Sage Software	20.40
EFILE	11/9/18	Public Employees Retirement	3,421.56
EFILE	11/9/18	IRS/US BANK	5,834.93
EFILE	11/9/18	MN Dept. of Revenue	1,090.40
EFILE	11/9/18	Discovery Benefits	370.00
13396	11/13/18	Giertsen Company of MN, Inc	46,095.00
EPAY-09	11/14/18	Republic Services	162.67
EPAY-07	11/14/18	CenterPoint Energy	40.16
EPAY-08	11/14/18	AT&T Wireless	387.62
EFILE	11/16/18	Chase Visa Card Services	2,146.50
EFILE	11/21/18	Discovery Benefits	370.00
EPAY-10	11/22/18	HealthPartners	10,876.91
PEACH	11/23/18	Peachtree/Sage Software	20.40
EFILE	11/23/18	Public Employees Retirement	3,440.67
EFILE	11/23/18	IRS/US BANK	5,871.15
EFILE	11/23/18	MN Dept. of Revenue	1,097.23

North Metro Telecommunications Comm

Check Register

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

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

Check #	Date	Payee	Amount
EPAY-12	11/26/18	City of Blaine-utilities	194.21
EPAY-13	11/26/18	Connexus Energy	1,740.99
13397	11/26/18	Aid Electric Corporation	349.00
13398	11/26/18	Lakes Marketing Group Inc	398.00
EPAY-11	11/26/18	U.S. Bank Card Service	692.22
13399	11/27/18	Lilly Whittle	200.00
13400	11/29/18	Z Systems	4,600.00
EFILE	11/30/18	Public Employees Retirement	185.17
EFILE	11/30/18	MN Dept. of Revenue	90.84
EFILE	11/30/18	IRS/US BANK	937.42
Total			93,961.20

North Metro Telecommunications Comm

General Journal

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

Date	Reference	Trans Description	Debit Amt	Credit Amt
11/1/18	ACCRUED VAC/SIC/COMP	ACCRUED VAC/SICK/COMP ACCRUED VAC/SICK/COMP	93,206.15	93,206.15
11/1/18	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	19,284.80	19,284.80
11/30/18	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
11/30/18	ACCRUED VAC/SIC/COMP	ACCRUED VAC/SICK/COMP ACCRUED VAC/SICK/COMP	96,490.07	96,490.07
	Total		221,881.02	221,881.02

North Metro TV

November 2018 Update

Program Production

In November, a total of **75 new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **56:30:00 hours of new programming**.

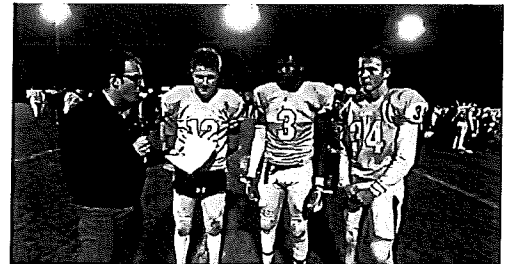
- 27 programs were produced by the public
- 29 programs were produced by NMTV staff
- 19 programs were produced by City staff



Van Shoots

The HD truck was used for **24:30:00** hours of production. Events produced live and recorded for additional playbacks include:

- Football: 56A 2nd Round: Prior Lake vs. Blaine
- Football: 6A QF: Eastview vs. Blaine
- Football: 6A SF: Eden Prairie vs. Blaine



Workshops

Workshop	Instructor	Organization	Students
Lecture Series - The Star Wars Holiday Special	Eric Houston	Centennial Continuing Education	14
Private Career Path Organizational Workshop	Eric Houston	Private Student/Counselors	3
Lecture Series - Dracula, Frankenstein and King Kong: Monster Movies of teh '20s and '30s	Eric Houston	Edgewood Senior Living	16
Lecture Series - Early Film Treasures	Eric Houston	Anoka County Libraries	6
Lecture Series - Wolfman, Creature, and Godzilla: Monster Movies of the '40s and '50s	Eric Houston	Edgewood Senior Living	12
Lecture Series - Wolfman, Creature, and Godzilla: Monster Movies of the '40s and '50s	Eric Houston	General Public/Video Club	11
6 Workshops			62 Students

Home Movie Transfers

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
October	80.75	34	0	14	0	\$577.00
November	247	54	79	26	215	\$829.20
TOTAL:	1,540.00	502	426	299	5,272	\$6,437.20

Public Usage Stats

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.

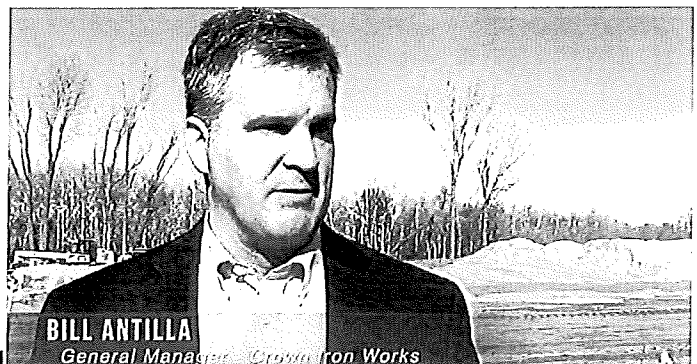
Month	Unique Individuals	Total Usage Hours
January	111	460
February	112	685.25
March	117	552.25
April	47	295.5
May	103	409.25
June	116	556.75
July	101	513.25
August	106	612.75
September	90	441
October	73	366.75
November	118	604.75
TOTAL PUBLIC USAGE:		5,497.75

Production Highlights

NMTV News Highlights

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

- Broomball Championship in Blaine
- Crown Ironworks Groundbreaking
- Lexington Liquor Sales Amongst Best in State

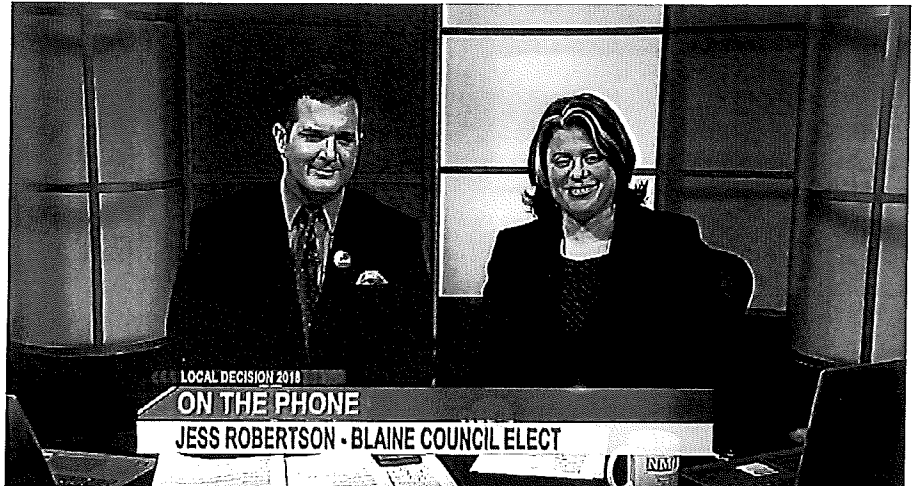


- Blaine Council Member Clark Reflects on 20 Years of Service
- Local Decision 2018 REcap
- Blaine Police Announce New Crime Fighting Program
- Anoka County Road Safety
- Child Seat Safety
- Teen Job Recruiters
- Lino Lakes Bond Rating Improves
- Local Restaurant Gives to the Needy
- Lovell Road Speeding Concerns

In addition to daily playbacks of North Metro TV News on the cable systems, there are 533 local stories archived for viewers on the NMTV YouTube page. The page can be accessed through the northmetrotv.com website.

Live Election Night Coverage

Local election coverage is something the NMTV news crew takes very seriously. Their Local Decision coverage began when the first filing period was held. They then started contacting candidates and posted candidate biographies on-line. After the Primary Election and second filing period, the rest of the candidates were contacted and more biographies were posted. A bit of a wrench was thrown into our election coverage when Ben Hayle



accepted a position at the City of Blaine, but his replacement, Rusty Ray, was able to jump right in with moderating Candidate Debates and Spotlights, for those running unopposed. Rusty and Danika also produced news stories on election related topics such as the Centennial School District's levy requests. Election coverage concluded with the live Local Decision 2018 results program on Election Day. A crew of staff, interns and volunteers worked together to produce the program. The coverage included live interviews, with reporter Tarkor Zehn, from campaign events using our LiveShot technology and Circle Pines Mayor, Dave Bartholomay and Representative Jerry Newton as in- studio guests. (We worked to have representation from Democrats and Republicans for the live in-studio analysis, but had a guest cancellation.) The studio guests offered insight and analysis during the evening. The live results program was cablecast on channel 15 along with live streaming on the web.

Sports Den Fall Finale

The hour-long Sports Den Fall Finale went out live on Monday, November 19th. Once again, the studio was filled with student athletes from Blaine, Centennial, and Spring Lake Park High Schools. The show included highlights from the volleyball, football, and soccer seasons and interviews. Athletes from the various teams were brought onto the set and asked questions about the past season and their future goals. The students will all receive a copy of the program, to thank them for attending and for being a fan of Sports Den.



Monster Movie Class Part 2

Instructor, Eric Houston, added another exciting class to his lecture series. This one is a follow-up to his original Monster Movie class, which covered the advent of monster films in the '20s and '30s. The second iteration is called The Wolfman, the Creature, and Godzilla: Monster Movies of the '40s and '50s. In the class, Eric goes behind the scenes of the second wave of Universal's monster pictures. It includes the rise of Lon Chaney Jr. as a Universal star, Bela Lugosi's return to his most famous role, an introduction to the woman who designed the monsters, and a look at how US distributors turned a monster that flopped in Japan into one of the greatest monsters of all time. There are, of course, rare behind the scenes photos and amazing clips included.

Veteran's Day Program

T.J. Tronson organized NMTV's 17th year of covering the Blaine High School Veteran's Day program. Along with the sports team, the Municipal Producer and the News Producer he set up the truck to cover the event and to assist the school with technical needs for the audience in the auditorium. Before the event started, they tested the equipment to make sure that audio and video were making it to the overflow crowd. As always, the program was very moving and will be played on the City channels as well as channel 15 and on-demand.



Every Movie Ever Made

Instructor, Eric Houston, has worked to put together a terrific program with a great group of young producers. Every Movie Ever Made started with two young men with special needs who were looking for work experience in video. Eric created the program series so they would have a meaningful work experience that resulted in a program for the channel. One of the young men is a real film buff, so a movie review show was a natural fit. What started out as a simple show with two volunteers has blossomed to a more complex and polished program with a crew of six volunteers. The original producers edit the show and manage the pre-production, including creating graphics and maintaining a number of documents. Two additional young men with special needs joined the crew and manage the studio shoot and edit graphics into the program. They are also joined by a Ham Lake volunteer who wanted more experience using Photoshop and another young man who deals with all of the research and website presence. The group has gained a lot of real-world experience and impressed staff with their hard work and enthusiasm. Over the past 18 months, they have produced 63 episodes of Every Movie Ever Made and they show no signs of stopping!



City Productions

Municipal Producer, Trevor Scholl, completed five projects in November including a couple of City promos.

Projects completed include:

- Crown Iron Works Groundbreaking
- Ham Lake Senior Center Ballroom Dancing
- Circle Pines City Promo/Fall Winter
- Lino Lakes Bond Rating Improves
- Blaine City Promo Update



- Directed Live Election Night Coverage
- Shot Veteran's Day program at Blaine High School with other staff.

New and ongoing projects include:

- Business profile for Spring Lake Park's Torg Brewing
- Booked winter Mayor's Minutes
- 2018 development review with Blaine staff
- Role of EDA in Centerville
- Fire Department Santa for Ham Lake
- Internal Lino Lakes employee pay system video
- Met with Ben Hayle regarding Blaine projects for January

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 issues were reported.
- **Centerville**
- 11.19.18: Talked with Mark Statz regarding HD upgrade.
- 11.20.18: Stopped by City Hall to investigate a reported camera problem. Found a switch on back of camera that was incorrectly positioned. Re-positioned switch, tested camera. All is well.
- 11.20.18: Comcast checked on the signal quality. It looks a bit weak and overblown.
- 11.27.18: Went to Centerville with a Comcast tech. Supplied him with bars and tone and he then re-set levels. During the test the tech broke off a dial in master control for video level control. We will need a new decoder.
- 11.27.18: Made a new BNC connector for to replace loose one on camera.

