

Quad Cities Cable Communications Commission

Anoka City Hall – Council Chambers

March 19, 2020, 11:00 AM

Agenda

1. Call to Order

2. Roll Call

3. Approval of Agenda

4. Administrative Reports

4.1. Secretary

4.1.1. Approval of the January 16, 2020, commission meeting minutes and the February 11, 2020 Executive Committee minutes.

4.2. Treasurer

4.2.1. December - January Financial Reports

4.3. Executive Director

5. General Business

5.1. Designate Depository

5.2. Strategic Plan – Lexica Communications Project Consultant

5.3. Planned Computer Replacement Purchase

5.4. Resolution: Protecting Community Television Act

6. Adjourn

QCTV has declared a local emergency effective March 17, 2020. The regular meeting of the Quad Cities Cable Communications Commission will meet at Anoka City Hall Council Chambers, 11 am. Some commissioners will be attending remotely. The City of Anoka has also declared a local emergency and closed city hall to the public. The public may watch the QCCCC meeting at www.qctv.org on the main page streaming live the Community Channel or on Comcast Channels 859 and 15 and CenturyLink Channels 8940 and 8440.

MINUTES OF THE REGULAR MEETING OF JANUARY 16, 2020

CALL TO ORDER – 1

Chair Heitkamp called the meeting to order at 11:00 a.m. at the Anoka City Hall.

ROLL CALL– 2

Commissioners present were: Erik Skogquist, Anoka; Greg Lee, Anoka; Kurt Ulrich, Ramsey; Jim Dickinson, Andover; Jamie Barthel, Andover; and Bret Heitkamp, Champlin.

Commissioners absent: Jeff Menth, Ramsey; and Ryan Sabas, Champlin.

Others present included Karen George, Executive Director.

APPROVAL OF AGENDA – 3

Motion was made by Barthel and seconded by Skogquist to approve the agenda as presented.

6 ayes – 0 nays. Motion carried.

ADMINISTRATIVE REPORTS – 4

4.1 Secretary

4.1.1. Approval of meeting minutes from November 21, 2019

Motion was made by Dickinson and seconded by Ulrich to approve the November 21, 2019 minutes as presented.

6 ayes – 0 nays. Motion carried.

4.2 Treasurer

4.2.1. October - November Financial Reports

Commissioner Dickinson stated that the reports were included in the packet and provided a summary of the November Financial Report.

Motion was made by Barthel and seconded by Ulrich to accept the October and November Financial Reports.

6 ayes – 0 nays. Motion carried.

4.3 Executive Director

Ms. George stated that her two-month report was included in the packet leading up to year end. She stated that staff completed the budgeting process and is working towards the upcoming audit process. She reported that on the wonderful staff/Board appreciation event. She noted that the first quarter of objectives from the Strategic Plan has been completed and advised that staff will begin work on the second quarter of objectives. She stated that the capital improvement payments will be issued to the cities in January. She stated that staff has also been working to prepare for the upcoming election season coverage. She provided an update on the remote meeting coverage for member cities, noting that Anoka has authorized equipment purchase and will soon begin installation. She stated that Ramsey will most likely follow and advised that interest has also been shown from Champlin. She noted that fourth quarter programming statistics were included in the packet and advised that the annual programming review will occur at the March work session.

Motion was made by Dickinson seconded by Barthel to accept the Executive Director's report.

6 ayes – 0 nays. Motion carried.

4.4 Organizational Items

Ms. George stated that the Board reviews the organizational items each January, noting that the meeting schedule was included in the Board packet with work sessions scheduled in March and September. She noted that the bylaws require that each member city is represented by an Officer position.

Chair Heitkamp presented his intent to vacate the position of Chair.

Commissioner Dickinson asked if Chair Heitkamp would be willing to hold the Vice Chair position.

Chair Heitkamp confirmed that he would be willing to hold that position but would be open if another Commissioner desired the Vice Chair position.

Chair Heitkamp opened the nominations process for the Officers.

Motion was made by Dickinson seconded by Barthel to nominate Kurt Ulrich as Chair, Bret Heitkamp as Vice Chair, Jim Dickinson as Treasurer, and Erik Skogquist as Secretary.

Being that there were no other nominations, Chair Heitkamp closed the nominations.

6 ayes – 0 nays. Motion carried.

Ms. George proposed that the Committee appointment remain the same unless Commissioners desire changes. She reviewed the current stipend. She noted that if there are no changes to the Committee appointments or stipend, no formal action would be necessary on those items.

GENERAL BUSINESS – 5

None.

ADJOURN – 6

Time of adjournment 11:10 a.m.

Respectfully submitted,

Reviewed for approval,

Amanda Staple
Recording Secretary
TimeSaver Off Site Secretarial, Inc.

Karen George
Executive Director

Quad Cities Communications Commission
Balance Sheet Summary
As of December 31, 2019

	Total
ASSETS	
Current Assets	
Bank Accounts - QCTV	1,410,629.85
- PayPay acct	394.34
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,337,564.67
Accounts Receivable	0.00
Other current assets	0.00
Total Current Assets	\$ 2,753,838.86
Fixed Assets	0.00
TOTAL ASSETS	\$ 2,753,838.86
 LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	28,044.76
Other Current Liabilities	0.10
Total Current Liabilities	\$ 28,044.86
Equity	2,725,794.00
TOTAL LIABILITIES AND EQUITY	\$ 2,753,838.86

* **Equity: QCTV allocates fund reserves in two areas:**

Operating Reserves = \$436,808

Capital Reserves = \$2,317,030.86 (\$3.4 M needed for 5-Year CIP)

