

NORTH METRO TELECOMMUNICATIONS COMMISSION MEETING

February 19, 2020

6:00 p.m.

SPRING LAKE PARK CITY OFFICES

1301 81ST Avenue NE

AGENDA

1. Call to Order/Roll Call
2. Public Comments
3. Approval of the Agenda
4. Consent Agenda **pp. 1-27**
 - A. Minutes of regular meeting of November 20, 2019
 - B. November, December, and January financial reports and bill lists
 - C. Minutes of Operations Committee meeting of February 4, 2020
 - D. Minutes of Executive Committee meeting of February 5, 2020
5. Executive Director Report
 - A. Monthly Update **pp. 28-35**
 - B. Joint Powers Agreement Updates **pp. 36-46**
 - C. 4th Quarter Franchise and PEG Fees
 - D. Disbursement of 2019 Franchise Fees to Cities **p. 47**
 - E. Recording City Meetings **pp.48-49**
6. Legal Counsel Report
 - A. Monthly Update
7. Old Business
 - A. Comcast Franchise and PEG Fee Report Update, Mike Bradley
 - B. Cable Franchising Order and Coalition Appeal, Mike Bradley **pp.50-53**
8. New Business
 - A. Addressing 2017 CenturyLink Franchise Violation Notices, Mike Bradley **p. 54**
 - B. 2020 Executive Committee Recommendations
9. Recommended Reading **pp. 56-69**
10. Community Calendar
 - A. Next Meeting Dates:
 - a. Operations Committee – March 3, 2020

North Metro Telecommunications Commission

Agenda

February 19, 2020

Page 2

- b. Executive Committee – March 4, 2020
- c. Cable Commission – March 18, 2020

11. Adjournment

NORTH METRO TELECOMMUNICATIONS COMMISSION

UNAPPROVED MINUTES

Commission Meeting – November 20, 2019

CALL TO ORDER

Vice 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, Matt Montain; Centerville, Mike Murphy; Lexington, Mike Schweigert; Circle Pines; Bob Nelson; Spring Lake Park

Directors Absent: Brian Kirkham; Ham Lake, Dale Stoesz; Lino Lakes,

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

PUBLIC COMMENT

There was no public comment.

APPROVAL OF THE AGENDA

The November 20, 2019 North Metro Telecommunications Committee meeting agenda was approved as presented. **Motion for approval made by M. Montain. Second, M. Schweigert. Motion passed unanimously.**

CONSENT AGENDA

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

The September 18, 2019 NMTC meeting minutes, the October 2, 2019 Executive Committee meeting minutes, the October 3, 2019 and November 5, 2019 Operations Committee meeting minutes, and the September and October bill lists and financial reports were approved as presented. **Motion for approval made by M. Murphy. Second, M. Montain. Motion passed unanimously.**

REPORT OF EXECUTIVE DIRECTOR

H. Arnson reported on the following items:

- October was a busy sports coverage month, with 23 games being recorded, including sectional and state tournaments. The annual North Metro Youth football championships, for the 2nd through 6th grade teams, were also covered live. It is one of the most popular events NMTV produces. Every year NMTV plays a youth football marathon, on the channels, on Thanksgiving Day.
- The weekly sports wrap-up show Sports Den, had its fall finale. High school athletes from Blaine, Centennial and Spring Lake Park were in studio for live interviews and highlights. Separate interviews were done for each sport at each high school and they are all available on the NMTV Youtube page.
- A new class has been added to the traveling lecture series. It is called The Monsters of Television: Samantha, Herman, Gomez, and Jeanne. The series is now being presented at three additional venues including Blaine Park and Rec, the Lino Lakes Senior Center, and through Anoka Hennepin Community Education.
- The Blaine Police Department training series was completed with two final episodes. One highlighted community relations and the other summarized the series. There were seven episodes in total.
- Third quarter franchise and PEG fee reports have been received. The numbers for Comcast are either a little better or the same as last quarter. CenturyLink continues to lose subscribers.
- All NMTV streaming channels are now available on the North Metro TV app on Roku and AppleTV devices. Staff is producing a short instructional video showing folks how to find the channels. The video will play on all the city channels.

REPORT OF LEGAL COUNSEL

M. Bradley reserved his comments for Old Business.

OLD BUSINESS

The following old business was presented:

- At the September Commission meeting the Ashpaugh & Sculco Franchise Fee Report was received, reviewed and then filed. The report showed there was an underpayment of franchise and PEG fees. Staff was directed to forward the report to Comcast. Comcast could either pay the amount stated or indicate in writing why they disagreed with the report. Comcast has provided a written response to the report outlining their disagreement with the report.

Next steps include receiving a supplemental report from Ashpaugh & Sculco addressing the Comcast response, and participating in a conference call with Comcast, Ashpaugh & Sculco, and the Executive Directors involved in the review coalition. Based on the information received at that meeting, the Operations Committee and Cable Commission will be updated and final action will be recommended, probably in the first quarter of 2020.

MOTION: To receive and file the Comcast response to the Ashpaugh & Sculco Franchise and PEG Fee Report. **Motion made by B. Nelson. Second, M. Murphy. Motion approved.**

- An update was given on the appeal of the FCC's cable franchise order. Our appeal was originally filed in the DC District Court, but has been moved to the Ninth Circuit District Court. The FCC has denied the Motion for Stay of the Order, which requested that the effective date of the Order be delayed until the appeals have been resolved. This action has created more issues. The NCTA, the cable operator's trade organization, has filed a Petition for Clarification, which caused the FCC to put out a schedule for submitting comments on the matter. Comments are due in the early part of December. In the meantime, a number of additional appeals have been filed. The FCC has asked that the case go to the 6th Circuit Court of Appeals, and that request is pending. The next step is to file a Motion for Stay at the Circuit Court of Appeals. That should happen in the next week.

NEW BUSINESS

- The position of Secretary, on the Commission Executive Committee, is currently vacant. Centerville Commissioner, Matt Montain, has expressed interest in the position. No one else on the Commission expressed interest in the position.

MOTION: To approve Matt Montain as Secretary of the Executive Committee for the remainder of 2019. **Motion made by M. Schweigert. Second, B. Nelson. Motion approved.**

- The schedule of 2020 meetings was discussed. It was agreed that the January meetings would be canceled.

MOTION: To accept the 2020 schedule of Operations Committee, Executive Committee, and Cable Commission meetings as presented. **Motion made by M. Montain. Second, B. Nelson. Motion approved.**

COMMUNITY CALENDAR

Upcoming meetings include:

1. The Operations Committee on December 3, 2019
2. The Executive Committee on December 4, 2019
3. The Cable Commission on December 18, 2019

ADJOURN

The meeting was adjourned at 6:18 p.m. **The motion to adjourn was made by M. Murphy. Second, M. Montain. Motion approved.**

The next meeting of the NMTC will be held on **Wednesday, December 18, 2019 at 6:00 p.m.** at the city offices of Spring Lake Park.

Matt Montain; Secretary, NMTC

**NORTH METRO TELECOMMUNICATION
BILL LIST**

JANUARY 2020

Date	Check #	Payee	Amount
JANUARY	COMBINED	PAYROLL	59,625.15
JANUARY	COMBINED	IRS/US PAYABLE	19,315.09
JANUARY	COMBINED	MN REVENUE PAYABLE	3,181.24
JANUARY	COMBINED	PERA PAYABLE	11,145.08
JANUARY	COMBINED	PEACHTREE	64.60
JANUARY	COMBINED	DISCOVERY BENEFITS	23,082.50
13619	1/3/20	Richard D. Larson	316.00
13620	1/3/20	Grass Hopper Lawn & Snow	525.00
13621	1/3/20	B Harris, Inc.	1,215.00
13622	1/3/20	Bradley Law, LLC	7,243.75
13623	1/3/20	Terry Tronson	218.62
13624	1/3/20	Comcast	53.40
13625	1/3/20	Metro North Chamber of Comm.	465.50
13626	1/12/20	Artists del Norte	100.00
13627	1/12/20	Metro Sales, Inc.	736.00
13628	1/13/20	Z Systems	22,738.63
13629	1/13/20	Z Systems	16,957.69
13630	1/14/20	DVS RENEWAL	212.25
13631	1/14/20	DVS RENEWAL	279.25
13632	1/23/20	Corporate Mechanical	598.84
EFILE	1/1/20	Virtual Merchant Credit Card	59.99
EFILE	1/1/20	Authorize.Net	30.60
EPAY-01	1/1/20	Principal Financial Group	487.85
EPAY-02	1/2/20	POPP TELECOM	214.14
EPAY-03	1/3/20	Comcast	288.06
EPAY-04	1/3/20	T-Mobile	102.16
EPAY-05	1/6/20	Speedway	41.23
EPAY-06	1/6/20	Holiday Station Stores	139.70
EPAY-07	1/12/20	AT&T Wireless	427.47
EPAY-08	1/14/20	Republic Services	184.72
EPAY-09	1/15/20	CenterPoint Energy	357.71
EPAY-10	1/15/20	Comcast Business 200M/200M	1,069.30
EPAY-11	1/15/20	U.S. Bank Card Service	1,039.59
EPAY-12	1/22/20	HealthPartners	11,876.04
EPAY-13	1/26/20	City of Blaine-utilities	63.43
EPAY-14	1/26/20	Connexus Energy	1,895.90
EPAY-15	1/30/20	Comcast	54.24
DEC SALES TAX	1/15/20	MN Dept. of Revenue	81.00
			<u>186,486.72</u>

North Metro Telecommunications Commission

Balance Sheet
January 31, 2020

ASSETS

Current Assets

Cash - Checking Account	\$ 2,875,292.58
Petty Cash	150.00
A/R - NMTC	198,975.72
Prepaid Insurance - NMTC	<u>11,811.46</u>

Total Current Assets 3,086,229.76

Property and Equipment

Office Equipment - NMTC	1,309,645.37
Accum Deprec - NMTC	(2,345,098.14)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,572,799.17
Land-Polk/125	<u>225,700.00</u>

Total Property and Equipment 2,748,046.40

Other Assets

Deferred Out Related/Pension	<u>94,521.00</u>
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Total Other Assets 94,521.00

Total Assets \$ 5,928,797.16

LIABILITIES AND CAPITAL

Current Liabilities

A/P - NMTC	\$ 10,516.25
Accrued Payroll Taxes & W/H's	449.54
PERA - CORRECTIONS	310.09
Garnished Wages	86.40
Garnished Wages	(86.40)
PERA PAYABLE - PRIOR	(3,371.42)
Accrued Vacation	88,704.02
Accrued Wages	22,540.20
Franchise Fee App	935,484.87
Due to City of Blaine	659,785.00
Due to City of Centerville	40,915.00
Due to City of Circle Pines	58,677.00
Due to City of Ham Lake	171,010.00
Due to City of Lexington	21,927.00
Due to City of Lino Lakes	202,125.00
Due to City of Spring Lake Par	70,560.00
Deferred In Related/Pension	<u>148,635.00</u>

Total Current Liabilities 2,428,267.55

Long-Term Liabilities

Net Pension Liability	<u>543,664.00</u>
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Total Long-Term Liabilities 543,664.00

Total Liabilities 2,971,931.55

Capital

Net Equity	349,817.59
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	<u>295,634.99</u>

Total Capital 2,956,865.61

Total Liabilities & Capital \$ 5,928,797.16

North Metro Telecommunications Comm

Cash Receipts Journal

For the Period From Jan 1, 2020 to Jan 31, 2020

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
1/25/20	4TH QTR FRAN FEES	4TH QTR FRAN FEES Comcast-Franchise	303,777.17	303,777.17
1/26/20	4TH QTR PEG FEES	4TH QTR PEG FEES Comcast-PEG Fees	193,403.36	193,403.36
1/27/20	4TH QTR FRAN FEES	4TH QTR FRAN FEES CenturyLink-Franchise	3,023.09	3,023.09
1/28/20	4TH QTR PEG FEES	4TH QTR PEG FEES Comcast-PEG Fees	1,551.00	1,551.00
1/28/20	JAN CC SALES-SQUARE	JAN CC SALES-SQUARE JAN CC SALES-SQUARE FEES Credit Card Sales	12.52 455.48	468.00
1/30/20	INTEREST	INTEREST INTEREST - COMMISSION	3,066.21	3,066.21
			<u>505,288.83</u>	<u>505,288.83</u>

North Metro Telecommunications Comm

Check Register

For the Period From Jan 1, 2020 to Jan 31, 2020

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

Check #	Date	Payee	Amount
EFILE	1/1/20	Discovery Benefits	22.50
EFILE	1/1/20	Authorize.Net	30.60
EFILE	1/1/20	Virtual Merchant Credit Card	59.99
EPAY-01	1/1/20	Principal Financial Group	487.85
EFILE	1/1/20	Discovery Benefits	470.00
EFILE	1/1/20	Discovery Benefits	20,000.00
EPAY-02	1/2/20	POPP TELECOM	214.14
PEACH	1/3/20	Peachtree/Sage Software	20.40
EFILE	1/3/20	MN Dept. of Revenue	1,082.48
EFILE	1/3/20	Public Employees Retirement	3,567.82
EFILE	1/3/20	IRS/US BANK	6,112.17
EPAY-04	1/3/20	T-Mobile	102.16
EPAY-03	1/3/20	Comcast	288.06
13619	1/3/20	Richard D. Larson	316.00
13620	1/3/20	Grass Hopper Lawn & Snow	525.00
13621	1/3/20	B Harris, Inc.	1,215.00
13622	1/3/20	Bradley Law, LLC	7,243.75
13623	1/3/20	Terry Tronson	218.62
13624	1/3/20	Comcast	53.40
13625	1/3/20	Metro North Chamber of Comm.	465.50
EPAY-05	1/6/20	Speedway	41.23
EPAY-06	1/6/20	Holiday Station Stores	139.70
EPAY-07	1/12/20	AT&T Wireless	427.47
13626	1/12/20	Artists del Norte	100.00
13627	1/12/20	Metro Sales, Inc.	736.00
13628	1/13/20	Z Systems	22,738.63
13629	1/13/20	Z Systems	16,957.69
EPAY-08	1/14/20	Republic Services	184.72
13630	1/14/20	DVS RENEWAL	212.25

North Metro Telecommunications Comm

Check Register

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Check #	Date	Payee	Amount
13631	1/14/20	DVS RENEWAL	279.25
EPAY-09	1/15/20	CenterPoint Energy	357.71
DEC SALES TAX	1/15/20	MN Dept. of Revenue	81.00
EPAY-11	1/15/20	U.S. Bank Card Service	1,039.59
EPAY-10	1/15/20	Comcast Business 200M/200M	1,069.30
EFILE	1/15/20	Discovery Benefits	1,295.00
PEACH	1/17/20	Peachtree/Sage Software	22.10
EFILE	1/17/20	MN Dept. of Revenue	1,025.90
EFILE	1/17/20	Public Employees Retirement	3,601.93
EFILE	1/17/20	IRS/US BANK	5,885.69
EPAY-12	1/22/20	HealthPartners	11,876.04
13632	1/23/20	Corporate Mechanical	598.84
EPAY-13	1/26/20	City of Blaine-utilities	63.43
EPAY-14	1/26/20	Connexus Energy	1,895.90
EFILE	1/29/20	Discovery Benefits	1,295.00
EPAY-15	1/30/20	Comcast	54.24
PEACH	1/31/20	Peachtree/Sage Software	22.10
EFILE	1/31/20	MN Dept. of Revenue	34.98
EFILE	1/31/20	Public Employees Retirement	331.60
EFILE	1/31/20	IRS/US BANK	1,363.98
EFILE	1/31/20	Public Employees Retirement	3,643.73
EFILE	1/31/20	MN Dept. of Revenue	1,037.88
EFILE	1/31/20	IRS/US BANK	5,953.25
Total			<u>126,861.57</u>

North Metro Telecommunications Comm

General Journal

For the Period From Jan 1, 2020 to Jan 31, 2020

Date	Reference	Trans Description	Debit Amt	Credit Amt
1/1/20	ACCRUED VAC/COMP/SIC	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	86,338.34	86,338.34
1/1/20	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	5,008.48	5,008.48
1/31/20	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
1/31/20	ACCRUED VAC/COM/SICK	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	88,704.02	88,704.02
1/31/20	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	12,897.40	12,897.40
Total			205,848.24	205,848.24