Circle Pines

- 11.8.18: Projector issue. Determined that projector that was ordered was too big and noisy for the council chamber.
- 11.19.18: Transmission test. New equipment install complete, so tested Makito X system. Converted signal to 720p. Checked Brightsign. Found problem with AJA hi5+ power cable. Notified Z Systems. Set up Patrick's dais Brightsign up with logos for meetings. Power went out in building. UPS power back-up system on TV system worked.
- 11.20.18: Stopped by City Hall and brought AJA power supply from tech shop to replace th Hi5+ power supply that isn't working. Got the Brightsign to send video and audio during a test with the Makito X transmission after the replacement. Found audio issue and reported it to Z systems. Video looks choppy. Contacted Jim Ellison at Roseville to determine if a bandwidth issue. Asked about upload speed. Jim hasn't gotten the info to us yet. This could be an issue and must be addressed for the system to work.
- 11.27.18: Retested all of the audio signals. Found transmission feed not turned on. Fixed that and then raised the mic levels. Noted that audio to the datavideo encoder at Circle Pines is really low as well. Will have to monitor.
- 11.29.18: Went to City Hall to trouble shoot video issues. Camera shots are dark on close-ups. Determined that the gain can't be adjusted independently of the iris on the Ross LSC GUI. Contacted Z Systems. They should be able to re-set the preset buttons. The colors were also set differently on the pre-set buttons. Changed them all to a one-button push white balance so all the colors should look right and the same between cameras.
- 11.29.18: Still having stuttering issues with video. Must be an issue with how it is being uploaded. Still researching.

Ham Lake

- No equipment issues were reported.

Lexington

- 11.19.18: Stopped by City Hall to check on a reported recorder issue. Unit seems to be working. Reviewed usage operation. Discussed HD upgrade with Bill Petracek.

Lino Lakes

- 11.1.18: Live streaming server is returned from repairs and is re-installed and tested. Set-up IP address for the Clip player and reconnected to system.

Spring Lake Park

- No equipment issues were reported.

All Cities

- 11.1.18: Ran HD-SDI cables to new Comcast encoders. Labeled all cables and updated Master Control drawings.
- 11.27.18: Comcast installed new encoders. All channels are now HD ready heading out to Comcast. They ran into complications so the first Circle Pines council meeting with the new equipment did not air live over Comcast.

City Channel 16 Playback Stats

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	166	207:14:01
Centerville	39	70:06:16
Circle Pines	133	89:06:15
Ham Lake	73	62:57:25
Lexington	94	41:46:03
Lino Lakes	66	91:54:44
Spring Lake Park	111	84:16:43
Totals:	682 Program Playbacks	647:21:27 Hours of Video Programming on Channels

Programs Produced by the Public

Title	Producer	Runtime
Off Constantly	David Bauer	00:26:25
Chit Chat: Anahita Champion	Sharon Carlson	00:23:00
Tea Time With Susie	Steven Brooks	00:41:11
Every Movie Ever (8 episodes)	Joe Scholz, Rick Bostrom, Ben Daniels/Ryan Frienschuh, Gavin Van Trease/Brett Wong/Seraiah Brooks/Eric Houston	03:12:45
A Fresh New Day	Anita Wardlaw	00:46:43
His Legacy TV	Nonie Tanner	00:23:27
Christ Lutheran Church (4 episodes)	Jacob Nessman	04:21:46
The Power of Love (4 episodes)	Rick Larson	02:00:00
LovePower (4 episodes)	Rick Larson	04:00:00
Rice Creek Watershed District Meeting	Theresa Stasica	01:18:15
Oak Park Moments	Dave Turnidge	00:41:29
27 New Programs		18:15:01 New Hours

Programs Produced by NMTV Staff

Title	Producer	Runtime
Anoka County Board Meeting (11/13/18)	T.J. Tronson	00:59:02
Anoka County Board Meeting (11/27/18)	T.J. Tronson	00:47:26
Blaine High School Veteran's Day Program	T.J. Tronson	01:11:07
NMTV News (5 episodes)	Danika Peterson/Rusty Ray	01:22:21
Local Decision 2018: Live Election Night Coverage	Danika Peterson/Rusty Ray	02:05:15
Crown Iron Works	Trevor Scholl	00:02:30
Ham Lake Senior Ballroom Dance	Trevor Scholl	00:02:00
Circle Pines City Promo	Trevor Scholl	00:01:30
Lino Lakes Bond Rating Improves	Trevor Scholl	00:02:57

Title cont.	Producer cont.	Runtime cont.
Blaine Promo Update	Trevor Scholl	00:01:28
Football: 56A 2nd Round: Prior Lake/Blaine	Kenton Kipp/J. Millington	02:35:56
Football: 6A QF: Eastview/Blaine	Kenton Kipp/J. Millington	02:44:17
Football: 6A SF: Eden Prairie/Blaine	Kenton Kipp/J. Millington	02:17:09
Sports Den Highlights (7 episodes)	Kenton Kipp/J. Millington	00:33:12
Sports Den Athlete of the Week (2 episodes)	Kenton Kipp/J. Millington	00:01:03
Sports Den (2 episodes)	Kenton Kipp/J. Millington	00:48:07
Sports Den Fall Season Finale	Kenton Kipp/J. Millington	00:59:27
28 New Programs		16:34:47 New Hours

Programs Produced by City Staff

Title	Producer	Runtime
Blaine City Council Meeting (11/1/18)	Blaine Staff	00:19:03
Blaine Planning Commission Meeting (11/13/18)	Blaine Staff	00:55:54
Blaine City Council Meeting (11/15/18)	Blaine Staff	02:38:56
Blaine Natural Resources Conservation Board Meeting (11/20/18)	Blaine Staff	00:37:04
Blaine Park Board Meeting (11/27/18)	Blaine Staff	01:22:23
Centerville City Council Meeting (11/14/18)	Centerville Staff	02:03:47
Centerville City Council Meeting (11/28/18)	Centerville Staff	00:58:23
Circle Pines City Council Meeting (11/13/18)	Circle Pines Staff	00:21:02
Circle Pines Utility Commission Meeting (11/21/18)	Circle Pines Staff	00:16:45
Circle Pines City Council Meeting (11/27/18)	Circle Pines Staff	00:27:31
Ham Lake City Council Meeting (11/5/18)	Ham Lake Staff	00:59:55
Ham Lake Planning Commission Meeting (11/13/18)	Ham Lake Staff	01:15:57
Ham Lake City Council Meeting (11/19/18)	Ham Lake Staff	00:43:50
Lexington City Council Meeting (11/1/18)	Lexington Staff	00:23:05
Lino Lakes City Council Meeting (11/13/18)	Lino Lakes Staff	01:50:37
Lino Lakes Planning & Zoning Meeting (11/14/18)	Lino Lakes Staff	02:28:00
Lino Lakes City Council Meeting (11/26/18)	Lino Lakes Staff	01:18:39
Lino Lakes Environmental Board Meeting (11/28/18)	Lino Lakes Staff	01:52:17
Spring Lake Park City Council Meeting (11/19/18)	Spring Lake Park Staff	00:56:59
19 New Programs		21:49:57 New Hours

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 Average	
	J	F	M	A	M	J	JU	A	S	O	N	D	18 Total	18 Average	
Cablecast Programs	2644.00	2465.00	2625.00	1393.00	2506.00	2302.00	2940.00	2720.00	2487.00	2812.00	2491.00		27385.00	2282.08	
Cablecast Hours	2108.00	1995.75	1948.75	1182.75	2103.50	1928.50	2376.00	2118.75	2091.50	2221.75	1892.50		21967.75	1830.65	
Programs Produced - Public	19.00	27.00	24.00	22.00	18.00	23.00	15.00	31.00	20.00	28.00	25.00		252.00	21.00	
Program Hours Produced - Public	12.25	12.50	7.75	13.50	10.50	20.50	11.50	26.75	13.00	21.00	16.25		165.50	13.79	
Prog. Produced - Affiliated Public	8.00	10.00	2.00	12.00	11.00	7.00	8.00	6.00	10.00	10.00	2.00		86.00	7.17	
Prog. Hours Produced - Affil. Public	5.25	6.50	4.00	10.50	11.50	4.50	7.50	5.75	9.00	7.50	2.00		74.00	6.17	
Programs Produced - City Staff	21.00	21.00	26.00	26.00	21.00	22.00	21.00	23.00	23.00	23.00	19.00		246.00	20.50	
Prog. Hours Produced - City Staff	20.75	23.50	24.00	27.25	23.00	24.50	18.25	21.00	26.75	23.00	21.75		253.75	21.15	
Programs Produced - NMTV Staff	31.00	29.00	26.00	18.00	56.00	29.00	53.00	32.00	41.00	53.00	29.00		397.00	33.08	
Prog. Hours Produced - NMTV Staff	21.00	16.50	17.50	12.00	32.00	25.50	54.00	11.50	26.00	43.50	16.50		276.00	23.00	
Total Public Programs Produced	27.00	37.00	26.00	34.00	29.00	30.00	23.00	37.00	30.00	38.00	27.00		338.00	28.17	
Total Staff Programs Produced	52.00	50.00	52.00	44.00	77.00	51.00	74.00	55.00	64.00	76.00	48.00		643.00	53.58	
Total Internal Programs Produced	79.00	87.00	78.00	78.00	106.00	81.00	97.00	92.00	94.00	114.00	75.00		981.00	81.75	
% Staff Produced Programs	65.82%	57.47%	66.67%	56.41%	72.64%	62.96%	76.29%	59.78%	68.09%	66.67%	64.00%		65.55%	65.55%	
% Public Produced Programs	34.18%	42.53%	33.33%	43.59%	27.36%	37.04%	23.71%	40.22%	31.91%	33.33%	36.00%		34.45%	34.45%	
External Programs Submitted	33.00	19.00	18.00	21.00	28.00	20.00	23.00	14.00	27.00	19.00	31.00		253.00	21.08	
External Program Hours	24.50	14.00	14.25	16.00	23.00	14.50	16.50	11.50	20.00	14.50	20.50		189.25	15.77	
Total New Programs	112.00	106.00	96.00	99.00	134.00	101.00	120.00	106.00	121.00	133.00	106.00		1234.00	102.83	
Equipment Usage Statistics															
Facility Hours Available	196.00	188.00	216.00	161.00	201.00	208.00	167.00	247.00	201.00	182.00	160.00		2127.25	177.25	
Public Field Equipment Uses	6.00	12.00	11.00	9.00	8.00	8.00	12.00	11.00	9.00	8.00	5.00		99.00	8.25	
Studio A	73.75	76.25	72.75	28.00	41.00	67.25	44.75	46.50	37.00	58.00	77.00		622.25	51.85	
% of Available Time	37.63%	40.56%	33.68%	17.39%	20.40%	32.33%	26.80%	18.83%	18.41%	31.87%	48.13%		29.25%	29.25%	
Studio B	5.75	28.25	7.50	31.75	5.50	17.00	25.50	33.00	31.75	45.75	53.00		284.75	23.73	
% of Available Time	2.93%	15.03%	3.47%	19.72%	2.74%	8.17%	15.27%	13.36%	15.80%	25.14%	33.13%		13.39%	13.39%	
Public MAC A Edit Suite	102.75	81.25	98.50	48.25	59.50	108.25	157.50	157.75	62.00	55.50	160.00		1091.25	90.94	
% of Available Time	52.42%	43.22%	45.60%	29.97%	29.60%	52.04%	94.31%	63.87%	30.85%	30.49%	100.00%		51.30%	40.87%	
Public MAC B Edit Suite	101.00	70.25	84.50	94.25	64.00	50.00	53.00	65.25	56.25	69.50	63.53		771.53	64.29	
% of Available Time	51.53%	37.37%	39.12%	58.54%	31.84%	24.04%	31.74%	26.42%	27.99%	38.19%	39.71%		36.27%	36.27%	
Public MAC C Edit Suite	79.75	67.50	92.25	46.75	25.50	94.25	86.75	100.00	89.00	53.25	83.00		818.00	68.17	
% of Available Time	40.69%	35.90%	42.71%	29.04%	12.69%	45.31%	51.95%	40.49%	44.28%	29.26%	51.88%		38.46%	38.46%	
Production Van Statistics															
Production Hours	38.00	60.50	26.75	22.25	48.75	60.00	85.00	11.75	46.50	52.50	24.50		476.50	39.71	
Number of Van Shoots	6.00	8.00	4.00	4.00	7.00	9.00	7.00	2.00	7.00	7.00	3.00		64.00	5.33	
Average Hours Per Shoot	6.33	7.56	6.69	5.56	6.96	6.67	12.14	5.88	6.64	7.50	8.17		7.45	3.31	
Number of New Volunteers	3.00	2.00	1.00	1.00	1.00	9.00	0.00	1.00	1.00	2.00	0.00		21.00	1.75	
Volunteer Hours	29.00	40.00	4.00	12.00	32.00	108.00	159.00	2.00	12.00	16.00	16.00		430.00	35.83	
Public Access Statistics															
Number of Workshops	11.00	11.00	10.00	1.00	6.00	11.00	8.00	10.00	7.00	6.00	6.00		87.00	7.25	
Number of Students	78.00	65.00	105.00	1.00	9.00	80.00	71.00	71.00	63.00	44.00	62.00		649.00	54.08	
PAP Volunteer Hours	146.75	216.50	159.50	101.00	109.50	205.75	159.25	168.75	151.75	94.50	138.75		1652.00	137.67	
Total Public Facility Usage Hours	460.00	685.25	552.25	295.50	409.25	556.75	513.25	612.75	441.00	366.75	604.75		5497.50	458.13	

North Metro TV

October 2018 Update

Program Production

In October, a total of **114 new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **95:00:00 hours of new programming**.