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Dec 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Income								
Duplication Revenue	40.04	41.63	(1.59)	96.18%	1,022.29	500.00	522.29	204.46%
Equipment Grant		4,833.37	(4,833.37)	0.00%	58,649.78	58,000.00	649.78	101.12%
Franchise Fees	1,297.43	71,500.00	(70,202.57)	1.81%	771,072.23	858,000.00	(86,927.77)	89.87%
Interest Income	2,428.91	2,500.00	(71.09)	97.16%	52,984.33	30,000.00	22,984.33	176.61%
Miscellaneous Income	516.89	41.63	475.26	1241.63%	2,434.79	500.00	1,934.79	486.96%
PEG Fee	778.46	35,750.00	(34,971.54)	2.18%	415,222.92	429,000.00	(13,777.08)	96.79%
Total Income	5,061.73	114,666.63	(109,604.90)	4.41%	1,301,386.34	1,376,000.00	(74,613.66)	94.58%
Expenses								
A-PERA Expense	2,888.63	3,750.00	(861.37)	77.03%	42,239.29	45,000.00	(2,760.71)	93.87%
A-SS/Medicare Expense	3,635.37	4,160.38	(525.01)	87.38%	44,589.58	49,925.00	(5,335.42)	89.31%
A-Wages - Full-time	41,385.60	44,391.25	(3,005.65)	93.23%	504,936.82	532,695.00	(27,758.18)	94.79%
A-Wages - Part-time	7,074.50	9,993.50	(2,919.00)	70.79%	90,036.11	119,922.00	(29,885.89)	75.08%
Accounting / HR Services	2,677.41	1,275.00	1,402.41	209.99%	16,093.48	15,300.00	793.48	105.19%
Ads/Promos/Sponsorships	1,553.91	916.63	637.28	169.52%	8,108.36	11,000.00	(2,891.64)	73.71%
Andover Capital Equipment		416.63	(416.63)	0.00%	1,017.27	5,000.00	(3,982.73)	20.35%
Announcers Fees	695.44	1,083.37	(387.93)	64.19%	8,949.04	13,000.00	(4,050.96)	68.84%
Anoka Capital Equipment	222.00	416.63	(194.63)	53.28%	2,853.96	5,000.00	(2,146.04)	57.08%
Audit		1,375.00	(1,375.00)	0.00%	14,582.00	16,500.00	(1,918.00)	88.38%
Bank Fees / CC Fees		20.87	(20.87)	0.00%	0.00	250.00	(250.00)	0.00%
Brand Apparel		208.37	(208.37)	0.00%	2,487.00	2,500.00	(13.00)	99.48%
Building - Cleaning	530.45	583.37	(52.92)	90.93%	7,331.95	7,000.00	331.95	104.74%
Building - Insurance		250.00	(250.00)	0.00%	5,289.00	3,000.00	2,289.00	176.30%
Building - Maintenance		833.37	(833.37)	0.00%	11,572.22	10,000.00	1,572.22	115.72%
Building - Supplies	114.90	166.63	(51.73)	68.96%	1,588.62	2,000.00	(411.38)	79.43%
Car Allowance	250.00	250.00	0.00	100.00%	3,000.00	3,000.00	0.00	100.00%
Cell Phone - Allowance	600.00	625.00	(25.00)	96.00%	7,475.00	7,500.00	(25.00)	99.67%
Champlin Capital Equipment	84.90	416.63	(331.73)	20.38%	1,912.32	5,000.00	(3,087.68)	38.25%
City Sewer & Water	109.46	216.63	(107.17)	50.53%	2,394.52	2,600.00	(205.48)	92.10%
Commission Expense	288.50	416.63	(128.13)	69.25%	4,681.63	5,000.00	(318.37)	93.63%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Dec 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Consulting Services	2,760.00	6,250.00	(3,490.00)	44.16%	37,207.50	75,000.00	(37,792.50)	49.61%
Contingency Fund		2,718.13	(2,718.13)	0.00%	0.00	32,618.00	(32,618.00)	0.00%
Duplication Expenses	116.15	41.63	74.52	279.01%	303.06	500.00	(196.94)	60.61%
Electric Service	1,058.32	1,500.00	(441.68)	70.55%	14,242.48	18,000.00	(3,757.52)	79.12%
Emp / Comm Appreciation		208.37	(208.37)	0.00%	876.93	2,500.00	(1,623.07)	35.08%
Equip/Repair/Supply/Software	315.56	3,333.37	(3,017.81)	9.47%	10,008.47	40,000.00	(29,991.53)	25.02%
Federal Unempl Expense		70.87	(70.87)	0.00%	0.00	850.00	(850.00)	0.00%
Health Insurance	7,931.43	7,873.37	58.06	100.74%	87,684.78	94,480.00	(6,795.22)	92.81%
Insurance - Deductibles		41.63	(41.63)	0.00%	0.00	500.00	(500.00)	0.00%
Insurance - Liability / Bonds		416.63	(416.63)	0.00%	8,254.00	5,000.00	3,254.00	165.08%
Lawn Service		416.63	(416.63)	0.00%	4,961.00	5,000.00	(39.00)	99.22%
Legal Fees	410.00	2,083.37	(1,673.37)	19.68%	5,239.84	25,000.00	(19,760.16)	20.96%
Licenses and Permits	100.00	166.63	(66.63)	60.01%	784.00	2,000.00	(1,216.00)	39.20%
Meals	308.00	83.37	224.63	369.44%	1,042.74	1,000.00	42.74	104.27%
Memberships - NATOA / Others		833.37	(833.37)	0.00%	5,470.00	10,000.00	(4,530.00)	54.70%
Mileage	462.13	750.00	(287.87)	61.62%	6,874.16	9,000.00	(2,125.84)	76.38%
Miscellaneous Expenses		83.37	(83.37)	0.00%	2,112.05	1,000.00	1,112.05	211.21%
Natural Gas	635.99	566.63	69.36	112.24%	2,370.71	6,800.00	(4,429.29)	34.86%
Office Supplies / Equipment	1,164.51	500.00	664.51	232.90%	5,151.10	6,000.00	(848.90)	85.85%
Parking Lot Maintenance		266.63	(266.63)	0.00%	0.00	3,200.00	(3,200.00)	0.00%
Payroll Expenses (ADP/HSA)	125.00	200.00	(75.00)	62.50%	1,530.00	2,400.00	(870.00)	63.75%
Postage	40.50	83.37	(42.87)	48.58%	1,064.16	1,000.00	64.16	106.42%
Printing / Copy Services		83.37	(83.37)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Professional Development	1,918.03	1,833.37	84.66	104.62%	11,929.15	22,000.00	(10,070.85)	54.22%
Publications		41.63	(41.63)	0.00%	0.00	500.00	(500.00)	0.00%
Ramsey Capital Equipment	131.77	416.63	(284.86)	31.63%	2,303.51	5,000.00	(2,696.49)	46.07%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Dec 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Sales Tax		41.63	(41.63)	0.00%	73.00	500.00	(427.00)	14.60%
Secretary Services		208.37	(208.37)	0.00%	1,015.75	2,500.00	(1,484.25)	40.63%
Snow Plowing Service	1,947.50	416.63	1,530.87	467.44%	7,803.75	5,000.00	2,803.75	156.08%
State Unemploy Exp		208.37	(208.37)	0.00%	57.95	2,500.00	(2,442.05)	2.32%
STD / LTD / Life Insurance	578.45	625.00	(46.55)	92.55%	6,991.25	7,500.00	(508.75)	93.22%
Studio Sets	(7.32)	833.37	(840.69)	-0.88%	673.71	10,000.00	(9,326.29)	6.74%
Subscription Services	499.99	1,833.37	(1,333.38)	27.27%	21,803.77	22,000.00	(196.23)	99.11%
Temp Staff Services		208.37	(208.37)	0.00%	150.00	2,500.00	(2,350.00)	6.00%
Vehicle - Equipment / Repair	1,002.00	1,250.00	(248.00)	80.16%	11,460.98	15,000.00	(3,539.02)	76.41%
Vehicle - Insurance		333.37	(333.37)	0.00%	2,148.00	4,000.00	(1,852.00)	53.70%
Vehicle - Maintenance / Gas	2,755.47	666.63	2,088.84	413.34%	8,464.66	8,000.00	464.66	105.81%
Waste Removal	115.46	166.63	(51.17)	69.29%	1,366.96	2,000.00	(633.04)	68.35%
Web / VOD / Int / CaTV / Phone	1,057.48	1,833.37	(775.89)	57.68%	17,104.40	22,000.00	(4,895.60)	77.75%
Work Comp Insurance		191.63	(191.63)	0.00%	1,853.00	2,300.00	(447.00)	80.57%
Total Expenses	87,537.49	111,445.00	(23,907.51)	78.55%	1,071,514.99	1,337,340.00	(265,825.01)	80.12%
Net Income	(82,475.76)	3,221.63	(85,697.39)	-2560.06%	229,871.35	38,660.00	191,211.35	594.60%
ZCIP - Andover					27,284.92			
ZCIP - Anoka					27,284.92			
ZCIP - Building					11,200.00			
ZCIP - Champlin					26,782.20			
ZCIP - Master Control Equipment	2,961.25				41,745.05			
ZCIP - Office Equipment					10,950.00			
ZCIP - Ramsey					30,036.23			
ZCIP - Studio					3,760.00			
ZCIP - Truck					80,160.00			
	<u>2,961.25</u>				<u>259,203.32</u>			