**NORTH METRO TELECOMMUNICATION
BILL LIST**

DECEMBER 2019

Date	Check #	Payee	Amount
DECEMBER	COMBINED	PAYROLL	38,448.30
DECEMBER	COMBINED	IRS/US PAYABLE	12,689.95
DECEMBER	COMBINED	MN REVENUE PAYABLE	2,255.80
DECEMBER	COMBINED	PERA PAYABLE	7,195.51
DECEMBER	COMBINED	PEACHTREE	45.90
DECEMBER	COMBINED	DISCOVERY BENEFITS	962.50
13602	12/4/19	Matt Montain	135.00
13603	12/4/19	Mike Schweigert	135.00
13604	12/4/19	Brian Kirkham	135.00
13605	12/4/19	Dale K. Stoesz	135.00
13606	12/4/19	DESTROYED BY PRINTER	
13607	12/4/19	Michael A. Murphy	135.00
13608	12/4/19	Corporate Mechanical	1,154.39
13609	12/4/19	Corporate Mechanical	756.97
13610	12/8/19	Alex Suszko	500.00
13611	12/8/19	Nicholas Walsh	300.00
13612	12/8/19	Grass Hopper Lawn & Snow	550.00
13613	12/8/19	Coastal Wintergreen LLC	675.00
13614	12/8/19	Aid Electric Corporation	684.80
13615	12/8/19	Richard D. Larson	395.00
13616	12/8/19	Rick Larson	4.11
13617	12/8/19	Richard D. Larson	37.50
13618	12/10/19	Jeremy Millington	23.98
EFILE	12/6/19	Chase Visa Card Services	22,291.67
EFILE	12/15/19	Chase Visa Card Services	198.00
EFILE	12/25/19	Chase Visa Card Services	10,035.78
EFILE	12/1/19	Authorize.Net	32.10
EFILE	12/1/19	Virtual Merchant Credit Card	59.99
EPAY-01	12/1/19	Principal Financial Group	487.85
EPAY-02	12/2/19	POPP TELECOM	214.14
EPAY-03	12/3/19	Comcast	288.06
EPAY-04	12/3/19	T-Mobile	102.16
EPAY-05	12/4/19	Speedway	242.98
EPAY-06	12/7/19	Holiday Station Stores	24.00
EPAY-07	12/12/19	AT&T Wireless	427.47
EPAY-08	12/14/19	Republic Services	165.83
EPAY-09	12/15/19	CenterPoint Energy	326.44
EPAY-10	12/15/19	Comcast Business 100M/100M	1,069.30
EPAY-11	12/18/19	U.S. Bank Card Service	444.02
EPAY-12	12/22/19	HealthPartners	11,876.04
EPAY-13	12/26/19	City of Blaine-utilities	63.60
EPAY-14	12/26/19	Connexus Energy	1,944.45
EPAY-P01	12/4/19	Richard R. Swanson	135.00
NOVEMBER SALES TAX	12/15/19	MN Dept. of Revenue	29.00

117,812.59

North Metro Telecommunications Commission

Balance Sheet
December 31, 2019

ASSETS

Current Assets

Cash - Checking Account	\$ 2,556,502.99
Petty Cash	150.00
A/R - NMTC	198,975.72
Prepaid Insurance - NMTC	11,811.46

Total Current Assets 2,767,440.17

Property and Equipment

Office Equipment - NMTC	1,309,645.37
Accum Deprec - NMTC	(2,332,198.14)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,572,799.17
Land-Polk/125	225,700.00

Total Property and Equipment 2,760,946.40

Other Assets

Deferred Out Related/Pension	94,521.00
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Total Other Assets 94,521.00

Total Assets \$ 5,622,907.57

LIABILITIES AND CAPITAL

Current Liabilities

A/P - NMTC	\$ 10,516.25
Accrued Payroll Taxes & W/H's	449.54
PERA - CORRECTIONS	310.09
Garnished Wages	86.40
Garnished Wages	(86.40)
PERA PAYABLE - PRIOR	(3,371.42)
Accrued Vacation	86,338.34
Accrued Wages	14,651.28
Franchise Fee App	935,484.87
Due to City of Blaine	659,785.00
Due to City of Centerville	40,915.00
Due to City of Circle Pines	58,677.00
Due to City of Ham Lake	171,010.00
Due to City of Lexington	21,927.00
Due to City of Lino Lakes	202,125.00
Due to City of Spring Lake Par	70,560.00
Deferred In Related/Pension	148,635.00

Total Current Liabilities 2,418,012.95

Long-Term Liabilities

Net Pension Liability	543,664.00
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Total Long-Term Liabilities 543,664.00

Total Liabilities 2,961,676.95

Capital

Net Equity	431,408.74
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	(81,591.15)

Total Capital 2,661,230.62

Total Liabilities & Capital \$ 5,622,907.57

North Metro Telecommunications Comm

Cash Receipts Journal

For the Period From Dec 1, 2019 to Dec 31, 2019

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
12/9/19	NOV PAYPAL	NOVEMBER PAYPAL PAYPAL	19.12	19.12
12/11/19	TAPE DUBS-CASH	TAPE DUBS-CASH Miscellaneous receipts	260.00	260.00
12/11/19	REFUND	PREMIUM OVER PAYMENT League of MN Cities	20.00	20.00
12/11/19	COMMERCIAL PROD	COMMERCIAL PRODUCTION - FINAL Miscellaneous receipts	606.05	606.05
12/26/19	PERA REFUND	PERA REFUND Public Employee Retirement	330.50	330.50
12/27/19	TAPE DUBS-CASH	TAPE DUBS-CASH Miscellaneous receipts	100.00	100.00
12/27/19	TAPE DUBS-CHECKS	TAPE DUBS-CHECKS Miscellaneous receipts	310.00	310.00
12/27/19	REFUND	PROPERTY CASUALTY REFUND League of MN Cities	657.00	657.00
12/28/19	DEC CC SALES-SQUARE	DECEMBER CREDIT CARD SALES-SQUARE DECEMBER CREDIT CARD SALES-SQUARE-FEES Credit Card Sales	10.48 379.52	390.00
12/29/19	DEC CC SALES-AUTH	DECEMBER CREDIT CARD SALES-AUTH Credit Card Sales	97.10	97.10
12/30/19	INTEREST	INTEREST INTEREST - COMMISSION	3,062.92	3,062.92
			<u>5,852.69</u>	<u>5,852.69</u>

North Metro Telecommunications Comm

Check Register

For the Period From Dec 1, 2019 to Dec 31, 2019

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

Check #	Date	Payee	Amount
EFILE	12/1/19	Discovery Benefits	22.50
EFILE	12/1/19	Authorize.Net	32.10
EFILE	12/1/19	Virtual Merchant Credit Card	59.99
EPAY-01	12/1/19	Principal Financial Group	487.85
EPAY-02	12/2/19	POPP TELECOM	214.14
EPAY-03	12/3/19	Comcast	288.06
EPAY-04	12/3/19	T-Mobile	102.16
EFILE	12/4/19	Discovery Benefits	470.00
EPAY-05	12/4/19	Speedway	242.98
EPAY-P01	12/4/19	Richard R. Swanson	135.00
13602	12/4/19	Matt Montain	135.00
13603	12/4/19	Mike Schweigert	135.00
13604	12/4/19	Brian Kirkham	135.00
13605	12/4/19	Dale K. Stoesz	135.00
13607	12/4/19	Michael A. Murphy	135.00
13606	12/4/19	DESTROYED BY PRINTER	
13608	12/4/19	Corporate Mechanical	1,154.39
13609	12/4/19	Corporate Mechanical	756.97
PEACH	12/6/19	Peachtree/Sage Software	23.80
EFILE	12/6/19	MN Dept. of Revenue	1,113.67
EFILE	12/6/19	Public Employees Retirement	3,550.72
EFILE	12/6/19	IRS/US BANK	6,020.43
EFILE	12/6/19	Chase Visa Card Services	22,291.67
EPAY-06	12/7/19	Holiday Station Stores	24.00
13610	12/8/19	Alex Suszko	500.00
13611	12/8/19	Nicholas Walsh	300.00
13612	12/8/19	Grass Hopper Lawn & Snow	550.00
13613	12/8/19	Coastal Wintergreen LLC	675.00
13614	12/8/19	Aid Electric Corporation	684.80

North Metro Telecommunications Comm

Check Register

For the Period From Dec 1, 2019 to Dec 31, 2019

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

Check #	Date	Payee	Amount
13615	12/8/19	Richard D. Larson	395.00
13616	12/8/19	Rick Larson	4.11
13617	12/8/19	Richard D. Larson	37.50
13618	12/10/19	Jeremy Millington	23.98
EPAY-07	12/12/19	AT&T Wireless	427.47
EPAY-08	12/14/19	Republic Services	165.83
EPAY-09	12/15/19	CenterPoint Energy	326.44
NOVEMBER SALES TAX	12/15/19	MN Dept. of Revenue	29.00
EPAY-10	12/15/19	Comcast Business 200M/200M	1,069.30
EFILE	12/15/19	Chase Visa Card Services	198.00
EFILE	12/18/19	Discovery Benefits	470.00
EPAY-11	12/18/19	U.S. Bank Card Service	444.02
PEACH	12/20/19	Peachtree/Sage Software	22.10
EFILE	12/20/19	MN Dept. of Revenue	1,113.67
EFILE	12/20/19	Public Employees Retirement	3,496.12
EFILE	12/20/19	IRS/US BANK	5,974.55
EPAY-12	12/22/19	HealthPartners	11,876.04
EFILE	12/25/19	Chase Visa Card Services	10,035.78
EPAY-13	12/26/19	City of Blaine-utilities	63.60
EPAY-14	12/26/19	Connexus Energy	1,944.45
EFILE	12/31/19	Public Employees Retirement	148.67
EFILE	12/31/19	MN Dept. of Revenue	28.46
EFILE	12/31/19	IRS/US BANK	694.97
Total			79,364.29

North Metro Telecommunications Comm

General Journal

For the Period From Dec 1, 2019 to Dec 31, 2019

Date	Reference	Trans Description	Debit Amt	Credit Amt
12/1/19	ACCRUED VAC/COM/SICK	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	88,594.52	88,594.52
12/28/19	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
12/29/19	ACCRUED VAC/COMP/SIC	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	86,338.34	86,338.34
12/30/19	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	5,008.48	5,008.48
Total			<u>192,841.34</u>	<u>192,841.34</u>

**NORTH METRO TELECOMMUNICATION
BILL LIST**

NOVEMBER 2019

Date	Check #	Payee	Amount
NOVEMBER	COMBINED	PAYROLL	37,918.44
NOVEMBER	COMBINED	IRS/US PAYABLE	12,486.26
NOVEMBER	COMBINED	MN REVENUE PAYABLE	2,245.69
NOVEMBER	COMBINED	PERA PAYABLE	7,227.61
NOVEMBER	COMBINED	PEACHTREE	44.20
NOVEMBER	COMBINED	DISCOVERY BENEFITS	962.50
13595	11/1/19	INTERSTATE COMPANIES, INC	1,520.09
13596	11/1/19	Richard D. Larson	334.38
13597	11/13/19	Jeffrey R. Dinsmore	150.00
13598	11/13/19	Callie Jones	24.00
13599	11/13/19	Alexander R. Marcelli	24.00
13600	11/13/19	Corporate Mechanical	748.06
13601	11/19/19	Corporate Mechanical	2,398.84
EFILE	11/1/19	Authorize.Net	40.80
EFILE	11/10/19	Chase Visa Card Services	1,039.56
EFILE	11/11/19	Chase Visa Card Services	771.17
EFILE	11/1/19	Virtual Merchant Credit Card	59.99
EPAY-01	11/1/19	Principal Financial Group	487.85
EPAY-02	11/2/19	POPP TELECOM	214.91
EPAY-03	11/3/19	Comcast	288.06
EPAY-04	11/3/19	T-Mobile	102.16
EPAY-05	11/4/19	Speedway	58.60
EPAY-06	11/4/19	Holiday Station Stores	466.00
EPAY-07	11/12/19	AT&T Wireless	427.62
EPAY-08	11/14/19	Republic Services	165.69
EPAY-09	11/15/19	CenterPoint Energy	39.29
EPAY-10	11/15/19	Comcast Business 200M/200M	1,366.23
EPAY-11	11/15/19	U.S. Bank Card Service	1,442.03
EPAY-12	11/19/19	Bradley Law, LLC	925.00
EPAY-13	11/22/19	HealthPartners	11,876.04
EPAY-14	11/26/19	City of Blaine-utilities	64.12
EPAY-15	11/26/19	Connexus Energy	2,045.64
OCTOBER SALES TAX	11/8/19	MN Dept. of Revenue	108.00

North Metro Telecommunications Commission

Balance Sheet
November 30, 2019

ASSETS

Current Assets

Cash - Checking Account	\$ 2,668,584.19
Petty Cash	150.00
A/R - NMTC	198,975.72
Prepaid Insurance - NMTC	11,811.46

Total Current Assets 2,879,521.37

Property and Equipment

Office Equipment - NMTC	1,309,645.37
Accum Deprec - NMTC	(2,319,298.14)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,572,799.17
Land-Polk/125	225,700.00

Total Property and Equipment 2,773,846.40

Other Assets

Deferred Out Related/Pension	94,521.00
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Total Other Assets 94,521.00

Total Assets \$ 5,747,888.77

LIABILITIES AND CAPITAL

Current Liabilities

A/P - NMTC	\$ 10,516.25
Accrued Payroll Taxes & W/H's	449.54
PERA - CORRECTIONS	310.09
Garnished Wages	86.40
Garnished Wages	(86.40)
PERA PAYABLE - PRIOR	(3,371.42)
Accrued Vacation	88,594.52
Accrued Wages	9,642.80
Franchise Fee App	935,484.87
Due to City of Blaine	659,785.00
Due to City of Centerville	40,915.00
Due to City of Circle Pines	58,677.00
Due to City of Ham Lake	171,010.00
Due to City of Lexington	21,927.00
Due to City of Lino Lakes	202,125.00
Due to City of Spring Lake Par	70,560.00
Deferred In Related/Pension	148,635.00

Total Current Liabilities 2,415,260.65

Long-Term Liabilities

Net Pension Liability	543,664.00
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Total Long-Term Liabilities 543,664.00

Total Liabilities 2,958,924.65

Capital

Net Equity	431,408.74
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	46,142.35

Total Capital 2,788,964.12

Total Liabilities & Capital \$ 5,747,888.77

Internally Prepared - For Management Use Only

North Metro Telecommunications Comm

Cash Receipts Journal

For the Period From Nov 1, 2019 to Nov 30, 2019

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
11/1/19	REFUND-UNDERPAID	UNDERPAYMENT CenturyLink-Franchise	19,113.82	19,113.82
11/6/19	OCTOBER PAYPAL	OCTOBER PAYPAL SALES		367.00
		OCTOBER PAYPAL SALES-FEES	16.15	
		PRIOR AMOUNT		12.43
		PAYPAL	363.28	
11/6/19	DRONE PRODUCTION-TJ	DRONE PRODUCTION-CARLTON COLLEGE		500.00
		Miscellaneous receipts	500.00	
11/25/19	NOV CC SALES-AMEX	NOVEMBER CREDIT CARD SALES-AMEX		20.00
		NOVEMBER CREDIT CARD SALES-AMEX-FEES	0.78	
		Credit Card Sales	19.22	
11/26/19	NOV CC SALES-SQUARE	NOVEMBER CREDIT CARD SALES-SQUARE		253.00
		NOVEMBER CREDIT CARD SALES-SQUARE-FEES	6.73	
		Credit Card Sales	246.27	
11/27/19	NOV CC SALES-AUTH	NOVEMBER CREDIT CARD SALES-AUTH		213.62
		Credit Card Sales	213.62	
11/30/19	INTEREST	INTEREST-COMMISSION CHECKING INTEREST - COMMISSION	3,261.71	3,261.71
			<u>23,741.58</u>	<u>23,741.58</u>

North Metro Telecommunications Comm

Check Register

For the Period From Nov 1, 2019 to Nov 30, 2019

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

Check #	Date	Payee	Amount
EFILE	11/1/19	Discovery Benefits	22.50
EFILE	11/1/19	Authorize.Net	40.80
EFILE	11/1/19	Virtual Merchant Credit Card	59.99
13596	11/1/19	Richard D. Larson	334.38
EPAY-01	11/1/19	Principal Financial Group	487.85
13595	11/1/19	INTERSTATE COMPANIES, INC	1,520.09
EPAY-02	11/2/19	POPP TELECOM	214.91
EPAY-03	11/3/19	Comcast	288.06
EPAY-04	11/3/19	T-Mobile	102.16
EPAY-06	11/4/19	Holiday Station Stores	466.00
EPAY-05	11/4/19	Speedway	58.60
EFILE	11/6/19	Discovery Benefits	470.00
PEACH	11/8/19	Peachtree/Sage Software	22.10
EFILE	11/8/19	MN Dept. of Revenue	1,117.25
EFILE	11/8/19	Public Employees Retirement	3,568.92
EFILE	11/8/19	IRS/US BANK	6,042.01
OCTOBER SALES TAX	11/8/19	MN Dept. of Revenue	108.00
EFILE	11/10/19	Chase Visa Card Services	1,039.56
EFILE	11/11/19	Chase Visa Card Services	771.17
EPAY-07	11/12/19	AT&T Wireless	427.62
13597	11/13/19	Jeffrey R. Dinsmore	150.00
13598	11/13/19	Callie Jones	24.00
13599	11/13/19	Alexander R. Marcelli	24.00
13600	11/13/19	Corporate Mechanical	748.06
EPAY-08	11/14/19	Republic Services	165.69
EPAY-09	11/15/19	CenterPoint Energy	39.29
EPAY-11	11/15/19	U.S. Bank Card Service	1,442.03
EPAY-10	11/15/19	Comcast Business 100M/100M	1,366.23
EPAY-12	11/19/19	Bradley Law, LLC	925.00

North Metro Telecommunications Comm

Check Register

For the Period From Nov 1, 2019 to Nov 30, 2019

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

Check #	Date	Payee	Amount
13601	11/19/19	Corporate Mechanical	2,398.84
EFILE	11/20/19	Discovery Benefits	470.00
PEACH	11/22/19	Peachtree/Sage Software	22.10
EFILE	11/22/19	MN Dept. of Revenue	1,117.25
EFILE	11/22/19	Public Employees Retirement	3,568.92
EFILE	11/22/19	IRS/US BANK	6,042.01
EPAY-13	11/22/19	HealthPartners	11,876.04
EPAY-14	11/26/19	City of Blaine-utilities	64.12
EPAY-15	11/26/19	Connexus Energy	2,045.64
EFILE	11/30/19	IRS/US BANK	402.24
EFILE	11/30/19	MN Dept. of Revenue	11.19
EFILE	11/30/19	Public Employees Retirement	89.77
Total			<u>50,154.39</u>

North Metro Telecommunications Comm

General Journal

For the Period From Nov 1, 2019 to Nov 30, 2019

Date	Reference	Trans Description	Debit Amt	Credit Amt
11/1/19	ACCRUED VAC/SIC/COMP	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	86,837.44	86,837.44
11/1/19	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	22,538.16	22,538.16
11/28/19	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
11/29/19	ACCRUED VAC/COM/SICK	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	88,594.52	88,594.52
Total			<u>210,870.12</u>	<u>210,870.12</u>

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

Tuesday, February 4, 2020

CALL TO ORDER

The meeting began at 10:38 a.m.