- 38 programs were produced by the public
- 53 programs were produced by NMTV staff
- 23 programs were produced by City staff



Van Shoots

The HD truck was used for **52:30:00** hours of production. Events produced live and recorded for additional playbacks include:

- Boys and Girls Soccer: Centennial vs. Blaine
- Football: Centennial vs. Blaine
- Volleyball: Spring Lake Park vs. Centennial
- Football: Champlin Park vs. Centennial
- North Metro Youth Football Championships:
 - 2nd Grade Game
 - 3rd Grade Game
 - 4th Grade Game
 - 5th Grade Game
 - 6th Grade Game
- Boys Soccer: 5AA Final: Centennial vs. Champlin Park
- Football: Forest Lake vs. Spring Lake Park



Workshops

Workshop	Instructor	Organization	Students
Editing	Eric Houston	General Public	7
Lecture Series - James Bond	Eric Houston	Spring Lake Park City Hall	9
Lecture Series - This is Orson Welles	Eric Houston	Mary Ann Young Senior Center	7
Lecture Series - Star Trek	Eric Houston	Anoka County Libraries	6
Intro to NMTV	Eric Houston	General Public	5
Lecture - Monster Movies 1	Eric Houston	General Public	10
6 Workshops			44 Students

Home Movie Transfers

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
October	80.75	34	0	14	0	\$577.00
TOTAL:	1,293.00	448	347	273	5,057	\$5,608.00

Public Usage Stats

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
October	73	366.75
TOTAL PUBLIC USAGE:		4,892.75

Production Highlights

NMTV News Highlights

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

- Centennial School Levies on the Ballot
- Barbells for Boobs Fundraiser
- Global Recycling Problems Could Impact Locally
- Granting Wishes to Families

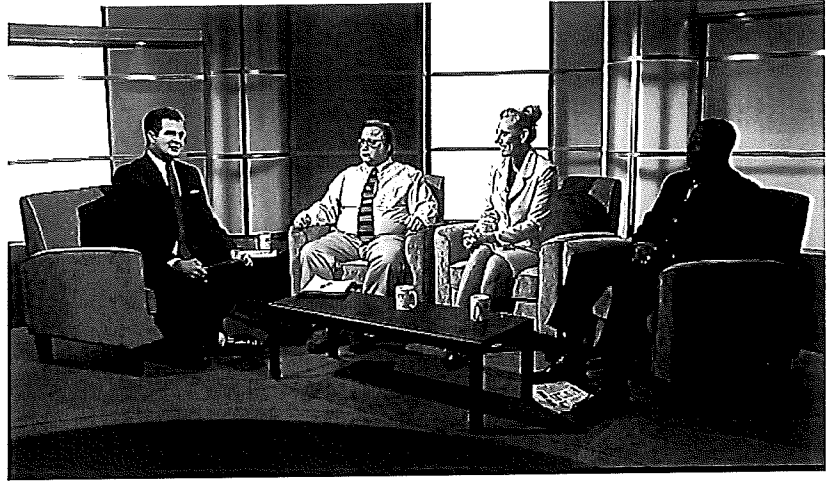


- Homeless Services
- Connexus Energy Unveils Solar Storage
- Waldoch Farms is Best Pumpkin Patch in MN
- Support Sought for Blaine Veterans Park
- Hy-Vee is Approved in Blaine

In addition to daily playbacks of North Metro TV News on the cable systems, there are 526 local stories archived for viewers on the NMTV YouTube page. The page can be accessed through the northmetroTV.com website.

Local Decision 2018

The News crew, and T.J., taped four Local Decision 2018 debates and a Ham Lake Candidate forum in October. Meet the Candidate segments were recorded for the Blaine City Council Wards 1 and 2 races, along with candidate debates for the Centerville City Council and the Spring Lake Park Mayoral races. T.J. was on hand to record the Ham Lake City Council and Mayoral forums held at Ham Lake City Hall and he also taped a debate for House District 31B. In addition to debates and forums, the News Team put together an informative piece on the proposed Centennial School District levies.



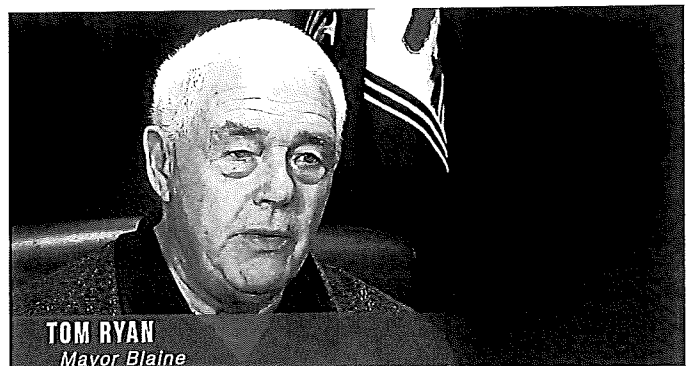
Youth Football Championships

The Sports crew spent Sunday October 14th covering the North Metro Youth Football Championships. The 2nd, 3rd, 4th, 5th, and 6th grade championship games were recorded. This is an annual event for us, and we go all out. The games include pre and post coach and player interviews, professional graphics, announcers, and re-play. The games were streamed live on channel 15 and are receiving additional playbacks on the channel and are available on demand. This event is very popular with our viewing audience and also results in quite a few Blu-ray sales. It is a tradition for us to play-back a youth football marathon on Thanksgiving day. This year will be no different!



Mayor's Minutes Extravaganza

It was another big month for production of Mayor's Minutes. Blaine, Centerville, Lexington and Lino Lakes Mayor's were on hand for the fall version of the series. Each episode provides the Mayor a forum for communicating progress on projects, information about upcoming events, and issues facing the City. Look for Spring Lake Park to join in on the next series of productions!



Lecture Series Addition - Monster Movies 1

Instructor, Eric Houston, has created a new class for his traveling lecture series, just in time for Halloween. The class is Dracula, Frankenstein and King Kong: Monster Movies of the 20s and 30s. Eric travels back in time to the dawn of monster movies to meet the stars, directors, and make up artists that brought the screens most memorable terrors to life! Participants learn about the monster movie that started them all, find out about Bela Lugosi's troubled career, and find out how many different models it took to bring a giant gorilla to life. The class includes tons of rare

clips and behind the scenes photographs. Eric is also working on a Monster Movies 2 which covers the next wave of monster movies.

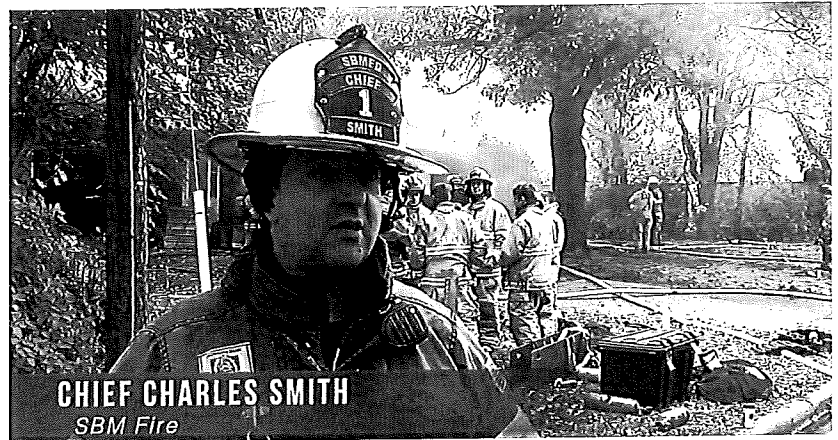
Drone Production Services

T.J. Tronson and the NMTV drone were hired by the non-profit, 23rd Veteran, to get aerial footage of their annual "Nearly Naked Ruck Sack March." This is the second time NMTV has been hired to cover the event, which took place at Bunker Hills on October 27th.

City Productions

Municipal Producer, Trevor Scholl, completed seven projects in October including a flurry of fall Mayor's Minutes. Projects completed include:

- Mayor's Minutes: Centerville Fall 2018
- Mayor's Minutes: Lexington Fall 2018
- Mayor's Minutes: Lino Lakes Fall 2018
- Mayor's Minutes: Blaine Fall 2018
- SBM Live Fire Training
- Business Profile: Urban Air
- Barbells Fundraiser
- Shot Local Decision Candidate Debates with the News team.



New and ongoing projects include:

- Met with Ham Lake Senior Center representatives about possible projects
- Booked shoots at the Ham Lake Senior Center
- Spoke with Spring Lake Park Mayor regarding participating in Mayor's Minutes and got commitment to start production
- Worked with NMTV Drone pilot to shoot footage for Circle Pines promo
- Working on update for the employee login video at Lino Lakes

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

- 10.2.18: Roark requested assistance with updating the city logo on the meeting graphics.

Centerville

- No equipment consulting was necessary.

Circle Pines

- 10.3.18: Met with Patrick Antonen and Z Systems to go over final details on the HD upgrade.
- 10.4.18: Ordered transmission equipment for HD signal transport.
- 10.5.18: Select projector solution for upgrade.
- 10.8.18: Gathered camera location and council member data for input into Ross LCS.
- 10.8.18: Requested block of 15 network addresses from Jim at Roseville. Informed him of Makito X and network needs for that.
- 10.17.18: Installed the new Makito X in master control for the Circle Pines HD upgrade. Adjusted the main router to forward UDP port number 5009 to the Makito X decoder in master control.
- 10.24.18: Tear out of old equipment. Z Systems began running cables and removing unwanted equipment.
- 10.25.18: Patrick called regarding confusion with Z Systems on camera placement. Went to city hall to correct any confusion. Recommended steal rack and old equipment be recycled. Went over where control desk should be located.
- 10.29.18: Ran SDI cable and installed the Ross Frame Sync for Circle Pines.

Ham Lake

- 10.8.18: Had to reboot Carousel unit. Researching problem with Tightrope.

- 10.23.18: Document camera problem. Investigating. Thought it was an AJA distribution amp problem but amp tests fine.
- 10.25.18: Revisited document camera problem. Tested camera directly. Doesn't work. Got it to work, but it goes out intermittently. Still under warranty, so if there are more problems call so it can get sent out.
- **Lexington**
- No equipment consulting was necessary.
- **Lino Lakes**
- 10.25.18: Live streaming server on its way back.
- **Spring Lake Park**
- 10/1/18: Went to city hall to investigate camera 1 color issue. Discovered all the cables in the chamber were disconnected. Reconnected entire cable system that had been disconnected for carpet cleaning. Determined camera is dead. Recommended ordering new one to match others in system. Recommended city staff call NMTV if cables need to be disconnected, en masse, in the future.
- 10.4.18: Administrators laptop did not work during last meeting. Discovered that nothing on the dais was working. Realized that all of the routes on the router were changed. Did not have a diagram to reroute. Through trial and error rerouted inputs to make system work.
- 10.16.18: Installed new camera. Re-designated the macro buttons set for positions and adjusted the white balance and gain to get a brighter image.