QCTV Bank Reconciliation
December 2019

Beginning Balance - 4M Statement	1,491,352.81
Less: Cleared Checks/Withdrawals	(84,457.92)
Plus: 4M Fund Interest	1,474.30
Plus: Bank Deposits/Credits	3,015.28
Bank Balance	\$1,411,384.47
Book Balance	1,411,384.47
Adjusted Book Balance	1,411,384.47
Difference:	\$0.00

Completed by: MK

Quad Cities Communications Commission

BILL PAYMENT LIST

December 2019

DATE	NUM	VENDOR	AMOUNT
Quad Cities Commission			
12/02/2019	13020	Ashpaugh & Sculco, CPA's, PLC	-8,000.00
12/02/2019	13021	Duluth East High School	-100.00
12/02/2019	13022	Frugal Advertising	-395.00
12/02/2019	13023	Huebsch	-47.39
12/02/2019	13024	Preferred One Insurance Co.	-8,457.39
12/02/2019	13025	US Bank Stadium	-250.00
12/06/2019	13026	Associated Bank	-120.00
12/06/2019	13027	HealthEquity Inc.	-374.62
12/06/2019	W D	Minnesota State Retirement System	-531.13
12/06/2019	W D	PERA	-3,114.63
12/16/2019	13028	ACE Solid Waste, Inc.	-115.46
12/16/2019	13029	AT&T Mobility	-114.69
12/16/2019	13030	Creative Forms & Concepts	-90.90
12/16/2019	13031	Grealland Corporation	-129.82
12/16/2019	13032	Greenery Enterprises, Inc.	-997.50
12/16/2019	13033	Holiday Station	-118.71
12/16/2019	13034	Jason Dorow	-60.00
12/16/2019	13035	Joe G. Ruhland	-395.44
12/16/2019	13036	LiveU Inc.	-104.16
12/16/2019	13037	Michael J. Hicke	-60.00
12/16/2019	13038	Peter James Hayes	-60.00
12/16/2019	13039	T-Mobile	-30.56
12/16/2019	13040	Telly Awards	-1,305.00
12/16/2019	13041	Timesavers	-145.00
12/16/2019	13042	U.S. Bank Corporate	-1,233.95
12/16/2019	13043	Vividly Clean Inc.	-530.45
12/16/2019	13044	Xcel Energy	-830.05
12/19/2019	13045	CenterPoint Energy	-274.95
12/19/2019	13046	City of Champlin	-108.39
12/19/2019	13047	Comcast 2	-468.50
12/19/2019	13048	Comcast Cable	-859.24
12/19/2019	13049	HealthEquity Inc.	-23.70
12/19/2019	13050	Kennedy & Graven, Chartered	-410.00
12/19/2019	13051	The Lincoln National Life Ins. Co.	-578.45
12/20/2019	13052	Associated Bank	-120.00
12/20/2019	13053	HealthEquity Inc.	-374.62
12/20/2019	W D	Minnesota State Retirement System	-536.95
12/20/2019	W D	PERA	-3,066.11
Total for Quad Cities Commission			\$ -34,532.76

Quad Cities Communications Commission
Balance Sheet Summary
As of January 31, 2020

	Total
ASSETS	
Current Assets	
Bank Accounts - QCTV	1,743,614.05
- PayPay acct	535.90
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,331,973.93
Accounts Receivable	0.00
Other current assets	0.00
Total Current Assets	\$ 3,081,373.88
Fixed Assets	0.00
TOTAL ASSETS	\$ 3,081,373.88
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	93,635.91
Other Current Liabilities	0.39
Total Current Liabilities	\$ 93,636.30
Equity	2,987,737.58
TOTAL LIABILITIES AND EQUITY	\$ 3,081,373.88

* **Equity: QCTV allocates fund reserves in two areas:**

Operating Reserves = \$436,808

Capital Reserves = \$2,644,565.88 (\$3.4 M needed for 5-Year CIP)

Quad Cities Communications Commission
Budget vs. Actuals: FY 2020 - FY20 P&L
 January - December 2020