MEMBERS PRESENT

D. Buchholtz, J. Karlson, B. Petracek, D. Shimek, M. Wolfe

MEMBERS ABSENT

P. Antonen, M. Statz

OTHERS PRESENT

H. Arnson

APPROVAL OF MEETING NOTES

The meeting notes of November 5, 2019 were approved by consensus.

EXECUTIVE DIRECTOR REPORT

- H. Arnson gave an update on the Comcast franchise and PEG fee review. A conference call between the participating parties took place on December 12th, 2019. The Commission's consultant and Comcast representatives each presented their rationale for conclusions reached in the review. While there was no consensus, it served as a starting point for further discussions. Recommendations for moving forward were considered.
- The status of the Motion for Stay and Appeal of the FCC's Third Order and Report was reported.
- The State of Minnesota and CenturyLink have settled the State's lawsuit against CenturyLink for alleged consumer fraud and deceptive trade practices. The Commission had found CenturyLink in violation of their franchises related to this matter, but agreed to wait for the outcome of the lawsuit before taking further steps. With the lawsuit settled, consideration was given to options for resolving the franchise violations.
- Recommended updates to the Commission's Joint Powers Agreement were considered. Staff was asked to simplify the wording in the section pertaining to quorums. All other recommended updates were found acceptable.
- Fourth quarter franchise and PEG fee reports were reviewed.
- A table, outlining franchise fees paid to cities, was presented. Percentages and fee totals remain virtually identical to last year. Fees and reports will be delivered to cities after the February 19th Commission meeting.
- The cities have expressed interest in having NMTV take over the recording of city meetings. A tentative plan for transitioning into that service was discussed. It was agreed that NMTV could hire freelancers to tape some city meetings and then bill that city for the cost, until 2021, when the freelancers could be included in the NMTV budget. Not all cities would participate immediately, but could eventually transition to the service. Full and part-time NMTV staff would serve as back-ups in the event a freelancer was unable to cover a meeting. NMTV staff would hire, train and schedule the freelancers. The need for a standard pay rate was discussed and approved. The group

voted to approve a \$16 per hour rate with a guaranteed 3 hour minimum. The motion was moved by Jeff Karlson and seconded by Dan Buchholtz. The vote was unanimous.

OLD BUSINESS

There was no old business.

NEW BUSINESS

- Staff asked whether cities conduct annual surveys of their residents, and if so, could questions regarding NMTV be included. Most cities do not conduct annual surveys but considered that it might be possible to include questions regarding NMTV when they are done. The topic of surveys was then discussed, along with the difficulty of determining and quantifying local programming viewership considering the variety of platforms on which programming can be viewed.
- The 2020 Commission Contact information sheet was distributed.

ADJOURNMENT

The meeting was adjourned at 11:44 a.m.

EXECUTIVE COMMITTEE MINUTES

Meeting of February 5, 2020

Executive Cmte. Present: Dick Swanson; Blaine, Matt Montain; Centerville, Dale Stoesz; Lino Lakes, Bob Nelson; Spring Lake Park

Absent:

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

CALL TO ORDER

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

APPROVAL OF MINUTES

A motion to approve the October 2, 2019 Executive Committee meeting minutes was made by D. Swanson. Second, B. Nelson. Motion approved.

EXECUTIVE DIRECTOR / OPERATIONS COMMITTEE REPORT

- Mike Bradley gave an update on the Comcast franchise and PEG fee review. A meeting took place on December 12th, 2019 that included Ashpaugh & Sculco, Comcast representatives, the participating LFAs and legal counsel. Comcast and Ashpaugh & Sculco reviewed the reports and demonstrated how each one came to their conclusions. Options for moving forward with the review were considered. The group thought it would be beneficial to continue discussing the matter with Comcast.

MOTION: To continue discussions with Comcast regarding the Franchise Fee and PEG Fee Review. **Motion made by D. Swanson. Second, B. Nelson. Motion approved.**

- Mike Bradley provided an update on the status of the Motion for Stay and Appeal of the FCC's Third Order and Report.
- The State of Minnesota and CenturyLink have settled the State's lawsuit against CenturyLink for alleged consumer fraud and alleged deceptive trade practices. The Commission had found Centurylink in violation of their franchises related to this matter, but agreed to wait for the outcome of the lawsuit before taking further steps. With the lawsuit settled, consideration was given to options for resolving the franchise violations. The Operations Committee recommended talking to CenturyLink to come to an agreement.

MOTION: To meet with CenturyLink to reach an agreement and resolution regarding the Notice of Franchise Violations. **Motion made by D. Stoesz. Second, B. Nelson. Motion approved.**

- Recommended changes to the Joint Powers Agreement were discussed. Consideration was given to whether changes should be made to the method for

assigning votes. Staff was asked to provide examples of different options for the March meetings.

- Fourth quarter franchise and PEG fee reports were reviewed.
- A memo outlining the division of the 2019 franchise fees being returned to Cities was reviewed. The memo includes a table determining city revenue as a percentage of gross revenue, and a table utilizing that percentage to determine fees returned to each City.

MOTION: To approve disbursement of the 2019 franchise fees, retained by the Member Cities, as presented in the disbursement materials. **Motion made by M. Montain. Second, D. Swanson. Motion approved.**

- The Operations Committee has expressed interest in having NMTV take over the recording of city meetings. A tentative plan for transitioning into that service was discussed. It was agreed that NMTV could hire freelancers to record some city meetings and then bill that city for the cost, until 2021, when the freelancers could be included in the NMTV budget. Not all cities would participate immediately, but could eventually transition to the service. Full and part-time NMTV staff could serve as back-up if a freelancer is unavailable to record a meeting. NMTV staff would hire, train, and schedule the freelancers. The need for a standard rate of pay was discussed. The Operations Committee approved of a \$16 per hour rate with a guaranteed three hour minimum. Discussions will continue as implementation for some cities begins.

OLD BUSINESS

There was no old business.

NEW BUSINESS

- Recommendations were made for members of the 2020 Executive Committee. At the meeting, Dick Swanson, Matt Montain, Dale Stoesz and Bob Nelson indicated a willingness to serve. If no other candidates express interest in the Committee, at the full Commission meeting, it is recommended that Dale Stoesz serve as Chair, Dick Swanson serve as Vice Chair, Bob Nelson serve as Treasurer, and Matt Montain serve as Secretary. It was reiterated that this is only a recommendation and that the positions are open and available to anyone who would like to run for them.

MOTION: To approve Dale Stoesz as the Chair, Dick Swanson as the Vice Chair, Bob Nelson as the Treasurer, and Matt Montain as the Secretary of the 2020 Cable Commission. **Motion made by M. Montain. Second, D. Swanson. Motion approved.**

- The 2020 Commission contact information sheet was distributed.
- Dale Stoesz asked whether the group might be interested in scheduling a strategic planning meeting for the organization. The group thought it was a good idea and

that it would be best if it took place after decisions have been made regarding the FCC's Third Report and Order. Participants could include the Cable Commission, members of the Operations Committee and NMTV staff.

ADJOURN

Motion to adjourn made by M. Montain. Second, B. Nelson. Motion approved. The meeting was adjourned at 7:26 p.m.

North Metro TV

January 2020 Update

Program Production

In January, a total of 98 **new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **65:15:00 hours of new programming**.

- 21 programs were produced by the public
- 53 programs were produced by NMTV staff
- 24 programs were produced by City staff



Van Shoots

The HD truck was used for **50:00:00** hours of production. Events produced live and recorded for additional playbacks include:

- Boys Hockey: Blaine vs. Centennial
- Boys Basketball: Centennial vs. Blaine
- Boys Hockey: Spring Lake Park vs. Blaine
- Boys Hockey: Centennial vs. Spring Lake Park
- Girls Hockey: Spring Lake Park/Anoka vs. Centennial
- Girls Basketball: Centennial vs. Spring Lake Park
- Boys Hockey: Centennial vs. Blaine
- Girls Basketball: Centennial vs. Blaine



Workshops

Workshop	Instructor	Organization	Students
Lecture Series – Christmas in Hollywood	Eric Houston	General Public @ North Metro TV	14
Editing	Eric Houston	General Public	1
Intro to NMTV/Studio Tour	Eric Houston	Brightondale Senior Living (\$150 fee)	12
Lecture Series – Star Wars Saga: Creating a Galaxy Far, Far Away	Eric Houston	General Public @ North Metro TV	31
Lecture Series – Star Trek: Behind the Scenes of the Final Frontier	Eric Houston	Blaine Park & Rec	7
Editing	Eric Houston	General Public	1
Lecture Series – Over the Rainbow: Behind the Scenes of the Wizard of Oz	Eric Houston	Mary Ann Young Senior Center	27
Editing	Eric Houston	General Public	1
8 Workshops			94 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	192.75	69	4	13	415	\$639.00
TOTAL:	192.75	69	4	13	415	\$639.00

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.

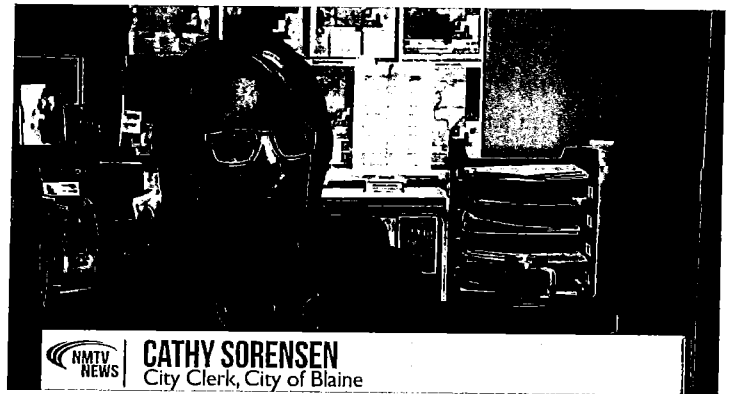
Month	Unique Individuals	Total Usage Hours
January	131	504.75
TOTAL PUBLIC USAGE:		504.75

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 January highlights include:

- Arrival of Owl Brings New Educational Opportunities to the Wargo Nature Center
- Anoka County Leaders Say "No" to Public Input at Board Meetings
- Lino Lakes Leaders Worry About Uncertainty of Ambulance Coverage
- Rice Creek Watershed Appointments Questioned
- Eyes on the Wild Lets You Be An Animal Researcher From Home
- Election Season is Underway in Minnesota
- Lino Lakes Officials Address Water Supply Concerns
- Donations Help fund Creative Options for Anoka Hennepin Students
- Centennial Students Collect Markers to Recycle



In addition to daily playbacks of North Metro TV News on the cable systems, there are 618 local stories archived for viewers on the NMTV YouTube channel. The channel can be accessed through the northmetrotv.com website.

Recording City Meetings

A tentative plan for transitioning the responsibility for recording city meetings, from city staff to North Metro TV staff, has been developed. North Metro TV will hire, train, and schedule freelancers to record some city meetings right away, and then bill that city for the cost. Current NMTV staff will serve as backup, should a freelancer be unable to cover a meeting. This service was not anticipated when the 2020 budget was approved, but will be included in the 2021 budget. At that time NMTV will cover the costs for meeting coverage. Job postings have been distributed and the hiring process is underway. Even if a city currently has staff to cover meetings, NMTV staff could serve as backup should they be needed.

#CATCLASH

The Sports department had some fun with our local basketball and hockey teams the last week of January. They named the week "Cat Clash Week" as all of their games were between our three high school teams. (panthers, bengals and cougars....cats clashing!) They made promos that aired leading up to each of the games and created open teasers at the start of each game. In all, they recorded 5 games of Blaine, Centennial, and Spring Lake Park playing each other. The games included all 3 girls and boys basketball teams, and the Blaine and Centennial boys hockey teams. Two of the games were overtime thrillers and amazing comeback wins for Blaine. You can still catch the games on VOD at northmetrotv.com or streaming on Roku and AppleTV.



Conversations

The third episode of Conversations was produced in January. This time local author and teacher, Stacy Bauer was featured. She discussed her fourth book in the "Cami Kangaroo and Wyatt Too" series. She talked about self-publishing, marketing and writing books that open conversations between parents and children. Conversations features interesting people and topics in the North Metro area.



Meet John Schoolmeesters



We have a new studio assistant at North Metro TV. John Schoolmeesters is a graduate of the University of Minnesota with a degree in Individualized Studies in Media Production. He comes to us with great experience as a student video lab technician and undergraduate peer advisor. His primary responsibilities are assisting producers in the studio and edit suites, transferring tapes, pictures, and slides to DVD, and monitoring and processing city meetings. He covers evening hours, Monday through Thursday, and has proven himself to be a very efficient and hard working individual. John replaces Gunnar Morkri who left us for full-time editing internship.

Lecture Series

It was another big month for our lecture series. We had two of our best attended presentations, to date, with 31 attendees at the studio for "The Star Wars Saga" and 27 attendees for "Over the Rainbow: Behind the Scenes of the Wizard of Oz" at the new Mary Ann Young Senior Center. Since the lecture series remains so popular, Eric has created two more presentations. The first is "The Birth of Animation" and will premiere in March at the North Metro TV studio. The second "Hollywood Goes to the Dogs" about famous movie dogs, will likely premiere at the Mary Ann Young Senior Center. Some facilities, outside of the Member Cities, have begun to show interest in the presentations. We have been contracted to present two classes in February for the Brightdale Senior Living, in New Brighton, for a fee.



City Productions

In January, Municipal Producer, Trevor Scholl, completed another episode of Get Connected Lino Lakes, and spent a majority of the month working with the Blaine Police Department on a suicide awareness video. He will complete that project in early February. Chief Podany sent a very nice email thanking Trevor for the great job he did on the video.

- Get Connected Lino Lakes Winter 2020

New and ongoing projects include:

- Teen Suicide Awareness
- Dasco Printing, business profile
- Animal Humane Society adoption program
- Producing headshots for Blaine staff
- Organized drone projects
- Lexington fire profile
- New police department shows
- New Council member highlights
- 2020 census
- Grandma's House non-profit profile
- Ham Lake Snowbowl
- Centerville ice fishing contest and family skate night



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 assistance required.

Centerville

- No assistance required.

Circle Pines

- 1.30.2020: Trained new staff to record meetings.

Ham Lake

- No assistance required.

Lexington

- No assistance required.

Lino Lakes

- 1.22.2020: Problems with the DVD recorder. The tray will not function. Seems the motor is broken. Brought it back to the office to try to fix.

Spring Lake Park

- 1.13.2020: Went to City Hall to check on a faulty switcher. The graphic program was corrupted. Got the switcher working by using a backup file. Called Broadcast Pix and they sent the installer for the graphics program. It installed correctly and the issues seem to be fixed.

All Cities

- 1.22.20: Finished running power to new APC units in Master Control.

