

NORTH METRO TELECOMMUNICATIONS COMMISSION MEETING

March 18, 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. 1-14**
 - A. Minutes of regular meeting of February 19, 2020
 - B. February financial reports and bill list
 - C. Minutes of Operations Committee meeting of March 3, 2020
 - D. Minutes of Executive Committee meeting of March 4, 2020
5. Executive Director Report
 - A. Monthly Update **pp. 15-23**
 - B. Resolution Supporting the Protection of Community Television Act **pp. 24-38**
6. Legal Counsel Report
 - a. Joint Powers Agreement Update **pp.39-53**
 - b. Cable Franchising Order and Coalition Appeal
 - c. Addressing 2017 CenturyLink Franchise Violation Notices
 - d. Comcast Franchise and PEG Fee Report Update
7. Old Business
8. New Business
9. Recommended Reading **pp. 54-65**
10. Community Calendar
 - A. Next Meeting Dates:
 - a. Operations Committee – March 31, 2020
 - b. Executive Committee – April 1, 2020
 - c. Cable Commission – April 15, 2020
11. Adjournment

NORTH METRO TELECOMMUNICATIONS COMMISSION

UNAPPROVED MINUTES

Commission Meeting – February 19, 2020

CALL TO ORDER

Chair D. Stoesz 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, Brandon Winge; Lexington, Steve McChesney; Circle Pines; Bob Nelson; Spring Lake Park, Dale Stoesz; Lino Lakes

Directors Absent: Brian Kirkham; Ham Lake

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

PUBLIC COMMENT

There was no public comment.

APPROVAL OF THE AGENDA

The February 19, 2020 North Metro Telecommunications Committee meeting agenda was approved as presented. **Motion for approval made by M. Montain. Second, S. McChesney. Motion passed unanimously.**

CONSENT AGENDA

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

The November 20, 2019 NMTC meeting minutes, the February 5th, 2020 Executive Committee meeting minutes, the February 4th, 2020 Operations Committee meeting minutes, and the November, December and January bill lists and financial reports were approved as presented. **Motion for approval made by S. Swanson. Second, M. Montain. Motion passed unanimously.**

REPORT OF EXECUTIVE DIRECTOR

H. Arnson reported on the following items:

- The Sports Department promoted #CATCLASH week, which consisted of five basketball and hockey games played only between Blaine, Centennial, and Spring Lake Park. The teams are called the Panthers, Bengals, and Cougars, which is what inspired the term CATCLASH.
- The Lecture Series remains popular. Two of the largest classes to date were taught in January. New classes have been created, including "The Birth of Animation" and "Hollywood Goes to the Dogs." The classes are free to organizations within the Member Cities, and available to other entities for a fee.
- John Schoolmeesters is the new NMTV Studio Assistant. He is a University of Minnesota graduate with a degree in Media Production. His primary responsibilities include assisting the public with productions, transferring home movies and pictures to DVD, and monitoring and processing city meetings.
- The Executive Committee started working on updates to the Joint Powers Agreement at their February meeting. The recommended changes would remove language that no longer applies, give the Commission more flexibility regarding who can join the Commission, and more control over how fees can be spent. The group also discussed possible changes to the voting structure. The matter will be discussed further at the March meetings.
- Fourth quarter franchise and PEG fee reports were received. Fees were down slightly from the previous quarter, but not significantly.
- A table outlining the division of the 2019 franchise fees being returned to Cities was reviewed. A formula determining city revenue as a percentage of gross revenue was used to determine fees to be 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, B. Nelson. Motion approved.**

- The Operations Committee has requested that NMTV assume responsibility for recording city meetings. Staff has developed a tentative plan for transitioning into that service. Freelancers will be hired to record meetings, with current full and part-time staff serving as back-up whenever necessary. Interviews are underway for freelancers, and staff is undergoing training at each city hall. Some cities want to start right away. Others would like to move more slowly. Because the service wasn't budgeted for 2020, cities utilizing NMTV freelancers for meeting coverage this year will be billed for the expense. If approved by the all of the member cities, the service will be included in the 2021 budget. A pay range of \$16 per hour with a three hour minimum was recommended and approved by the Operations Committee.

REPORT OF LEGAL COUNSEL

M. Bradley reported on the following items:

- There are two pieces of legislation the Commission should be aware of, that are important for local governments. The first is The Protecting Community Television Act. It would essentially roll back the FCC Order regarding franchise fees that is currently being appealed. The League of Minnesota Cities has reached out to the Congressional delegation asking for support of this bill.
- The second bill, Restoring Local Control Over Public Infrastructure Act, would roll back Small Cell Orders that were issued by the FCC. The League of Minnesota Cities has reached out to the Congressional delegation regarding support of this bill as well.

OLD BUSINESS

The following old business was presented:

- M. Bradley gave an update on the Comcast Franchise and PEG Fee Review. A meeting took place in December that included Ashpaugh & Sculco, high level Comcast representatives, the participating LFAs and Legal Counsel. Comcast and Ashpaugh & Sculco reviewed the reports and explained how each one came to their conclusions. It was recommended that the Commission continue discussions with Comcast regarding the matter.

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

- M. Bradley provided an update on the status of the Motion for Stay and Appeal of the FCC's Third Order and Report. The Court wants to hear oral arguments regarding the Motion for Stay, which is unusual. The oral arguments are scheduled for early March. Briefing in the Appeal is expected to be done by Second Quarter 2020.

NEW BUSINESS

- M. Bradley gave an update on the status of the lawsuit filed by the Attorney General against CenturyLink for allegedly violating the Fair Trade Practices Act. The Commission had issued a franchise violation notice to CenturyLink as a result. A settlement has been reached in the matter. The Commission must decide what to do with the violation notice. He recommended that the

Commission talk with CenturyLink to reach an agreement and bring final resolution to the issue.

MOTION: Meet with CenturyLink to reach an agreement and resolution regarding the Notice of Franchise Violations . **Motion made by B. Nelson. Second, M. Montain. Motion approved.**

- Recommendations were made for members of the 2020 Executive Committee. Dick Swanson, Matt Montain, Dale Stoesz and Bob Nelson indicated a willingness to serve. The opportunity to serve on the Committee was opened to the group. No one else indicated a desire to be on the Executive Committee.

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 D. Swanson. Second, M. Montain. Motion approved.**

COMMUNITY CALENDAR

Upcoming meetings include:

1. The Operations Committee on March 3, 2020
2. The Executive Committee on March 4, 2020
3. The Cable Commission on March 18, 2020

ADJOURN

The meeting was adjourned at 6:27 p.m. **The motion to adjourn was made by M. Montain. Second, S. McChesney. Motion approved.**

The next meeting of the NMTC will be held on **Wednesday, March 18, 2020 at 6:00 p.m.** at the city offices of Spring Lake Park.

Matt Montain; Secretary, NMTC

**NORTH METRO TELECOMMUNICATION
BILL LIST**

FEBRUARY 2020

Date	Check #	Payee	Amount	
FEBRUARY	COMBINED	PAYROLL	44,466.52	WAGES
FEBRUARY	COMBINED	IRS/US PAYABLE	14,173.36	WAGES
FEBRUARY	COMBINED	MN REVENUE PAYABLE	2,283.43	WAGES
FEBRUARY	COMBINED	PERA PAYABLE	7,622.09	WAGES
FEBRUARY	COMBINED	PEACHTREE	40.80	MONTHLY SERVICE
FEBRUARY	COMBINED	DISCOVERY BENEFITS	1,062.50	HEALTH SAVINGS EMPLOYEE
13633	2/5/20	Abigail Swoap	500.00	STIPEND
13634	2/5/20	Richard D. Larson	18.75	EXPENSES
13635	2/5/20	Richard D. Larson	395.00	JANITORIAL/MAINTENANCE
13636	2/16/20	Jeremy Millington	28.35	EXPENSES
13637	2/16/20	Grass Hopper Lawn & Snow	525.00	BUILDING MAINTENANCE
13638	2/16/20	Nat. Assn Officers & Advisors	2,130.00	ANNUAL MEMBERSHIP
13639	2/16/20	Corporate Mechanical	3,846.00	BUILDING MAINTENANCE-AC UNIT FAILURE
13640	2/16/20	Z Systems	5,982.52	MAINTENANCE CONTRACTS-STUDIO
13641	2/20/20	City of Blaine	221,380.36	2019 FRANCHISE FEE DISBURSEMENTS
13642	2/20/20	City of Centerville	13,722.20	2019 FRANCHISE FEE DISBURSEMENTS
13643	2/20/20	City of Circle Pines	17,956.28	2019 FRANCHISE FEE DISBURSEMENTS
13644	2/20/20	City of Ham Lake	54,335.60	2019 FRANCHISE FEE DISBURSEMENTS
13645	2/20/20	City of Lexington	6,430.56	2019 FRANCHISE FEE DISBURSEMENTS
13646	2/20/20	City of Lino Lakes	64,159.48	2019 FRANCHISE FEE DISBURSEMENTS
13647	2/20/20	City of Spring Lake Park	22,015.51	2019 FRANCHISE FEE DISBURSEMENTS
13648	2/21/20	Emma J. Helmer	500.00	STIPEND
13649	2/21/20	Floyd Security / SRSI	691.97	BUILDING MAINTENANCE-TEMP MODULE
EFILE	2/1/20	Authorize.Net	33.99	MONTHLY SERVICE
EFILE	2/9/20	Chase Visa Card Services	3,910.31	VIDEO EDITING SYSTEM
EFILE	2/9/20	Chase Visa Card Services	1,834.87	OS/SFTWR/TECH/STUDIO/MEDIA/VIDEO
EFILE	2/1/20	Virtual Merchant Credit Card	10.00	MONTHLY SERVICE
EPAY-01	2/1/20	Principal Financial Group	487.85	MONTHLY SERVICE
EPAY-02	2/2/20	POPP TELECOM	211.96	MONTHLY SERVICE
EPAY-03	2/3/20	Comcast	288.06	MONTHLY SERVICE
EPAY-04	2/3/20	T-Mobile	102.16	MONTHLY SERVICE
EPAY-05	2/4/20	Speedway	37.30	GAS/OIL
EPAY-06	2/7/20	Holiday Station Stores	81.68	GAS/OIL
EPAY-07	2/8/20	Floyd Security / SRSI	134.55	QUARTERLY CONTRACT
EPAY-08	2/12/20	AT&T Wireless	427.47	MONTHLY SERVICE
EPAY-09	2/14/20	Republic Services	184.61	MONTHLY SERVICE
EPAY-10	2/15/20	CenterPoint Energy	409.89	MONTHLY SERVICE
EPAY-11	2/15/20	Comcast Business 200M/200M	1,074.66	MONTHLY SERVICE
EPAY-12	2/15/20	U.S. Bank Card Service	196.48	SPMTG/TECH/POSTAGE
EPAY-13	2/22/20	HealthPartners	11,876.04	HEALTH/DENTAL
EPAY-14	2/26/20	City of Blaine-utilities	70.16	MONTHLY SERVICE
EPAY-15	2/26/20	Connexus Energy	2,017.63	MONTHLY SERVICE
JAN SALES TAX	2/15/20	MN Dept. of Revenue	31.00	SALES TAX