	Jan 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Income								
Duplication Revenue	141.56	41.67	99.89	339.72%	141.56	500.00	(358.44)	28.31%
Equipment Grant	60,116.02	4,916.67	55,199.35	1222.70%	60,116.02	59,000.00	1,116.02	101.89%
Franchise Fees	(888.98)	71,500.00	(72,388.98)	-1.24%	(888.98)	858,000.00	(858,888.98)	-0.10%
Interest Income	2,385.32	2,500.00	(114.68)	95.41%	2,385.32	30,000.00	(27,614.68)	7.95%
Miscellaneous Income	950.00	83.33	866.67	1140.05%	950.00	1,000.00	(50.00)	95.00%
PEG Fee	(533.39)	35,750.00	(36,283.39)	-1.49%	(533.39)	429,000.00	(429,533.39)	-0.12%
Total Income	62,170.53	114,791.67	(52,621.14)	54.16%	62,170.53	1,377,500.00	(1,315,329.47)	4.51%
Expenses								
A-PERA Expense	5,024.09	4,210.83	813.26	119.31%	5,024.09	50,530.00	(45,505.91)	9.94%
A-SS/Medicare Expense	3,368.17	4,295.58	(927.41)	78.41%	3,368.17	51,547.00	(48,178.83)	6.53%
A-Wages - Full-time	38,453.04	46,142.75	(7,689.71)	83.33%	38,453.04	553,713.00	(515,259.96)	6.94%
A-Wages - Part-time	6,655.50	10,000.00	(3,344.50)	66.56%	6,655.50	120,000.00	(113,344.50)	5.55%
Accounting / HR Services	2,054.32	1,333.33	720.99	154.07%	2,054.32	16,000.00	(13,945.68)	12.84%
Ads/Promos/Sponsorships	1,100.00	916.67	183.33	120.00%	1,100.00	11,000.00	(9,900.00)	10.00%
Andover Capital Equipment		1,083.33	(1,083.33)	0.00%	0.00	13,000.00	(13,000.00)	0.00%
Announcers Fees	1,020.00	1,083.33	(63.33)	94.15%	1,020.00	13,000.00	(11,980.00)	7.85%
Anoka Capital Equipment	222.00	1,083.33	(861.33)	20.49%	222.00	13,000.00	(12,778.00)	1.71%
Audit	2,201.00	1,375.00	826.00	160.07%	2,201.00	16,500.00	(14,299.00)	13.34%
Bank Fees / CC Fees		20.83	(20.83)	0.00%	0.00	250.00	(250.00)	0.00%
Brand Apparel		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
Building - Cleaning	530.45	583.33	(52.88)	90.93%	530.45	7,000.00	(6,469.55)	7.58%
Building - Insurance	2,337.00	316.67	2,020.33	737.99%	2,337.00	3,800.00	(1,463.00)	61.50%
Building - Maintenance		1,458.33	(1,458.33)	0.00%	0.00	17,500.00	(17,500.00)	0.00%
Building - Supplies		125.00	(125.00)	0.00%	0.00	1,500.00	(1,500.00)	0.00%
Car Allowance	250.00	250.00	0.00	100.00%	250.00	3,000.00	(2,750.00)	8.33%
Cell Phone - Allowance	525.00	525.00	0.00	100.00%	525.00	6,300.00	(5,775.00)	8.33%
Champlin Capital Equipment	84.90	1,083.33	(998.43)	7.84%	84.90	13,000.00	(12,915.10)	0.65%
City Sewer & Water	104.43	216.67	(112.24)	48.20%	104.43	2,600.00	(2,495.57)	4.02%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2020 - FY20 P&L
 January - December 2020

	Jan 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Commission Expense	210.00	416.67	(206.67)	50.40%	210.00	5,000.00	(4,790.00)	4.20%
Consulting Services		6,250.00	(6,250.00)	0.00%	0.00	75,000.00	(75,000.00)	0.00%
Contingency Fund		2,891.17	(2,891.17)	0.00%	0.00	34,694.00	(34,694.00)	0.00%
Duplication Expenses		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Electric Service	1,034.84	1,333.33	(298.49)	77.61%	1,034.84	16,000.00	(14,965.16)	6.47%
Emp / Comm Appreciation	667.92	208.33	459.59	320.61%	667.92	2,500.00	(1,832.08)	26.72%
Equip/Repair/Supply/Software	858.36	2,500.00	(1,641.64)	34.33%	858.36	30,000.00	(29,141.64)	2.86%
Federal Unempl Expense		70.83	(70.83)	0.00%	0.00	850.00	(850.00)	0.00%
Health Insurance	7,278.21	8,413.67	(1,135.46)	86.50%	7,278.21	100,964.00	(93,685.79)	7.21%
Insurance - Deductibles		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Insurance - Liability / Bonds	3,354.00	441.67	2,912.33	759.39%	3,354.00	5,300.00	(1,946.00)	63.28%
Lawn Service		416.67	(416.67)	0.00%	0.00	5,000.00	(5,000.00)	0.00%
Legal Fees		2,083.33	(2,083.33)	0.00%	0.00	25,000.00	(25,000.00)	0.00%
Licenses and Permits		250.00	(250.00)	0.00%	0.00	3,000.00	(3,000.00)	0.00%
Meals		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Memberships - NATOA / Others		833.33	(833.33)	0.00%	0.00	10,000.00	(10,000.00)	0.00%
Mileage	944.50	750.00	194.50	125.93%	944.50	9,000.00	(8,055.50)	10.49%
Miscellaneous Expenses		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Natural Gas		500.00	(500.00)	0.00%	0.00	6,000.00	(6,000.00)	0.00%
Office Supplies / Equipment	23.94	500.00	(476.06)	4.79%	23.94	6,000.00	(5,976.06)	0.40%
Parking Lot Maintenance		500.00	(500.00)	0.00%	0.00	6,000.00	(6,000.00)	0.00%
Payroll Expenses (ADP/HSA)	127.50	200.00	(72.50)	63.75%	127.50	2,400.00	(2,272.50)	5.31%
Postage	40.20	83.33	(43.13)	48.24%	40.20	1,000.00	(959.80)	4.02%
Printing / Copy Services		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Professional Development	1,252.28	1,833.33	(581.05)	68.31%	1,252.28	22,000.00	(20,747.72)	5.69%
Publications		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Ramsey Capital Equipment	131.77	1,083.33	(951.56)	12.16%	131.77	13,000.00	(12,868.23)	1.01%
Sales Tax	63.00	41.67	21.33	151.19%	63.00	500.00	(437.00)	12.60%
Secretary Services	148.00	208.33	(60.33)	71.04%	148.00	2,500.00	(2,352.00)	5.92%
Snow Plowing Service	1,215.00	500.00	715.00	243.00%	1,215.00	6,000.00	(4,785.00)	20.25%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2020 - FY20 P&L
 January - December 2020