City Channel 16 Playback Stats

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	211	327:22:30
Centerville	76	81:06:39
Circle Pines	167	136:05:00
Ham Lake	112	90:47:09
Lexington	123	67:36:02
Lino Lakes	92	86:29:34
Spring Lake Park	186	153:55:06
Totals:	967 Program Playbacks	942:22:00 Hours of Video Programming on Channels

Programs Produced by the Public

Title	Producer	Runtime
Off Constantly (4 episodes)	David Bauer	01:46:27
Off Constantly (2 segments)	David Bauer	00:01:10
The Super 8 Show	Video Club/Eric Houston	00:29:24
Every Movie Ever (5 episodes)	Joe Scholz, Rick Bostrom, Ben Daniels/Ryan Frieundschuh, Gavin Van Trease/Brett Wong/Eric Houston	02:04:29
Bad Movie Bros	Video Club/Eric Houston	00:43:20
Puzzled	Video Club/Eric Houston	03:59:58
Cornerstone Church	Rick Bostrom	00:29:59
Christ Lutheran Church (5 episodes)	Jacob Nessman/Chance Amundson	05:21:36
The Power of Love (4 episodes)	Rick Larson	02:00:00
LovePower (4 episodes)	Rick Larson	04:00:00
Rice Creek Watershed District Meeting (2 episodes)	Theresa Stasica	04:08:10
Oak Park Moments (5 episodes)	Dave Turnidge	03:10:36
Hope Church (3 episodes)	Cindy Hardy	02:12:40
38 New Programs	P. 25	28:27:49 New Hours

Programs Produced by NMTV Staff

Title	Producer	Runtime
Anoka County Board Meeting (10/9/18)	T.J. Tronson	00:54:03
Anoka County Board Meeting (10/23/18)	T.J. Tronson	00:53:16
NMTC Meeting (10/17/18)	T.J. Tronson	00:16:59
Ham Lake City Council Forum	T.J. Tronson	00:36:16
Ham Lake Mayoral Forum	T.J. Tronson	00:22:48
House District 31B Oct 11 Forum	T.J. Tronson	00:37:56
NMTV News (3 episodes)	Danika Peterson/Rusty Ray	01:01:06
Local Decision 2018: Blaine City Council Ward 2	Danika Peterson/Rusty Ray	00:13:32
Local Decision 2018: Blaine City Council Ward 1	Danika Peterson/Rusty Ray	00:08:16
Local Decision 2018: Centerville City Council	Danika Peterson/Rusty Ray	00:32:01
Local Decision 2018: Spring Lake Park Mayor	Danika Peterson/Rusty Ray	00:22:32
Blaine Block Party	Danika Peterson	00:01:25
Centennial School Levies	Danika Peterson/Rusty Ray	00:04:30
Blaine's Veterans Memorial	Danika Peterson/Rusty Ray	00:02:41
Mayor's Minutes: Centerville Fall 2018	Trevor Scholl	00:05:30
Mayor's Minutes: Blaine Fall 2018	Trevor Scholl	00:05:30
Mayor's Minutes: Lino Lakes Fall 2018	Trevor Scholl	00:05:52
Mayor's Minutes: Lexington Fall 2018	Trevor Scholl	00:03:33
SBM Live Fire Training	Trevor Scholl	00:03:00
Urban Air	Trevor Scholl	00:07:14
Barbells for Boobs	Trevor Scholl	00:03:45
Boys Soccer: Centennial/Blaine	Kenton Kipp/J. Millington	02:13:00
Girls Soccer: Centennial/Blaine	Kenton Kipp/J. Millington	01:48:16
Girls Soccer: Spring Lake Park/Coon Rapids	Kenton Kipp/J. Millington	01:32:05
Boys Soccer: Spring Lake Park/Coon Rapids	Kenton Kipp/J. Millington	01:54:02
Football: Centennial/Blaine	Kenton Kipp/J. Millington	02:44:06
Volleyball: Spring Lake Park/Centennial	Kenton Kipp/J. Millington	01:55:40
Girls Soccer: 5AA QF: Irondale/Centennial	Kenton Kipp/J. Millington	01:26:50
Boys Soccer: 5AA SF: Irondale/Centennial	Kenton Kipp/J. Millington	01:37:39
Football: Champlin Park/Centennial	Kenton Kipp/J. Millington	02:51:19
North Metro Youth Football Championships: 2nd Grade	Kenton Kipp/J. Millington	01:23:03
North Metro Youth Football Championships: 3rd Grade	Kenton Kipp/J. Millington	01:32:06
North Metro Youth Football Championships: 4th Grade	Kenton Kipp/J. Millington	01:17:02
North Metro Youth Football Championships: 5th Grade	Kenton Kipp/J. Millington	01:23:20
North Metro Youth Football Championships: 6th Grade	Kenton Kipp/J. Millington	01:25:45
Boys Soccer: 5AA F: Centennial/Champlin Park	Kenton Kipp/J. Millington	01:58:43
Football: Forest Lake/Spring Lake Park	Kenton Kipp/J. Millington	01:58:50
Girls Soccer: State AA QF: Wayzata/Blaine	Kenton Kipp/J. Millington	01:34:43
Boys Soccer: State AA QF: Duluth East/Centennial	Kenton Kipp/J. Millington	01:43:42
Football: 5AAAAA SF: Irondale/Spring Lake Park	Kenton Kipp/J. Millington	01:59:29
Athlete of the Week (5 segments)	Kenton Kipp/J. Millington	00:02:55
Coach & Captains: Spring Lake Park Girls	Kenton Kipp/J. Millington	00:02:30

Soccer		
Sports Den (5 episodes)	Kenton Kipp/J. Millington	02:26:41
53 New Programs		43:32:31 New Hours

Programs Produced by City Staff

Title	Producer	Runtime
Blaine Traffic Commission Meeting (10/2/18)	Blaine Staff	00:46:59
Blaine City Council Meeting (10/4/18)	Blaine Staff	02:52:45
Blaine Planning Commission Meeting (10/9/18)	Blaine Staff	01:04:03
Blaine Natural Resources Conservation Board Meeting (10/16/18)	Blaine Staff	00:53:00
Blaine City Council Meeting (10/18/18)	Blaine Staff	02:16:49
Blaine Park Board Meeting (10/23/18)	Blaine Staff	01:01:52
Centerville City Council Meeting (10/10/18)	Centerville Staff	00:54:20
Centerville City Council Meeting (10/24/18)	Centerville Staff	01:53:44
Circle Pines City Council Meeting (10/9/18)	Circle Pines Staff	00:55:47
Circle Pines Utility Commission Meeting (10/17/18)	Circle Pines Staff	00:10:04
Circle Pines City Council Meeting (10/23/18)	Circle Pines Staff	00:57:33
Ham Lake City Council Meeting (10/1/18)	Ham Lake Staff	01:28:06
Ham Lake City Council Meeting (10/15/18)	Ham Lake Staff	00:15:30
Ham Lake Planning Commission Meeting (10/22/18)	Ham Lake Staff	00:09:38
Lexington City Council Meeting (10/4/18)	Lexington Staff	00:28:01
Lexington City Council Meeting (10/18/18)	Lexington Staff	00:17:31
Lino Lakes City Council Meeting (10/8/18)	Lino Lakes Staff	00:44:44
Lino Lakes Planning & Zoning Meeting (10/10/18)	Lino Lakes Staff	02:03:43
Lino Lakes City Council Meeting (10/22/18)	Lino Lakes Staff	01:04:39
Spring Lake Park City Council Meeting (10/1/18)	Spring Lake Park Staff	01:25:40
Spring Lake Park Planning Commission Meeting (10/1/18)	Spring Lake Park Staff	00:17:11
Spring Lake Park City Council Meeting (10/15/18)	Spring Lake Park Staff	00:41:29
Spring Lake Park Planning Commission Meeting (10/22/18)	Spring Lake Park Staff	00:21:51
23 New Programs		23:04:59 New Hours

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	J	F	M	A	M	J	JU	A	S	O	N	D	18 Total	18 Average
Cablecast Programs	2644.00	2465.00	2625.00	1393.00	2506.00	2302.00	2940.00	2720.00	2487.00	2812.00			24894.00	2074.50
Cablecast Hours	2108.00	1995.75	1948.75	1182.75	2103.50	1928.50	2376.00	2118.75	2091.50	2221.75			20075.25	1672.94
Programs Produced - Public	19.00	27.00	24.00	22.00	18.00	23.00	15.00	31.00	20.00	28.00			227.00	18.92
Program Hours Produced - Public	12.25	12.50	7.75	13.50	10.50	20.50	11.50	26.75	13.00	21.00			149.25	12.44
Prog. Produced - Affiliated Public	8.00	10.00	2.00	12.00	11.00	7.00	8.00	6.00	10.00	10.00			84.00	7.00
Prog. Hours Produced - Affil. Public	5.25	6.50	4.00	10.50	11.50	4.50	7.50	5.75	9.00	7.50			72.00	6.00
Programs Produced - City Staff	21.00	21.00	26.00	26.00	21.00	22.00	21.00	23.00	23.00	23.00			227.00	18.92
Prog. Hours Produced - City Staff	20.75	23.50	24.00	27.25	23.00	24.50	18.25	21.00	26.75	23.00			232.00	19.33
Programs Produced - NMTV Staff	31.00	29.00	26.00	18.00	56.00	29.00	53.00	32.00	41.00	53.00			368.00	30.67
Prog. Hours Produced - NMTV Staff	21.00	16.50	17.50	12.00	32.00	25.50	54.00	11.50	26.00	43.50			259.50	21.63
Total Public Programs Produced	27.00	37.00	26.00	34.00	29.00	30.00	23.00	37.00	30.00	38.00			311.00	25.92
Total Staff Programs Produced	52.00	50.00	52.00	44.00	77.00	51.00	74.00	55.00	64.00	76.00			595.00	49.58
Total Internal Programs Produced	79.00	87.00	78.00	78.00	106.00	81.00	97.00	92.00	94.00	114.00			906.00	75.50
% Staff Produced Programs	65.82%	57.47%	66.67%	56.41%	72.64%	62.96%	76.29%	59.78%	68.09%	66.67%			65.67%	65.67%
% Public Produced Programs	34.18%	42.53%	33.33%	43.59%	27.36%	37.04%	23.71%	40.22%	31.91%	33.33%			34.33%	34.33%
External Programs Submitted	33.00	19.00	18.00	21.00	28.00	20.00	23.00	14.00	27.00	19.00			222.00	18.50
External Program Hours	24.50	14.00	14.25	16.00	23.00	14.50	16.50	11.50	20.00	14.50			168.75	14.06
Total New Programs	112.00	106.00	96.00	99.00	134.00	101.00	120.00	106.00	121.00	133.00			1128.00	94.00
Equipment Usage Statistics														
Facility Hours Available	196.00	188.00	216.00	161.00	201.00	208.00	167.00	247.00	201.00	182.00			1967.00	163.92
Public Field Equipment Uses	6.00	12.00	11.00	9.00	8.00	8.00	12.00	11.00	9.00	8.00			94.00	7.83
Studio A	73.75	76.25	72.75	28.00	41.00	67.25	44.75	46.50	37.00	58.00			545.25	45.44
% of Available Time	37.63%	40.56%	33.68%	17.39%	20.40%	32.33%	26.80%	18.83%	18.41%	31.87%			27.72%	27.72%
Studio B	5.75	28.25	7.50	31.75	5.50	17.00	25.50	33.00	31.75	45.75			231.75	19.31
% of Available Time	2.93%	15.03%	3.47%	19.72%	2.74%	8.17%	15.27%	13.36%	15.80%	25.14%			11.78%	11.78%
Public MAC A Edit Suite	102.75	81.25	98.50	48.25	59.50	108.25	157.50	157.75	62.00	55.50			931.25	77.60
% of Available Time	52.42%	43.22%	45.60%	29.97%	29.60%	52.04%	94.31%	63.87%	30.85%	30.49%			47.34%	34.88%
Public MAC B Edit Suite	101.00	70.25	84.50	94.25	64.00	50.00	53.00	65.25	56.25	69.50			708.00	59.00
% of Available Time	51.53%	37.37%	39.12%	58.54%	31.84%	24.04%	31.74%	26.42%	27.99%	38.19%			35.99%	35.99%
Public MAC C Edit Suite	79.75	67.50	92.25	46.75	25.50	94.25	86.75	100.00	89.00	53.25			735.00	61.25
% of Available Time	40.69%	35.90%	42.71%	29.04%	12.69%	45.31%	51.95%	40.49%	44.28%	29.26%			37.37%	37.37%
Production Van Statistics														
Production Hours	38.00	60.50	26.75	22.25	48.75	60.00	85.00	11.75	46.50	52.50			452.00	37.67
Number of Van Shoots	6.00	8.00	4.00	4.00	7.00	9.00	7.00	2.00	7.00	7.00			61.00	5.08
Average Hours Per Shoot	6.33	7.56	6.69	5.56	6.96	6.67	12.14	5.88	6.64	7.50			7.41	3.14
Number of New Volunteers	3.00	2.00	1.00	1.00	1.00	9.00	0.00	1.00	1.00	2.00			21.00	1.75
Volunteer Hours	29.00	40.00	4.00	12.00	32.00	108.00	159.00	2.00	12.00	16.00			414.00	34.50
Public Access Statistics														
Number of Workshops	11.00	11.00	10.00	1.00	6.00	11.00	8.00	10.00	7.00	6.00			81.00	6.75
Number of Students	78.00	65.00	105.00	1.00	9.00	80.00	71.00	63.00	63.00	44.00			587.00	48.92
PAP Volunteer Hours	146.75	216.50	159.50	101.00	109.50	205.75	159.25	168.75	151.75	94.50			1513.25	126.10
Total Public Facility Usage Hours	460.00	685.25	552.25	295.50	409.25	556.75	513.25	612.75	441.00	366.75			4892.75	407.73

EXECUTIVE COMMITTEE MINUTES

Meeting of December 5, 2018

Executive Cmte. Present: Dale Stoesz; Lino Lakes, Dick Swanson; Blaine, Mike Murphy;
Lexington, Cindy Hansen; Spring Lake Park

Absent:

Others Present: Heidi Arnson; Executive Director, Rose Valez; Admin. Asst.,

CALL TO ORDER

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

APPROVAL OF MINUTES

A motion to approve the October 3, 2018 Executive Committee meeting minutes was made by D. Stoesz. Second, D. Swanson. Motion approved

EXECUTIVE DIRECTOR / OPERATIONS COMMITTEE REPORT

- An update was given regarding the CenturyLink franchise issues. Legal Counsel and staff had met with CenturyLink's Corporate Counsel to discuss possible franchise violations and to determine a resolution. Since CenturyLink does not intend to continue offering the Prism TV service, it was agreed that it was in the best interest of both parties to draw up a document outlining an orderly exit from the market. CenturyLink has sent a first draft of a settlement agreement. Mike Bradley is in the process of sending a response to the first draft. Once a settlement agreement is finalized it will likely need to be forwarded to Cities for their approval.
- Comments regarding the FCC's franchise fee Further Notice of Proposed Rulemaking were filed by Mike Bradley on November 14th. Reply Comments will be filed by December 14th. The FCC will take the matter under consideration and may or may not issue a final Report and Order. The Report and Order will state an effective date, likely 90 days from the date it is released and published in the Federal Register. The Report and Order may be appealed and a stay would likely be requested. If a stay is granted franchise fees would be calculated at the status quo through the appeal process. Otherwise, the Report and Order will be effective pending the appeal.
- The roof has been replaced. The project was finished by the designated completion date. The construction and clean-up were very thorough and professionally done. Giertsen provided a project report and a written 10 year workmanship guarantee.
- It was recommended that the 2018 budget be adjusted to account for the unexpected building capital and building maintenance expenses. The money would come from the building reserve fund.