City Channel 16 Playback Stats

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	185	222:47:58
Centerville	57	96:13:18
Circle Pines	160	158:33:29
Ham Lake	80	87:03:20
Lexington	120	71:32:59
Lino Lakes	164	117:58:07
Spring Lake Park	110	94:36:24
Totals:	876 Program Playbacks	948:45:35 Hours of Video Programming on Channels

Programs Produced by the Public

Title	Producer	Runtime
Cornerstone Church ((3 episodes)	Rick Bostrom	01:45:26
Christ Lutheran Church (3 episodes)	Jacob Nessman	03:09:21
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	02:13:35
Oak Park Community Church (5 episodes)	David Turnidge	03:12:17
21 New Programs		16:20:39 New Hours

Programs Produced by NMTV Staff

Title	Producer	Runtime
Anoka County Stat-Org and Board Meeting (1/7/20)	T.J. Tronson	00:43:14
Anoka County Board Meeting (1/28/20)	T.J. Tronson	01:03:51
NMTV News (3 episodes)	Danika Peterson/Rusty Ray	00:47:33
Conversations: Stacy Bauer	Danika Peterson/Rusty Ray	00:18:53
Local Decision 2020: Anoka County Commissioner District 6 Special Edition	Danika Peterson/Rusty Ray	00:30:27
Get Connected With Lino Lakes	Trevor Scholl	00:12:27
Boys Hockey: Blaine/Centennial	Kenton Kipp/J. Millington	02:09:24
Boys Basketball: Centennial/Blaine	Kenton Kipp/J. Millington	01:24:22
Boys Hockey: Spring Lake Park/Blaine	Kenton Kipp/J. Millington	01:49:48
Boys Hockey: Centennial/Spring Lk Prk	Kenton Kipp/J. Millington	01:47:35
Girls Hockey: Spring Lake Park Anoka/Centennial	Kenton Kipp/J. Millington	01:45:33
Girls Basketball: Centennial/Spring Lk Prk	Kenton Kipp/J. Millington	01:32:47
Boys Hockey: Centennial/Blaine	Kenton Kipp/J. Millington	02:02:16
Girls Basketball: Centennial/Blaine	Kenton Kipp/J. Millington	02:16:21
Girls Hockey: Centennial/Blaine	Kenton Kipp/J. Millington	01:23:42
Girls Basketball: Blaine/Centennial	Kenton Kipp/J. Millington	01:29:11
Boys Basketball: Spring Lake Park/Centennial	Kenton Kipp/J. Millington	01:11:25
Boys Basketball: Blaine/Centennial	Kenton Kipp/J. Millington	01:06:15
Sports Den (4 episodes)	Kenton Kipp/J. Millington	01:51:45
Coach & Captains (9 episodes)	Kenton Kipp/J. Millington	00:30:36
Game Highlights (20 episodes)	Kenton Kipp/J. Millington	00:51:23
53 New Programs		26:48:48 New Hours

Programs Produced by City Staff

Title	Producer	Runtime
Blaine City Council Meeting (1/6/20)	Blaine Staff	01:19:15
Blaine Planning Commission Meeting (1/14/20)	Blaine Staff	00:48:52
Blaine Natural Resources Conservation Board Meeting (1/21/20)	Blaine Staff	00:27:37
Blaine City Council Meeting (1/22/20)	Blaine Staff	01:03:04
Blaine Park Board Meeting (1/28/20)	Blaine Staff	01:06:42
Centerville City Council Meeting (1/8/20)	Centerville Staff	02:13:48

Centerville City Council Meeting (1/22/20)	Centerville Staff	01:27:42
Circle Pines City Council Meeting (1/14/20)	Circle Pines Staff	01:31:22
Circle Pines Utility Commission Meeting (1/15/20)	Circle Pines Staff	00:42:21
Circle Pines City Council Meeting (1/28/20)	Circle Pines Staff	00:36:57
Ham Lake City Council Meeting (1/6/20)	Ham Lake Staff	00:31:20
Ham Lake Park & Tree Commission Meeting (1/15/20)	Ham Lake Staff	01:33:27
Ham Lake City Council Meeting (1/21/20)	Ham Lake Staff	00:46:53
Ham Lake Planning Commission Meeting (1/27/20)	Ham Lake Staff	00:39:46
Lexington City Council Meeting (1/2/20)	Lexington Staff	00:16:12
Lexington City Council Meeting (1/16/20)	Lexington Staff	00:33:25
Lino Lakes Planning and Zoning Commission Meeting (1/8/20)	Lino Lakes Staff	00:46:26
Lino Lakes City Council Meeting (1/13/20)	Lino Lakes Staff	00:42:35
Lino Lakes Special Water Meeting (1/22/20)	Lino Lakes Staff	01:10:21
Lino Lakes City Council Meeting (1/27/20)	Lino Lakes Staff	00:43:48
Lino Lakes Environmental Board Meeting (1/29/20)	Lino Lakes Staff	01:02:02
Spring Lake Park City Council Meeting (1/6/20)	Spring Lake Park Staff	00:34:30
Spring Lake Park City Council Meeting (1/21/20)	Spring Lake Park Staff	00:48:22
Spring Lake Park Planning Commission Meeting (1/27/20)	Spring Lake Park Staff	00:38:58
24 New Programs		22:05:45 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 2020

Programming Statistics	J	F	M	A	M	J	JU	A	S	O	N	D	20 Total	20 Average
Cablecast Programs	2606.00												2606.00	217.17
Cablecast Hours	2260.50												2260.50	188.38
Programs Produced - Public	14.00												14.00	1.17
Program Hours Produced - Public	11.00												11.00	0.92
Prog. Produced - Affiliated Public	7.00												7.00	0.58
Prog. Hours Produced - Affil. Public	5.50												5.50	0.46
Programs Produced - City Staff	24.00												24.00	2.00
Prog. Hours Produced - City Staff	22.00												22.00	1.83
Programs Produced - NIMTV Staff	53.00												53.00	4.42
Prog. Hours Produced - NIMTV Staff	26.75												26.75	2.23
Total Public Programs Produced	21.00												21.00	1.75
Total Staff Programs Produced	77.00												77.00	6.42
Total Internal Programs Produced	98.00												98.00	8.17
% Staff Produced Programs	78.57%												78.57%	78.57%
% Public Produced Programs	21.43%												21.43%	21.43%
External Programs Submitted	16.00												16.00	1.33
External Program Hours	12.00												12.00	1.00
Total New Programs	114.00												114.00	9.50
Equipment Usage Statistics														
Facility Hours Available	182.00												182.00	15.17
Public Field Equipment Uses	8.00												8.00	0.67
Studio A	52.75												52.75	4.40
% of Available Time	28.98%												28.98%	28.98%
Studio B	4.00												4.00	0.33
% of Available Time	2.20%												2.20%	2.20%
Public MAC A Edit Suite	94.25												94.25	7.85
% of Available Time	51.79%												51.79%	3.53%
Public MAC B Edit Suite	89.00												89.00	7.42
% of Available Time	48.90%												48.90%	48.90%
Public MAC C Edit Suite	47.50												47.50	3.96
% of Available Time	26.10%												26.10%	26.10%
Production Van Statistics														
Production Hours	50.00												50.00	4.17
Number of Van Shoots	8.00												8.00	0.67
Average Hours Per Shoot	6.25												6.25	0.35
Number of New Volunteers	6.00												6.00	0.50
Volunteer Hours	92.00												92.00	7.67
Public Access Statistics														
Number of Workshops	8.00												8.00	0.67
Number of Students	94.00												94.00	7.83
PAP Volunteer Hours	60.25												60.25	5.02
Total Public Facility Usage Hours	504.75												504.75	42.06

2020 Time of Use Stats

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	Average
Studio A														
Morning Available Hours	35.00												35.00	2.92
Morning Hours Used	7.50												7.50	0.63
Percent of Available	21.43%												21.43%	21.43%
Afternoon Available Hours	79.00												79.00	6.58
Afternoon Hours Used	8.00												8.00	0.67
Percent of Available	10.13%												10.13%	10.13%
Evening Available Hours	68.00												68.00	5.67
Evening Hours Used	37.25												37.25	3.10
Percent of Available	54.78%												54.78%	54.78%
Studio B														
Morning Available Hours	35.00												35.00	2.92
Morning Hours Used	0.00												0.00	0.00
Percent of Available	0.00%												0.00%	0.00%
Afternoon Available Hours	79.00												79.00	6.58
Afternoon Hours Used	0.50												0.50	0.04
Percent of Available	0.63%												0.63%	0.63%
Evening Available Hours	68.00												68.00	5.67
Evening Hours Used	3.50												3.50	0.29
Percent of Available	5.15%												5.15%	5.15%
Public MAC A Edit Suite														
Morning Available Hours	35.00												35.00	2.92
Morning Hours Used	20.00												20.00	1.67
Percent of Available	57.14%												57.14%	57.14%
Afternoon Available Hours	79.00												79.00	6.58
Afternoon Hours Used	53.75												53.75	4.48
Percent of Available	68.04%												68.04%	68.04%
Evening Available Hours	68.00												68.00	5.67
Evening Hours Used	20.50												20.50	1.71
Percent of Available	30.15%												30.15%	30.15%
Public MAC B Edit Suite														
Morning Available Hours	35.00												35.00	2.92
Morning Hours Used	13.50												13.50	1.13
Percent of Available	38.57%												38.57%	38.57%
Afternoon Available Hours	79.00												79.00	6.58
Afternoon Hours Used	35.75												35.75	2.98
Percent of Available	45.25%												45.25%	45.25%
Evening Available Hours	68.00												68.00	5.67
Evening Hours Used	39.75												39.75	3.31
Percent of Available	58.46%												58.46%	58.46%
Public MAC C Edit Suite														
Morning Available Hours	35.00												35.00	2.92
Morning Hours Used	3.25												3.25	0.27
Percent of Available	9.29%												9.29%	9.29%
Afternoon Available Hours	79.00												79.00	6.58
Afternoon Hours Used	29.00												29.00	2.42
Percent of Available	36.71%												36.71%	36.71%
Evening Available Hours	68.00												68.00	5.67
Evening Hours Used	15.25												15.25	1.27
Percent of Available	22.43%												22.43%	22.43%

NORTH METRO TV

TO: OPERATIONS COMMITTEE/CABLE COMMISSION
FROM: HEIDI ARNSON
SUBJECT: JOINT POWERS AGREEMENT UPDATES
DATE: 1/29/2020

Mike Bradley and I have been working on an update to the Joint Powers Agreement that would better serve the Member Cities.

Recommended changes include:

- Removing references to two budgets (the Commission/NMTV has had one budget for the last twelve years)
- Removing the requirement that a city joining the Commission must be contiguous to a current member city
- Rephrasing quorum requirements that maintain the status quo, but would not require additional changes should cities join the Commission
- Removing reporting and oversight language no longer applicable due to law/rule changes
- Including PEG fees as fees available for payments for bonds

These changes would give Cities more control over who could join the Commission, and over how franchise and PEG fees are spent. Any changes to the Joint Powers Agreement would require approval of the Member City Councils.

FINAL

NORTH METRO TELECOMMUNICATIONS COMMISSION

AMENDED AND RESTATED

JOINT AND COOPERATIVE AGREEMENT

FOR THE ADMINISTRATION OF A CABLE COMMUNICATIONS SYSTEM

PARTIES

The parties to this agreement are governmental units of the State of Minnesota. This agreement is made pursuant to Minnesota Statutes Section 471.59, as amended.

I. GENERAL PURPOSE

The general purpose of this agreement is to establish an organization to monitor the operation and activities of cable communications, and in particular, the Cable Communications System (System) of the parties; to provide coordination of administration and enforcement of the franchises of parties for their respective System; to produce, edit and transmit video programming for the parties of this agreement; to make video production, editing and studio facilities and equipment available to the citizens of the parties to this agreement through the operation of a Community Media Center; to promote the development of locally produced cable television programming; to ensure public access to emerging telecommunications technologies; and to conduct such other activities authorized herein as may be necessary to insure equitable and reasonable rates and service levels for the citizens of the Members to this agreement.

II. NAME

The name of the organization is the North Metro Telecommunications Commission (NMTTC).

III. DEFINITION OF TERMS

Section 1. For the purposes of this agreement, the terms defined in this Article shall have the meanings given them.

Section 2. "Commission" means the Board of Directors created pursuant to this agreement.

Section 3. "Community Media Center" means the North Metro TV Studios ~~public access center formerly run by the cable company, and any other media center and facilities operated public access center and studio facility that may be subsequently constructed by~~ the Commission, along with all related equipment and staff.

Section 4. "Council" means the governing body of a Member.

Section 5. "Executive Director" means a staff person that may be hired by the Commission for the purpose of providing administrative support to the Commission and day to day management of the CommunityMediaCenter.

Section 6. "Franchise" means that cable communications franchise granted by all cities listed in Article V, Section 1.

Section 7. "Grantee" means the person or entity to whom a franchise has been granted by Member.

Section 8. "Member" means a municipality which enters into this agreement.

Section 9. "Operations Committee" means a committee, made up of the administrators from each Member City, and the Executive Director as an Ex-Officio member, that meets for the purpose of providing day to day oversight and coordination of the Community Media Center operation, supervision and support of the Executive Director, and advice and counsel to the Commission.

Section 10. "Subscriber" means any individual or location which receives Telecommunications service from which the City collects a franchise fee.

Section 11. "Telecommunications" means traditional television technology and any new, related communications technologies that may be delivered via wire or air.

IV. MEMBERSHIP

Section 1. The municipalities of Blaine, Centerville, Circle Pines, HamLake, Lexington, LinoLakes, and SpringLakePark are the Members of the Commission. Any municipality ~~geographically contiguous to any of these named municipalities, and~~ served by a cable communications system through the same Grantee, may become a Member pursuant to the terms of this agreement.

Section 2. Any municipality desiring to become a Member shall execute a copy of this agreement and conform to all requirements herein.

Section 3. Municipalities, in addition to those listed in Article V, Section 1 of this agreement, desiring to become Members may be admitted by an affirmative vote of the Members of the Commission as specified in Article VI, Section 8 of this agreement. The Commission may by resolution impose conditions upon the admission of additional Members.

V. DIRECTORS: VOTING

Section 1. Each Member shall be entitled to one (1) director to represent it on the Commission who shall be a council member from the Member City. Each director is entitled to one (1) vote for each 2,500 subscribers or fraction thereof subscribing in the municipality represented by the director provided, however, that each director shall have at least one vote. The number of subscribers per City shall be determined as of

December 31st of each year. Prior to the first Commission meeting in February of each year, the Secretary of the Commission shall determine the number of votes for each Member in accordance with this section and certify the results to the Chair.

Section 2. A director shall be appointed by official action of each Member. Each Member shall notify the Commission in writing of the appointment. A director shall serve until a successor is appointed. Directors shall serve without compensation from the Commission.

Section 3. Each Member shall appoint at least one alternate who shall be a council member from the MemberCity. A Member may appoint any number of additional alternate directors, each of whom must also be a council member from that MemberCity. The Commission, in its By-Laws, may prescribe the extent of an alternate's powers and duties.

Section 4. A vacancy in the office of director will exist for any of the reasons set forth in Minnesota Statutes Section 351.02, or upon a revocation of a director's appointment duly filed by a Member with the Commission. Vacancies shall be filled by appointment for the unexpired portion of the term of director by the council of the Member whose position on the Board is vacant.

Section 5. There shall be no voting by proxy, but all votes must be cast by the director or the duly authorized alternate at a Commission meeting.

Section 6. The presence of the number of~~four~~ directors representing a majority of the total authorized votes of all directors shall constitute a quorum, but a smaller number may adjourn from time to time.

Section 7. A director shall not be eligible to vote on behalf of the director's municipality during the time said municipality is in default on any contribution or payment to the Commission. During the existence of such default, the vote or votes of such Member shall not be counted for the purposes of this agreement.

Section 8. All official actions of the Commission must receive either:

(1) a simple majority (51%) of all authorized votes cast on the issue at a duly constituted meeting of the Commission and the affirmative vote of a majority of the directors~~four (4) directors~~; or

(2) the affirmative vote of three-fourths (3/4) of the~~six (6)~~ directors.

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VI. EFFECTIVE DATE: MEETINGS: ELECTION OF OFFICERS

Section 1. A municipality may enter into this agreement by resolution of its council and the duly authorized execution of a copy of this agreement by its proper officers. Thereupon, the clerk or other appropriate officer of the municipality shall file a duly executed copy of this agreement, together with a certified copy of the authorizing resolution, with the Executive Director of the North Metro Telecommunications

Commission. The resolution authorizing the execution of the agreement shall also designate the director and the alternate for the municipality on the Commission, along with said director's and alternate's address and phone number.

Section 2. This agreement is effective on the date when executed agreements and authorizing resolution of five of the municipalities named in Article V, Section 1 have been filed as provided in this Article.

Section 3. At the organizational meeting, or as soon thereafter as it may reasonably be done, the Commission shall select from among the directors a Chair, Vice-Chair, Secretary and Treasurer, adopt By-Laws governing its procedures including the time, place, notice for and frequency of its regular meetings, adopt a procedure for calling special meetings, and such other matters as are required by this agreement.

Section 4. Officers of the Commission shall be elected annually for one year terms. Officers completing on full one year term shall only succeed themselves once in another full one year term in the same office.

VII. POWERS AND DUTIES OF THE COMMISSION

Section 1. The powers and duties of the Commission shall include the powers set forth in this Article.

Section 2. The Commission may make such contracts, grants, and take such other action as it deems necessary and appropriate to accomplish the general purposes of the organization. The Commission may not contract for the purchase of real estate without the prior authorization of the Member municipalities. Any purchase or contracts made shall conform to the requirements applicable to Minnesota statutory cities.