	Jan 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
State Unemploy Exp		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
STD / LTD / Life Insurance	621.81	583.33	38.48	106.60%	621.81	7,000.00	(6,378.19)	8.88%
Studio Sets		2,500.00	(2,500.00)	0.00%	0.00	30,000.00	(30,000.00)	0.00%
Subscription Services	99.99	1,833.33	(1,733.34)	5.45%	99.99	22,000.00	(21,900.01)	0.45%
Temp Staff Services		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
Vehicle - Equipment / Repair	221.80	1,250.00	(1,028.20)	17.74%	221.80	15,000.00	(14,778.20)	1.48%
Vehicle - Insurance	848.00	166.67	681.33	508.79%	848.00	2,000.00	(1,152.00)	42.40%
Vehicle - Maintenance / Gas	132.74	666.67	(533.93)	19.91%	132.74	8,000.00	(7,867.26)	1.66%
Waste Removal	123.85	125.00	(1.15)	99.08%	123.85	1,500.00	(1,376.15)	8.26%
Web / VOD / Int / CaTV / Phone	1,037.62	1,833.33	(795.71)	56.60%	1,037.62	22,000.00	(20,962.38)	4.72%
Work Comp Insurance		166.67	(166.67)	0.00%	0.00	2,000.00	(2,000.00)	0.00%
Total Expenses	84,365.23	118,537.29	(34,172.06)	71.17%	84,365.23	1,422,448.00	(1,338,082.77)	5.93%
Net Income	(22,194.70)	(3,745.62)	(18,449.08)	592.55%	(22,194.70)	(44,948.00)	22,753.30	49.38%
ZCIP - Andover	40,000.00				40,000.00			
ZCIP - Ramsey	40,000.00				40,000.00			
	<u>80,000.00</u>				<u>80,000.00</u>			

QCTV Bank Reconciliation
January 2020

Beginning Balance - 4M Statement	1,411,384.47
Less: Cleared Checks/Withdrawals	(114,503.43)
Plus: 4M Fund Interest	1,437.06
Plus: Bank Deposits/Credits	455,781.43
Bank Balance	\$1,754,099.53
Book Balance	1,754,099.53
Adjusted Book Balance	1,754,099.53
Difference:	\$0.00

Completed by: MK

Quad Cities Communications Commission

BILL PAYMENT LIST

January 2020

DATE	NUM	VENDOR	AMOUNT
Quad Cities Commission			
01/10/2020	WD	MN Department of Revenue	-63.00
01/03/2020	13054	Associated Bank	-120.00
01/03/2020	13055	HealthEquity Inc.	-376.54
01/03/2020	W D	Minnesota State Retirement System	-520.30
01/03/2020	W D	PERA	-3,072.27
01/14/2020	13056	Amazon	-1,348.92
01/14/2020	13057	DVS Renewal	0.00
01/14/2020	13058	Greenery Enterprises, Inc.	-550.00
01/14/2020	13059	Huebsch	-82.92
01/14/2020	13060	Jr's Truck & Tire Service, Inc.	-1,657.17
01/14/2020	13061	Pete C. Andersen	-180.00
01/14/2020	13062	Preferred One Insurance Co.	-8,457.39
01/14/2020	13063	Sprint	-22.99
01/14/2020	13064	Sterling Trophy	-8.50
01/16/2020	13067	ACE Solid Waste, Inc.	-123.85
01/16/2020	13068	AT&T Mobility	-114.69
01/16/2020	13069	Bret Heitkamp	-40.00
01/16/2020	13070	CenterPoint Energy	-361.04
01/16/2020	13071	City of Andover	-1,561.58
01/16/2020	13072	City of Champlin	-109.46
01/16/2020	13073	Comcast 2	-471.63
01/16/2020	13074	Comcast Cable	-859.24
01/16/2020	13075	Coordinated Business Systems, LTD	-699.00
01/16/2020	13076	Greenery Enterprises, Inc.	-400.00
01/16/2020	13077	Holiday Station	-241.36
01/16/2020	13078	James Dickinson	-80.00
01/16/2020	13079	Jason Dorow	-60.00
01/16/2020	13080	Kurtis G. Ulrich	-40.00
01/16/2020	13081	LiveU Inc.	-104.16
01/16/2020	13082	Maza Technologies, LLC	-6,121.25
01/16/2020	13083	Peter James Hayes	-180.00
01/16/2020	13084	Ryan Sabas	-40.00
01/16/2020	13085	T-Mobile	-61.12
01/16/2020	13086	U.S. Bank Corporate	-3,464.58
01/16/2020	13087	Vividly Clean Inc.	-530.45
01/16/2020	13088	Xcel Energy	-1,058.32
01/17/2020	13089	Associated Bank	-120.00
01/17/2020	13090	HealthEquity Inc.	-376.54
01/17/2020	W D	Minnesota State Retirement System	-516.60
01/17/2020	W D	PERA	-3,109.72
01/28/2020	13091	Amazon	-404.44
01/28/2020	13092	City of Andover	-1,160.31
01/28/2020	13093	Greenery Enterprises, Inc.	-925.00

DATE	NUM	VENDOR	AMOUNT
01/28/2020	13094	HealthEquity Inc.	-29.70
01/28/2020	13095	Jeffrey C. Menth	-80.00
01/28/2020	13096	Preferred One Insurance Co.	-7,710.85
01/28/2020	13097	Sprint	-22.99
01/28/2020	13098	Sterling Trophy	-210.00
01/28/2020	13099	The Lincoln National Life Ins. Co.	-621.81
01/31/2020	13100	Associated Bank	-100.00
01/31/2020	13101	HealthEquity Inc.	-216.16
01/31/2020	W D	Minnesota State Retirement System	-535.10
01/31/2020	W D	PERA	-3,196.29
Total for Quad Cities Commission			\$ -52,511.24

4.3 Executive Director's Report

March 2, 2020

To: Commissioners

From: Karen George, Executive Director

Subject: Executive Director's Report

2019 Audit Planning

Redpath and Company representatives will be on-site March 11 to perform audit testing. The 2019 audit is expected to be completed spring of 2020 and before the commission for action in May.

Strategic Planning

Staff is working on the first 90-day objectives for Year 1 of the plan. Those items include three objectives under Engaging the Community; one objective under Collaborating for Success; and four objectives under Innovating for Impact. The March 19 work session will highlight staff actions to date focused on programming changes. The agenda has a consultant contract approval for outside assistance for org-dev/communications planning. See next item.