MOTION: To adjust the building capital and building maintenance line items by a total of \$80,000. **Motion made by D. Stoesz. Second, C. Hansen. Motion approved.**

- Third quarter franchise and PEG fee reports were reviewed.

OLD BUSINESS

- There was no old business.

NEW BUSINESS

- Cancelling the January Executive Committee and full Commission meetings was considered.

MOTION: To cancel the January Executive and full Commission meetings. **Motion made by C. Hansen. Second, D. Stoesz. Motion approved.**

- D. Stoesz inquired as to whether it would be possible to develop some sort of mutually beneficial production/marketing alignment with the Anoka County Library System. H. Arnson stated that North Metro TV is already involved in some activities with the library, and that the idea was a good one that will be looked into.
- D. Stoesz stated that it would be beneficial to invite City Council Members to the studio for a tour. The Committee agreed that that was a good idea. Staff will organize an open house.

ADJOURN

Motion to adjourn made by M. Murphy. Second, D. Stoesz. Motion approved. The meeting was adjourned at 6:27 p.m.

Subject: Possible CenturyLink Resolution

From: Michael Bradley <mike@bradleylawmn.com>

Date: 10/30/2018 3:33 PM

To: Michael Bradley <mike@bradleylawmn.com>

CC: "Michael C. Athay" <michael.athay@bradleylawmn.com>, Vince Rotty <vince@bradleylawmn.com>

Hi Everyone,

As you know, CenturyLink has announced that it is discontinuing cable service. There were some conflicting statements made by CenturyLink as to when it was discontinuing service and whether interested residents could still purchase PrismTV. That led to our firm putting together a memorandum outlining a possible cable franchise violation. Prior to the North Metro Telecommunications Commission taking action, CenturyLink asked for a meeting to discuss possible resolution. I held off sending a violation notice for those client's that had previously authorized it.

This afternoon, Heidi Arnson and I spoke with Torry Sommers and Kirstin Sersland of CenturyLink. Torry is the corporate counsel for CenturyLink. He indicated that CenturyLink was agreeable to the following:

- * CenturyLink will agree that the existing cable franchises will terminate on the expiration date of each cable franchise and CenturyLink will not pursue cable franchise renewal under either the formal or informal process.
- * Upon franchise termination all subscribers will be transitioned or offered to be transitioned to a different product.
- * CenturyLink reserves the right to terminate the cable franchises earlier upon 120-day notice to the LFA and 90-days to its cable subscribers.

Torry will be sending me a proposed agreement in approximately 2 weeks. Please let me know if this looks like an acceptable resolution to you. It seems generally acceptable to me. It eliminates the need to expend resources in the future on franchise compliance and franchise renewal with CenturyLink and provides for a fairly orderly exit from the market.

Mike

Michael R. Bradley

Bradley Berkland Hagen & Herbst, LLC

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Summary of Cable Franchising Comments to the FCC

Earlier today, we filed detailed Comments with the FCC, jointly with other municipal entities constituting 46 municipal organizations from the states of Iowa, Minnesota, New York, Oklahoma, Pennsylvania, South Dakota, Washington, and Wisconsin, with a collective population of approximately 3.8 million. The FCC has proposed three different rules, all of which would harm the public: (1) to interpret the definition of franchise fee 34 years after its passage to include the fair market value of “in-kind compensation” contained in a cable franchise; (2) to interpret the Cable Act as preempting the regulation of non-cable services provided over a cable system; and (3) to preempt state laws that are inconsistent with the proposed rules in the FNPRM. The following is a summary of the impact of the proposed rules and our Comments.

Impact of the FCC Proposed Rules

- Alters Decades of Past Practice between Cable Operators and Local Governments.
- Significantly Reduces Public Benefits, such as Access Television and Institutional Networks.
- Significantly Reduces Franchise Fees (the Consideration for the Use of the Rights-of-way) by 20-30% or more.
- Retroactive Application of the Proposed Rules will Eviscerate a Year or More of Cable Franchise Fees.
- Allows Cable Operators to Double Recover Franchising Costs Through Rates and Franchise Fees all on the Backs of the Cable Subscriber.
- May Eliminate Consideration in Separate Agreements, such as Settlement Agreements.
- Preempts Regulation of Non-Cable Services Provided over a Cable System, such as internet services.
- Preempts State Franchising Laws.

Altering the Long-Standing Definition of Franchise Fee

- **No Legal Basis for changing the Definition**
 - Legislative interpretation is not allowed when the meaning of the statute is clear. Section 622(g) clearly states that a franchise fee is limited to a tax, fee, or assessment of any kind imposed on a cable operator.
 - The legislative history, judicial decisions, and other provisions in the Cable Act that allow a cable operator to recover these in-kind franchise provisions through its rates all show in-kind franchise provisions are not franchise fees.
 - Decades of past practice show franchise fees have always been calculated only upon a fee on cable operator’s gross revenues.
- **The Proposed Action is Unconstitutional**
 - Allowing a cable operator to deduct in-kind franchise provisions that were negotiated as part of a cable franchise contract will result in an unconstitutional taking in violation of the Fifth Amendment.

- Allowing an offset of the fair market value of in-kind franchise provisions will also result in a reduction of access television support, thereby limiting or eliminating speech in violation of the First Amendment.
- **Alternative Arguments – If FCC proceeds with Proposed Rule.** While the LFAs believe any action to include non-monetary provisions in the definition of franchise fees is wrongful, we made several alternative arguments.
 - **Cost Based Recovery Must Be Used – Not Fair Market Value Recovery.**
 - **Prohibit Double Recovery.** Provisions in the Cable Act already allow a cable operator to fully recover all of its franchising costs. Allowing a cable operator to recover the fair market value of these costs will allow a cable operator to recover its costs many times over, on the backs of cable subscribers.
 - **Avoid Costly Valuation Disputes.** If fair market value recovery is allowed, there are no rules for determining fair market value or even who determines it. This will undoubtedly result in valuation disputes causing both local franchising authorities and cable operators to expend time and resources determining fair market value. Conversely, using a cost-based model will avoid these negative consequences.
 - **Retroactive Impact Could Eviscerate Franchise Fees.** Allowing the recovery of multiple years of in-kind franchise provisions could eviscerate a year or more of cable franchise fees.
 - **Significant Impact on Local Government Budgets and Public Benefits.** Franchise Fees may decrease by more than 20% and Public Benefits contained in cable franchises may be eliminated.
 - **Separate Agreements Must Be Protected.** The Comments urge the FCC to specifically exempt consideration in other agreements, such as settlement agreements, side agreements, MOUs and IRUs. Consideration in these independent agreements is separate from cable franchise agreement provisions and must not be included in the definition of franchise fee.
 - **Franchise Fee Cap is 5% of All Gross Revenues.** There must be no franchise fee offset unless and until the cable operator can show the in-kind franchise provision exceeds 5% of all of the cable operator's gross revenues derived from the use of the cable system.

Mixed Use Networks

- The Comments argue that the FCC has not authority under the Cable Act to preempt local government from regulating non-cable services delivered over a franchised cable system.

State Preemption

- The Comments argue that the FCC has no authority to preempt state laws, including state franchising actions, addressing franchise fees or mixed use networks. The Cable Act's purpose is to "encourage the growth and development of cable systems and [to] assure that cable systems are responsive *to the needs and interests of the local community.*" The Commission's proposed rules would unduly restrict states and local governments from addressing local and hyperlocal issues. This is contrary to the Cable Act's very purpose and is therefore an impermissible exercise of the Commission's Title VI authority.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
Implementation of Section 621(a)(1) of)	
the Cable Communications Policy Act of 1984)	MB Docket No. 05-311
as amended by the Cable Television Consumer)	
Protection and Competition Act of 1992)	

INITIAL COMMENTS OF THE CITY OF PHILADELPHIA, PENNSYLVANIA, CITY OF OKLAHOMA CITY, OKLAHOMA; CITY OF MINNEAPOLIS, MINNESOTA; NORTHWEST SUBURBAN CABLE COMMUNICATIONS COMMISSION; CITY OF SIOUX FALLS, SOUTH DAKOTA; NORTH METRO TELECOMMUNICATIONS COMMISSION; NORTH SUBURBAN COMMUNICATIONS COMMISSION; THE SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION; CITY OF RENTON, WASHINGTON; CITY OF EDMOND, OKLAHOMA; CITY OF COON RAPIDS, MINNESOTA; CITY OF WEST ALLIS, WISCONSIN; TOWN OF PERINTON, NEW YORK; CITY OF URBANDALE, IOWA; CITY OF EDMONDS, WASHINGTON; TOWN OF PITTSFORD, NEW YORK; CITY OF MAPLE VALLEY, WASHINGTON; CITY OF WATERTOWN, WISCONSIN; VILLAGE OF OREGON, WISCONSIN; AND CITY OF NEW LONDON, WISCONSIN.

Michael R. Bradley
Michael Athay
Vince Rotty
Bradley Berkland Hagen & Herbst, LLC
2145 Woodlane Drive, Suite 106
Woodbury, MN 55125

November 14, 2018

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SUMMARY

These Initial Comments are submitted on behalf of the above-named municipal entities constituting 46 municipal organizations from the states of Iowa, Minnesota, New York, Oklahoma, Pennsylvania, South Dakota, Washington, and Wisconsin, with a collective population of approximately 3.8 million.¹ Cable service providers occupy the PROW in all of the LFA jurisdictions and provide cable and non-cable services. All of the LFAs receive and rely upon cable franchise fees.² Franchise fees typically are general fund revenue³ and are the rent for the PROW. Franchise Fees are also frequently used to fund public, educational, and/or

¹ The commenting municipal entities and their populations are: City of Philadelphia, Pennsylvania (1,580,863); City of Oklahoma City, Oklahoma (579,999); City of Minneapolis, Minnesota (382,578); Northwest Suburban Cable Communications Commission (collective population 317,272) (a Minnesota municipal joint powers commission consisting of the Minnesota cities of Brooklyn Center (30,104), Brooklyn Park (75,781), Crystal (22,141), Golden Valley (20,371), Maple Grove (61,567), New Hope (20,339), Osseo (2,430), Plymouth (70,576), and Robbinsdale (13,953)); City of Sioux Falls, South Dakota (153,888); North Metro Telecommunications Commission (collective population 109,779) (a Minnesota municipal joint powers commission consisting of the Minnesota cities of Blaine (57,186), Centerville (3,792), Circle Pines (4,918), Ham Lake (15,296), Lexington (2,049), Lino Lakes (20,216), and Spring Lake Park (6,412)); North Suburban Communications Commission (collective population 106,991) (a Minnesota municipal joint powers commission consisting of the Minnesota cities of Arden Hills (9,552), Falcon Heights (5,321), Lauderdale (2,379), Little Canada (9,773), Mounds View (12,155), New Brighton (21,456), North Oaks (4,469), Roseville (33,660), and St. Anthony (8,226)); South Washington County Telecommunications Commission (collective population 105,571) (a Minnesota municipal joint powers commission consisting of the Minnesota municipalities of Woodbury (61,961), Cottage Grove (34,589), Newport (3,435), Grey Cloud Island Township (307), and St. Paul Park (5,279), Minnesota); City of Renton, Washington (population 90,927); City of Edmond, Oklahoma (population 81,405); City of Coon Rapids, Minnesota (61,476); City of West Allis, Wisconsin (60,411); Town of Perinton, New York (46,462); City of Urbandale, Iowa (42,449); City of Edmonds, Washington (39,709); Town of Pittsford, New York (population 29,405); City of Maple Valley, Washington (population 25,758); City of Watertown, Wisconsin (23,861); Village of Oregon, Wisconsin (9,231); and City of New London, Wisconsin (7,295) (collectively, the “LFAs”).