507,686.95

North Metro Telecommunications Commission

Balance Sheet
February 29, 2020

ASSETS

Current Assets

Cash - Checking Account	\$	2,374,978.33
Petty Cash		150.00
A/R - NMTC		198,975.72
Prepaid Insurance - NMTC		11,811.46

Total Current Assets 2,585,915.51

Property and Equipment

Office Equipment - NMTC	1,309,645.37
Accum Deprec - NMTC	(2,357,998.14)
Bond Equipment 2016	1,985,000.00
Building-Polk/125	1,572,799.17
Land-Polk/125	225,700.00

Total Property and Equipment 2,735,146.40

Other Assets

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

Total Assets \$ 5,415,582.91

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		91,062.49
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		148,635.00

Total Current Liabilities 2,430,626.02

Long-Term Liabilities

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

Total Liabilities 2,974,290.02

Capital

Net Equity	349,817.59
Net Equity - Media Ctr	(206,243.34)
Net Equity - NMTC	2,517,656.37
Net Income	(219,937.73)

Total Capital 2,441,292.89

Total Liabilities & Capital \$ 5,415,582.91

North Metro Telecommunications Comm

Cash Receipts Journal

For the Period From Feb 1, 2020 to Feb 29, 2020

Date	Transaction Ref	Line Description	Debit Amnt	Credit Amnt
2/10/20	TAPE DUBS-CHECKS	TAPE DUBS-CHECKS Miscellaneous receipts	188.00	188.00
2/10/20	DRONE PRODUCTION	DRONE PRODUCTION-TJ-MSMA Miscellaneous receipts	500.00	500.00
2/10/20	STUDIO TOUR	STUDIO TOUR Miscellaneous receipts	150.00	150.00
2/21/20	TAPE DUBS-CASH	TAPE DUBS-CASH Miscellaneous receipts	196.00	196.00
2/21/20	TAPE DUBS-CHECKS	TAPE DUBS-CHECKS Miscellaneous receipts	140.00	140.00
2/26/20	FEB CC SALES-SQUARE	FEB CC SALES-SQUARE FEB CC SALES-SQUARE-FEES Credit Card Sales	118.26 3,341.74	3,460.00
2/27/20	FEB CC SALES-AUTH	FEB CC SALES-AUTH FEB CC SALES-AUTH-FEES Credit Card Sales	0.58 19.42	20.00
2/28/20	FEB CC SALES-AUTH	FEB CC SALES-AUTH FEB CC SALES-AUTH-FEES Credit Card Sales	0.58 19.42	20.00
2/29/20	INTEREST	INTEREST INTEREST - COMMISSION	2,818.12	2,818.12
			7,492.12	7,492.12

North Metro Telecommunications Comm

Check Register

For the Period From Feb 1, 2020 to Feb 29, 2020

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

Check #	Date	Payee	Amount
EFILE	2/1/20	Authorize.Net	33.99
EFILE	2/1/20	Virtual Merchant Credit Card	10.00
EPAY-01	2/1/20	Principal Financial Group	487.85
EPAY-02	2/2/20	POPP TELECOM	211.96
EPAY-04	2/3/20	T-Mobile	102.16
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EPAY-07	2/8/20	Floyd Security / SRSI	134.55
EFILE	2/9/20	Chase Visa Card Services	3,910.31
EFILE	2/9/20	Chase Visa Card Services	1,834.87
EFILE	2/12/20	Discovery Benefits	520.00
EPAY-08	2/12/20	AT&T Wireless	427.47
PEACH	2/14/20	Peachtree/Sage Software	20.40
EFILE	2/14/20	MN Dept. of Revenue	1,086.60
EFILE	2/14/20	Public Employees Retirement	3,611.29
EFILE	2/14/20	IRS/US BANK	6,159.58
EPAY-09	2/14/20	Republic Services	184.61
EPAY-10	2/15/20	CenterPoint Energy	409.89
JAN SALES TAX	2/15/20	MN Dept. of Revenue	31.00
EPAY-12	2/15/20	U.S. Bank Card Service	196.48
EPAY-11	2/15/20	Comcast Business 200M/200M	1,074.66
13636	2/16/20	Jeremy Millington	28.35
13637	2/16/20	Grass Hopper Lawn & Snow	525.00
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North Metro Telecommunications Comm

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13645	2/20/20	City of Lexington	6,430.56
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13649	2/21/20	Floyd Security / SRSI	691.97
EPAY-13	2/22/20	HealthPartners	11,876.04
EFILE	2/25/20	Discovery Benefits	22.50
EPAY-14	2/26/20	City of Blaine-utilities	70.16
EPAY-15	2/26/20	Connexus Energy	2,017.63
EFILE	2/26/20	Discovery Benefits	520.00
PEACH	2/28/20	Peachtree/Sage Software	20.40
EFILE	2/28/20	MN Dept. of Revenue	1,086.60
EFILE	2/28/20	Public Employees Retirement	3,611.29
EFILE	2/28/20	IRS/US BANK	6,159.58
EFILE	2/29/20	Public Employees Retirement	399.51
EFILE	2/29/20	MN Dept. of Revenue	110.23
EFILE	2/29/20	IRS/US BANK	1,854.20
Total			<u>463,220.43</u>

North Metro Telecommunications Comm

General Journal

For the Period From Feb 1, 2020 to Feb 29, 2020

Date	Reference	Trans Description	Debit Amt	Credit Amt
2/1/20	ACCRUED VAC/COM/SICK	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	87,312.50	87,312.50
2/1/20	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	12,897.40	12,897.40
2/29/20	ACCRUED DEPRECIATION	ACCRUED DEPRECIATION ACCRUED DEPRECIATION	12,900.00	12,900.00
2/29/20	ACCRUED VAC/COM/SICK	ACCRUED VAC/COMP/SICK ACCRUED VAC/COMP/SICK	91,062.49	91,062.49
2/29/20	ACCRUED WAGES	ACCRUED WAGES ACCRUED WAGES	12,897.40	12,897.40
Total			217,069.79	217,069.79

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

Tuesday, March 3, 2020

CALL TO ORDER

The meeting began at 10:33 a.m.

MEMBERS PRESENT

D. Buchholtz, J. Karlson, B. Petracek, D. Shimek, M. Wolfe, P. Antonen, M. Statz

MEMBERS ABSENT

OTHERS PRESENT

H. Arnson

APPROVAL OF MEETING NOTES

The meeting notes of February 4, 2020 were approved by consensus.

EXECUTIVE DIRECTOR REPORT

- The group reconsidered the recommended Joint Powers Agreement updates. Two issues had been flagged for additional discussion. The Operations Committee had requested that the language regarding quorums be simplified. The Executive Committee had asked that alternate methods for calculating Member votes be considered. It was discovered that alternate methods for calculating number of votes negated the Commission's stated goal of recognizing Blaine's size while maintaining the other six Member Cities' ability to unanimously override Blaine. Two of the alternate voting methods would have ended up requiring that Blaine be present for all meetings in order to have a quorum and take any action. Legal Counsel and staff worked to create a method for determining a quorum that would maintain the stated goals. The recommended language change would maintain the status quo of a majority of Members plus 51% of the votes OR ¾ of Members for a quorum and to take action. With that language, any method of calculating votes would meet the stated goals. Consideration was given to foregoing any changes to the quorum language until the current method no longer meets the stated goals, but the final consensus was that it would be best to recommend the change now, along with the other recommended updates.
- A Resolution in support of The Protecting Community Television Act was introduced. If adopted, the Act would reverse the FCC Third Report and Order and allow franchise fees to be calculated as they have been for over 35 years as monetary fees only. It was requested that staff forward the document to Cities for consideration, after approval of the Resolution by the Cable Commission.
- An update was given regarding the plan for North Metro TV staff to transition into recording city meetings. Freelancers have been hired and trained for Ham Lake and Lino Lakes meetings. Full-time staff have also been trained at both locations. Full-time staff will accompany freelancers to the first two meetings, or more if necessary, to ensure they are comfortable with the systems. Then staff will serve as back-up, should freelancers be unable to cover a meeting. M. Wolfe stated that Blaine might be interested in transitioning to NMTV staff at the beginning of 2021.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

The meeting was adjourned at 11:19 a.m.

EXECUTIVE COMMITTEE MINUTES

Meeting of March 4, 2020

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

Absent: Bob Nelson; Spring Lake Park

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

CALL TO ORDER

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

APPROVAL OF MINUTES

A motion to approve the February 5, 2020 Executive Committee meeting minutes was made by D. Swanson. Second, M. Montain. Motion approved.

EXECUTIVE DIRECTOR / OPERATIONS COMMITTEE REPORT

- Updates to the Joint Powers Agreement were finalized. New language regarding quorums maintained the current power structure, while allowing for the seamless incorporation of additional members. Three different methods for calculating votes were considered. The Committee suggested that a fourth method, 1 vote for every 1,000 subscribers or fraction thereof, be considered. Staff will include the option in a table for discussion at the full Commission meeting.

MOTION: To approve recommended updates to the Joint Powers Agreement. **Motion made by D. Swanson. Second, M. Montain. Motion approved.**

- A Resolution in support of The Protecting Community Television Act was introduced. If adopted, the Act would reverse the FCC Third Report and Order and allow franchise fees to be calculated as they have been for over 35 years, as monetary fees only. A draft resolution for the Commission and a draft resolution for Cities was included in the packet. The Operations Committee asked that the draft resolution be forwarded to them after approval by the Commission.

MOTION: To recommend adoption of Resolution 2020-01, a resolution In Support of the Protecting Community Television Act. **Motion made by D. Swanson. Second, M. Montain. Motion approved.**

- An update was given regarding the plan for North Metro TV staff to transition into recording city meetings. Freelancers have been hired and trained for Ham Lake and Lino Lakes meetings. Full-time staff has also been trained at both locations. Full-time staff will accompany freelancers to the first two meetings, or more if necessary, to ensure they are comfortable with the systems. Then staff will serve as back-up, should freelancers be unable to cover a meeting. Blaine will likely transition to North Metro TV staff coverage at the beginning of 2021.

OLD BUSINESS

There was no old business.

NEW BUSINESS

- A discussion regarding preparedness for Coronavirus was had. Various safeguards and procedures were considered.
- H. Arnson will be on vacation the week of April 6th.

ADJOURN

**Motion to adjourn made by M. Montain. Second, D. Swanson. Motion approved.
The meeting was adjourned at 6:28 p.m.**

North Metro TV

February 2020 Update

Program Production

In February, a total of 114 **new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **77:00:00 hours of new programming**.