Programming Review

The Strategic Plan calls for a shift in video production to provide shorter, social media first videos for deployment. Staff has been diligently working on reviewing current programming, crafting a pilot program proposal for News & Views replacement, and new set considerations. These items will be before the commission for consideration at the annual programming work session in March.

City CIP Payments

The member city CIP payments of \$40,000 each were processed. To date, three cities have submitted signed requests and the payments have been sent. Awaiting one city request paperwork.

Franchise Fee Audit of Comcast

The Executive Committee approved adding two years to the three years already approved. Notification sent to Comcast. Addendum to CPA contract sent. Expected timeline for completion is six months – approximately August 2020. See Executive Committee meeting minutes.

CenturyLink Prism Exit

Attached to this report is the notification from CenturyLink of their intent to shut down Prism TV service. The company's exit strategy is based on other franchises in the Twin Cities market ending December 2020 or January 2021. The Quad Cities Cable Communications Commission franchise is for 10 years. Legal Counsel Vose has been in contact with company representatives and Commission Chair Ulrich has been informed of communication.

E.D. Performance Review

In process. Commissioner appraisal reports have been received. No new update.

COVID-19 Plan

QCTV is monitoring the situation and has a response plan in place. Business travel has been halted and will monitor in coming months for activities over the summer and early fall.

2020 Election

No new information.

Remote Meeting Participation

Anoka is operational and has requested the CIP grant of \$7,000 CIP contribution for equipment. Ramsey is nearly installation phase.

Paid Production

Staff completed a paid production project with the Anoka County Sheriff's Office.

NATOA

There are numerous regulatory, court, legislative and market changes occurring in the industry and NATOA is the leader in addressing these changes on behalf of local jurisdictions. Continued monitoring of the FCC 621 Order (franchise fee offset). 6th Circuit Court oral argument occurred February 10 and the stay request was denied. See attached updates.

Customer Comments

State of the Cities event

GREAT JOB TODAY!! Please let the crew know how appreciative I am of all of their efforts on this luncheon!!!

Peter Turok, President, Anoka Area Chamber of Commerce

Champlin Fishing Contest

Nice Job on the Trout Fishing Contest video! Just wanted to say so.... Thanks.

Charles Lehn, Parks and Facilities Manager, City of Champlin

PowerPoint on State of the Cities

To Lisa Monserud: For doing such a good job with the State of the City power point presentations this year- especially today's work. You figured out what John was doing to link them all together and then continued fine tuning them. You helped the Mayor this morning clean up his slide show and he was pleased. With John out today, we would be scrambling tomorrow morning to get these done and make sure everything works. Your positive attitude

and willingness to be sure everything works well today makes me much more confident about how things will go tomorrow. I really appreciate it!

Katherine Lenaburg, Operations Manager, QCTV

City of Anoka

Your team knocked it out of the park (AGAIN) at our meeting last night! Please pass along my sincere thank you to John and Leslie. They made my job so easy – they handled everything, it was a perfect setup, and even assisted me with my laptop hookup, etc.

A HUGE thank you to you, as well, for coordinating the staff arrangements and necessary equipment needs, etc.!

I truly enjoy working with the great team at QCTV! You all always go out of your way to help and do a great job for Anoka!!!

Enjoy your weekend!

Pam Bowman, Communications Manager, City of Anoka

Action Requested: None.

MACTA Capitol Update Report March 2, 2020

The legislature is off and running.

This is the shorter session of the biennium, meaning it commenced on February 11, about a month later than the 2019 session, however, it has a constitutionally mandated conclusion date of May 18.

The legislature has one big task – to pass a capital investment, or bonding, bill. The budget is balanced and last week Minnesota Management and Budget issued the “February Forecast” which indicated that the state continues to have an approximately \$1.5 billion surplus. These dollars consist of about \$1.1 billion of one-time funds, and about \$400 million in on-going funds. Thus, the debate will be about what to do with these dollars. Spend them on roads, bridges, broadband, or cut taxes, or don’t spend the dollars at all. It is likely that it will be some combination of each of those pots.

The legislature has announced their internal deadlines to move work. They are:

- March 20 – First Deadline – a bill has to have passed out of all policy committees in one body and either be on the floor or in a finance committee to be considered still alive.
- March 27 – Second Deadline – a bill has to have passed out of all policy committees in the other body and either be on the floor or in a finance committee to be considered alive.
- April 3 – Third Deadline – all finance bills have to be out of finance committees. These deadlines don’t apply to the Tax bill or the Bonding bill.

MACTA Specific

Base Funding for Broadband Access Fund - [S.F. 3049](#) (Draheim) / [H.F. 3029](#) (Ecklund). This legislation adds \$30 million per-year in base funding to the Border-to-Border Broadband Access Fund.

The Senate Agriculture, Rural Development, and Housing Finance Committee heard SF 3049 (Draheim) on Monday and the House Greater Minnesota Jobs and Economic Development Finance Division heard HF 3029 on Wednesday.

The hearings were very similar in terms of testifiers and messages that continued state efforts to ensure broadband access is vital for rural communities in Minnesota. Hearings in both bodies consisted of a [presentation](#) from the Minnesota Office of Broadband Development, along with a discussion of [S.F. 3049](#)(Draheim) / [H.F. 3029](#) (Ecklund). This legislation adds \$30 million per-year in ongoing funding to fund the state’s Border to-Border broadband access program. Both committees also heard testimony and received multiple written testimonies, each supporting the initiative. Links to these are attached below.

- [Rural Broadband Coalition 2020 Fact Sheet \(PDF\)](#)

- [MN Townships - Letter to Sen Westrom - Feb 2020 - Support for SF 3049 \(PDF\)](#)
 - [Metro Cities - Rural Broadband \(PDF\)](#)
 - [LMC Support for SF 3049 - Senate Ag. Rural Development and Housing Finance \(PDF\)](#)
-
- [Minnesota Counties Broadband Letter \(PDF\)](#)

Both committees laid the legislation on the table for potential inclusion in a supplemental spending bill. And, both committees were very supportive of the legislation, but it's ultimate fate will be decided at a leadership level with respect to other priorities.

Joseph T. Bagnoli

Winthrop & Weinstine, P.A.