² *E.g.*, Philadelphia, Pennsylvania, The Mayor’s Operating Budget in Brief for Fiscal Year 2019 at p. 21 (identifying cable franchise fees as a relied upon source of revenue), *available at* http://phlcouncil.com/wp-content/uploads/2018/07/FY19-BudgetinBrief_Adopted.pdf.

³ *Id.*

governmental access television channels.⁴ Thus, the LFAs have a significant interest in authorizing PROW use, including cable franchising, and would be directly affected by any action the Federal Communications Commission (the “Commission” or the “FCC”) might take pursuant to its September 25, 2018, Second Further Notice of Proposed Rulemaking (“FNPRM”).⁵

In the FNPRM the FCC has proposed three different rules: (1) to interpret the definition of franchise fee to include the fair market value of “in-kind compensation” contained in a cable franchise; (2) to interpret the Cable Communications Policy Act of 1984 (herein “Cable Act”) as preempting the regulation of non-cable services provided over the cable system; and (3) to preempt state laws that are inconsistent with the proposed rules in the FNPRM. The LFAs disagree with the tentative conclusions and proposed rules in the FNPRM for the reasons summarized below.

The Definition of Franchise Fee

In the Comments, the LFAs explain the proposed actions in the FNPRM are unsupportable. First, the LFAs show that legislative interpretation is not allowed when the meaning of the statute is clear. Here, the statute in question is Section 622 of the Cable Act, which defines a cable franchise fee. Section 622(g) clearly states that a franchise fee is limited to a tax, fee, or assessment of any kind imposed on a cable operator. The dictionary definition and the court decisions interpreting the word “assessment” define “assessment” as a unilateral punitive government action. An “assessment” therefore cannot include cable franchise

⁴ See, e.g., South Washington County Telecommunications Commission, *2017 Annual Report*, available at

http://swctc.org/images/documents/2017_SWCTC_Annual_Report_FINAL_small.pdf

⁵ *In the Matter of Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984, as amended by the Cable Television Consumer Protection and Competition Act of 1992*, Second Further Notice of Proposed Rulemaking, MB Docket No. 05-311 (Sept. 25, 2018) (herein “FNPRM”).

provisions sometimes described as franchise requirements or in-kind compensation. Since the statutory definition is clear on its face, the FCC has no authority to interpret it. This conclusion is bolstered by the legislative history, judicial decisions, and other provisions in the Cable Act that allow a cable operator to recover these in-kind franchise provisions through its rates. There are also decades of past practice in which the franchise fee has been calculated only upon a fee on cable operator's gross revenues.

Interpreting the definition of franchise fee as proposed in the FNPRM will also be unconstitutional. Allowing a cable operator to deduct in-kind franchise provisions that were negotiated as part of a cable franchise contract will result in an unconstitutional taking in violation of the Fifth Amendment. Allowing an off-set of the fair market value of in-kind franchise provisions will also result in a dramatic reduction in support of access television channels and operations thereby limiting or eliminating speech in violation of the First Amendment.

The LFAs also made several comments in the alternative in the event the FCC proceeds with interpreting the definition of franchise fee contrary to the Comments of the LFAs and, we anticipate, many others. These comments include urging the FCC to use a cost-based recovery of in-kind franchise provisions rather than fair market value as the FCC has initially proposed. The reasons supporting a cost-based recovery include the fact that provisions in the Cable Act already allow a cable operator to fully recover all of its franchising costs. Allowing a cable operator to recover the fair market value of these costs will allow a cable operator to recover its costs many times over all on the backs of cable subscribers. Cost recovery, not fair market value recovery, is commonly used throughout the Communications Act. If fair market value recovery is allowed, there are no rules in determining fair market value or even who determines it. This

will undoubtedly result in valuation disputes, causing both local franchising authorities and cable operators to expend time and resources determining fair market value. Conversely, using a cost-based model will avoid these negative consequences. Finally, allowing fair market value recovery will significantly impact local government budgets by allowing a greater franchise fee off-set than would cost-recovery.

Also, in the alternative, the LFAs have raised concerns with the potential impact of retroactive application of a new rule allowing the fair market value of in-kind franchise provisions to be deducted, or offset, from franchise fees. Allowing the recovery of multiple years of in-kind franchise provisions could eviscerate a year or more of cable franchise fees. The LFAs also urge the FCC to specifically exempt consideration in other agreements, such as settlement agreements, side agreements, MOUs and IRUs. In-kind franchise provisions in these independent agreements are separate from cable franchise agreement provisions and must not be included in the definition of franchise fee. Finally, there are some LFAs that have agreed on a franchise fee less than the 5% gross revenue fee cap contained in the Cable Act. This includes franchises with a percentage less than 5% or a definition of gross revenues that is less than all of the cable operator's gross revenues. In these situations, there must be no franchise fee off-set unless and until the cable operator can show the recovery is greater than 5% of all of the cable operator's gross revenues derived from the use of the cable system.

Mixed Use Networks

The FCC's "mixed use rule" was articulated in its [First Report and Order] in this docket, applying the Cable Act to new entrants to the cable market that are providers of "telecommunications service" and regulated as "common carriers" under Title II of the Communications Act. The FCC decided that new entrants using "mixed use" networks – i.e.

networks that deliver both cable service and telecommunications services – are exempt from regulation by LFAs under the Cable Act except to the extent that they provide cable service (the “common carrier exception” to Cable Act regulation set forth in the Act’s definition of “cable system,” which expressly excludes the facilities of common carriers). In the instant FNPRM, the FCC proposes to extend the mixed-use rule to incumbent cable operators that are not common carriers but also furnish non-cable service – notably, broadband Internet access – over their cable systems.

The LFAs argue that, as articulated in the FNPRM, the FCC’s proposed rule preempts altogether LFA regulation of cable operators’ mixed-use networks to provide non-cable service, precluding even PROW regulation as to the facilities installed on the cable system to deliver such services, and precluding fees for managing their use of the PROW, irrespective of whether the regulation and fees comply with the Communications Act and the FCC’s recently issued Order addressing small cell networks. The FCC’s justification is that the common carrier exception applies to cable operators’ use of their cable systems to provide non-cable services, notwithstanding that they are not common carriers.

The LFAs argue that it is simply a *non sequitur* to apply this exception, limited by its plain language and legislative history to the systems of common carriers, to a service provided by cable operators over a cable system. The LFAs show that the FCC’s extension of the mixed-use rule is inconsistent with Congress’ intent as expressed in the Committee report for the 1984 Act, and that it misunderstands the Communications Act’s very different treatment of cable services and Title I and II services. The LFAs argue that for these reasons, the FCC’s interpretation of the common carrier exception is plainly contrary to the plain meaning of the Cable Act and therefore cannot withstand scrutiny under *Chevron*.

The LFAs further argue that the FCC's proposed ruling is contrary to the Communications Act's prohibitions on discriminatory and non-competitively neutral treatment of telecommunications service providers in Sections 253 and 332; and that it in fact mandates that LFAs discriminate against common carriers in their provision of non-cable services because it excuses cable operators from PROW use costs that common carriers must incur for the same services – treatment that clearly is not competitively neutral. Again, the proposed rule's violation of the Communications Act cannot survive *Chevron* scrutiny. Finally, the LFAs show that the legislative history shows Congress intended that the status quo in effect in 1984 with respect to the regulation of non-cable services provided over cable networks not be altered by the Cable Act. Congress therefore could not have intended the radical reform of such regulation constituted by the FCC's misapplication of the common carrier exception to preempt LFA regulation of the cable systems of cable operators that use them to provide non-cable services as well as cable services.

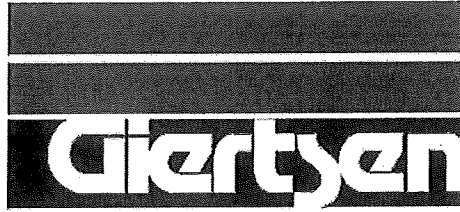
State Preemption

Finally, the Commission's proposed rules regarding preemption of state cable franchises and cable franchising laws are not permitted by either the Cable Act or the Commission's Title I authority to regulate information services. The Cable Act's purpose is to “encourage the growth and development of cable systems and [to] assure that cable systems are responsive *to the needs and interests of the local community*.”⁶ The Commission's proposed rules would unduly restrict states and local governments from addressing local and hyperlocal cable-related issues. This is

⁶ Cable Communications Policy Act of 1984 at § 601(2), Pub. L. 98-549, 98 Stat. 2779, 2780 (1984), *amended by* Cable Television Consumer Protection and Competition Act of 1992, Pub. L. 102-385, 106 Stat. 1460 (1992), *amended by* Telecommunications Act of 1996, Pub. L. 104-104, 110 Stat. 56 (1996) (herein “Cable Act”).

contrary to the Cable Act's very purpose and is therefore an impermissible exercise of the Commission's Title VI authority.

Perhaps recognizing the impermissible nature of its proposed actions, the Commission has also identified increasing access to broadband Internet services as a rational for its proposed rules (e.g., reducing the digital divide between urban and rural areas). While this is a shared concern of the LFAs, it is impermissible for the Commission to regulate Title VI services and systems using the Commission's Title I authority (i.e., authority to regulate information services). Moreover, the Commission has failed to cite even an iota of evidence showing any relationship between preempting state cable franchises and cable franchising laws and increasing access to broadband Internet services other than its own, anecdotal evidence.



Giertsen Company of Minnesota, Inc.
8385 10th Ave N · Golden Valley, MN 55427
MN Lic. BC001796

Limited Warranty

Giertsen Company warrants all work performed by it or its sub-contractors to be free from defects for a period of ten (10) years from the date of substantial completion as set forth in the Giertsen Company's invoice.

Giertsen Company warrants that all materials furnished by it are of good quality, free from defects and installed or applied in a good and workmanlike manner, meeting applicable building code requirements and industry standards as determined by the State of Minnesota under statutes Chapter 327A. The Giertsen Company shall repair or replace, at its option, any defective work performed pursuant to the contract between the Giertsen Company and the property owner.

The liability of the Giertsen Company for defective material and/or workmanship is limited to the replacement or correction of defective material and/or workmanship. Under no circumstances shall the Giertsen Company be liable for any incidental or consequential damages resulting for any defect covered by warranty. This warranty does not apply to damages or defects, which result from other than normal use.

Assemblies or units purchased by the Giertsen Company are sold and installed subject to the manufacturer's warranties. The property owner shall look to those manufacturers only for defects on these items.

All requests for repair or replacement of defective material and/or workmanship pursuant to this warranty shall be made in writing and detail the exact nature of the warranty claim. The claim shall be mailed or delivered to the Giertsen Company.

All other warranties, express or implied, are hereby expressly disclaimed.

Kevin Giertsen
President

Property Owner	North Metro Communications
Property Address	12520 Polk St NE
	Blaine, MN 55434

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

Tuesday, December 4, 2018

CALL TO ORDER

The meeting began at 10:35 a.m.

MEMBERS PRESENT

B. Petracek, D. Buchholtz, J. Karlson, M. Statz, C. Arneson

MEMBERS ABSENT

D. Krueger, P. Antonen,

OTHERS PRESENT

H. Arnson

APPROVAL OF MEETING NOTES

The meeting notes of October 2, 2018 were approved by consensus.

EXECUTIVE DIRECTOR REPORT

- An update was given regarding the CenturyLink franchise issues. Legal Counsel and staff had met with CenturyLink's Corporate Counsel to discuss perceived franchise violations and to determine a resolution. Since CenturyLink does not intend to continue offering the Prism TV service, it was agreed that it was in the best interest of both parties to draw up a document outlining an orderly exit from the market. CenturyLink has sent Legal Counsel a first draft of a settlement agreement. We are in the process of sending a response to the first draft. Once a settlement agreement is finalized it will likely need to be forwarded to Cities for their approval.
- Comments regarding the FCC's franchise fee Further Notice of Proposed Rulemaking were filed by Legal Counsel on November 14th. Reply Comments will be filed by December 14th. The FCC will take the matter under consideration and may or may not issue a final Report and Order. The Report and Order will state an effective date, likely 90 days from the date it is released and published in the Federal Register. The Report and Order may be appealed and a stay would likely be requested. If a stay is granted we stay at the status quo through the appeal process. Otherwise, the Report and Order will be effective pending the appeal.
- The roof has been replaced. Weather slowed the schedule down a bit, but the project was completed by the designated completion date. The clean up was thorough and the process was professional and positive. Giertsen provided a project report and a written 10 year workmanship guarantee.
- The Committee recommended adjusting the 2018 budget to account for the roof expense and higher than expected building maintenance costs.
- Third quarter franchise and PEG fee reports were reviewed.