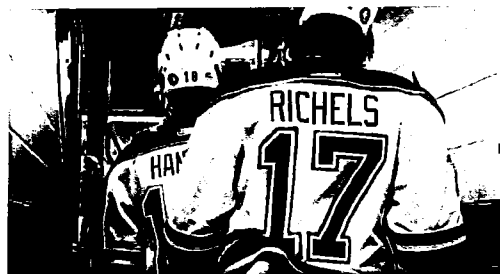
- 32 programs were produced by the public
- 61 programs were produced by NMTV staff
- 21 programs were produced by City staff



Van Shoots

The HD truck was used for **71:30:00** hours of production. Events produced live and recorded for additional playbacks include:

- Girls Basketball: Elk River vs. Spring Lake Park
- Girls Hockey: 5AA QF: Rogers vs. Centennial
- Girls Hockey: 5AA QF: Champlin Park/Coon Rapids vs. Anoka/Spring Lake Park
- Girls Hockey: 5AA SF: Blaine vs. Anoka/Spring Lake Park
- Adapted Floor Hockey: Anoka-Hennepin vs. North Suburban
- Boys Basketball: Andover vs. Blaine
- Girls Basketball: Andover vs. Blaine
- Boys Hockey: 5AA QF: Blaine vs. Coon Rapids
- Boys Hockey: 5AA QF: Centennial vs. Osseo
- Boys Hockey: 5AA SF: Blaine vs. Totino Grace
- Boys Hockey: 5AA SF: Centennial vs. Maple Grove
- Girls Basketball: 5AAAA QF: Champlin Park vs. Spring Lake Park
- Boys Hockey: 5AA Championship: Blaine vs. Maple Grove



Workshops

Workshop	Instructor	Organization	Students
Screenwriting – Week 1	Eric Houston	General Public	8
Lecture Series – Star Wars Saga: Creating a Galaxy Far, Far Away	Eric Houston	General Public @ North Metro TV	14
Editing	Eric Houston	General Public	2
Production Consult	Eric Houston	Blaine High School Journalism Instructor	1
Screenwriting – Week 2	Eric Houston	General Public	6
Lecture Series – We Love Lucy: The Lucille Ball Story	Eric Houston	Spring Lake Park Parks and Recreation	12
Lecture Series – We Love Lucy: The Lucille Ball Story	Eric Houston	Crest View Senior Living	10

Camera	Eric Houston	General Public	1
Lecture Series – We Love Lucy: The Lucille Ball Story	Eric Houston	Coon Rapids Senior Center (Fee Charged)	53
Screenwriting – Week 3	Eric Houston	General Public	7
Lecture Series – We Love Lucy: The Lucille Ball Story	Eric Houston	Elk River Continuing Education (Fee Charged)	4
Screenwriting – Week 4	Eric Houston	General Public	6
Lecture Series – Batman: the 1966 TV Sensation	Eric Houston	Blaine Parks and Recreation	6
13 Workshops			130 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
February	286	69	86	18	1,020	\$3,595.00
TOTAL:	478.75	138	90	31	1,435	\$4,234.00

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
February	155	636.5
TOTAL PUBLIC USAGE:		1,141.25

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 February highlights include:

- Blaine Water Main Sewer Issues Cause Closures and Temporary Outages
- New Restaurant Now Open in Matthew's Spot in Circle Pines
- Sign Maker Continues Nearly 30 Year Tradition of Witty Postings Along Highway 65
- Anoka County Planning Roundabout for Birch Street in Lino Lakes
- Blaine Works to Fix Sewer and Water Line Damage



- Blaine Census Open House
- Conversations: Census 2020
- State and Local Leaders Ready for Census 2020
- Anoka County License Centers Grapple With Rush of Real ID Customers
- Conversations: 2020 Legislative Session
- Anoka County Sells Park Posters
- Jeff Reinert Joins County Board

In addition to daily playbacks of North Metro TV News on the cable systems, there are 626 local stories archived for viewers on the NMTV YouTube channel. The channel can be accessed through the northmetrotv.com website.

Teen Suicide Prevention Video

Municipal Producer, Trevor Scholl, completed his Teen Suicide Prevention video in February. He spent a lot of time, in January, working on the project, with the Blaine Police Department. In the video, Blaine Police Chief Brian Podany addresses recent teen suicides in the Anoka Hennepin School District. He discusses risk factors and warning signs to be aware of, and various methods for approaching a teen you think might be considering suicide. Various prevention ideas are also discussed, such as de-stigmatizing mental health issues, gun safety, and being aware of prescription drugs in the house.



Screenwriting Class

Instructor, Eric Houston, began teaching an eight week course on television screenwriting in February. The workshop is intended to offer something new and challenging to public access producers. Students start by reading an actual screenplay, learning proper formatting, and learning storytelling mechanics. Then, as a team, the students develop a storyline for an original episode of Gilligan's Island. By the end of the workshop series, students will have worked together to create their own, original screenplay. This is the second year that the class has been offered.

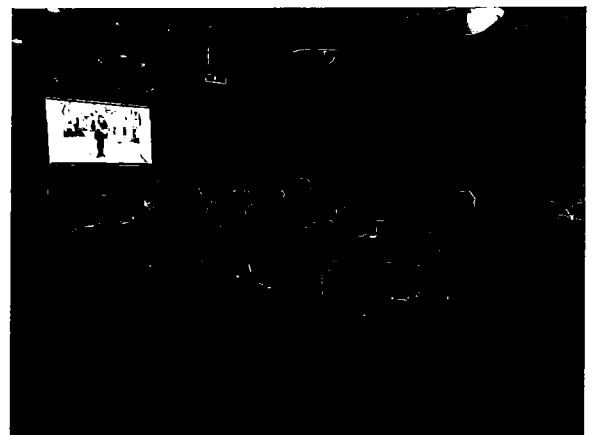
Conversations

The fourth and fifth episodes of Conversations were produced in February. The fourth episode featured Minnesota Senators Michelle Benson and Jerry Newton talking about what to expect this legislative session and how those issues could impact the North Metro. The fifth episode featured state and local leaders talking about being prepared for the 2020 census. Guest included State Demographer, Susan Brower, Anoka County Libraries Collections Manager, Andrew Wylie, AND Census Man!!! (Circle Pines City Council Member Dean Goldberg.) Conversations features interesting people and topics in the North Metro area.



Lecture Series

February marked the first time that Instructor, Eric Houston, brought his lecture series to venues outside of the Member Cities, for a fee. Three locations, including the Coon Rapids Senior Center, Elk River Continuing Education, and the Brightdale Senior Living Center in New Brighton, have contracted with North Metro TV for presentations. The popularity of the lectures has been growing and requests for presentations continue to arrive. Fifty-three participants attended the We Love Lucy: The Lucille Ball Story at the Coon Rapids Senior Center. Eric continues to develop new lectures to keep the series fresh. He hopes to have a class about the Marx Brothers completed by April.



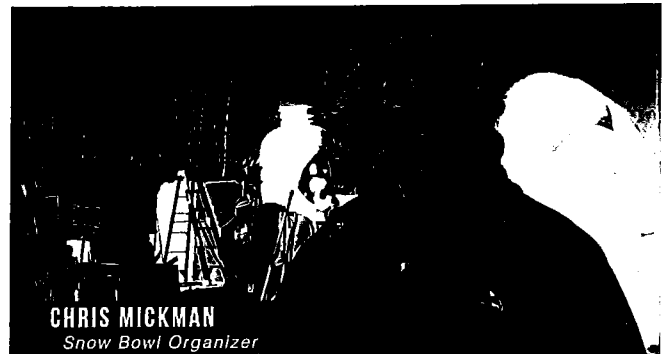
Meeting Coverage Update

Staff continues to transition toward providing meeting taping services for the Member Cities. Freelancers have been hired and trained for Ham Lake and Lino Lakes meetings. Full-time staff has also been trained at both locations. Full-time staff will accompany freelancers to the first two meetings, or more if necessary, to ensure they are comfortable with the systems. Then staff will serve as back-up, should freelancers be unable to cover a meeting.

City Productions

In February, Municipal Producer, Trevor Scholl, completed six productions, including coverage of Ham Lake's Snow Bowl, the opening of the Mary Ann Young Center, and the Centerville ice fishing contest. He also put the final touches on his Teen Suicide Prevention video with the Blaine Police Department. Chief Podany sent a very nice email thanking Trevor for the great job he did on the video. Programs completed include:

- Blaine Police Work to Prevent Teen Suicide
- Animal Adoption Easy with the Animal Humane Society
- Ham Lake Snow Bowl 2020
- Ice Fishing Contest Brings Crowds to Support Good Causes
- Music Warms Hearts of Seniors at Valentines Day Event
- Mary Ann Young Center Opens to Public



New and ongoing projects include:

- Dasco Printing, business profile
- Blaine Police Department Awards
- Guns N Hoses charity hockey match
- SACA fundraising efforts
- Lexington fire profile
- New Council member highlights
- 2020 census
- Grandma's House non-profit profile
- Spring Mayor's Minutes

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

- 2.14.2020: Patrick Wilson requested additional training on system. Arranged training time.
- 2.18.2020: Met with Patrick Wilson. Went over a broad reinforcing training session with Patrick doing everything from bringing the graphics online to moving the cameras and re-setting cue points. Went over graphics and made a few in Xpression to make it easier on the operator. Went over audio and had to reset the audio controls to the DSP and showed Patrick more on the audio side of things.
- 2.21.2020: Operator problems with system just before meeting. Went to city hall. Auto iris setting was really low. Reset the gain levels in the Sony camera control menu.
- 2.27.2020: Trouble recording the meeting. Patrick Wilson clicked a button which opened the Dashboard panel to system settings. Spent an hour on the phone trying to work out issues with Patrick. System crashed. During meeting Patrick reset the port settings and Dashboard re-appeared. Went to city hall next day and settings looked fine. Will meet with Patrick two hours before the next meeting to review settings. Will stay through the meeting to make sure all is well.

Ham Lake

- 2.19.2020: NMTV staff training on Ham Lake system in preparation for transitioning to responsibility for recording meetings.

Lexington

- No assistance required.
Lino Lakes
- 2.4.2020: Lino Lakes lost power over weekend resulting in system issues. Went to city and got graphics and return monitor working again. Took picture and sent it to Rusty and Danika with switcher set-up in order to get graphics to work in case it happens again.
- 2.19.2020: NMTV staff training on Lino Lakes system in preparation for transitioning to responsibility for recording meetings.
Spring Lake Park
- 2.4.2020: KiPro issues. A new computer has been introduced into the system and it isn't working. The new computer was not supplying enough power to the Kistor drive. It could also be a bigger issue with the USB hubs on the computer. Talked with other NMTV staff and learned that changing the setting on the KiPro to play instead of record will allow it to transfer files. The setting has to be changed back for recording.
All Cities
- 2.10.20: Renewed support from Imagine Communications for the year. Contract covers Master Control router and cards.