Shareholder
(612) 604-6732 jbagnoli@winthrop.com

NATOA Legislative/Regulatory Activity

FCC

- **Net Neutrality (WC Docket Nos. 17-108, 17-287, 11-42)**: The FCC issued a [Public Notice](#) to address the issues remanded to the FCC by the DC Circuit in the *Mozilla* decision, which includes comments on the *Restoring Internet Freedom Order's* impact on public safety, pole attachments and the Lifeline program. Comments are due by March 30, 2020; Reply Comments are due by April 29, 2020.
- **Wireless Collocation Petitions (WT Docket No. 19-250; RM-11849; WC Docket No. 17-84)**: NATOA filed an [ex parte](#) with NLC and USCM on March 2nd challenging the use of a declaratory ruling to make the changes sought in WIA's [Petition for Declaratory Ruling and Petition for Rulemaking](#) and CTIA's [Petition for Declaratory Ruling](#) asking the FCC to make clarifications and changes to the 6409(a) rules regarding collocations. NATOA previously filed [Comments](#) and [Reply Comments](#), joined by USCM and NACo.
- **Cable Franchise Regulations/Section 621(a) Docket (MB Docket No. 05-311)**: [Final Order](#) effective September 26th. The Media Bureau issued a [Reconsideration Order](#) modifying the denial order per NCTA's [Petition for Clarification](#) of the denial order.
- **Missouri ROW Fee Dispute (WC Docket No. 20-46)**: [Public Notice](#) seeking comment on a petition for preemption and declaratory ruling filed by Missouri Network Alliance, LLC d/b/a Bluebird Network and Uniti Leasing MW LLC asking the Commission to declare unlawful several Missouri cities' right-of-way use agreements and fees. Comments are due March 23rd, and reply comments are due April 7th.
- **Truth in Billing Notice (WC Docket No. 04-36)**: [Public Notice](#) to refresh the record on the Commission's truth-in-billing rules, particularly with respect to the application of the rules to VoIP services and disclosure of government-mandated fees. Comments were due by February 12, 2020, and reply comments are due on or before March 13, 2020.
- **Rural Digital Opportunity Fund (WC 19-126)**: Established at the January 30, 2020 FCC meeting, with a two-phase reverse auction mechanism to distribute up to \$20.4 billion over ten years. The first phase is to begin later this year with up to \$16 billion for census blocks that are wholly unserved with fixed broadband at speeds of at least 25/3 Mbps where existing data shows there is no such service available. The FCC issued a [Public Notice](#) for comment on proposed auction rules. Comments are due by March 27th; reply comments by April 10th.
- **BDAC**: Next meeting is March 27th. Disaster Response and Recovery Working Group report to be presented.
- **Next FCC Meeting**: March 31, 2020 at 10:30 am Eastern. The tentative agenda has not been posted.

Courts

- **City of Eugene v. FCC (No. 19-72219)**: Appeals of the Third Report and Order in the cable franchise/Section 621 docket (05-311) are pending in the 6th Circuit. Oral argument on local government parties' motions to stay the Order during the litigation is scheduled for March 11th. NATOA has filed a [Motion to Intervene](#) in the case.

- Small Cell Litigation: Appeals pending in 9th Circuit. Oral argument was held February 10, 2020. The recording of the argument can be found [here](#).

Congress

- Broadband DATA Act (S. 1822): Passed the House (3/3/20) and Senate (12/19/19); requires the FCC to change the way broadband data is collected, verified, and reported.
- Protecting Community Television Act (H.R. 5659) (S. 3218): Would modify the definition of “franchise fee” in the Cable Act to effectively reverse the FCC’s interpretation of that term to allow “in-kind” deductions from cable franchise fees. Currently 34 co-sponsors in the House; 16 co-sponsors in the Senate.
- Secure 5G and Beyond Act of 2020 (H.R. 2881) (S. 893): Requires the President to develop a strategy to ensure the security of next generation mobile telecommunications systems and infrastructure in the United States and to assist allies and strategic partners in maximizing the security of next generation mobile telecommunications systems, infrastructure, and software, and for other purposes.
- State Cyber Resiliency Act (H.R. 2130) (S. 1065): Would provide grants to assist states in developing and implementing plans to address cybersecurity threats or vulnerabilities; portions of implementation grants would be available to local and tribal governments.
- Connecting Communities Post-Disasters Act (S.2645) (H.R. 4741): Introduced by Sen. Blackburn and Rep. Olson. Provides a five year categorical exclusion for communications service providers from certain provisions of the National Environmental Policy Act of 1969 and the National Historic Preservation Act with respect to the construction, rebuilding, or hardening of communications facilities following a major disaster or an emergency declared by the President.
- Don’t Break Up the T-Band Act (S. 2748) (H.R. 451): Refiled in the Senate on 10/30; repeals provision of the Middle Class Tax Relief and Job Creation Act of 2012 that requires public safety users to relocate from the T-Band spectrum by 2021.
- Broadband Speed Act (H.R. 4641): Requires broadband providers to annually report to the FCC broadband speeds with data to demonstrate that the provider is capable of performing at the speed reported to the Commission on Form 477; also requires any broadband infrastructure built with USF funds provide broadband service with a download speed of at least 100 mbps.
- Community Broadband Mapping Act (H.R. 4642): Allows RUS grants to be provided to certain units of local government, economic development or other community organizations, and electric cooperatives to collect data on where broadband infrastructure is located and homes served.
- STREAMLINE Act (Thune/Schatz) (S. 1699): Reintroduced in the Senate; will preempt state and local governments’ authority over small wireless facility siting similar to FCC small cell rules, but with a deemed granted remedy for failure to act within the shot clocks. No additional cosponsors to date.
- Accelerating Broadband Development by Empowering Local Communities Act of 2019 (H.R. 530): Bill states that the FCC’s August moratorium order and September small

wireless order would have no force or effect. Introduced by Rep. Eshoo; 58 co-sponsors to date.

- Restoring Local Control Over Public Infrastructure Act (S. 2012): Sen. Feinstein companion to H.R. 530. 8 co-sponsors to date.
- Digital Equity Act (S. 1167): Introduced by Sen. Murray (D-WA). Funds grants for digital equity planning and implementation. 17 co-sponsors to date.
- Improving Broadband Mapping Accuracy Act (S. 842): Introduced by Sens. Capito, Klobuchar, Manchin and Hoeven. Directs the FCC to initiate a rulemaking to consider using consumer-reported data and state and local data from government entities to improve broadband mapping accuracy and to consider ways coverage data can be challenged.
- Transparency for Cable Consumers Act (H.R. 1555): Rep. Brendisi (D-NY) introduced bill to require cable operators and ISPs that are fined/penalized by a state utility/service commission at \$1 million or more to disclose certain information on a county-wide basis, including average cable and broadband charges and broadband speeds.
- Save the Internet Act of 2019 (H.R. 1644) (S. 682): Would restore FCC's 2015 net neutrality rules and bar the FCC from repealing the rules again unless specifically authorized by law to do so. House passed H.R. 1644 April 10th; no action in Senate.