OLD BUSINESS

- There was no old business.

NEW BUSINESS

- The regularly scheduled January Operations Committee meeting will fall on New Year's Day. The consensus was to cancel the meeting, rather than reschedule.

ADJOURNMENT

The meeting was adjourned at 11:23 a.m.

POTs and PANs

Pretty Advanced New Stuff from CCG Consulting

December 13, 2018

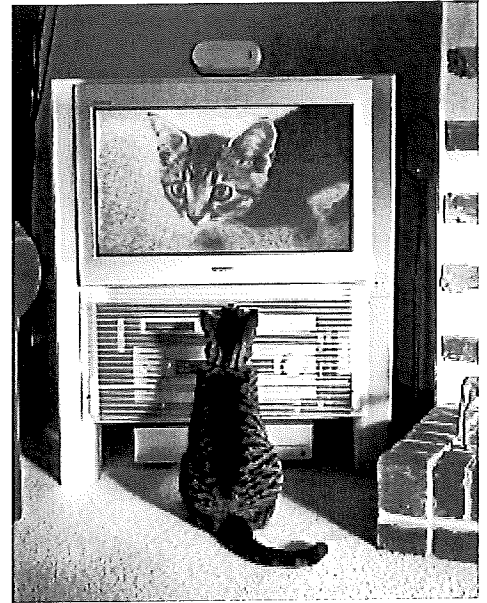
Why Households Keep Cable TV

Leave a comment

(https://potsandpansbyccg.com/2014/03/17/whats-up-with-cord-cutters/fatty_watching_himself_on_tv/#main) The results of a new survey were recently released by Telaria and Adobe Advertising Cloud that looked in detail at both cord cutters and those who still use traditional cable TV packages. The survey asked questions to groups of cord-cutters, those with traditional TV and also consumers who only watch video on demand and don't pay for a service. A summary of the survey can be found [at this link \(https://telaria.com/2018/10/inside-the-minds-of-cord-cutters-cable-keepers/\)](https://telaria.com/2018/10/inside-the-minds-of-cord-cutters-cable-keepers/).

The survey asked why households keep traditional cable TV and got the following responses:

- 42% said the primary reason for keeping traditional cable TV is to watch live programming such as sports or local news.
- 55% said that the options for cord-cutting are confusing.
- 34% said they liked having a lot of channels available.
- 21% said they didn't know where to look for alternative options to traditional cable TV.
- 55% with traditional cable TV are still satisfied with the value they get for the price they pay.
- 48% said they have considered cancelling traditional cable TV.
- 30% said they would cut the cord if they were sure they could watch all of their favorite content



Cord-cutters were asked why they had left traditional TV:

- 73% said it was due to the high cost of cable TV. 74% of cord-cutters say they are now happy with what they are paying for content.
- 30% described themselves as low users of watching content and left because they didn't use traditional TV very much.
- 36% said they were still able to get the content they want.

There were some other interesting responses in the survey:

- 16% of respondents say they have used somebody else's password to watch streaming content.
- 27% of homes now use a digital antenna to watch over-the-air TV, with sports being the primary reason for using the antenna.

These results are further validated by a survey released earlier this year by Deloitte who surveyed 2,088 households asking why they are keeping traditional cable TV:

- The primary reason for keeping TV, cited by 71% of households is the ability to watch live broadcasts – be that sports, local news or events like the Emmys or Oscars.
- Another primary reason is that households perceive that they are saving money due to a bundle. 56% of respondents said the bundle made them feel like they are getting a good deal.
- The third reason cited for keeping traditional cable is that households said they've had the service for a long time and don't want to change.
- However, Deloitte found concern about price with 70% of respondents said they are paying too much for their cable subscriptions.

As somebody who cut the cord a number of years ago I echo some of the concerns voiced in these surveys. It can be confusing understanding the differences between the online programming options. I applaud anybody who can decipher the differences between packages offered by Sling TV, DirecTV Now and Playstation Vue. I've not yet found an online service that is easy to surf if you don't have specific programming in mind. The proliferation of platforms with unique programming such as CBS All Access, Disney and others will likely make it even harder to find or afford all of the content you might want to watch. We are definitely not yet to a point where cord-cutting is as easy as keeping the traditional cable package.

Posted by [CCGConsulting](#) in [What Customers Want](#)

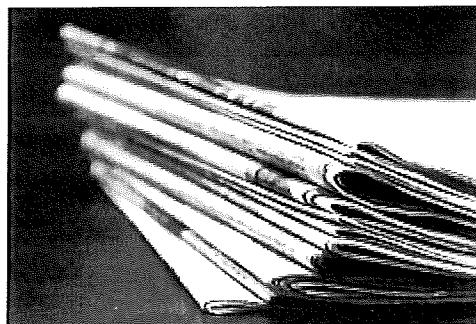
Tagged: [cord cutting](#), [NetFlix](#), [Sling TV](#), [Telaria](#)

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- **Public**

PRESS RELEASE RURAL BROADBAND ACCESS

FCC Communications Marketplace Report Finds High Cable Prices, Uncompetitive Broadband Markets

*By Shiva Stella***December 12, 2018**FCC, Digital Divide, Cable Pricing, Rural Broadband Access, Communications Marketplace Report

Today, the Federal Communications Commission adopted its first ever Communications Marketplace Report. The Report complies with new congressional requirements to streamline the Commission's various communications reports into a comprehensive, consolidated review of the state of the communications ecosystem.

The following can be attributed to Phillip Berenbroick, Senior Policy Counsel at Public Knowledge:

"This Report shows what most Americans already know: cable prices are too high and rising far faster than the rate of inflation and wages; broadband is not being deployed to communities on the wrong side of the digital divide; and consumers continue to have little, if any choice of broadband provider. It's simply a blatant admission that the Commission has not only failed to make progress on closing the digital divide, but is also eager to double down on policies that exacerbate trends that harm consumers, erode competition, and disregard the public interest. The American public and its newly elected Congress must demand action to curb these trends before it's too late.

"The Report confirms that four-firm competition in the wireless marketplace has helped drive lower prices and innovative service offerings for consumers. Additionally, the Report is a stark reminder that the wireless industry is already highly concentrated and that there are significant barriers to market entry by new competitors -- including access to spectrum. The data reported is a timely reminder that consumers, competition, and innovation will suffer if the proposed T-Mobile/Sprint merger goes forward.

"The Report also corroborates what every cable subscriber knows all too well -- cable prices have continued to rise far faster than the rate of inflation. Lack of competition in cable markets, along with substantial increases in the prices cable systems pay for retransmission of broadcast stations, are driving cable prices upward at an unsustainable rate, leaving consumers to increasingly abandon cable television altogether. However, instead of addressing this issue by promoting competition and discouraging further broadcaster consolidation, the Commission has doubled down on these discouraging trends by allowing the Comcast-NBCU merger conditions to expire and clearing away rules meant to ensure that broadcasters actually serve their local markets.

"In evaluating the availability and competition in the fixed broadband market, the Commission continues to rely on self-reported data by broadband providers and has been found to be inaccurate and overstates service availability in much of the U.S. The Commission also does not provide any data or analysis on fixed-broadband prices and whether networks are sufficiently secure, resilient, and reliable to ensure broadband is affordable and that consumers can use communications networks when most essential -- in times of emergency or disaster.

"While the Commission's analysis details that the cost of deployment to rural communities continues to be a significant barrier to entry, the Commission fails to provide any leadership on how to overcome these barriers to deployment other than a tired and rote repetition that it will seek to eliminate regulations. The Commission continues to find that at a minimum, more than 25 million U.S. residents continue to lack access to broadband; yet, after nearly two years of allegedly prioritizing 'closing the digital divide,' the Commission appears to have no idea how to actually accomplish its stated goal.

"The Federal Communications Commission's staff has accomplished a herculean task by collecting and consolidating a disparate array of detailed data and analysis into the agency's first ever Communications Marketplace Report. The staff's diligent work should be commended. However, the Report is a stark reminder that the Commission has repeatedly abdicated its authority, failed to provide leadership, and ducked its responsibilities under the Communications Act to ensure advanced communications services are competitive, available, and affordable for all."

New FCC Data Indicates Future Broadband Access for Most Americans Will Be a Monopoly

By Ernesto Falcon
December 12, 2018

The Federal Communications Commission (FCC) produced its first Communications Marketplace Report, a biannual report recently required by Congress, to comprehensively assess the status of America's communications and media market. And here's the good news: if what you want is a choice of slow, outdated Internet, then the United States market looks great.

The major takeaway of this report, which provides policymakers in D.C. and the states a wide-ranging view of available data to see trends in the Internet, is that competition for broadband only looks good at slow speeds while a vast majority of Americans (EFF estimates at least 68 million) are facing monopoly or no access to high-speed broadband. In comparison to our international counterparts, the FCC currently ranks the U.S. in fifth place globally (an improvement from our 11th place showing last year) for fixed broadband speeds and 23rd place for mobile broadband speeds (yet curiously found that we have universal access to 4G LTE networks).

In short, we still do not have an accurate picture of how bad the broadband monopoly problem is. The methodology the FCC relies on for collecting information is flawed. Namely, if one household in a census block has broadband, the data reports that an entire census block has access to the same service. The agency acknowledges that this risks overcounting deployment, but does not describe its plan to improve data collection.

The FCC Has Acknowledged That Fiber to the Home Deployments Have Been Slowing Down in the U.S., Resulting in the Monopoly Problem

The faster the speed you want, the fewer choices are available to you until, like a majority of Americans, you effectively return to monopoly options or no options at all. The cause of this is tucked into the report where the FCC noted that new construction plans for fiber networks "appears to have slowed recently." We at EFF wholeheartedly agree and submitted comments to the FCC for this report to raise the alarm and push back against AT&T's and Verizon's plan to make a bad situation worse.

This slowdown coincides with the complete deregulation of the ISP industry under the "Restoring Internet Freedom Order" and a massive tax cut stimulus from Congress to the tune of billions. We are the only advanced market in the world to take this approach to

the broadband industry and the results of dwindling and declining competition for the future comes as no surprise.

EFF has been actively pushing for solutions to this problem such as promoting community broadband and for policymakers to focus on the promotion of fiber to the home construction. We should take stock of what is working well in the EU and advanced Asian markets where FTTH is aggressively being deployed well ahead of the United States. Unfortunately, virtually all of the attention has been spent on promoting 5G wireless, which is aggressively marketed by the wireless industry to help us ignore the cable monopoly issue for nearly 68 million Americans.

To make matters worse, the FCC appears to believe that monopoly doesn't count if competition exists *somewhere else*. It thinks "spillover effects" mean that and that "Internet service provider facing competition broadly, if not universally, will tend to treat customers that do not have a competitive choice as if they do." Notably, this belief—that monopolies can be disciplined without competition—underlies the rationale for the enactment of the Restoring Internet Freedom Order as well.

EFF has found no evidence to support such a claim. Instead, in a handful of markets we have reviewed, we find that the average price consumers pay ranges from 200% to 400% above competitive rates and that cable prices are established surgical precision in order to extract monopoly rents. For example, I myself would have to pay \$159.95 for a gigabit service whereas my coworkers would pay \$40 for a superior product.

Americans Hurt the Most by the High-Speed Broadband Monopoly Tend to Be Low-Income, Rural, or Both

Apparently, only wealthy neighborhoods within cities, away from low-income Americans and rural Americans, have competitive high-speed markets. In a perverse way, that essentially means Americans most in need of connectivity are more likely either to have no access at all, or to have it at exceedingly high prices. Whereas Americans that *do* have disposable income are given access to the latest advancements in broadband access speeds at cheap prices.

The FCC's chart below breaks down the population into four parts, or quartiles, and rates them from most densely populated (like major cities) to least densely populated (very rural areas). The FCC does the same four-way division with income groups so we can distinguish between the upper 25 percent of Americans from the lower 25 percent.

Fig. D-10

Average Percentage of Population with Multiple Provider Options for 250 Mbps/25 Mbps by Census Block Group Demographic Variable (As of December 31, 2017)

	Zero	One	Two	More Than Two
Population Density				
First Quartile (Lowest Pop. Density)	61.3%	30.0%	7.5%	1.2%
Second Quartile	37.2%	40.4%	16.2%	6.2%
Third Quartile	29.3%	44.1%	17.7%	8.9%
Fourth Quartile (Highest Pop. Density)	22.4%	36.4%	18.7%	22.6%
Median Household Income				
First Quartile (Lowest Median Household Income)	45.1%	37.7%	11.3%	5.8%
Second Quartile	44.1%	37.4%	12.5%	6.0%
Third Quartile	37.3%	38.4%	15.4%	8.9%
Fourth Quartile (Highest Median Household Income)	21.5%	37.5%	21.0%	18.0%

105

By the numbers, the FCC has found that the most rural 25 percent of Americans have either have no high-speed access or a high-speed monopoly for an overwhelming 91.3 percent of people. The second quartile does not change matters much where that number drops to 77.6 percent of Americans. For low-income Americans, the first quartile 82.8 percent have no choices or a monopoly choice with the second quartile at nearly the same with 81.5 percent. Compare those numbers to the most densely populated areas (fourth quartile) where 40.3 have at least two high-speed options and 39 percent of wealthy Americans two or more high-speed options and you see not just a digital divide, but a next generation access divide.