Section 3. The Commission shall assume all authority and undertake all tasks necessary to coordinate, administer, and enforce the Franchise of each Member except for that authority and those tasks specifically retained by a Member.

Section 4. The Commission shall continually review the operation and performance of the cable communications system of the Members and prepare annual reports as required by the Minnesota Cable Communications Board and the FCC.

Section 5. To the extent allowed by applicable law, the Commission shall undertake all procedures necessary to maintain uniform rates and to handle applications for changes in rates for the services provided by the Grantee.

Section 6. The Commission may provide for the prosecution, defense, or other participation in actions or proceedings at law in which it may have an interest, and may employ counsel for that purpose. It may employ such other persons as it deems necessary to accomplish its powers and duties. Such employees may be on a full-time, part-time or consulting basis, as the Commission determines, and the Commission may make any required employer contributions which local governmental units are authorized or required to make by law.

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Section 7. The Commission may conduct such research and investigation and take such action as it deems necessary, including participation and appearance in proceedings of State and Federal regulatory, legislative or administrative bodies, on any matter related to or affecting cable communication rates, franchises, or levels of service.

Section 8. The Commission may obtain from Grantee and from any other source, such information relating to rates, costs and service levels as any Member is entitled to obtain from Grantee or others.

Section 9. The Commission may accept gifts, apply for and use grants, enter into agreements required in connection therewith and hold, use and dispose of money or property received as a gift or grant in accordance with the terms thereof.

Section 10. The Commission shall make an annual, independent audit of the books of the Commission and shall make an annual financial accounting and report in writing to the Members. Its books and records shall be available for examination by the Members at all reasonable times.

Section 11. The Commission may delegate its authority to its executive committee. Such delegation of authority shall be by resolution of the Commission and may be conditioned in such a manner as the Commission may determine.

Section 12. The Commission shall adopt By-Laws which may be amended from time to time.

Section 13. The Commission is given express authority to issue bonds, obligations and other forms of indebtedness, in a principal amount not to exceed \$2,500,000 (the "Bonds"), for approved facility and equipment upgrades consistent with the authority granted to the Commission in this Agreement. As provided in Minn. Stat. § 471.59, subd. 11, the Bonds shall be obligations of the Commission which are issued on behalf of the Members, and shall be issued subject to the conditions and limitations set forth in Minn. Stat. § 471.59, subd. 11. The Bonds shall be payable solely from the Member's franchise fees and/or PEG fees, as hereinafter provided. The Commission may not pledge to the payment of the Bonds the full faith and credit or taxing power of the Members. No Bonds may be issued by the Commission without the prior consent of the Members.

Section 14. The Commission shall provide ongoing oversight of the Operations Committee.

Section 15. The Commission shall recommend and forward to the Member cities the Commission's annual budget, ~~and the Community Media Center's operating budget and~~ work plan.

Section 16. The Commission shall periodically review expenditures related to the CommunityMediaCenter.

Section 17. The Commission may exercise any other power necessary and incidental to the implementation of its powers and duties.

VIII. POWERS AND DUTIES OF THE OPERATIONS COMMITTEE

Section 1. The powers and duties of the Operations Committee shall include the powers set forth in this article.

Section 2. The Operations Committee shall provide input and make recommendations to the Commission.

Section 3. The Operations Committee shall provide for the definition of Member cities' needs and shall coordinate the resources of the Member cities' with the Executive Director and the CommunityMediaCenter for production purposes.

Section 4. The Operations Committee shall provide for the day to day supervision of the Executive Director and evaluation of the CommunityMediaCenter operation both for the purpose of reporting and recommendation to the Commission, and shall designate a liaison for the purpose of day to day communication with the Executive Director and to serve as liaison to the Commission. The Operations Committee will annually provide input to the Commission and Executive Director on the Executive Director's performance.

Section 5. The Operations Committee shall make recommendations on staffing needs and compensation levels for the CommunityMediaCenter.

Section 6. The Operations Committee shall provide input to the development of the Commission's annual budget, ~~and Community Media Center's operating budget~~ and work plan.

Section 7. The Operations Committee shall provide for the ongoing evaluation of the technological needs of the CommunityMediaCenter and the telecommunications needs of the Member cities.

IX. OFFICERS

Section 1. The officers of the Commission shall consist of a Chair, Vice-Chair, a Secretary, and a Treasurer.

Section 2. A vacancy in the office of Chair, Vice-Chair, Secretary or Treasurer shall occur for any of the reasons for which a vacancy in the office of a director shall occur. Vacancies in these offices shall be filled by the commission for the unexpired portion of the term.

Section 3. The four officers shall all be Members of the executive committee.

Section 4. The Chair shall preside at all meetings of the Commission and executive committee. The Vice-Chair shall act as chair in the absence of the Chair.

Section 5. The Secretary shall be responsible for keeping a record of all of the proceedings of the Commission and executive committee.

Section 6. The Treasurer shall be responsible for custody of all funds, for the keeping of all financial records of the Commission and for such other matters as shall be delegated by the Commission. The Commission may require that the Treasurer post a fidelity bond or other insurance against loss of Commission funds in an amount approved by the Commission, at the expense of the Commission. Said fidelity bond or other insurance may cover all persons authorized to handle funds of the Commission.

Section 7. The Commission may appoint such other officers as it deems necessary. All such officers shall be appointed from the membership of the Commission.

X. FINANCIAL MATTERS

Section 1. The fiscal year of the Commission shall be the calendar year.

Section 2. Commission funds may be expended by the Commission in accordance with the procedures established by law for the expenditure of funds by Minnesota Statutory Cities. Orders, checks and drafts must be signed by any two of the officers. Other legal instruments shall be executed with authority of the Commission, by the Chair and treasurer. Contracts shall be let and purchases made in accordance with the procedures established by law for Minnesota Statutory Cities.

Section 3. The financial contributions of the Members in support of the Commission shall be of two types: (1) each Member shall be responsible for its share of the debt service payments on the Commission's Bonds (but only from the Member's franchise fees and/or PEG fees), which share shall be in the same proportion as the Member's franchise fees for the immediately preceding calendar year were to the total franchise fees receivable by the Commission for that calendar year (the "Debt Service Share"); and (2) each member shall be responsible for its share of the operating and capital costs of the Commission (not including any part of the debt service on the Commission's Bonds), which share shall be in direct proportion to the percent of annual subscriber revenues of each Member to the total annual revenues of the system multiplied by the Commission's annual budget (the "Operating Cost Share"). The annual budget shall establish the contribution of each Member for its Operating Cost Share for the ensuing year. Each Member shall cause its franchise fees to be paid directly to the Commission, and the Commission shall deduct from each Member's quarterly payment of franchise fees, before application to any other purpose, one-fourth of the Member's Debt Service Share for that calendar year. If any Member's quarterly payment of franchise fees is not sufficient to pay its quarterly Debt Service Share, the deficiency will continue to be an obligation of the Member and will be deducted from the next payment or payments of the Member's franchise fees until the deficiency has been restored. After provision is made for payment of the Debt Service Share, the remaining franchise fees shall be applied as a credit against each Member's Operating Cost Share owed the Commission, with any excess being remitted to the Member by the Commission and any shortfall being payable to the Commission by the Member. The remainder of any franchise fee remitted back to the Member by the

Commission shall be used for citizen communications-related expenses. Each Member acknowledges that its Debt Service Share of the franchise fee collections will be irrevocably pledged by the Commission as security for the Commission's Bonds.

Section 4. All PEG (public, educational, and government) programming fees collected by the Grantee and redistributed to the Commission shall be used by the Commission to fund the cable-related expenses of the Commission and its Member Cities. ~~operation of a Community Media Center.~~

Section 5. A proposed budget for the operation of the Commission, ~~including the Community Media Center,~~ for each calendar year shall be formulated by the Executive Director under the direction of the Operations Committee and submitted to the Commission on or before July 1 of each year. The Commission shall submit the proposed budget to the Members on or before August 1 of each year. Such budget shall be deemed approved by a Member unless, prior to October 15 preceding the effective date of the proposed budget, the Member gives notice in writing to the Commission that it is withdrawing from the Commission, subject to Article XII, Section 2 of this agreement. Final action adopting a budget for the ensuing calendar year shall be taken by the Commission on or before November 1 of each year.

Section 6. Any Member may inspect and copy the Commission books and records at any and all reasonable times. All books and records shall be kept in accordance with normal and accepted accounting procedures and principles used by Minnesota Statutory Cities.

XI. DURATION

Section 1. The Commission shall continue for an indefinite term unless the number of Members becomes less than five, and the Commission may also be terminated by mutual agreement of all of the Members at any time; provided that the Commission shall continue to exist as long as any Bonds described in Article VIII, Section 13 of this agreement remain outstanding.

Section 2. In order to prevent obligation for its Operating Cost Share for the ensuing calendar year, a Member must withdraw from the Commission by filing a written notice with the Secretary by October 15 of any year giving notice of withdrawal effective at the end of the calendar year; and membership shall continue until the effective date of the withdrawal. A notice of withdrawal may be rescinded by a Member at any time prior to the effective date of withdrawal. If a Member withdraws before the dissolution of the Commission, the Member shall have no claim against the assets of the Commission, including the right to receive an allocation of franchise fees, except as provided herein. A Member withdrawing after October 15 shall be obligated to pay its entire Operating Cost Share (including any shortfalls) for the ensuing year as outlined in the budget of the Commission for the ensuing year. A withdrawn Member will continue to be responsible for its Debt Service Share (payable only from the withdrawn Member's franchise fees and/or PEG fees) notwithstanding its withdrawal from the Commission, and shall continue to have its franchise fees and PEG fees paid directly to the Commission until all Bonds have been paid. Any excess of the withdrawn Member's franchise fees over the

withdrawn Member's Debt Service Share (and any required Operating Cost Share, if the Member gave notice of withdrawal after October 15 of the preceding calendar year) shall be remitted by the Commission to the withdrawn Member. A Member that has withdrawn from the Commission may, if no Bonds are outstanding, upon request, recover an amount of any equity that exists, as of the withdrawal date, in real property and buildings purchased or constructed with any Bonds, up to (but not exceeding) the Member's individual percentage of total franchise fees paid to all the Members (or their designee) and the withdrawn Member for the calendar year preceding withdrawal. The Commission may, if no Bonds are outstanding, at any time after the withdrawal of a Member as provided for herein, initiate a buy-out of the proportionate equity interest of the withdrawn Member, which interest is to be the withdrawn Member's individual percentage of total franchise fees paid to the Members (or their designee) and the withdrawn Member for the calendar year preceding the buy-out, pursuant to terms and conditions agreed upon by the parties. The amount of any equity distributed to a withdrawn Member will be paid, without interest, on a payment schedule established by the Commission, provided, however, the term of such payment schedule shall not exceed five (5) years. When calculating an equity repayment schedule, the Commission may deduct the withdrawn Member's proportionate share of outstanding indebtedness from the amount of any equity due to the withdrawn Member. Notwithstanding anything to the contrary, a withdrawing Member shall have no claim to the franchise fee or PEG fee the Grantee collected on its behalf for the year in which its withdrawal is effective, except for the reimbursement of cable-related expenses for that year. If no Bonds are outstanding, for the calendar year following withdrawal, and for all subsequent years, the entire franchise fee calculated upon gross revenues attributable to the system within the withdrawn Member shall be paid by Grantee to the withdrawn Member in accordance with the Franchise.

Section 3. In the event of dissolution, the Commission shall determine the measures necessary to effect the dissolution and shall provide for the taking of such measures as promptly as circumstances permit, subject to the provisions of this agreement. Upon dissolution of the Commission all remaining assets of the Commission, after payment of obligations, shall be distributed among the then existing Members in proportion to the most recent Member by Member breakdown of the franchise fee as reported by the Grantee. The Commission shall continue to exist after dissolution for such period, no longer than six months, as is necessary to wind up its affairs but for no other purpose.

IN WITNESS WHEREOF, the undersigned municipality has caused this agreement to be signed on its behalf this _____ day of _____, 2020+6.

City of _____, Minnesota

ATTEST:

City Clerk

Mayor

Amended and Restated _____/202016

**DISBURSEMENT OF 2019 FRANCHISE FEES
RECEIVED BY CITIES IN 2020**

TABLE I

	MEMBER CITIES FRANCHISE FEES		2020 COMMISSION BUDGET AVAIL		FRANCHISE FEES RETAINED BY CITIES
TOTAL:	1,229,874	-	829,874	=	400,000

TABLE II

CITY	2019 CABLE COMPANY REVENUE BY CITY *		TOTAL SYSTEM REVENUE *		CITY REVENUE AS % OF SYSTEM REVENUE
Blaine	\$13,615,369	÷	\$24,600,860	=	55.34509%
Centerville	\$843,944	÷	\$24,600,860	=	3.43055%
Circle Pines	\$1,104,350	÷	\$24,600,860	=	4.48907%
Ham Lake	\$3,341,757	÷	\$24,600,860	=	13.58390%
Lexington	\$395,493	÷	\$24,600,860	=	1.60764%
Lino Lakes	\$3,945,945	÷	\$24,600,860	=	16.03987%
Spring Lake Park	\$1,354,002	÷	\$24,600,860	=	5.50388%
TOTAL:	\$24,600,860	÷	\$24,600,860	=	100.00000%

TABLE III

CITY	FRANCHISE FEES RETAINED BY CITIES		CITY REVENUE AS % OF SYSTEM REVENUE		TOTAL FRANCHISE FEES RETAINED BY CITY
Blaine	\$400,000	x	55.34509%	=	\$221,380.36
Centerville	\$400,000	x	3.43055%	=	\$13,722.20
Circle Pines	\$400,000	x	4.48907%	=	\$17,956.28
Ham Lake	\$400,000	x	13.58390%	=	\$54,335.60
Lexington	\$400,000	x	1.60764%	=	\$6,430.56
Lino Lakes	\$400,000	x	16.03987%	=	\$64,159.48
Spring Lake Park	\$400,000	x	5.50388%	=	\$22,015.51
TOTAL:	\$400,000	x	100.00000%	=	\$399,999.99

* All amounts are rounded to nearest dollar.

NORTH METRO TV

TO: OPERATIONS COMMITTEE/CABLE COMMISSION
FROM: HEIDI ARNSON
SUBJECT: RECORDING CITY MEETINGS
DATE: 1/27/2020

Cities have expressed interest in having NMTV take over the recording of city meetings. The topic was discussed at our recent staff workshop and a tentative plan for doing so was developed:

Create Layers of Redundancy

1. NMTV freelancers
2. NMTV part-time staff
3. NMTV full-time staff
4. Emergency city staff

Responsibilities

1. Direct/record live meetings
2. Improve quality of meetings with more camera shots/use of graphics
3. Mark agenda items for bookmarking/VOD
4. Find news/municipal stories
5. Troubleshoot problems
6. Communicate with master control/video engineer as necessary

Training

1. Assign freelancers to specific cities
 - a. Train on equipment use
 - b. Have full time staff accompany freelancer on first two live shoots as back-up
 - c. Provide step by step manual for set-up, operation, shutting-down, and emergency contact numbers. Have manual available in the control room and as a download.
 - d. Cross-train freelancers to work at more than one city for more efficient scheduling.
2. Train part-time news assistant and part-time office assistant on all city control rooms.

3. Five full-time staff members will be trained on all city control rooms:
Danika, Rusty, T.J., Trevor, and Eric.
 - a. Will schedule two days to travel to cities as a group for training.
 - b. Danika will create manuals for each control room.

Management

1. The news department will manage hiring, training, and scheduling of meeting freelancers.
2. Will be in contact with cities regarding meeting coverage needs and schedules.

Budget

1. Part-time and full-time staff are included in present budget
 - a. Additional responsibilities added to job descriptions.
2. Freelancers not included in 2020 budget.
 - a. Could recoup cost from Cities
 - b. Could make a budget adjustment

Before the
Federal Communications Commission
Washington, D.C. 20554

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

ORDER ON RECONSIDERATION

Adopted: February 11, 2020

Released: February 11, 2020

By the Chief, Media Bureau

1. By this *Order*, we grant NCTA – The Internet & Television Association’s (NCTA’s) Petition for Clarification¹ of the Media Bureau’s Order Denying Motion for Stay² of the Commission’s Third Report and Order³ in the above-captioned proceeding.⁴ In its *Petition*, NCTA requests that the Bureau remove from the *Stay Denial Order* certain language in paragraph 21 that “creates the potential for confusion and the appearance of a conflict with the *Third Report and Order*.”⁵ In particular, NCTA asks that the Bureau excise two statements from paragraph 21.⁶ These statements are: “The rules in the [*Third Report and Order*] did not supersede provisions in existing franchise agreements on their effective date” and “[i]f negotiations fail, the terms in the franchise remain in effect unless and until a cable operator challenges those terms and proves that the terms violate the [*Third Report and Order*’s] requirements.”