City Channel 16 Playback Stats

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	183	239:59:23
Centerville	73	81:36:18
Circle Pines	179	124:04:02
Ham Lake	78	68:44:49
Lexington	130	116:47:39
Lino Lakes	204	120:43:27
Spring Lake Park	125	122:18:58
Totals:	972 Program Playbacks	874:14:36 Hours of Video Programming on Channels

Programs Produced by the Public

Title	Producer	Runtime
Nocked & Loaded TV: Thunder Chickens	Dave Perkins	00:51:00
Chit Chat: Robert Ryan	Sharon Carlson	00:28:24
Cornerstone Church ((2 episodes)	Rick Bostrom	01:18:55
Christ Lutheran Church (4 episodes)	Jacob Nessman	04:05:28
The Power of Love (6 episodes)	Rick Larson	03:00:00
LovePower (6 episodes)	Rick Larson	06:00:00
A Fresh New Day (2 episodes)	Anita Wardlaw	01:01:18
Rice Creek Watershed District Meeting (2 episodes)	Theresa Stasica	02:09:35
Oak Park Community Church (5 episodes)	David Turnidge	03:01:28
Hope Church (3 episodes)	Cindy Hardy	02:01:59
32 New Programs		23:58:07 New Hours

Programs Produced by NMTV Staff

Title	Producer	Runtime
North Metro Cable Commission Meeting (2/19/20)	T.J. Tronson	00:26:40
NMTV News (3 episodes)	Danika Peterson/Rusty Ray	00:47:30
Conversations: 2020 Legislative Session	Danika Peterson/Rusty Ray	00:31:14
Conversations: Census 2020	Danika Peterson/Rusty Ray	00:28:41
Roundabouts for Birch Street	Danika Peterson/Rusty Ray	00:01:58

Print Central Sign Guy	Danika Peterson/Rusty Ray	00:03:07
New Restaurant Opens in Circle Pines	Danika Peterson/Rusty Ray	00:01:43
Sewer Line Damage	Danika Peterson/Rusty Ray	00:02:04
Census Info	Danika Peterson/Rusty Ray	00:03:30
Suicide Awareness	Trevor Scholl	00:07:23
AHS Adoption	Trevor Scholl	00:04:46
Snow Bowl 2020	Trevor Scholl	00:03:02
Valentines Day	Trevor Scholl	00:01:32
Lions Ice Fishing Contest 2020	Trevor Scholl	00:01:50
Mary Ann Young Center Opens	Trevor Scholl	00:03:36
Girls Basketball: Elk River/Spring Lk Prk	Kenton Kipp/J. Millington	01:23:35
Girls Hockey: 5AA QF: Rogers/Centennial	Kenton Kipp/J. Millington	01:22:21
Girls Hockey: 5AA QF: Champlin Prk/Coon Rapids vs. Anoka/Spring Lk Prk	Kenton Kipp/J. Millington	02:22:07
Girls Hockey: 5AA SF: Blaine vs. Anoka/Spring Lake Park	Kenton Kipp/J. Millington	01:41:44
Adapted Floor Hockey: Anoka Hennepin/N. Suburban	Kenton Kipp/J. Millington	01:08:39
Boys Basketball: Andover/Blaine	Kenton Kipp/J. Millington	01:28:23
Girls Basketball: Andover/Blaine	Kenton Kipp/J. Millington	01:29:53
Boys Hockey: 5AA QF: Blaine/Coon Rapids	Kenton Kipp/J. Millington	01:23:21
Boys Hockey: 5AA QF: Centennial/Osseo	Kenton Kipp/J. Millington	01:50:54
Boys Basketball: Park Center/Spring Lake Park	Kenton Kipp/J. Millington	01:20:44
Boys Hockey: 5AA SF: Blaine/T Grace	Kenton Kipp/J. Millington	01:46:22
Boys Hockey: 5AA SF: Centennial/Maple Grove	Kenton Kipp/J. Millington	01:53:39
Girls Basketball: 5AAAA QF: Champlin Park/Spring Lake Park	Kenton Kipp/J. Millington	01:50:31
Boys Hockey: 5AA Championship: Blaine/Maple Grove	Kenton Kipp/J. Millington	01:54:48
Girls Basketball: 5AAAA SF: Centennial/Roseville	Kenton Kipp/J. Millington	01:20:00
Sports Den (4 episodes)	Kenton Kipp/J. Millington	01:49:36
Game Highlights (25 episodes)	Kenton Kipp/J. Millington	00:59:55
61 New Programs		29:55:08 New Hours

Programs Produced by City Staff

Title	Producer	Runtime
Blaine City Council Meeting (2/3/20)	Blaine Staff	01:02:27
Blaine Traffic Commission Meeting (2/4/20)	Blaine Staff	00:30:27
Blaine Planning Commission Meeting (2/12/20)	Blaine Staff	01:06:55
Blaine City Council Meeting (2/19/20)	Blaine Staff	02:49:05
Centerville City Council Meeting (2/12/20)	Centerville Staff	01:17:57
Centerville City Council Meeting (2/26/20)	Centerville Staff	03:28:49
Circle Pines City Council Meeting (2/12/20)	Circle Pines Staff	00:43:23
Circle Pines Utility Commission Meeting (2/19/20)	Circle Pines Staff	00:33:51
Circle Pines City Council Meeting (2/26/20)	Circle Pines Staff	00:16:36
Ham Lake City Council Meeting (2/3/20)	Ham Lake Staff	00:28:06
Ham Lake Planning Commission Meeting (2/10/20)	Ham Lake Staff	01:16:00
Ham Lake City Council Meeting (2/18/20)	Ham Lake Staff	00:37:12
Lexington City Council Meeting (2/6/20)	Lexington Staff	01:05:23

Lexington City Council Meeting (2/20/20)	Lexington Staff	01:00:00
Lino Lakes City Council Meeting (2/10/20)	Lino Lakes Staff	00:39:28
Lino Lakes Planning and Zoning Commission Meeting (2/12/20)	Lino Lakes Staff	02:23:22
Lino Lakes City Council Meeting (2/24/20)	Lino Lakes Staff	00:09:40
Lino Lakes Environmental Board Meeting (2/26/20)	Lino Lakes Staff	01:02:58
Spring Lake Park City Council Meeting (2/3/20)	Spring Lake Park Staff	01:07:44
Spring Lake Park City Council Meeting (2/18/20)	Spring Lake Park Staff	01:14:14
Spring Lake Park Planning Commission Meeting (2/24/20)	Spring Lake Park Staff	00:09:33
21 New Programs		23:03:40 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

	J	F	M	A	M	J	JU	A	S	O	N	D	20 Total	20 Average
Programming Statistics														
Cablecast Programs	2606.00	2626.00											5232.00	436.00
Cablecast Hours	2260.50	2106.50											4367.00	363.92
Programs Produced - Public	14.00	20.00											34.00	2.83
Program Hours Produced - Public	11.00	15.75											26.75	2.23
Prog. Produced - Affiliated Public	7.00	12.00											19.00	1.58
Prog. Hours Produced - Affil. Public	5.50	8.25											13.75	1.15
Programs Produced - City Staff	24.00	21.00											45.00	3.75
Prog. Hours Produced - City Staff	22.00	23.00											45.00	3.75
Programs Produced - NMTV Staff	53.00	61.00											114.00	9.50
Prog. Hours Produced - NMTV Staff	26.75	30.00											56.75	4.73
Total Public Programs Produced	21.00	32.00											53.00	4.42
Total Staff Programs Produced	77.00	82.00											159.00	13.25
Total Internal Programs Produced	98.00	114.00											212.00	17.67
% Staff Produced Programs	78.57%	71.93%											75.00%	75.00%
% Public Produced Programs	21.43%	28.07%											25.00%	25.00%
External Programs Submitted	16.00	25.00											41.00	3.42
External Program Hours	12.00	16.25											28.25	2.35
Total New Programs	114.00	139.00											253.00	21.08
Equipment Usage Statistics														
Facility Hours Available	182.00	169.00											351.00	29.25
Public Field Equipment Uses	8.00	12.00											20.00	1.67
Studio A	52.75	36.50											89.25	7.44
% of Available Time	28.98%	21.60%											25.43%	25.43%
Studio B	4.00	20.50											24.50	2.04
% of Available Time	2.20%	12.13%											6.98%	6.98%
Public MAC A Edit Suite	94.25	222.25											316.50	26.38
% of Available Time	51.79%	131.51%											90.17%	11.85%
Public MAC B Edit Suite	89.00	48.75											137.75	11.48
% of Available Time	48.90%	28.85%											39.25%	39.25%
Public MAC C Edit Suite	47.50	102.75											150.25	12.52
% of Available Time	26.10%	60.80%											42.81%	42.81%
Production Van Statistics														
Production Hours	50.00	71.50											121.50	10.13
Number of Van Shoots	8.00	9.00											17.00	1.42
Average Hours Per Shoot	6.25	7.94											7.15	0.84
Number of New Volunteers	6.00	8.00											14.00	1.17
Volunteer Hours	92.00	97.00											189.00	15.75
Public Access Statistics														
Number of Workshops	8.00	13.00											21.00	1.75
Number of Students	94.00	130.00											224.00	18.67
PAP Volunteer Hours	60.25	95.50											155.75	12.98
Total Public Facility Usage Hours	504.75	636.50											1141.25	95.10

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	34.00											69.00	5.75
Morning Hours Used	7.50	7.75											15.25	1.27
Percent of Available	21.43%	22.79%											22.10%	22.10%
Afternoon Available Hours	79.00	72.00											151.00	12.58
Afternoon Hours Used	8.00	9.00											17.00	1.42
Percent of Available	10.13%	12.50%											11.26%	11.26%
Evening Available Hours	68.00	63.00											131.00	10.92
Evening Hours Used	37.25	19.75											57.00	4.75
Percent of Available	54.78%	31.35%											43.51%	43.51%
Studio B														
Morning Available Hours	35.00	34.00											69.00	5.75
Morning Hours Used	0.00	0.00											0.00	0.00
Percent of Available	0.00%	0.00%											0.00%	0.00%
Afternoon Available Hours	79.00	72.00											151.00	12.58
Afternoon Hours Used	0.50	3.00											3.50	0.29
Percent of Available	0.63%	4.17%											2.32%	2.32%
Evening Available Hours	68.00	63.00											131.00	10.92
Evening Hours Used	3.50	17.50											21.00	1.75
Percent of Available	5.15%	27.78%											16.03%	16.03%
Public MAC A Edit Suite														
Morning Available Hours	35.00	53.00											88.00	7.33
Morning Hours Used	20.00	53.00											73.00	6.08
Percent of Available	57.14%	100.00%											82.95%	82.95%
Afternoon Available Hours	79.00	120.50											199.50	16.63
Afternoon Hours Used	53.75	120.50											174.25	14.52
Percent of Available	68.04%	100.00%											87.34%	87.34%
Evening Available Hours	68.00	63.00											131.00	10.92
Evening Hours Used	20.50	48.75											69.25	5.77
Percent of Available	30.15%	77.38%											52.86%	52.86%
Public MAC B Edit Suite														
Morning Available Hours	35.00	34.00											69.00	5.75
Morning Hours Used	13.50	6.00											19.50	1.63
Percent of Available	38.57%	17.65%											28.26%	28.26%
Afternoon Available Hours	79.00	72.00											151.00	12.58
Afternoon Hours Used	35.75	17.75											53.50	4.46
Percent of Available	45.25%	24.65%											35.43%	35.43%
Evening Available Hours	68.00	63.00											131.00	10.92
Evening Hours Used	39.75	25.00											64.75	5.40
Percent of Available	58.46%	39.68%											49.43%	49.43%
Public MAC C Edit Suite														
Morning Available Hours	35.00	34.00											69.00	5.75
Morning Hours Used	3.25	13.50											16.75	1.40
Percent of Available	9.29%	39.71%											24.28%	24.28%
Afternoon Available Hours	79.00	72.00											151.00	12.58
Afternoon Hours Used	29.00	18.25											47.25	3.94
Percent of Available	36.71%	25.36%											31.29%	31.29%
Evening Available Hours	68.00	71.00											139.00	11.58
Evening Hours Used	15.25	71.00											86.25	7.19
Percent of Available	22.43%	100.00%											62.05%	62.05%

NORTH METRO TV

TO: OPERATIONS COMMITTEE/CABLE COMMISSION
FROM: HEIDI ARNSON
SUBJECT: RESOLUTION SUPPORTING THE PROTECTION OF COMMUNITY TELEVISION ACT
DATE: 2/27/2020

At the February Cable Commission meeting, Legal Counsel told the group about a piece of federal legislation that is intended to counteract the FCC's Third Report and Order. The Protection of Community Television Act would override the Order and return the definition of franchise fees to the way they have been defined for the past 35 years.