What Is the FCC's Plan for Fiber for All Americans?

With several hundred pages detailing the problem the U.S. market faces in obtaining a high-speed competitive market in order to keep pace with the EU and advanced Asian markets, you would think the FCC would begin to investigate how to course correct our current trajectory. However, the Commission, in detailing its response to the problem wrote no more than 4 paragraphs in its 181-page report that mostly reiterates its own faith in its current approach of abandoning oversight over the broadband industry and hoping it works out.

The result of ignoring this problem while the rest of the world rapidly deploys FTTH to their citizens is future Internet applications and services will eventually require more bandwidth than Americans can access or would be forced to go through a monopoly to utilize. Compounding this problem is an exorbitant amount of time regulators and policymakers are spending on 5G wireless that currently does not exist. If these trends continue, it will mean most Americans will be denied the future of broadband access for no other reason than we let it happen.

POTs and PANs

Pretty Advanced New Stuff from CCG Consulting

December 12, 2018

The Terabyte Household

Leave a comment

(<https://potsandpansbyccg.com/2014/07/16/whats-the-truth-about-netflix/polk-county-sign/#main>) I was just in a meeting the other day with a bunch of ISPs were talking about household downloads. Several said that they were now seeing monthly data usage exceed a terabyte, and those with Comcast were lamenting that this is causing them a lot of money.



I wrote a lot about Comcast data caps a few years ago when the company experimented with really low data caps of 300 gigabytes per month. At that time a lot of households complained that they were exceeding those caps. Comcast was arguing at the time to end net neutrality and I think this persuaded them to back off of the low caps, which they set to 1 terabyte.

Here we are only a few years later and a lot of households are bumping up against and exceeding that data caps. Comcast absolutely know this was coming and they just pushed the ability to monetize data caps a few years into the future. As an ISP the company knows better than most that the household demand for total downloaded data has been doubling every three years or so. That kind of growth will push a huge number of households over a terabyte within a decade – with many already hitting it now.

Comcast tries to justify data caps by arguing fairness – the same argument they made a few years ago. They say that those that use the Internet the most ought to pay the most. Even if you can buy that argument the penalty for exceeding the data caps are excessive. Comcast doesn't charge a household for the first two months they exceed a terabyte. After that they have two plans. They will automatically bill \$10 for every extra 50 Gigabytes over the data cap – with total excess charges capped at \$200 per month. Customers who expect to exceed the data cap can also agree to pay \$50 extra every month to get unlimited usage.

Comcast goes on to explain away the terabyte cap by describing what it takes to exceed the cap, as follows:

- Stream between 600 and 700 hours of HD video
- Play online games for more than 12,000 hours
- Stream more than 15,000 hours of music
- Upload or download more than 60,000 hi-res photos

This explanation is simplistic for a number of reasons. First, full Netflix HD broadcast at 1080p streams at over 7 Mbps and uses roughly 2.5 GB per hour, meaning a terabyte will cover about 400 hours of full HD video. If you have a good broadband connection the chances are that you are watching a lot of 4K video today – it's something that Netflix and Amazon Prime offer automatically. It only takes only about 180 hours of 4K video in a month to hit the terabyte data cap – a number that is not hard to imagine in a cord-cutting home. The chart also misses obvious large uses like downloading games – with download sizes over 40 GB for one game becoming common.

The Comcast charts also fail to recognize the hidden ways that we all burn through bandwidth today. It's not untypical for the average household to have a 30% to 40% overhead on Internet usage. That comes from the network having to transmit data multiple times to complete a download request. This overhead is caused for a number of reasons. First are inefficiencies inherent in the open Internet. There are always packets lost on transit that much be sent multiple times. There are also delays caused by the ISP network, particularly networks that are undersized in neighborhoods and that hit capacity during the busy hours. The biggest cause of delays for most of us is in-home WiFi networks that creates a lot of collisions from competing signals.

There are also a lot of background use of the Internet today that surprises people. We now routinely use web storage to back up files. All of the software on our machines upgrade automatically. Many now use applications like video cameras and home alarms that connect in the cloud and that ping back and forth all day. All sorts of other things go on in the background that are a mystery – I've noticed my house has significant broadband usage even when we aren't home. I've estimated that this background communication probably eats about 150 gigabytes per month at my house.

When I consider those issues the Comcast terabyte data caps are stingy. A household with a lot of network noise and with a lot of background traffic might hit the data caps using only half of a terabyte of downloaded video or other services like those listed by Comcast. A home today might hit the cap with 200 hours of full HD streaming or 90 hours of 4K streaming.

The other amazing aspect of the terabyte data caps is the charge for using more than a terabyte in a month. As mentioned above, Comcast charges \$10 for every extra 50 GB. I've done the math for dozens of ISPs and most of my clients spend between \$2 and \$4 per month on average for the bandwidth per broadband customer. That number includes not only residential users, but for most ISPs also includes some huge commercial broadband customers. The average price varies the most according to how far an ISP is away from the Internet, and that component of the cost is fixed and doesn't increase due to higher data volumes by the ISP. After backing out this fixed transport cost, my math says that an extra 50 GB of broadband costs an ISP only a few pennies. For a large ISP like Comcast that cost is significantly lower since they peer with the big broadband users like Netflix, Google and Amazon – and for those arrangements they have nearly zero incremental cost of extra bandwidth.

Finally, the Comcast website claims that less than 1% of their users exceed the terabyte data caps. Only they know the numbers, but I find that hard to believe. When you look at the amount of usage needed to hit that cap there has to be a lot of cord-cutter households already exceeding a terabyte.

The bottom line is that Comcast is extorting homes when they force them to spend \$50 per month for unlimited data usage. That extra bandwidth costs them almost nothing. Unfortunately, there isn't a damned thing any of us can do about this any since Comcast and the other big ISPs got their wish and broadband is no longer regulated by the FCC.

FCC panel wants to tax Internet-using businesses and give the money to ISPs

At AT&T's urging, committee proposes tax on websites to pay for rural broadband.

Jon Brodtkin - 12/12/2018, 2:03 PM

A Federal Communications Commission advisory committee has proposed a new tax on Netflix, Google, Facebook, and many other businesses that require Internet access to operate.

If adopted by states, the recommended tax would apply to subscription-based retail services that require Internet access, such as Netflix, and to advertising-supported services that use the Internet, such as Google and Facebook. The tax would also apply to any small- or medium-sized business that charges subscription fees for online services or uses online advertising. The tax would also apply to any provider of broadband access, such as cable or wireless operators.

The collected money would go into state rural broadband deployment funds that would help bring faster Internet access to sparsely populated areas. Similar universal service fees are already assessed on landline phone service and mobile phone service nationwide. Those phone fees contribute to federal programs such as the FCC's Connect America Fund, which pays AT&T and other carriers to deploy broadband in rural areas.

The state tax proposal comes from the FCC's Broadband Deployment Advisory Committee (BDAC), a group criticized by San Jose Mayor Sam Liccardo—who quit the committee—"for advancing the interests of the telecommunications industry over those of the public." BDAC members include AT&T, Comcast, Google Fiber, Sprint, other ISPs and industry representatives, researchers, advocates, and local government officials.

Model code for states

The BDAC tax proposal is part of a "State Model Code for Accelerating Broadband Infrastructure Deployment and Investment." Once finalized by the BDAC, each state would have the option of adopting the code.

An AT&T executive who is on the FCC advisory committee argued that the recommended tax should apply even more broadly, to any business that benefits financially from broadband access in any way. The committee ultimately adopted a slightly more narrow recommendation that would apply the tax to subscription services and advertising-supported services only.

AT&T stands to be one of the biggest beneficiaries if states assess the new taxes. AT&T already receives nearly \$428 million per year from the FCC's Connect America Fund in exchange for providing 10Mbps Internet service in rural areas.

The proposed tax doesn't seem likely to get support from FCC Chairman Ajit Pai. "Chairman Pai has been clear that he opposes taxes on the Internet," a spokesperson for Pai told Ars when asked if Pai supports the BDAC proposal.

The BDAC model code doesn't require approval from Pai or other FCC commissioners, however. "The FCC does not have to act on this at all—it is adopted by the BDAC as a model code for the states to use, at their discretion," Pai's spokesperson told Ars.

The Internet Association, a lobby group for websites including Netflix, Google, and Amazon, opposes the proposal. "A new tax on Internet services is likely to make them more expensive, which in turn makes it harder for Americans—especially low-income individuals—to use the Internet," the Internet Association said in a statement to Ars.

It's not clear how big the proposed taxes would be. The model code says that states "shall determine the appropriate State Universal Service assessment methodology and rate consistent with federal law and FCC policy."

Definition of “broadband-dependent”

Article 11 of the BDAC's model state code would create a Rural Broadband Deployment Assistance Fund, paid for by contributions from broadband providers and "Broadband Dependent Services."

The definition of "Broadband Dependent Services" is where things get interesting. An earlier version of that definition—available in this document—reads as follows:

"Broadband Dependent Service" means a subscription-based retail service for which consumers pay a one time or recurring fee which requires the capabilities of the Broadband Service which the consumer has purchased and shall also include entities that financially benefit from access to a broadband system located in the state, including advertising providers.

The BDAC met on December 7 and pared that definition back a bit to exclude "entities that financially benefit from access to a broadband system." Video is available here; the discussion on the definition starts around 2:04:45.

BDAC Chair Elizabeth Bowles, who also runs an Arkansas-based wireless Internet service provider called Aristotle, expressed concern that the original version of the definition "was including every small business in America," potentially forcing them all to pay the new tax.

Google Fiber objects

Google Fiber policy chief John Burchett said the more expansive version of the proposal would tax "basically everyone who has an Internet connection" and shift large amounts of sales tax revenue from state general funds to broadband funds. (In cases where broadband-dependent services are already subject to state sales taxes, the model code provides the option of depositing those taxes into the Rural Broadband Deployment Assistance Fund.)

"We want to give the government the ability to tax everyone for anything they ever do with any kind of Internet connection?" Burchett asked. Burchett said the BDAC's definition of broadband-dependent services was so broad that it makes the proposal "absurd."

AT&T executive Chris Nurse, the telecom's assistant VP for state legislative and regulatory affairs, said the definition is "not broad enough."

"It basically is everybody [that should be taxed] because this is a societal objective," Nurse said during the BDAC meeting. "Universal service is a societal objective. We want to spread that \$20 or \$30 billion burden more broadly so the tax is low on everybody."

"Who are we cutting out and who are we leaving in?" Nurse also asked. "Today it's basically the telephone companies [who pay] and not Google and not Amazon and not Facebook, right? And they're gigantic beneficiaries from the broadband ecosystem. Should they contribute or not? Someone has to pay."

Nurse proposed adding subscription-based wholesale services to the definition so that Amazon Web Services and other cloud infrastructure providers would be taxed as well. That proposal was rejected, and the BDAC voted to revise the definition to read as follows:

"Broadband Dependent Service" means a subscription-based retail service for which consumers pay a one time or recurring fee, and shall also include advertising-supported services which requires the capabilities of the Broadband Service which the consumer has purchased.

Nurse voted in favor of the new definition in the near-unanimous committee vote, despite previously saying it should be broadened.

The newly revised definition isn't quite grammatically correct and seems to apply to any subscription-based retail service, even those that don't use the Internet. But it was clear from the meeting that the committee intended to apply the tax only to subscription-based businesses that require Internet connections and to advertising-supported services that use the Internet. The BDAC hasn't finalized the model code yet, so it could edit it further to make its intentions clearer. Bowles told Ars that the definition "will be corrected for

grammar and to match the intent of the BDAC before the final version of the Model State Code is posted to the website."

The BDAC also hasn't yet changed another model code section with language almost identical to what was removed from the definition. The other section says, "Entities that financially benefit from access to a broadband system located in the state, including advertising providers, shall contribute to the Broadband Deployment Fund." Bowles told Ars that this section will be changed to match the new definition of broadband-dependent services.

"The intent of the provision is to reach bandwidth-intensive streaming services that require broadband to function," Bowles told Ars. "It is these services that drive the need for higher speeds and, in order to ensure everyone who wants broadband can receive it, all players in the ecosystem need to contribute into the fund."

"It is not the intent of the language to reach every business that uses the Internet to conduct commerce," Bowles also said. "In fact, the edit was specifically made to avoid that result, as the prior version would have included small businesses that have an online presence."