¹ NCTA Petition for Clarification of Order Denying Motion for Stay, MB Docket No. 05-311, filed Nov. 15, 2019 (*Petition*), available at <https://ecfsapi.fcc.gov/file/1115030634884/2019.11.15%20NCTA%20Petition%20for%20Clarification.pdf>. Although NCTA did not title its submission as a petition for reconsideration, we will treat it as a petition for reconsideration because it seeks further review of the *Stay Denial Order*. See, e.g., *In the Matter of Lucas County Skywarn*, Order on Reconsideration, 24 FCC Rcd 4652, 4653, para. 5, n.12 (WTB 2009).

² *Implementation of Section 621(a) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992*, MB Docket No. 05-311, Order Denying Motion for Stay, DA 19-1149 (MB Nov. 6, 2019) (*Stay Denial Order*).

³ *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*, MB Docket No. 05-311, Third Report and Order, 34 FCC Rcd 6844 (2019) (*Third Report and Order*). The *Third Report and Order* became effective on September 26, 2019. *Effective Date Announced for Rules Governing Franchising Authority Regulation of Cable Operators*, MB Docket No. 05-311, Public Notice, 34 FCC Rcd 7753 (MB 2019).

⁴ An extensive discussion of the historical background of this proceeding is set forth in the *Third Report and Order* and the *Stay Denial Order*; thus, we do not reiterate it at length here. See *Third Report and Order*, 34 FCC Rcd at 6845-48, paras. 2-6; *Stay Denial Order* at paras. 2-3. After the *Stay Denial Order* was issued, certain municipalities sought a judicial stay of the *Third Report and Order* in the Ninth Circuit. That court subsequently transferred challenges to the *Third Report and Order* then pending before it, including the motion for judicial stay, to the Sixth Circuit.

⁵ *Petition* at 1.

⁶ *Id.* at 4.

2. After reviewing the record developed in response to the *Petition*,⁷ we agree with NCTA that these statements could be interpreted “to conflict with the *Third Report and Order*’s plain directives and require procedures not mandated by the Commission.”⁸ In particular, we note that the *Third Report and Order* states that “[i]f a franchising authority refuses to modify any provision of a franchise agreement that is inconsistent with this Order, that provision is subject to preemption under section 636(c).”⁹ We also note that the *Third Report and Order* “encourage[s] the parties to negotiate franchise modifications within a reasonable time,” and “find[s] that 120 days should be, in most cases, a reasonable time for the adoption of franchise modifications.”¹⁰ Contrary to these statements in the *Third Report and Order*, the statements that NCTA is seeking to excise from the *Stay Denial Order* could be construed as authorizing LFAs to enforce unlawful franchise provisions unless and until a cable operator has proven to a court that they are unlawful.¹¹

3. We disagree with NATOA that removing the relevant statements from paragraph 21 of the *Stay Denial Order* undermines our reasons for denying the stay petition.¹² That argument ignores our two primary reasons for finding that LFAs will *not* suffer irreparable harm, absent a stay. First, we concluded in the *Stay Denial Order* that the injury claimed by LFAs (municipalities’ loss of critical facilities and services)¹³ is speculative. We determined that localities can maintain access to critical facilities and services by adjusting revenues and expenses in response to changes in franchise fee revenue streams—for example, LFAs can maintain critical facilities and services “either by prioritizing some in-kind contributions over others or by prioritizing in-kind contributions over the fees they would otherwise

⁷ The Media Bureau issued a Public Notice seeking comment on NCTA’s petition. *Media Bureau Seeks Comment on NCTA Petition for Clarification of Order Denying Motion for Stay of Section 621 Third Report and Order*, MB Docket No. 05-311, Public Notice, DA 19-1191 (MB Nov. 18, 2019). One party filed comments opposing the *Petition*. See Comments of the National Association of Telecommunications Officers and Advisors, *et al.* on NCTA Petition for Clarification of Order Denying Motion for Stay of Section 621 Third Report and Order, MB Docket No. 05-311 (filed Dec. 5, 2019) (NATOA Comments). See also Letter from David M. Sears, Senior Vice President, Montgomery College, to the Honorable Ajit V. Pai, Chairman, Federal Communications Commission in MB Docket No. 05-311 (Dec. 13, 2019) (expressing support for the positions of Montgomery County, MD and Anne Arundel County, MD, *et al.* in the motion for judicial stay of the *Third Report and Order*). One party filed comments in support of the *Petition*. See Comments of Verizon, MB Docket No. 05-311 (filed Dec. 6, 2019) (Verizon Comments).

⁸ *Petition* at 4.

⁹ *Third Report and Order*, 34 FCC Rcd at 6877-78, para. 62; *id.* at 6889-90, para. 80 (“[w]e now expressly preempt any state or local requirement . . . that would impose obligations on franchised cable operators beyond what Title VI allows.”); *id.* at 6879, para. 63, n. 251 (“Complying with the terms of the statute is not optional”). See also *Petition* at 4; Verizon Comments at 2; NCTA Reply at 2.

¹⁰ *Third Report and Order*, 34 FCC Rcd at 6877-78, para. 62 & n.247.

¹¹ See, e.g., Letter from Gerard Lavery Lederer, Counsel for Anne Arundel County, *et al.*, to Marlene H. Dortch, Secretary, Federal Communications Commission in MB Docket No. 05-311 (Dec. 17, 2019), Att. (advising localities that cable operators “[have] the burden to prove the existing franchise violates the [*Third Report and Order*]”).

¹² NATOA Comments at 3-5.

¹³ See National League of Cities, *et al.* Motion for Stay, MB Docket No. 05-311, at 16 (filed Oct. 7, 2019), available at <https://ecfsapi.fcc.gov/file/100832956088/FCC%20Motion%20for%20Stay%20621%20Order.pdf> (claiming that decisions to relieve cable operators of their previous obligations to provide I-Net and cable services would require schools, libraries, and police and fire departments to find new sources of funding, and that reducing franchise fee revenues in order to maintain such services would necessitate budget reductions that adversely affect public safety and public services).

recover.”¹⁴ Second, we concluded that the harm alleged by LFAs (loss of free services) was an economic loss, which under well-established case law, does not, in and of itself, constitute irreparable harm.¹⁵ These grounds alone were sufficient for denying the administrative stay request.

4. NATOA claims that budget amendments and procurement processes to authorize payment for services previously furnished pursuant to a cable franchise are often lengthy, and that LFAs “cannot . . . start the process without knowing what value a cable operator will assert for non-monetary franchise obligations that [would be] offset against franchise fee payments.”¹⁶ However, NATOA provides no evidence that any cable operator would abruptly cease services or take other unilateral action during the pendency of the appeal that would adversely affect municipalities, or create immediate or irreparable harm.¹⁷ Instead, as we explained in the *Stay Denial Order*, “the *Order* encouraged LFAs, in response to a request from a cable operator, to negotiate franchise terms that conform to the *Order* in a reasonable amount of time . . . Thus, for example, an LFA is not required to assess the costs of in-kind contributions that it currently receives from a cable operator (e.g., free cable service) against the franchise fee until the cable operator asks the LFA to amend the terms of its franchise.”¹⁸ Accordingly, consistent with the terms of this order, we grant NCTA’s petition.

5. We therefore conclude that the following two sentences in paragraph 21 of the *Stay Denial Order* misinterpret the *Order*: “The rules in the [*Third Report and Order*] did not supersede provisions in existing franchise agreements on their effective date” and “[i]f negotiations fail, the terms in the franchise remain in effect unless and until a cable operator challenges those terms and proves that the terms violate the [*Third Report and Order*’s] requirements.” The same is true of the sentence in paragraph 21 of the *Stay Denial Order* that reads: “At that point, the LFA and the cable operator have 120 days to renegotiate the franchise agreement.” Instead, we find, in accordance with the *Third Report and Order*, that the LFA and the cable operator have a reasonable period of time to renegotiate the franchise agreement, which in most cases is 120 days.¹⁹ If negotiations fail, the cable operator and the LFA can continue to rely on the processes and remedies that may be contained in their franchise agreement or that are otherwise available.²⁰

6. Accordingly, **IT IS ORDERED** that, pursuant to the authority contained in sections 4(i), 4(j), 303(r), and 405 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 303(r),

¹⁴ *Stay Denial Order* at para. 17. As NCTA notes, “revenues would be recoverable in the event that the *Third Report and Order* is ultimately overturned on appeal, further undermining the notion that such losses could constitute irreparable harm.” NCTA Reply at 3, n.11 (citing *In re Franchise Fee “Pass Through” and Dallas v. FCC*, Memorandum Opinion and Order, 13 FCC Rcd 4566, 4568, para. 8 (CSB 1998) (noting that cable operators must “recompense local authorities for the underpayments . . . that resulted from following the Bureau and Commission’s . . . Orders, which were subsequently reversed on appeal”)).

¹⁵ *Stay Denial Order* at para. 18.

¹⁶ NATOA Comments at 3. NCTA asserts that this argument is baseless and states that “[a]ll NCTA seeks in its Petition is what the *Third Report and Order* already provided: clarification that parties should negotiate timely and in good faith to reach mutually agreeable franchise terms that comply with the Cable Act and rulings set forth in the *Order*.” NCTA Reply at 4.

¹⁷ NATOA Comments at 3.

¹⁸ *Stay Denial Order* at para. 21.

¹⁹ *Third Report and Order*, 34 FCC Rcd at 6877-78, para. 62 & n.247.

²⁰ For example, the cable operator and the LFA can take the dispute to court or, in the case of an interpretive dispute regarding the scope of the rules adopted in the *Third Report and Order*, request a declaratory ruling from the Commission. See, e.g., *County of Los Angeles v. Time Warner NY Cable LLC*, 2013 WL 12126774 (C.D. Cal. July 3, 2013); 47 CFR § 1.2 (providing that the Commission “on motion or by its own motion may issue a declaratory ruling terminating a controversy or removing uncertainty”); *City of Pasadena, California, et al. Petitions for Declaratory Ruling on Franchise Fee Pass Through Issues*, 16 FCC Rcd 18192 (CSB 2001).

and 405 and the authority delegated in sections 0.61, 0.283, and 1.106 of the Commission's rules, 47 CFR §§ 0.61, 0.283, and 1.106, this *Order* in MB Docket No. 05-311 **IS ADOPTED**.

7. **IT IS FURTHER ORDERED** that the Petition for Clarification of Order Denying Motion for Stay pending judicial review of the *Third Report and Order* in this proceeding, filed by NCTA, **IS GRANTED** to the extent indicated above.

8. **IT IS FURTHER ORDERED** that this *Order* **SHALL BE EFFECTIVE** upon its release.

FEDERAL COMMUNICATIONS COMMISSION

Michelle M. Carey
Chief, Media Bureau

NORTH METRO TV

TO: OPERATIONS COMMITTEE/CABLE COMMISSION
FROM: HEIDI ARNSON
SUBJECT: CENTURYLINK FRANCHISE VIOLATION
DATE: 1/28/2020

Back in 2017, the State of Minnesota initiated a lawsuit against CenturyLink alleging that they had committed consumer fraud and deceptive trade practices. In response, assuming the allegations were true, the Commission found CenturyLink in violation of their franchise.

CenturyLink asked the Commission to withhold the violation until the litigation was resolved, but the Commission did not. The Commission did agree to not draw on the letter of credit or performance bond until the litigation was resolved.

The State and CenturyLink have settled the lawsuit, tentatively curing the franchise violations. CenturyLink did not admit fault.

Because the Commission found CenturyLink in violation of the franchise, penalties could be imposed. An explanation of the matter, from Legal Counsel, and options for moving forward will be discussed at the meeting.

Subject: [Members] FW: Senator Markey and Rep. Eshoo Introduce Legislation to Protect Community Television
From: Gerard Lederer <Gerard.Lederer@bbklaw.com>
Date: 1/21/2020, 10:26 AM
To: "members@lists.natoa.org" <members@lists.natoa.org>

Rep. Eshoo's bill number is H.R. 5659 – no number yet for Sen Markey. Below is press release.

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FOR IMMEDIATE RELEASE

Contact: Giselle Barry (Markey) 202-224-2742

Senator Markey and Rep. Eshoo Introduce Legislation to Protect Community Television

Washington (January 21, 2020) – Senator Edward J. Markey (D-Mass.), a member of the Senate Commerce, Science and Transportation Committee, and Rep. Anna G. Eshoo (CA-18), senior member of the House Energy and Commerce Committee, today introduced the *Protecting Community Television Act*, legislation to ensure that community television operations continue to receive the resources they need to educate and inform viewers in the cities and towns where they operate.

Currently, local governments are permitted to require as part of cable franchise agreements that cable companies meet demonstrated community needs by providing in-kind contributions that benefit schools, public safety buildings, and public, educational, and government (PEG) channels, also known as community television stations. However, in August, 2019, the FCC voted to permit cable companies to assign a value to these contributions and then subtract that amount from the franchise fees the cable operator pays the local community. As a result, local governments will have to decide between supporting PEG stations in cable franchise agreements and supporting other important services for critical community institutions like schools and libraries.

"In the current era of media globalization and consolidation, it is more important than ever that we stand up for the platforms that lift up small and local voices," said **Senator Markey**. "Across the country, community television studios catalyze civic engagement and provide Americans with news and information they need. The need for media by communities for communities is only increasing. I'm proud to partner with Congresswoman Eshoo and so many of my colleagues in the Senate on this important legislation."

"Community television is a critical part of our society, giving a voice to nonprofits, artists, and other community members who otherwise struggle to be heard," said **Rep. Eshoo**. "The FCC's attempt to gut these important voices is shameful, and I'm proud to introduce legislation with Senator Markey that will protect community television and ensure local voices can be heard."

A copy of the legislation can be found [HERE](#).

The *Protecting Community Television Act* clarifies that the franchise fees that cable companies provide local governments only include monetary assessments, not in-kind contributions. Senators Tammy Baldwin (D-Wisc.), Tina Smith (D-Minn.), Ben Cardin (D-Md.), Chris Van Hollen (D-Md), Bernie Sanders (I-Vt.), Chris Murphy (D-Conn.), Maggie Hassan (D-N.H.), Jeff Merkley (D-Ore.), Jeanne Shaheen (D-N.H.), Richard Blumenthal (D-Conn.), Ron Wyden (D-Ore.), Kirsten Gillibrand (D-N.Y.), Marie Hirono (D-Hawaii), Elizabeth Warren (D-Mass.), and Amy Klobuchar (D-Minn.) have co-sponsored the new legislation.

Endorsers of the legislation include National Association of Counties, National League of Cities, United States Conference of Mayors, National Association of Telecommunications Officers and Advisors, Alliance for Community Media, MassAccess, TeleCommUnity, and Texas Municipal League.

"As advocates for community media across Massachusetts, MassAccess is proud to announce its support for the bill known as the Protecting Community Television Act," said **David Gauthier, President, MassAccess**. "I thank Sen. Ed Markey and Rep. Anna Eshoo for leading this important legislation, which corrects what we see as an erroneous ruling made last year at the Federal Communications Commission relative to cable franchise fees. The FCC's action was a gift to the cable industry, and this bill would reestablish the protocol that had been agreed to for decades prior."

"Ensuring that communities across the country have the resources to meet the communications needs of Americans lies at the heart of the Telecomm Act," said **Mike Wassenaar, President & CEO, The Alliance for Community Media**. "At a time when local newspapers and newsrooms are diminished, and local media jobs are being lost, community television stations in America are trying to fill a critical gap in local journalism and civic information. Congress should be stepping up to make certain that local community television stations are not shuttered and that local media jobs are preserved. The Alliance for Community Media thanks Senator Markey and Representative Eshoo for their leadership on this issue."

In July 2019, Senator Markey led 15 of his colleagues urging the FCC to protect PEG stations. In February, Rep. Eshoo wrote to the FCC opposing its proposal to reduce access to community television.

There are more than 1,500 public, educational, and governmental studios/operations and an estimated 3,000 PEG channels in America. Religious programming represents 30 percent of local access programming. Tens of thousands of hours of programming is produced by veterans, seniors, the disabled and ethnic, minority and second language groups.

###

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Ajit Pai promised faster broadband expansion—Comcast cut spending instead

Despite net neutrality repeal, Comcast spent less on expanding cable network.

Jon Brodtkin - 1/28/2020, 12:51 PM

Comcast reduced capital spending on its cable division in 2019, devoting less money to network extensions and improvements despite a series of government favors that were supposed to accelerate broadband expansions.

"For the twelve months ended December 31, 2019, Cable capital expenditures decreased 10.5 percent to \$6.9 billion," down from \$7.7 billion in 2018, Comcast, the nation's largest home Internet provider, said in its earnings announcement last week. "Cable capital expenditures represented 11.9 percent of Cable revenue compared to 13.8 percent in 2018."

Comcast cable revenue rose 3.7 percent, from \$56 billion in 2018 to \$58.1 billion in 2019. Cable-division EBITDA (earnings before interest, tax, depreciation, and amortization) rose 7.3 percent, from \$21.7 billion to \$23.3 billion in 2019.