Cities and Commission's are urged to adopt the attached resolution supporting the Act. So far, both Minnesota Senators and Representatives McCollum and Omar have signed on as sponsors. The goal is to get all Minnesota Representatives to sign on.

Resolutions for the Commission and for Cities, along with a Star Tribune article about the FCC Order and the actual Bills are attached to this memo.

RESOLUTION NO. 2020-01

RESOLUTION IN SUPPORT OF THE PROTECTING COMMUNITY TELEVISION ACT

WHEREAS, the North Metro Telecommunications Commission (the “Commission”) is a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Blaine, Centerville, Circle Pines, Ham Lake, Lexington, Lino Lakes, and Spring Lake Park, Minnesota (collectively the “Member Cities”);

WHEREAS, the Commission negotiates and manages the cable franchise agreements of the Member Cities and operates North Metro TV, a local community public educational and governmental (“PEG”) access facility on behalf of the Member Cities;

WHEREAS, North Metro TV provides coverage of local events, such as local high school sporting events and most government meetings that local broadcast stations (i.e. WCCO, KSTP, KMSP, and KARE) typically will not cover, and, in light of a rapidly decreasing print media, North Metro TV is the principal, and may soon be the sole, source for local residents to have access to coverage of local events;

WHEREAS, North Metro TV is funded through franchise fee and PEG fee revenues negotiated in the cable franchise agreements;

WHEREAS, the Member Cities require, as part of the cable franchise agreements, that cable companies meet demonstrated community needs by providing non-monetary in-kind contributions that benefit the Member Cities, local schools, public safety buildings, as well as North Metro TV;

WHEREAS, in 1984 Congress defined a franchise fee as a “tax, fee, or assessment” and, for the past 35 years, it has been solely a monetary fee;

WHEREAS, last year the FCC departed from the clear language of the Cable Act and ruled that a franchise fee is both a monetary and non-monetary fee and permits cable companies to unilaterally assign a value to the non-monetary in-kind contributions and then subtract that amount from the franchise fees the cable operator pays the local community;

WHEREAS, the FCC order results in decreased vital funding to the Member Cities and North Metro TV;

WHEREAS, the *Protect Community Television Act* (currently S. 3218/HR 5659) has been introduced in Congress and its goal is to maintain the status quo by reversing the FCC order and allowing franchise fees to be calculated as they have been for over 35 years as monetary only fees; and

WHEREAS, this legislation is supported by the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties, the Minnesota League of Cities, and NATOA.

NOW, THEREFORE, BE IT RESOLVED that the Commission calls on Congress to pass legislation, such as the *Protect Community Television Act*, which would undo the FCC's action;

BE IT FURTHER RESOLVED that the Commission urges all House members and Senators from Minnesota to cosponsor the *Protect Community Television Act*; and

BE IT FURTHER RESOLVED that the Commission recommends that the Member Cities adopt a similar Resolution.

Passed and adopted this ____ day of March, 2020.

**NORTH METRO TELECOMMUNICATIONS
COMMISSION**

By: _____
Its Chair

ATTEST:

CITY OF _____

RESOLUTION NO. _____

**RESOLUTION IN SUPPORT OF
THE PROTECTING COMMUNITY TELEVISION ACT**

WHEREAS, the City of _____ is a member of the North Metro Telecommunications Commission (the "Commission"), a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Blaine, Centerville, Circle Pines, Ham Lake, Lexington, Lino Lakes, and Spring Lake Park, Minnesota (collectively the "Member Cities");

WHEREAS, the Commission negotiates and manages the cable franchises agreements of the Member Cities and operates North Metro TV, a local community public educational and governmental ("PEG") access facility on behalf of the Member Cities;

WHEREAS, North Metro TV provides coverage of local events, such as local high school sporting events and most government meetings that local broadcast stations (i.e. WCCO, KSTP, KMSP, and KARE) typically will not cover, and, in light of a rapidly decreasing print media, North Metro TV is the principal, and may soon be the sole, source for local residents to have access to coverage of local events;

WHEREAS, North Metro TV is funded through franchise fee and PEG fee revenues negotiated in the cable franchise agreements;

WHEREAS, the Member Cities require, as part of the cable franchise agreements, that cable companies meet demonstrated community needs by providing non-monetary in-kind contributions that benefit the Member Cities, local schools, public safety buildings, as well as North Metro TV;

WHEREAS, in 1984 Congress defined a franchise fee as a "tax, fee, or assessment" and, for the past 35 years, it has been solely a monetary fee;

WHEREAS, last year the FCC departed from the clear language of the Cable Act and ruled that a franchise fee is both a monetary and non-monetary fee and permits cable companies to unilaterally assign a value to the non-monetary in-kind contributions and then subtract that amount from the franchise fees the cable operator pays the local community;

WHEREAS, the FCC order results in decreased vital funding to the Member Cities and North Metro TV;

WHEREAS, the *Protect Community Television Act* (currently S. 3218/HR 5659) has been introduced in Congress and its goal is to maintain the status quo by reversing the FCC order and allowing franchise fees to be calculated as they have been for over 35 years as monetary only fees; and

WHEREAS, this legislation is supported by the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties, the Minnesota League of Cities, and NATOA.

NOW, THEREFORE, BE IT RESOLVED that the City calls on Congress to pass legislation, such as the *Protect Community Television Act*, which would undo the FCC's action; and

BE IT FURTHER RESOLVED that the City urges all House members and Senators from Minnesota to cosponsor the *Protect Community Television Act*; and

Passed and adopted this ____ day of _____, 2020.

CITY OF _____

By: _____
Its Mayor

ATTEST:

Amy Klobuchar

U.S. Senator for Minnesota

Klobuchar, Smith Help Introduce Legislation to Protect Community Television

January 23, 2020

WASHINGTON - This week, U.S. Senators Amy Klobuchar (D-MN) and Tina Smith (D-MN) helped introduce the *Protecting Community Television Act*, which would 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, as well as public, educational, and government (PEG) channels, also known as community television stations. However, last year the Federal Communications Commission (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. The *Protecting Community Television Act* would clarify that the franchise fees that cable companies provide local governments only include monetary assessments, not in-kind contributions.

"We must protect community television stations that give voice to important local issues, leaders and stories that may not otherwise be heard," Klobuchar said. **"Thomas Jefferson wrote that the first objective of our democracy should be to leave open all avenues to the truth and that the most effective way of doing this is through freedom of the press. I am proud to support the Protecting Community Television Act as we continue working to ensure that local television stations receive the resources they need to inform and educate our communities."**

"It is so important for local voices to be heard, and for the federal government to support the community television stations who lift up these voices in Minnesota and

across the country,” Smith said. “We’re seeing more and more media consolidation, and it’s vital that we stand up for local media. Communities deserve lawmakers who will look out for them, and that’s what we’re doing through this legislation.”

“The League of Minnesota Cities thanks Senators Smith and Klobuchar for their ongoing support for local authority and protecting local media. The Cable Act was passed by Congress to ensure that cable providers meet community needs and fairly compensate cities for the use of the public right of way to deliver their service. The *Protecting Community Television Act* upholds that commitment and protects community programming from FCC overreach by clarifying that community benefits negotiated between the city and cable companies cannot be deducted from the franchise fees paid to the city,” **said Dave Unmacht, Executive Director at the League of Minnesota Cities.**

You can access text of the legislation [here](#). The bill is supported by the League of Minnesota Cities, the National Association of Counties, the National League of Cities, United States Conference of Mayors, the National Association of Telecommunications Officers and Advisors, Alliance for Community Media, MassAccess, TeleCommUnity, and Texas Municipal League.

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.

The *Protecting Community Television Act*—led by Senator Edward J. Markey (D-Mass.)—is also supported by Sens. Tammy Baldwin (D-Wisc.), 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), and Elizabeth Warren (D-Mass.).

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January 16, 2020

The Honorable Tom Emmer
United States House of Representatives
315 Cannon House Office Building
Washington, DC 20515

Dear Congressman Emmer,

As the President of the League of Minnesota Cities, I am writing on behalf of our 833 member cities to express our support for the Protecting Community Television Act introduced by Congresswoman Anna Eshoo (D-CA) and to urge you to sign onto the bill as a co-sponsor. The bill protects critical funding for public, education, or governmental (PEG) stations which were jeopardized by the Federal Communications Commission's (FCC) reinterpretation of the Cable Act outlined in its Section 621 Report and Order released in August 2019. Without the adoption of the bill, cities will see a decrease in franchise fees and may be forced to abandon PEG stations.

The FCC's reinterpretation of the Cable Act allows cable operators to deduct the value of "in-kind" obligations negotiated between them and cities against the franchise fees they have agreed to pay. This interpretation threatens city budgets and could significantly reduce franchise fees, which may force cities to eliminate public access programming entirely. In-kind obligations that are subject to these deductions include complimentary or discounted cable connections to schools, libraries and government buildings as well as negotiated discounts for veterans, seniors or low-income families. Moreover, the FCC has stated that within the year it may extend the offset to include the channel capacity needed to provide PEG programming.

Congress articulated a clear difference between monetary franchise fees and negotiated in-kind contributions in the Cable Act, and this distinction must be upheld. The Protecting Community Television Act upholds this longstanding distinction and reverses the FCC's attempt to treat non-monetary in-kind franchise obligations as franchise fees by clarifying in law that franchise fees are limited to cash payments and do not include other services negotiated between a cable operator and a city. This legislation is critical to ensuring the preservation PEG programming and the ability for cities to receive fair compensation for commercial use of public rights of way.

If you or your staff have any questions about the Protecting Community Television Act and how it would benefit Minnesota cities, please contact Daniel Lightfoot at dlightfoot@lmc.org or 651-281-1295.

Thank you for the work that you do on behalf of all Minnesotans.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Mornson', with a stylized flourish at the end.