Comcast reports cable-division capital expenditures in four categories, and its full-year spending dropped in three of them. Comcast spending on line extensions—defined as "costs associated with entering new service areas... includ[ing] fiber and coaxial extensions"—dropped from \$1.5 billion in 2018 to \$1.4 billion in 2019.

Comcast spending on "scalable infrastructure," which provides additional bandwidth and other service improvements, dropped from \$2.6 billion to \$2 billion. Spending on customer-premises equipment dropped from \$2.9 billion to \$2.7 billion.

The only one of these categories in which Comcast spending rose in 2019 was support capital, which includes "land, buildings, vehicles, office equipment, tools, and test equipment." Spending in this area rose from \$767 million to \$858 million.

2019 was the second straight year that Comcast lowered its overall cable capital expenditures (though Comcast's spending on line extensions and scalable infrastructure rose in 2018).

Pai promised spending increase

This wasn't supposed to happen, according to claims that ISPs and Federal Communications Commission Chairman Ajit Pai made in order to push through the repeal of net neutrality rules and other deregulatory measures. Pai, who just today released an 11-page list of his accomplishments as FCC chair, repeatedly argued that net neutrality rules caused broadband

providers to reduce capital expenditures. After his net neutrality repeal took effect in June 2018, he claimed that the repeal and other FCC deregulation caused investment to rise.

Further Reading

Comcast fired 500 despite claiming tax cut would create thousands of jobs

But Comcast isn't the only major ISP cutting investment, as AT&T projects that it will reduce capital spending from \$23 billion in 2019 to \$20 billion in 2020. Charter Communications said in October that its capital expenditures excluding mobile services would total \$7 billion in 2019, down from \$8.9 billion in 2018. Verizon also reported a capital-expenditure decline in the first nine months of 2019.

In addition to the net neutrality repeal, a corporate tax break approved by Congress and President Trump didn't result in the promised investment increases.

"The truth is that ISPs invested just as much or more under Title II [net neutrality rules] as they did before or since, and Pai was lying the whole time," Free Press VP of Policy Matt Wood wrote on Twitter. "These regulations don't drive investment. Demand and competition do."

But while these capital spending declines undermine Pai's deregulatory arguments, Comcast views the trend as positive news. In last week's earnings call, Comcast CFO Michael Cavanagh described the decline in capital spending as a percentage of revenue as a "year-over-year improvement."

Cavanagh said that Comcast will "continue to improve our capital intensity" going forward. But after a cut in 2019, Comcast could increase spending on network improvements in 2020. In the coming year, Cavanagh said there will be more decreases in spending on in-home TV equipment, "partially offset by an increase in the level of investment in our network, consistent with the broader shift in our business toward [broadband] connectivity."

Jayant: Cord-Cutting to Ease in 2020

Analyst predicts existing pay TV base could be 'stickier'

Mike Farrell

Jan 6, 2020

Evercore ISI media analyst Vijay Jayant believes that cord-cutting, after a record 2019, could ease up in 2020 as the remaining pay TV customer base appears more enamored of live news and sports.

In a research note, Jayant acknowledged that cord-cutting reached a peak in 2019 -- 6 million pay TV customers left the fold by his estimate, up from 4 million in 2018 -- but that there are signs that 2020 could be better for traditional distributors.

Jayant added that the 2019 results were in part artificially skewed by DirecTV, which lost 1.1 million customers in Q3 after discontinuing heavy promotional pricing. He also pointed to a survey conducted by Evercore ISI (using about 600 pay TV customers) that suggested that "with payTV penetration now sitting just over ~70%, the marginal cord cutter is more likely a stickier sports / news content consumer."

As a result, he predicts that pay TV would lose about 4.8 million subscribers to cord-cutters in 2020.

Virtual MVPDs, after two straight years of solid growth (2.5 million additions in both 2017 and 2018), slowed down in 2019, with Jayant estimating the category added less than 1 million customers in 2019. That slowdown should continue this year, especially since Sony PlayStation Vue, which Jayant estimated once had about 700,000 customers, has said it will close its doors early this year.

"The slowdown in MVPD subscriber growth has been driven by a combination of lower promotional discounts, higher list prices, and possibly increased password sharing," Jayant wrote.

Growth in subscription video on demand services is expected to accelerate in 2020, as more new entrants come on the scene. The space, dominated by Netflix, Hulu and Amazon Prime Video, is getting increasingly crowded with the November launch of Disney + and the expected debuts of HBO Max (May), NBC's Peacock (April) joining other existing services like CBS All Access and Showtime. Jayant estimated that SVOD providers would add 30 million subscribers globally in 2020.

"While these services are not true substitutes for pay-TV, incremental content made available in the direct-to-consumer arena could still weigh on multichannel subscriber trends," Jayant wrote.

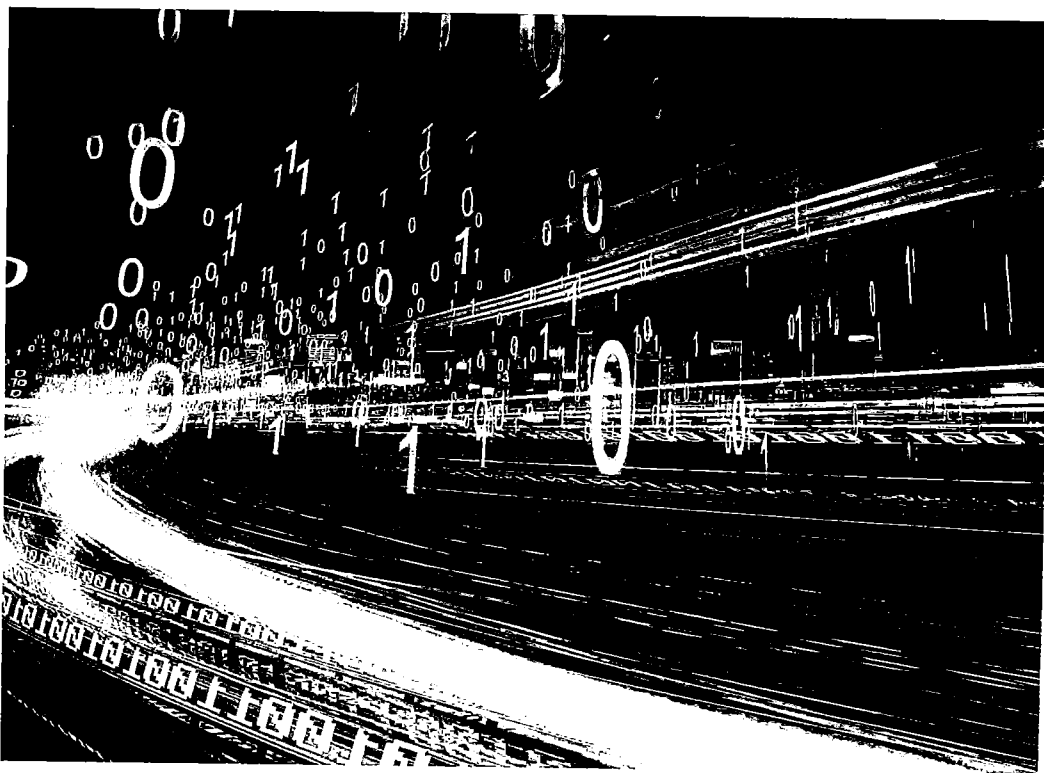
While Jayant expects video margins to continue to contract -- he estimated programming costs per subscriber for Comcast and Charter would rise in the mid-to-high single digit percentages in

2020 -- that should be offset by broadband gains. The analyst expects about 3 million net broadband subscriber gains for the year, with cable continuing to take share from DSL. Fixed wireless 5G, he added, shouldn't have an impact in 2020.

As far as wireless, Jayant noted that the key themes should continue to be ongoing consolidation efforts and the deployment of 5G offerings.

Jayant expects the 2020 election and the summer Olympics to drive TV advertising revenue up by mid-single digit percentages, with political spending expected to be up by 60% compared to 2016 given a number of tight races, with local broadcasters, MVPDs and cable networks being the biggest beneficiaries.

Among Jayant's top picks for the year: ViacomCBS (which he says has an underappreciated digital business); Nexstar Media Group (due to political ad seasonality and benefits from its recent Tribune Media purchase); Charter Communications (he increased his price target on the stock to \$600 per share citing strong operating free cash flow growth and market share performance).



Distributors Buck The Trend in 2019

broadband growth fuels cable sector to biggest share gain since 1998

By Mike Farrell
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For years, Wall Street heaped praise and lofty multiples on content providers, turning a jaundiced eye to the distributors that delivered that programming. For many investors, cable

works were the growth engines while distribution was a declining business that should best be avoided. In 2019, cable operators sought their revenge. Cable distribution stocks, fueled by continued strong broadband growth, grew for the year, their largest gain in more than 20 years. The last time the distribution sector had a comparable gain (80%) was in 1998, according to Multichannel News estimates. Although there are substantially fewer

increasingly moving away from the traditional pay TV subscription model.

The lift was a big change from the prior year, when the four stocks in the sector rose about 5%, and signals an even bigger shift in sentiment. In a landscape where content is increasingly delivered over broadband

connections, losing video customers doesn't seem to matter much anymore.

Reliable Broadband Is Golden

"I think people have realized that broadband products have higher margins, they have lower churn, you don't have to market them, you don't have to deal with content providers," FBN Securities media analyst Robert Routh said. The argument that younger viewers don't watch TV also falls to cable's advantage, because the streaming video they do watch requires a fast, reliable connection. "There are only so many entities that have that ability," he said.

Video subscriber losses continued to rise and are expected to travel along that path for the foreseeable future. The sector lost about 3.8% of its video base in Q3, but broadband growth is steady. Leichtman Research Group estimated that cable grew its high-speed internet base by 14% in Q3 and represents more than two-thirds of total broadband connections across the country.

In addition, past fears that over-the-top providers like AT&T's DirecTV Now, Sling TV and Sony's PlayStation Vue would chip away at cable's video subscriber base have been largely unfounded. Sony said in October it would shutter PlayStation Vue in January. DirecTV Now (now AT&T TV Now) was on pace to crack 2 million subscribers after a strong Q3 2018 but a series of price increases halted that growth and now the service has about 1.1 million customers. Some analysts believe that once AT&T launches IPTV offering AT&T TV in 2020, AT&T TV Now could disappear.

Sling TV had a resurgence in Q3, adding about 214,000 customers after five straight quarters of additions of fewer than 50,000 subscribers. At the same time, Sling parent Dish Network saw subscriber losses at its satellite-TV unit slow to 66,000 in the period (compared to a loss of 367,000 in Q3 2018) indicating to some that it may have reached equilibrium, as its rural subscriber base has fewer choices when it comes to pay TV and broadband. Dish, whose stock was up 34.3% for the year, also has been focusing on building out its wireless spectrum. Dish also agreed to buy wireless assets from Sprint and T-Mobile as a condition of those firms' pending merger.

MULTIPLICITY

Enterprise value/EBITDA multiples for cable distribution stocks have soared in 2019, with companies in the sector either at or nearing double-digits, a level once thought by some analysts to be unachievable

Company	Enterprise Value	Market Cap	Stock Price (Dec. 10)	EV/EBITDA Multiple
Cable One	\$10 billion	\$8.68 billion	\$1,526.06	19.4
Charter	\$182.36 billion	\$100.36 billion	\$461.71	11.29
Altice USA	\$40.56 billion	\$16.79 billion	\$25.41	9.63

at would make Dish the fourth largestilities-based wireless communications provider in the country.

Fears that video distribution mantle would passed to over-the-top competitors only heightened in 2019, with the debut of The Walt Disney Co.'s Disney+ and Apple's Apple TV+ direct-to-consumer services and the pending launch of HBO Max and AT&T TV in 2020.

While Disney+ lived up to the hype, signing on more than 10 million subscribers on day one (see Cover Story, page 10), the fear that these services would replace pay TV has shifted to a belief that they, like Netflix, Hulu and Amazon Prime Video, will complement linear offerings. Even if they don't, cable still has the most reliable broadband connection over which all these new services travel.

Programming stocks were up about 3.4% for the year, mainly driven by gains at Disney, up 2%, and Discovery, up 30.3%. Other stocks in the sector fell as declines in overall pay TV sales negatively affect affiliate fees.

"Altogether, U.S. cable network distribution revenues continue to look shaky," MoffettNathanson media analyst Michael Moffett wrote in a research report.

On the distribution side, analysts like MoffettNathanson principal and senior analyst Craig Moffett have been saying for months that cable operators shouldn't sweat over customer losses as long as their broadband service thrives. So far, it looks like that is exactly what is happening.

Just a few years ago, video subscriber losses were the foundation of the cable bear case," Moffett wrote in a recent note to clients.

Actually, that fear faded. Video subscriber losses became something that investors were beginning to ignore. Now, it's something investors are hoping for."

In initiating coverage of the sector earlier this year, Sanford Bernstein media analyst Peter Routh wrote that the "decline of cable video cures rapid and durable cash-flow growth."

It is no accident that the top performing stock in the cable distribution sector for the last three years has been Cable One, which has an de-emphasizing video service in 2014. Cable One, which renamed itself Sparklight this year to reflect its focus on high-speed data service, has lost about 21% of its video subscriber base since 2015. During that same period, its stock price has risen 265%.

This year was one of Cable One's best: Its share price has risen 86.1% this year to close at \$26.06 on Dec. 10, nearly double the Dec. 31, 2018, closing price of \$820.10.

Cable One has the highest cash-flow margins in the industry at 49.5% in the third quarter, almost 10 percentage points higher than the largest cable operator in the country, Comcast, at 39.8%. Cable One's trading multiple, at 19.4 times cash flow, outpaces its closest peer, Charter Communications (11.29 times), by a wide margin.

There was a time when a 10 times multiple for cable stock would have been unthinkable," Moffett noted.

The other stocks in the sector are also in line with that benchmark. According to

CABLE CAN

Cable distribution stocks soared in 2019, as investors decided to ignore pay TV subscriber losses and focus on broadband growth

	Price 12/31/18	Price 12/10/19	% Change
Cable One	\$820.10	\$1,526.06	86.1%
Charter	\$284.97	\$461.71	62%
Altice USA	\$16.52	\$25.41	53.8%
Comcast	\$34.05	\$42.77	25.6%
Total	\$1,155.64	\$2,055.95	77.9%

SOURCE: NASDAQ

Yahoo Finance, Comcast is trading at an 8.8 times multiple and Altice USA at a 9.6 times multiple.

High trading multiples can mean positive things—investors becoming comfortable with video declines and confident that the sector's broadband dominance is sustainable—and negative things: the stocks could be overvalued.

Routh said the rise in distribution multiples is more a sign that the market is valuing these stocks correctly.

"The question is what is the right valuation given the long-term prospects for those businesses," Routh said. "I don't think they're overvalued yet and I do think they are certainly safe and better investments than other things I can think of. But I do question how much more is there, given where they are now."

Charter, Altice, Comcast All Rose

Distribution stocks all had a strong year. Aside from Cable One, which led the pack, Charter stock was up 62% for the year and Altice USA, which despite a churn spike in the third quarter, finished the year up 53.8% to \$25.41 per share. Comcast stock rose 25.6% from the year's start to close at \$42.77 on Dec. 10.

What also seems to set this year apart from the rest is that there were no major M&A deals in the distribution sector to drive the stocks. Cable stocks are traditionally deal driven. In



Just a few years ago, video subscriber losses were the foundation of the cable bear case ... Now, it's something investors are hoping for.

— Craig Moffett, principal/senior analyst, MoffettNathanson

1998, the stocks were bolstered by widespread industry consolidation—1997's so-called Summer of Love—and AT&T's purchase of Tele-Communications Inc. in June 1998. In 2016, when distribution stocks rose 40% for the year, Charter Communications had completed its pursuit of Time Warner Cable, an \$80-plus billion deal that was supposed to usher in a new era of consolidation that hasn't yet materialized.

Most recently, the merger activity has been on the content side: Disney closed its \$71.3 billion purchase of certain 21st Century Fox assets in March. The other big deal, AT&T's \$108.7 billion purchase of Time Warner, closed in June 2018, although a Justice Department attempt to block the deal was thwarted in federal appeals court on Feb. 26.

At the UBS Global TMT conference in New York Dec. 10, Altice USA CEO Dexter Goei said he believes "large scale M&A is inevitable" across the infrastructure sector, but stopped short of saying whether his company would be a buyer or a seller.

"We're always open to having discussions," Goei said at the conference. "No one's going anywhere, but we're very, very focused on maximizing shareholder value."

Consolidation could come to the distribu-

SWEET STREAMS

Investors smiled on content companies with a strong direct-to-consumer presence in 2019

	Price 12/31/18	Price 12/10/19	% Change
Disney	\$109.65	\$146.10	33.2%
Discovery	\$24.74	\$32.24	30.3%
Fox	\$38*	\$35.81	(5.8%)
ViacomCBS	\$43.85	\$37.62	(14.2%)
AMC Networks	\$54.88	\$35.91	(34.6%)
Lionsgate	\$16.10	\$9.30	(42.2%)
Total	287.22	296.98	3.4%

SOURCE: NASDAQ; * As of March 12, 2019

tion sector, as many analysts believe that Cable One and Altice USA could snap up several small operators across the country. Those deals wouldn't move the needle much, though. The top three pay TV distributors—Comcast, DirecTV and Charter—account for more than half of the 93.4 million U.S. pay TV homes.