Mike Mornson
President, League of Minnesota Cities

116TH CONGRESS
2D SESSION

S. 3218

To amend the Communications Act of 1934 to modify the definition of franchise fee, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 21, 2020

Mr. MARKEY (for himself, Ms. BALDWIN, Ms. SMITH, Mr. CARDIN, Mr. VAN HOLLEN, Mr. SANDERS, Mr. MURPHY, Ms. HASSAN, Mr. MERKLEY, Mrs. SHAHEEN, Mr. BLUMENTHAL, Mr. WYDEN, Mrs. GILLIBRAND, Ms. HIRONO, Ms. WARREN, and Ms. KLOBUCHAR) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To amend the Communications Act of 1934 to modify the definition of franchise fee, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Community
5 Television Act”.

6 **SEC. 2. MODIFYING THE DEFINITION OF FRANCHISE FEE.**

7 Section 622(g)(1) of the Communications Act of
8 1934 (47 U.S.C. 542(g)(1)) is amended—

1 (1) by striking "includes" and inserting
2 "means"; and

3 (2) by inserting "other monetary" before "as-
4 sessment".

○

116TH CONGRESS
2D SESSION

H. R. 5659

To amend the Communications Act of 1934 to modify the definition of franchise fee, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 21, 2020

Ms. ESHOO (for herself, Mr. WELCH, Mr. MCGOVERN, Mr. NEAL, Mr. ENGEL, Mr. DEFAZIO, Mr. COX of California, Mr. HUFFMAN, Ms. SPEIER, Mr. SCHIFF, Ms. GABBARD, Ms. MENG, Mr. BLUMENAUER, Mr. SERRANO, Mr. LYNCH, Mr. RASKIN, Mr. TRONE, Ms. MCCOLLUM, Mr. PAPPAS, Ms. MOORE, Ms. KUSTER of New Hampshire, and Mrs. TRAHAN) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Communications Act of 1934 to modify the definition of franchise fee, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Community
5 Television Act”.

6 **SEC. 2. MODIFYING THE DEFINITION OF FRANCHISE FEE.**

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2 “means”; and
3 (2) by inserting “other monetary” before “as-
4 sessment”.

○

Sec. 542 Franchise fees

§542. Franchise fees**(a) Payment under terms of franchise**

Subject to the limitation of subsection (b), any cable operator may be required under the terms of any franchise to pay a franchise fee.

(b) Amount of fees per annum

For any twelve-month period, the franchise fees paid by a cable operator with respect to any cable system shall not exceed 5 percent of such cable operator's gross revenues derived in such period from the operation of the cable system to provide cable services. For purposes of this section, the 12-month period shall be the 12-month period applicable under the franchise for accounting purposes. Nothing in this subsection shall prohibit a franchising authority and a cable operator from agreeing that franchise fees which lawfully could be collected for any such 12-month period shall be paid on a prepaid or deferred basis; except that the sum of the fees paid during the term of the franchise may not exceed the amount, including the time value of money, which would have lawfully been collected if such fees had been paid per annum.

(c) Itemization of subscriber bills

Each cable operator may identify, consistent with the regulations prescribed by the Commission pursuant to section 543 of this title, as a separate line item on each regular bill of each subscriber, each of the following:

- (1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.
- (2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.
- (3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.

(d) Court actions; reflection of costs in rate structures

In any court action under subsection (c), the franchising authority shall demonstrate that the rate structure reflects all costs of the franchise fees.

(e) Decreases passed through to subscribers

Any cable operator shall pass through to subscribers the amount of any decrease in a franchise fee.



(f) Itemization of franchise fee in bill

A cable operator may designate that portion of a subscriber's bill attributable to the franchise fee as a separate item on the bill.

(g) "Franchise fee" defined

For the purposes of this section—

(1) the term "franchise fee" includes any tax, fee, or assessment of any kind imposed by a franchising authority or other governmental entity on a cable operator or cable subscriber, or both, solely because of their status as such;

(2) the term "franchise fee" does not include—

(A) any tax, fee, or assessment of general applicability (including any such tax, fee, or assessment imposed on both utilities and cable operators or their services but not including a tax, fee, or assessment which is unduly discriminatory against cable operators or cable subscribers);

(B) in the case of any franchise in effect on October 30, 1984, payments which are required by the franchise to be made by the cable operator during the term of such franchise for, or in support of the use of, public, educational, or governmental access facilities;

(C) in the case of any franchise granted after October 30, 1984, capital costs which are required by the franchise to be incurred by the cable operator for public, educational, or governmental access facilities;

(D) requirements or charges incidental to the awarding or enforcing of the franchise, including payments for bonds, security funds, letters of credit, insurance, indemnification, penalties, or liquidated damages; or

(E) any fee imposed under title 17.

(h) Uncompensated services; taxes, fees and other assessments; limitation on fees

(1) Nothing in this chapter shall be construed to limit any authority of a franchising authority to impose a tax, fee, or other assessment of any kind on any person (other than a cable operator) with respect to cable service or other communications service provided by such person over a cable system for which charges are assessed to subscribers but not received by the cable operator.

(2) For any 12-month period, the fees paid by such person with respect to any such cable service or other communications service shall not exceed 5 percent of such person's gross revenues derived in such period from the provision of such service over the cable system.

(i) Regulatory authority of Federal agencies

Any Federal agency may not regulate the amount of the franchise fees paid by a cable operator, or regulate the use of funds derived from such fees, except as provided in this section.

(June 19, 1934, ch. 652, title VI, §622, as added Pub. L. 98-549, §2, Oct. 30, 1984, 98 Stat. 2787; amended Pub. L. 102-385, §14, Oct. 5, 1992, 106 Stat. 1489; Pub. L. 104-104, title III, §303(b), Feb. 8, 1996, 110 Stat. 125.)

References in Text

This chapter, referred to in subsec. (h)(1), was in the original "this Act", meaning act June 19, 1934, ch. 652, 48 Stat. 1064, known as the Communications Act of 1934, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 609 of this title and Tables.

Amendments

1996—Subsec. (b). Pub. L. 104-104 inserted "to provide cable services" before period at end of first sentence.

1992—Subsec. (c). Pub. L. 102-385 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "A cable operator may pass through to subscribers the amount of any increase in a franchise fee, unless the franchising authority demonstrates that the rate structure specified in the franchise reflects all costs of franchise fees and so notifies the cable operator in writing."

Effective Date of 1992 Amendment

Amendment by Pub. L. 102-385 effective 60 days after Oct. 5, 1992, see section 28 of Pub. L. 102-385, set out as a note under section 325 of this title.

Effective Date

Section effective 60 days after Oct. 30, 1984, except where otherwise expressly provided, see section 9(a) of Pub. L. 98-549, set out as a note under section 521 of this title.

NORTH METRO TV

TO: OPERATIONS COMMITTEE/CABLE COMMISSION
FROM: HEIDI ARNISON
SUBJECT: JOINT POWERS AGREEMENT UPDATES
DATE: 3/11/2020

At the February Operations and Executive Committee meetings, updates to the Cable Commission Joint Powers Agreement were considered. For the most part, the recommended changes were approved. Those changes include:

- Removing references to two budgets
- Removing the requirement that a city joining the Commission must be contiguous to a current member city
- Removing reporting and oversight language no longer applicable due to law/rule changes
- Including PEG fees as fees available for payments for bonds

However, there were a couple of areas that required additional attention. The Operations Committee asked that language concerning quorums be simplified. The Executive Committee asked that alternate methods be considered for determining number of votes, and by extension, what represents a quorum.

The language has been changed and says what it needs to say without any extraneous verbiage. The alternate methods for determining number of votes per member, and what represents a quorum, have been considered and discussed.

The goal of the vote assignment and quorum numbers is to recognize the number of Blaine's subscribers, while still maintaining the other six Member Cities' ability to unanimously override Blaine. (It would also need to continue to work should additional cities join the Commission.)

The tricky part was that the two alternate methods we were asked to consider for determining votes, resulted in Blaine, alone, having over 51% of the vote. The current quorum language requires at least 51% of total votes be present for a quorum, in addition to a certain number of directors. As such Blaine would have to be present for every meeting in order to have a quorum. That's a lot of attendance pressure on Blaine....

So! After many charts and confusing conversations, I think we have a recommendation that meets the above stated goals.

A quorum could be a majority of directors and 51% of the vote, OR the presence of $\frac{3}{4}$ of the directors. This would keep the quorum and voting structure at the status quo and allow for the seamless addition of other cities.

The same structure would apply to official action of the Commission, and would work with any of the methods considered for tallying votes:

- One vote for every 2,500 subscribers or fraction thereof (current method)
- One vote for every 500 subscribers or fraction thereof
- One vote for every 1,000 subscribers or fraction thereof
- One vote for every percentage point of Franchise fees contributed out of 100% (or because of rounding, 98%)

Member City	Current JPA (1 Vote 2,500)	Option 1 (1 Vote 500)	Option 2 (1 Vote 1,000)	Option 3 (Votes based on Fees)
Blaine	5	22	11	55
Centerville	1	2	1	3
Circle Pines	1	2	1	4
Ham Lake	2	6	3	14
Lexington	1	1	1	2
Lino Lakes	2	7	4	16
Spring Lake Park	1	3	2	6
Total Votes:	13	43	23	98

At the Executive Committee meeting, it was thought that one vote per every 1,000 subscribers would keep total vote numbers manageable, while still recognizing the subscriber levels of each City.

Once we have final approval on updates to the Joint Powers Agreement, we will apply those changes to the By-Laws for your perusal.

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 (NMTC).

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 ~~2,500-1,000~~ 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

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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 either (1) a majority of the appointed four directors representing a majority of the total authorized votes of all directors, or (2) three-fourths (3/4) of the appointed 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 appointed directors four (4) directors; or
- (2) the affirmative vote of three-fourths (3/4) of the appointed 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

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required to make by law.

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

NMTCJPA Examples

The following charts show how votes are calculated in the current JPA and the two alternative voting options in the draft JPA amendments, as well as several examples contrasting the models.

Member City	Current JPA (1 Vote per 2,500 Subs)	Option 1 (1 Vote per 500 Subs)	Option 2 (Votes based on FF and PEG fee Revenue)
Blaine	5	22	55
Centerville	1	2	3
Circle Pines	1	2	4
Ham Lake	2	6	14
Lexington	1	1	2
Lino Lakes	2	7	16
Spring Lake Park	1	3	6
Total Votes	13	43	98

Example 1	4 Commission Directors Present – Blaine Director Absent.
Current JPA	No quorum. Need a majority of the total authorized (7 of 13) votes present. In this example the most authorized votes would be 6.
Option 1 (1 vote per 500 subs)	No quorum. Blaine represents a majority of the votes.
Option 2 (votes based on FF and PEG fee revenue)	No quorum. Blaine represents a majority of the votes.

Example 2	4 Commission Directors Present, <u>including</u> Blaine Director.
Current JPA	Unanimous consent needed to pass a measure. 4 Directors representing 7 votes (51+% of the authorized votes) constitute a quorum. Must have 4 Directors to pass a measure.
Option 1 (1 vote per 500 subs)	Unanimous consent needed to pass a measure. 4 Directors (majority of appointed Directors) representing 51+% of the authorized votes constitute a quorum. Must have all 4 Directors (majority of appointed Directors) to pass a measure.
Option 2 (votes based on FF and PEG fee revenue)	Unanimous consent needed to pass a measure. 4 Directors (majority of appointed Directors) representing 51+% of the authorized votes constitute a quorum. Must have all 4 Directors (majority of appointed Directors) to pass a measure.

Example 3	5 Commission Directors Present – Blaine Director Absent.
Current JPA	4 Directors representing 7 votes constitute a quorum. In this example there would be 5 directors representing 7 votes. Measure could pass by 4 votes in favor (51% of votes cast) plus 4 Directors.
Option 1 (1 vote per 500 subs)	No quorum because Blaine represents a majority of the votes and $\frac{3}{4}$ of the appointed directors (6) are not present.
Option 2 (votes based on FF and PEG fee revenue)	No quorum because Blaine represents a majority of the votes and $\frac{3}{4}$ of the appointed directors (6) are not present.

Example 4	5 Commission Directors Present, <u>including</u> Blaine Director.
Current JPA	4 Directors representing 7 votes constitute a quorum. In this example there would be 5 directors representing at least 9 votes. Assuming 9 votes, a measure could pass by 51% (5) of votes cast plus 4 Directors.
Option 1 (1 vote per 500 subs)	4 Directors representing over 51+% of authorized votes constitute a quorum. In this example there would be 5 directors representing at least 30 votes. Assuming 30 votes, a measure could pass by 51% (16) of votes cast plus 4 Directors.
Option 2 (votes based on FF and PEG fee revenue)	4 Directors representing over 51+% of authorized votes constitute a quorum. In this example there would be 5 directors representing at least 70 votes. Assuming 70 votes, a measure could pass by 51% (36) of votes cast plus 4 Directors.

Example 5	6 Commission Directors Present - Blaine Director Absent.
Current JPA	4 Directors representing 7 votes constitute a quorum. In this example there would be 6 directors representing 8 votes. Measure could pass by either: (1) 5 votes in favor (51% of votes cast) plus 4 Directors; or (2) all 6 Directors voting in favor.
Option 1 (1 vote per 500 subs)	Quorum because 6 directors represent $\frac{3}{4}$ of the appointed directors. Measure could pass by (1) 51% of the votes cast, or (2) unanimous vote.
Option 2 (votes based on FF and PEG fee revenue)	Quorum because 6 directors represent $\frac{3}{4}$ of the appointed directors. Measure could pass by (1) 51% of the votes cast, or (2) unanimous vote.

Example 6	6 Commission Directors Present, <u>including</u> the Blaine Director.
Current JPA	4 Directors representing 7 votes constitute a quorum. In this example there would be 6 directors representing at least 11 votes. Measure could pass by either: (1) 51% (6) of votes cast plus 4 Directors; or (2) all 6 Directors voting in favor.
Option 1 (1 vote per 500 subs)	4 Directors representing over 51+% of authorized votes constitute a quorum. In this example there would be 6 directors representing at least 36 votes. Assuming 36 votes present, a measure could pass by either: (1) 51% (19) of votes cast plus 4 Directors; or (2) all 6 Directors (3/4 of appointed Directors) voting in favor.
Option 2 (votes based on FF and PEG fee revenue)	4 Directors representing over 51+% of authorized votes constitute a quorum. In this example there would be 6 directors representing at least 82 votes. Assuming 82 votes present, a measure could pass by either: (1) 51% (41) of votes cast plus 4 Directors; or (2) all 6 Directors (3/4 of appointed Directors) voting in favor.

Example 7	All 7 Commission Directors present.
Current JPA	Measure could pass by either (1) 7 of 13 votes of 4 Directors; or (2) 6 of 7 Directors voting in favor of measure.
Option 1 (1 vote per 500 subs)	Measure could pass by either: (1) Blaine Director (51+% of authorized votes) plus 3 Directors; or (2) 6 of 7 Directors (3/4 of appointed Directors) voting in favor.
Option 2 (votes based on FF and PEG fee revenue)	Measure could pass by either: (1) Blaine Director (51+% of authorized votes) plus 3 Directors; or (2) 6 of 7 Directors (3/4 of appointed Directors) voting in favor.

New FCC rule threatens funding for community TV programming

Bill in Congress would protect funding for vital local programs

By Briana Bierschbach (<http://www.startribune.com/briana-bierschbach/566938881/>) Star Tribune staff

FEBRUARY 18, 2020 — 12:05AM

It was just before 2 p.m. on a recent afternoon and there, in a nondescript building in an industrial area of Brooklyn Park, Shannon Slatton was ready to go live.

Standing on a studio set at CCX Media, a community television station with an exclusive focus on nine cities in the northwestern suburbs of the Twin Cities, she used a screen in front of her to quickly fix a single hair that was out of place before launching into the top story of the day: A Robbinsdale man was charged after he allegedly tampered with the oxygen supply to patients at a hospital. The camera then moved over to reporter Jay Wilcox, who had results from a recent state Nordic ski meet, occasionally cutting to interviews with high school athletes.

It was the kind of hyperlocal take that is at the core of public access television. Funded by local governments through an annual fee from private cable companies as right of way for using public property for cable, they cover topics ranging from high school sports to school board and city council meetings. But after nearly four decades on the air, CCX and other community television stations across the country say that funding source is being threatened by a new interpretation of law by the Federal Communications Commission (FCC).

The 1984 Cable Communications Policy Act paved the way for local governments to collect up to 5% of gross revenue of cable services in their area — known as franchise fees — to dedicate toward public access programming.

But in August, the FCC said that, under its interpretation of the law, a cable company can place a market value on any in-kind contributions that it also contributes to a community, things such as free cable connections in schools, libraries or government buildings, or service discounts for seniors or low-income families. Now, those in-kind contributions can be counted against the total franchise fee they pay governments.

The move is part of broader effort from the FCC to get the same cable companies to expand broadband access in rural communities by cutting back on regulations.

"Every dollar paid in excessive fees is a dollar that by definition cannot and will not be invested in upgrading and expanding networks," said FCC Chairman Ajit Pai when the change passed the FCC last year. The commission did not provide further comment for this story.

But opponents of the FCC's interpretation argue that in some communities, the new rule could significantly reduce franchise fees, forcing cities to choose between public programming or things like snowplows or fixing potholes.

Terry Hartikka, station manager at Mesabi Community TV for the past two decades, said they cover more than a half-dozen Iron Range communities that wouldn't otherwise get much attention. Even reporters from local newspapers rely on their broadcasts to do some of their coverage, he said.

"Seven city councils now, four schools' school board meetings, concerts, graduations, town hall meetings," he said. "A lot of the schools and commissions didn't want us when I decided to start filming them. They said 'We're going to quit if you're going to do that.' But now they appreciate it because it's a good way for them to get the word out."

GALLERY GRID 1/9



Cable companies pay local governments for right of way to use public property for cable. For the last four decades, CCX Media News Director Shannon Slatton works on set during a live news broadcast Friday. The FCC said cable companies can count in-kind contributions toward that fee, including free or discounted cable to veterans or fiber optic networks they've built in the community. That change could threaten public TV stations in small and suburban communities across the state where they broadcast hundreds of local city council, school board and county meetings that are otherwise ignored. Tina Smith and Amy Klobuchar have signed on to a bill to

He thinks the communities have come to value the public-access programming so much that they'd look to cut other services if franchise fees were reduced. "I think they'd sharpen their pencil a little bit more on their budget," he said.

Today there are more than 1,500 community television stations in the country operating more than 3,000 channels. Religious programming and high school sports are big draws, and public-access television has increasingly become a way for ethnic and racial minorities and immigrant groups to create content in their communities. The Rural Broadband Association estimates cable companies pay \$3 billion a year in franchise fees to local governments.

Dozens of cities across the country have signed on to a lawsuit asking the federal appeals courts to undo the FCC order, and there's a bill moving through Congress that would clarify that franchise fees must be monetary, not in-kind contributions.

The bill has the backing of U.S. Rep. Betty McCollum, D-Minn., and Minnesota's two Democratic U.S. senators, Amy Klobuchar and Tina Smith.

"In a world where we have increasing media consolidation and declining sources of local news, these government and public education channels are increasingly important. Imagine you live in a community where there are no more local newspapers, how are you going to know what's going on?" said Smith. "We should not be placing our thumbs on the scale for the cable companies."

Mike Johnson, executive director of CCX Media, said the station has covered more than 14,000 public meetings since it was founded in 1982. Its local focus is by design: "We have stories to tell and nobody's telling them," Johnson said. "Community newspapers are dying in our communities, and this is our way for us to provide communications daily."

The change comes at an already difficult time for public programming, as more people cut cable cords and get most of their content online or through streaming services. CCX Media has started putting most content online and pushing people to it through Facebook and other social media outreach sites.

But for now, the franchise fees are how they survive, and Johnson is worried more cuts are yet to come.

"That's the double whammy here," he said. "If they allow that to go, what's the next thing they chip away at?"

address the issue and the change is being challenged in federal court. CCX Media community TV in Brooklyn Park, the station does a live broadcast every day at 2p.m. Shots of reporters doing live shots, people working behind the control rooms, etc. ORG XMIT: MIN2002151544341268

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POTs and PANs

Pretty Advanced New Stuff from CCG Consulting

February 28, 2020

Why are US Broadband Prices so High?

[Leave a comment](#)

(https://potsandpansbyccg.com/?attachment_id=8915#main) I've wondered for years about why broadband prices are higher in the US than the rest of the world. The average price in other industrial countries is significantly lower. In France broadband averages \$31, Germany is \$35, Japan is \$35, South Korea is \$33, and the UK is \$35. The average price of broadband in the US is approaching \$70, so we're at twice the price as other countries.

Thomas Philippon tackles this question in his new book *The Great Reversal: How America Gave Up on Free Markets*. He's an economist at NYU who moved to the US in the 1990s but has kept an eye on Europe. The book looks at a lot more than just broadband prices and Philippon looks at other major industries like airlines, pharmaceuticals, and the US food chain.

THE GREAT REVERSAL

HOW AMERICA
GAVE UP ON
FREE MARKETS

THOMAS PHILIPPON

He says something that was a wake-up call to me. Go back 30-40 years and the situation was reversed. At that time the US had some of the lowest prices in the world for things like telecom, airline tickets, pharmaceuticals, and food – and not just a little cheaper. Prices here were 30-40% lower than in Europe at that time. In just a few decades the situation has completely reversed and US prices from major industries are now much higher than in Europe.

How did this happen? He says the cause is almost entirely due to what he calls corporate concentration. In every one of the industries where prices have climbed in the US, there have been numerous large corporate mergers that have had the net impact of reducing competition. As fewer and fewer giant companies control a market there is less competition. One result of corporate concentration is the ability of industries to squash regulations through corporate lobbying – and lowering regulations inevitably leads to higher profits and higher prices.