Still, Routh believes that distribution stocks have a lot of runway left in them, adding that low to mid-teens percentage growth for the sector is possible in 2020.

"It's not just what I think," Routh said, adding that he has heard similar optimism from investors. "I haven't heard anyone think the opposite, at least anytime recently, which wasn't the case a few years ago." ●

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For Immediate Release

**FCC PROPOSES TO UPDATE CABLE SERVICE CHANGE
NOTIFICATION RULES AND REDUCE CONSUMER CONFUSION**

WASHINGTON, December 12, 2019—The Federal Communications Commission today proposed to update the Commission's rules regarding cable service change notification notices. The Notice of Proposed Rulemaking pertains to certain written notices that cable operators must provide to subscribers and local franchise authorities (LFAs) and seeks to reduce the potential for consumer confusion in the context of program carriage disputes.

Cable operators currently must provide notice of all service, rate, and channel lineup changes to subscribers and local franchise authorities 30 days in advance of the change if it is within the operators' control. But in today's video marketplace, retransmission consent and program carriage negotiations are often concluded within days—if not hours—of the expiration of existing agreements. Therefore, providing 30-days' advance notice in the context of carriage negotiations poses unique challenges to providers, and inaccurate or premature notices about programming disruptions that never come to pass can cause consumer confusion and lead subscribers to change providers unnecessarily.

Therefore, the Commission invites comment on whether to change its rules to require cable operators to provide subscribers with notice as soon as possible, rather than 30 days in advance, when service changes occur due to retransmission consent or program carriage negotiations that fail within the last 30 days of a contract. The NPRM also seeks comment on removing redundant rules regarding notifications cable operators must provide to LFAs.

This action is the 19th proceeding launched by the Media Bureau since the Commission's *Modernization of Media Regulation Initiative* was announced in 2017 to eliminate or modify media regulations that are outdated, unnecessary or unduly burdensome.

Action by the Commission December 12, 2019 by Notice of Proposed Rulemaking (FCC 19-132). Chairman Pai, Commissioners O'Rielly, Carr, Rosenworcel, and Starks approving and issuing separate statements.

MB Docket Nos. 19-347, 17-105, 10-71

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*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).*

POTs and PANs

Pretty Advanced New Stuff from CCG Consulting

December 12, 2019

Will Costly Alternatives Slow Cord Cutting?

1 Comment

([https://potsandpansbyccg.com](https://potsandpansbyccg.com/?attachment_id=8494#main)

[/?attachment_id=8494#main](https://potsandpansbyccg.com/?attachment_id=8494#main))The primary reason that households claim they cut the cord is due to price. Surveys have shown that most households regularly watch around a dozen cable channels, and cord cutters still want to see their favorite channels. Not all cord cutters are willing to go

cold turkey on the traditional cable networks and so they seek out an online alternative that carries the networks they want to watch.



For the last few years, there have been online alternatives that carry the most popular cable networks for prices between \$35 and \$45 per month. However, during the last year, the cost of these alternatives has risen significantly. I doubt that the price increases will drive people back to the cable companies where they had to pay for hidden fees and a settop box, but the higher prices might make more households hesitate to make the switch. Following are the current prices of the major online alternatives to traditional cable TV:

Hulu Live TV. This service is owned 2/3 by Disney and 1/3 by Comcast. They recently announced a price increase effective December 18 to move the package from \$44.99 to \$54.99. Customers can also select an add-free version for \$60.99. At the beginning of 2019, the service was priced at \$39.99, so the price increased by 36% during the year.

AT&T TV Now (was called DirecTV Now) raised the price of the service earlier this year from \$50 to \$65. The company also raised the prices significantly for DirecTV over satellite and lost millions of customers between the two services.

YouTube TV raised prices in May from \$40 to \$50. This service is owned by Google. Along with the price increase, the service added the Discovery Channel.

Sling TV is owned by Dish Networks. They still have the lowest prices for somebody looking for a true skinny package. They offer two line-ups, called Blue or Orange that each cost \$25 per month, or both for \$40 per month. There are also add-ons packages for \$5 per month for Kids (Nick channels, Disney Jr), Lifestyle (VH-1, BET, diy, Hallmark), Heartland (outdoor channels), Hollywood (TCM, Sundance, Reelz), along with News, Spanish and International packages. One of the big things missing from Sling TV is local network channels and they provide an HD antenna with a subscription. Sling TV has spread the most popular channels in such a way that customers can easily spend \$50 to \$60 monthly to get their

favorite channels.

Fubo TV is independent and not associated with another big media company. They offer 179 channels, including local network channels for \$54.99 per month. The network started with sports coverage including an emphasis on soccer.

TVision Home is owned by T-Mobile. This was formerly known as Layer3 TV. The company has never tried to make this a low-cost alternative and it's the closest online service to mimic traditional cable TV. The service is only available today in a few major markets. Customers can get an introductory price of \$90 per month (goes up to \$100 after a year). They charge \$10 per extra TV and also bill taxes that range from 4% to 20% depending upon the market. This is cable TV delivered over broadband.

Playstation Vue. The service is owned by Sony and has announced that it will cease service at the end of January 2020. The service is no longer taking new customers. The price of the core packages is \$55 per month, which increased by \$5 in July. The service carries more sports channels than most of the other services.

The channels offered by each service differ, so customers need to shop carefully and compare lineups. For example, I'm a sports fan and Sling TV and Fubo TV don't carry the BigTen Network. There are similar gaps throughout the lineups of all of the providers.

All of these alternatives, except perhaps TVision Home, are still less expensive than most traditional cable TV packages. However, it looks like all of these services are going to routinely increase rates to cover increased programming fees. Couple that with the fact that customers dropping cable TV probably lose their bundling discounts, and a lot of houses are probably still on the fence about cord cutting.

Posted by [CCGConsulting](#) in [The Industry](#), [Uncategorized](#)

Tagged: [AT&T TV Now](#), [cord cutting](#), [Fubo TV](#), [Hulu Live TV](#), [Sling TV](#), [TVision Home](#), [YouTube TV](#)

One thought on “Will Costly Alternatives Slow Cord Cutting?”

1. Luciano Nova *says*:

December 12, 2019 at 8:35 am

You forgot to mention Philo TV

[Reply](#)

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Those sneaky fees in your cable TV bill could get crushed if Congress gets its way

By Jared Newman 1 minute Read

An end to hidden cable TV fees just moved one step closer to becoming law. As *Cord Cutters News* reports, the U.S. House of Representatives has passed the Television Viewer Protection Act of 2019, which requires traditional TV providers to disclose the full cost of service when customers sign up. The bill also requires a 24-hour window in which customers can cancel service without penalty, along with a clear disclosure of the date that promotional rates end.

Consumer Reports recently estimated that the average pay TV customer pays \$450 per year in fees alone, including broadcast TV fees, regional sports fees, and equipment rental charges. These extra costs can increase the average cable bill by 24%, yet providers don't have to mention the fees in their advertising. The situation is quickly getting out of hand as cable and satellite providers lean on these fees as a way to quietly increase prices, even for customers who are under contract.

In addition to tackling cable TV fees, the bill bars internet providers from charging for equipment that they don't actually lease to customers. This could be a response to some providers charging a rental fee even when customers supply their own routers. Of course, the Senate would still have to pass the bill, and President Trump would still have to sign it into law. Neither are guaranteed given the cable industry's outsized influence in Washington.



By Ivan Verbesselt, Nagra
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Is Pay TV Ready to Disrupt the Disruptors?

Operators should embrace OTT content to become super-aggregators'

There's no denying the likes of Facebook, Apple, Amazon, Netflix and Google (known collectively as FAANG) have altered the content landscape and made traditional TV sit up and take notice. Their wide reach and subsequent ubiquity in many markets across the world have even contributed to the ushering in of a "post-OTT era" — a world where Internet delivery has now become mainstream. In fact, the very notion of over-the-top now refers to a technology conceived to deliver media and entertainment services directly to the consumer, making a total abstraction of the broadband delivery infrastructure in between.

Findings from Nagra's 2019 Pay TV Innovation Forum paint a picture of an industry that isn't immune to the influence of digital disruptors. That said, operators are becoming more optimistic about responding to OTT disruption. With 70% of providers believing rapidly growing OTT disruption will have a positive impact on their business, it is arguably the time for OTT and pay TV to work together for the benefit of the consumer.

How? By bringing OTT offerings into the pay TV environment, operators can become super-aggregators of content. According to the Forum's findings, 77% of executives expect super-aggregator platforms to emerge over the next five years — and that's a role every operator could potentially take up, especially if consumers fundamentally don't care where their content comes from, they just want access to it.

The Sports Wrinkle

There is one potential complication to this, though: sports. Historically a significant revenue stream for operators and content providers, live sports programming is a vital part of any pay TV business. But the supply of sports content into the market is expanding

significantly, as new sports OTT services and providers proliferate, potentially reducing demand for pay TV. Eighty-five percent of executives believe that OTT sports streaming in their country will grow either moderately or strongly through to 2024, so it's imperative to act now.

While DAZN may be one of the best-known, one of the biggest challenges currently facing the streaming sports industry comes from Amazon, should it decide to prioritize tier-one sports rights in key markets. Major sports broadcasters such as ESPN, reserving key rights for their own offerings, also pose a potential threat. According to our special report looking at the global market for premium sports OTT services, it is mission-critical for pay TV providers to maintain the rights to tier-one live sports. Thankfully, in part due to the investment sums required to purchase the licenses and protect the content, providers are well placed to maintain this control.

Providers should consider continuing investments in tier-two sports, too, the report advises, as they still encourage a wide enough customer base. Specialist sports OTT providers will often target niche products that aren't profitable enough — but pay TV cannot simply ignore them. To ensure subscribers don't churn away, they need to consider new bundling methods that enable subscribers to come and go alongside major sporting events as they wish. Sports OTT may have disrupted how consumers watch TV, but pay TV can take back control and offer a full suite of sporting content — but the industry must act now to do so.

With competition from OTT gaining traction on what is traditionally pay TV content, providers must act now if they're to take back control and disrupt the disruptors. Thankfully, they're under no illusions: Executives recognize their existing aggregation models must evolve in response to the rising popularity of OTT services and

Ivan Verbesselt is senior vice president of marketing at Nagra, a Switzerland-based provider of content protection, advertising and multiscreen television solutions.

an anticipated decline in the number of linear channels.

In the U.S. findings of the Pay TV Innovation Forum, industry participants widely expect traditional pay TV packages to be radically restructured during the 2020s — with fewer linear channels, a more diverse range of prices and packages, including bring-your-own-device offerings targeted at Smart TV owners and sell-through models similar to Amazon's Prime Video Channels. There is also a strong consensus that channel providers will be asked to take on more risk and that up-front per-sub carriage fee payments will decline for many companies.

This changing dynamic from linear to on-demand viewing means that some smaller content products will become unsustainable for pay TV to carry alone, and which should be ripe for the disruptors to take over — and pay TV should encourage that. By shifting the burden of broadcast costs out of the business and onto third-party OTT providers that they can aggregate, pay TV providers can adapt their business models into the central gateway to all the content consumers want and love.

Turning the Tables

With more direct-to-consumer (DTC) products coming onboard, and already planning how to reach a wide audience — such as Apple TV launching on Roku — service providers have their work cut out for them. But by investing and innovating in new bundling, services and content, operators cannot just disrupt the disruptors, they can have the advantage by creating a new system that works for the consumer.

Operators that adapt their business models to become super-aggregators and take steps to manage piracy will be able to successfully do more than just compete with the "FAANG" companies. They will be agile enough to no longer think in terms of "pay TV vs. OTT," but embrace one holistic and super-aggregated solution that delivers the best of pay TV with the best of streaming to the consumer. ●



With competition from OTT gaining traction on what is traditionally pay TV content, providers must act now if they're to take back control and disrupt the disruptors.

5G Is Here — And for Real This Time

New Verizon, AT&T and T-Mobile offerings are speedy, but hardly revolutionary

autonomous cars to remote medicine.

Over the next few weeks, AT&T is rolling out real 5G — not the 5G E fake stuff — in Indianapolis, Pittsburgh and San Diego, as well as Providence, Rhode Island, and Rochester, New York. In February, additional launches will include 10 more cities: New York City and Buffalo, New York; San Francisco and San Jose, California; Boston; Las Vegas; Milwaukee; Birmingham, Alabama; and Bridgeport, Connecticut.

To benefit from AT&T's new 5G service, customers must live in one of the 15 cities and must also subscribe to one of two AT&T unlimited data plans. They must also pay around \$1,300 for a new Samsung Galaxy Note Plus 5G smartphone. Customers will not see their wireless bills bumped up by 5G, at least not at first.

T-Mobile also has plans to roll out a nationwide 5G service this week, one that will also use the Samsung Galaxy Note 10 Plus 5G and the less-expensive OnePlus 7T Pro 5G McLaren. Outgoing T-Mobile CEO John Legere has promised to deliver low-band 5G coverage to 5,000 cities covering 200 million wireless customers by the end of the year, a pledge dependent on T-Mobile's ability to close its merger with Sprint.

More Limited Than LTE

As for that coverage, it will be far more limited than the carriers' fully baked and ubiquitous 4G LTE service, as the AT&T coverage map of New York shows. Belying the hype, the 5G performance will actually be

Early 5G phones like the \$1,300 Samsung Galaxy Note (l.) will be pricey.

roughly the same as LTE Advanced technology, a speedy version of 4G, since both T-Mobile and AT&T are using regular low-band spectrum and not millimeter wave.

Millimeter-wave spectrum is made up of ultra-high frequency radio waves in the 24 Gigahertz to 100 GHz range, which can hold and deliver gobs more data. Early 5G networks using millimeter-wave technology promise speeds as high as 6 Gigabits per second, evolving one day to as high as 20 Gbps. Latency is also vastly improved, too, going from 20-70 milliseconds with 4G to as low as the ultra-responsive sub-1 millisecond range.

Spotty at Best

Millimeter wave actually seems capable of delivering on all of that 5G hype, but as Verizon is finding out, establishing ubiquitous 5G coverage is no small engineering feat. The ultra-high frequencies require signals to broadcast at very short range — around 600 to 800 feet — meaning Verizon must festoon every street in each city where it deploys 5G with gobs of "small cell" devices. These short-throw, ultra-high frequencies are also prone to all sorts of interference, falling leaves included. And they don't penetrate walls or buildings.

In April, six months after its dud-like premiere of fixed 5G service, Verizon declared itself first to market again when it rolled into Chicago and Minneapolis with a smartphone-targeted 5G service, also based on millimeter-wave tech.

That service is now in 18 cities, but access is typically limited to select, heavily populated urban centers. When Multichannel News sister publication *Tom's Guide* road-tested Verizon's 5G service back in April, finding a connection was challenging. When *Tom's Guide* testers did find a connection, it would be lost simply by crossing the street. Often, when they would come back to the same location 12 hours later, that connection would no longer be available.

Verizon — which just released coverage maps of its 5G markets — said it has now doubled the number of small cell devices in Chicago and other markets, significantly improving coverage.

Meanwhile, as Verizon's millimeter wave coverage improves, it's delivering on promises of improved network speeds. Using the Samsung Galaxy S10 5G smartphone, *Tom's Guide* said it experienced download speeds as high as 1 Gbps in the Windy City. For context, similar tests in the area for LTE yielded speeds in the 85 Mbps range. ●

AT&T 5G COVERAGE



AT&T's 5G service will be available in parts of New York City beginning in February.

By Daniel Frankel
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Last year at this time, the top U.S. wireless companies were loudly trumpeting what Verizon Communications chairman and CEO Hans Vestberg hyperbolically called the fourth industrial revolution: the debut 5G wireless network technology. Wireless operators were warned to be afraid — or at least to be afraid — of a revolutionary new wireless technology that would end their dominance in mobile broadband. But as the wireless titans hesitated to declare themselves first in the U.S. market with a 5G service, they ended up with a 5G service on their faces. Verizon rolled out a fixed 5G service based on millimeter-wave technology in Los Angeles, Houston, Sacramento, California, and Indianapolis. Verizon openly targeted cable broadband. But analysts largely declared the technology to be vaporware, with hardly anyone able to access the service, which requires a fairly sizeable infrastructural buildout to work. AT&T, meanwhile, got itself accused of false advertising — and was even sued by Sprint when it started branding its 4G LTE signal as 5G Evolution. Indeed, AT&T subscribers in 15 markets saw a display on their phone indicating they were connecting to "5G E," when in reality they were only connecting to accelerated portions of AT&T's 4G LTE network. A year later, both wireless giants appear to have the goods, at least to some extent. Neither offering comes close to the massive hype put forth by the U.S. mobile industry about the so-called fifth-generation wireless network technology, an ultra-fast, ultra-low-latency proposition that's supposed to revolutionize everything from