It's not hard to trace the history of consolidation through any of the major industries in this country. Since the readers of the blog are telecom folks, consider the telecom landscape in 1990:

- At that time the Baby Bell companies were still separate from AT&T.
- There was a vigorous CLEC market starting to grow led by companies like MCI.
- There were probably a hundred different medium-sized regional cable companies.
- There were not as many cellular companies due to the limited licenses granted for spectrum, but there was still strong regional competition from smaller cellular companies.
- There were dozens of thriving manufacturers of telecom electronics.

- In 1990 we had vigorous regulation, and at the state level there was still a lot of telecom rate regulation.

In just thirty years that picture changed. Most of the Baby Bells came back together under the AT&T umbrella. Comcast and Charter went on wild buying sprees and consolidated most of the medium-sized cable companies. Telcos purchased and neutered their competition, like the purchase of MCI by Verizon. Comcast and AT&T went on to merge with giant content providers to further consolidate the industry supply chain.

Telecom regulation has been all but killed in the country. This is almost entirely at the bidding of lobbyists. The current FCC went so far as to write themselves out of regulating broadband. All of these events resulted in US broadband that now costs twice as much as the rest of the industrialized world.

Meanwhile, Europe took the opposite approach. In 1990, regulation in Europe was local to each country and concentrated on protecting local industries in each country – and that led to high prices. However, after the creation of the European Union in 1993, regulators adopted the philosophy of promoting competition in every major industry. From that point forward, European regulators made it extremely difficult for competing corporations to merge. Regulators took special care to protect new market entrants to give them a chance to grow and thrive.

The regulatory policies in the US and Europe have completely flipped since 1990. The US was pro-competition in the 90s, as well-evidenced by the Telecommunications Act of 1996. Today's FCC is working hard to eliminate regulation. European regulators now put competition first when making decisions.

It's never too late for the US to swing back to being more competitive. However, for now, the monopolies are winning, and it will be hard to break their hold on politicians and regulators. But this is something we've seen before. At the turn of the nineteenth century, big corporations had a stranglehold on the US. Monopolies inevitably abuse their market power and eventually there is enough public backlash to push the government to re-regulate industries.

Posted by [CCGConsulting](#) in [Regulation - What is it Good For?](#)

Tagged: [monopoly power](#), [Regulation](#), [Thomas Philippon](#)

[Blog at WordPress.com.](#)

Three Generations of Failure

Submitted on March 5, 2020



**BENTON
INSTITUTE**
for BROADBAND
& SOCIETY

(<https://benton.org>)



Common Cause

Education Fund

Thursday, March 5, 2020

Digital Beat

Three Generations of Failure



Cops

We are now in the third generation talking about getting broadband out to all our citizens. We are nowhere near getting the job done. It's a market failure. It's a government failure. And it's a national embarrassment.

Big telcos and their allies at the Federal Communications Commission and Congress tell us all is well and we're on track. Pretty long track! Make that claim in many of our inner cities like

Baltimore, Milwaukee, and Newark and you will get laughed out of town. Try to sell that pitch in rural America where nearly 30% of people are still waiting. Visit tribal lands where over 40% (and I think that's a low estimate) lack access to fixed broadband. Check in with marginalized communities including people of color, seniors, low-income Americans, individuals with disabilities, and you'll see the same sad story.

Even where there is broadband availability, it's most often through a monopoly provider. Some 35% of us live in areas with only one provider offering download speeds over 100 Mbps. That means consumer-gouging costs. In 2017, the last figures I have (cited in a recent article in VOX (<https://www.vox.com/the-goods/2020/2/18/21126347/antitrust-monopolies-internet-telecommunications-cheerleading>)), the average monthly cost of broadband in the U.S. was \$66.17. In France it was \$38.10; in Germany \$35.71; in South Korea \$29.90. In overall internet speeds, Akami reported we were tenth in the world. Regarding cellular download speeds, Opensignal told us last year that the U.S. was 30th in the world.

We invented the internet, didn't we? How did we go from global pace-setter to global laggard?

One, we allowed a cartel of providers to divide the country into monopoly—occasionally oligopoly—markets, snuffing out competitors, gutting public interest oversight, and charging consumers whatever the traffic could bear. Two, Washington (DC) permitted itself—actually encouraged—special interest take-over of much of the legislative and regulatory process. Lobbyists and industry lawyers actually wrote the legislative bills that soon became laws, a privilege that their enormous campaign contributions bought for them. They wrote corporate-friendly “conditions” for the FCC to attach to merger approvals. They had access and they used it to wield influence. This swamp hasn't even started to be drained. Three, special interests resurrected a long-since discredited free-market ideology and sold it to too many folks as revealed truth. Sadly, a lot of people—by no means are all of them special interests—actually still believe this stuff.

I had a front-row seat to all this while serving on the Federal Communications Commission beginning in 2001. While the

Telecommunication Act of 1996 was no great piece of forward-looking legislation, it at least envisioned competition, but I saw the FCC majority green-lighting decision after decision undercutting the legislation's pro-competitive provisions by granting the big carriers forbearance from most everything they didn't like in the Act. At the same time, the FCC approved merger after merger as the big guys ate not only the competitors' lunch but ate the competitors themselves. It was a market failure because it destroyed markets and it was a government failure because it destroyed any real semblance of consumer protection and public interest oversight.

Imagine an agency that is supposed to be encouraging broadband build-out that doesn't have a clue which areas have it and which areas don't. Instead it relies on maps produced by—you guessed it—the companies themselves, which take advantage of an agency framework that allows them to submit self-reported data that considers an entire census block fully served if just a single residence in the block has broadband! Imagine an agency whose current majority does everything it can to discourage community and municipal broadband and thwarts local oversight. Imagine an agency that is driving toward elimination of the very modest broadband subsidies designed during the Reagan administration to help those who cannot afford broadband. Imagine an agency which has ruled that broadband isn't even a telecommunications service to begin with, so that said agency has no role to play in what is now the obvious backbone of the nation's telecommunications. Well, you don't have to imagine such an agency. We have it right now—it's the Federal Communications Commission, and its current majority is inflicting incalculable harm, not just on communications but on the future of our country. Under the current FCC's watch (or lack thereof) we have seen an increase in broadband prices, embarrassingly large corporate profiteering, network outages, and risks to public safety.

So here we are in the third decade of the twenty-first century with a broadband marketplace captured by special interests, aided and abetted at almost every turn by a government eager to do their bidding. It's not how we built America. And it is not how we keep America great.

How we built America was with people working together—industry, government, states, cities, and labor pulling together. And this

cooperative effort began at the beginning—with bridges, postal roads, turnpikes and canals that provided the foundations for economic growth. It continued with railroads, electricity, dams and interstate highways. What we had then and lack now was a sense of mission and national purpose. For generations, we used all our resources, creativity, and vision to provide the essential infrastructure upon which continued growth depended. But then, particularly under Presidents Reagan and George W. Bush and now Donald Trump, the focus has been solely on the supposed beauties of the market. The market can get it all done by itself, no help needed, we are told by such leaders and their corporate enablers. Those who spew this nonsensical verbiage try to equate their hands-off approach to the “American way,” but actually it is diametrically opposite to the American way that actually built our nation. Should we really wonder, then, why in this third generation of broadband build-out, we are still years from getting the job done?

While they go about stymieing forward-looking policy in Washington, these same special interests have lobbied states and localities to cut back their efforts, slashing funding and even putting state regulatory agencies out of any meaningful role in broadband planning and deployment. Luckily, some are moving ahead in spite of heavily-funded lobbying pressures against them. Dozens of cities have already moved ahead to ensure that their residents have broadband access, while others explore innovative options such as cooperatives, which did so much in earlier generations to build out essential infrastructure, like electricity. It's uphill work against heavy headwinds, but it is one bright chapter in an otherwise dismal tale.

We need leadership that develops a sense of mission because it has a vision. We need sectors and agencies and jurisdictions pulling together on a common goal of bringing advanced telecommunications and truly high-speed broadband to every American, no matter who they are or where they live. We're talking a civil right here, because without the tools of the information age readily at hand, no one can be a fully-participating and fully-productive citizen. No President, of either party, has provided this kind of leadership on what I consider the central infrastructure challenge of our time.

So this Administration and its FCC majority continue wielding their wrecking ball, approving mergers, demolishing generations-old

public interest protections, favoring an internet for the few over a democratic internet for everyone, all the while making up totally nonsensical claims about how their communications policies are increasing real incomes and consumer welfare by (the most recent claim) nearly \$100 billion a year. What rubbish!

Equally worrying is that some courts are joining the assault. "Oh, there is nothing that can be done about a vertical merger wherein a corporation controls both the content and distribution of a product," a federal court tells us; but, in truth, there was for years clear judicial concern about just this kind of merger. Even anticompetitive horizontal arrangements like the T-Mobile/Sprint merger, which reduces the wireless marketplace from four to three carriers, are getting approved by the courts. What a shot in the arm decisions like these are for more telecom, media, and internet consolidations and the higher consumer prices that accompany them! Now we hear even Supreme Court justices questioning if federal expert agencies should have any role in interpreting the statutes they are charged with implementing. Let's be clear: this would be a direct and perhaps fatal assault on the ability of federal agencies to perform the jobs they were designed to do. This Administration and its Senate allies are hell-bent on the destruction of the kind of citizen-first government that we have come to depend upon to protect consumers and advance the common good.

Surely this is no time to be appointing judges who are capable only of rear-view mirror jurisprudence. I am an historian by training. I like to look to the past, too, but as a guide to where we have been, not a carved-in-stone map to a future none of us can predict. Our founders knew they were setting sail toward a daring new vision. They gave us essential tools to help us realize and expand that vision. But they knew full well that achieving success was up to us, not to them.

This is the year when we must decide whether it is the road past or the road ahead that we will take. Understanding how we have so mishandled broadband in particular and communications generally can help inform our decisions for a better future. It's a make or break year for America that will define the next generation of broadband access—and perhaps of democracy itself.

*Michael Copps served as a commissioner on the Federal Communications Commission from May 2001 to December 2011 and was the FCC's Acting Chairman from January to June 2009. His years at the Commission have been highlighted by his strong defense of "the public interest"; outreach to what he calls "non-traditional stakeholders" in the decisions of the FCC, particularly minorities, Native Americans and the various disabilities communities; and actions to stem the tide of what he regards as excessive consolidation in the nation's media and telecommunications industries. In 2012, former Commissioner Copps joined Common Cause to lead its Media and Democracy Reform Initiative. Common Cause is a nonpartisan, nonprofit advocacy organization founded in 1970 by John Gardner as a vehicle for citizens to make their voices heard in the political process and to hold their elected leaders accountable to the public interest. Learn more about Commissioner Copps in *The Media Democracy Agenda: The Strategy and Legacy of FCC Commissioner Michael J. Copps* (<https://www.benton.org/publications/Copps-legacy>)*

The Benton Institute for Broadband & Society is a non-profit organization dedicated to ensuring that all people in the U.S. have access to competitive, High-Performance Broadband regardless of where they live or who they are. We believe communication policy - rooted in the values of access, equity, and diversity - has the power to deliver new opportunities and strengthen communities.

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Broadband Delivers Opportunities and Strengthens
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