State Legislation

- Industry-backed wireless infrastructure siting bills: 27 States and Puerto Rico have acted thus far. Bills active in Alabama, New Jersey, South Carolina, Pennsylvania and New York.
- State Net Neutrality legislation: WA, OR, VT, CA, CO and ME have passed legislation; 6 states have executive orders requiring ISPs that do business with the state to follow NN principles. CT and MD considering new legislation.



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Ste 23-316
Broomfield, CO 80021
Phone: (303) 992-5828
Rick.Gutierrez@CenturyLink.com

Rick Gutierrez
Public Policy

January 29, 2020

Executive Director
Quad Cities Cable Communications Commission
12254 Ensign Avenue North
Champlin, MN 55316

RE: Prism product and CenturyLink Cable Franchise Agreement

Good day,

Due to emerging industry trends and increased content costs, CenturyLink has made the decision to focus on our broadband offering to customers and to discontinue offering the Prism TV product.

As we work to turn down Prism in your community, we commit to working with our customers on a seamless transition, to ensure we meet obligations through the transition, and work to offer additional services that meet our customers' future needs.

Over the next few months, we will share our exit timetable and communications plan for transitioning customers to other video products.

Each customer will receive a minimum of 60-day notice prior to the discontinuance of the product with information on video alternatives in the area and how to return any CenturyLink leased video equipment.

If you have any questions or would like to set up a meeting to discuss the transition, please reach out to your local affairs director Kirstin Sersland (612) 663-7911.

Sincerely,

A handwritten signature in black ink that reads "Rick Gutierrez".

Rick Gutierrez
CenturyLink
Public Policy

Cc/Kirstin Sersland
Robert Vose

New FCC rule threatens funding for community TV programming

Bill in Congress would protect funding for vital local programs

By [Briana Bierschbach](#) Star Tribune staff

FEBRUARY 18, 2020 — 12:05AM



SHARI L. GROSS – STAR TRIBUNE

Gallery: CCX Media News Director Shannon Slatton was on set during a live news broadcast on Friday, Feb. 14, 2020.] Shari L. Gross • shari.gross@startribune.com Public access TV stations say they are being threatened by a new interpretation of law by the Federal Communications Commission. These stations in communities across the state are funded by franchise fees the cable companies pay local governments for right of way to use public property for cable. For the last four decades, those fees have been monetary, but now 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 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

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.



SHARI L. GROSS, STAR TRIBUNE

CCX Media News Director Shannon Slatton was on set during a live news broadcast Friday. The station is funded by an annual fee from private cable companies — a source that is now threatened.

“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.”

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?”

Briana Bierschbach is a politics and government reporter for the Star Tribune.
briana.bierschbach@startribune.com bbierschbach

<http://www.startribune.com/new-fcc-rule-threatens-funding-for-public-tv-programing/567947652/>

Star Tribune

QCCCC Agenda Item

4.3.1 Operations Report

January 31st, 2020

To: Karen George, Executive Director

From: Katherine Lenaburg, Operations Manager

Subject: Operations Update

QCTV produced live 18 government meetings and 4 were cancelled. Anoka requested we cover the Sold Waste Open House on 1-23-20 at Greenhaven and we did and are playing it on the Anoka channel and it is available for on our website (video on demand).

We produced “News and Views”, “The Sheriff’s Show”, “The Grid”, “It’s Your History”, “The Local Show”, “The District Court Show” and “The Chamber Report”.

Our mobile production van was used to produce 10 live games this month including boys and girls basketball, boys and girls hockey, as well as wrestling. We held a Mobile Production Appreciation night in our studio and served pizza and played games. We have a stable production crew who really likes working here.

We also playback games from our sister stations North Metro, CTN, and CCX when they cover games from our cities. They also cover gymnastics and swimming.

Other Procured programming includes “Minnesota Primary System with Secretary of State Steve Simon” and “Inside Health Care”- both produced by sister stations.

We held an AED/CPR training session for staff taught by the Champlin Police Department.

Promos produced include “What’s new at the Q”, a Ramsey promo that features city council members, and a PSA titled “Leave it”.

We also covered Anoka Tech High School Graduation.

I spent considerable time working on the pilot for our new weekly news show. I presented my ideas at a recent all staff meeting. Our working title is “The Post”. We will produce a pilot in early February and present it to the commissioners in March.

QCCCC Agenda Item

4.3.1 Operations Report

February 28th, 2020

To: Karen George, Executive Director

From: Katherine Lenaburg, Operations Manager

Subject: Operations Update

Staff spent time on our new 5-year Strategic Plan. We produced a pilot for our new show “The Post” to show to commissioners. This involves a “social media first” strategy-working on short stories for a live weekly show and redeploying them to social media.

We are continuing with our social media experiments and here are some examples and their outcomes:

1. On February 5th, Cory Laing produced a short story on the Jaguar Java program at Jackson Middle School. This program has developmentally disabled kids deliver coffee to teachers. Cory posted it on Facebook and the post received 16,000 views, 138 likes, 19 comments, and was shared 154 times.
2. On February 22nd after the Andover Girls Hockey team took first place in the state game, the coach texted our mobile production producer Taylor Johnson who raced to the high school for an impromptu celebration and Taylor went live to Facebook. This was late at night with no promotion and it received 47 views, 3 comments, and 7 shares.
3. On February 8th, we attended The Mayor’s Fishing Contest in Champlin and Producer Cory Laing put together two pieces. The first story he uploaded right from the event to Facebook and it received 843 views, 18 likes, 5 comments, and 2 shares.
4. On Monday February 10th Cory edited a story and posted it to Facebook and that post received 4,000 views, 38 likes, 7 comments, and 17 shares.

I attended a Digital Marketing Seminar with Taylor Johnson to get the latest on recent trends. The course included tips on developing an overall social media strategy, analytics, branding, and relationship marketing. It was very helpful.

I met with Ramsey's Communication Manager Megan Thorstad and Anoka's Communication Manager Pam Bowman to get their ideas on what would be helpful for QCTV to promote in their respective cities. They were very positive about our new direction.

I serve on the Anoka Hennepin Communication Advisory Board to help the high school and Anoka Technical College plan their curriculum. QCTV hosted four Anoka- Hennepin video teachers who worked on their upcoming plans. John Sommer toured them through our studio and control room and Jared Boyer toured them through our production truck. I went over our strategic plan and they were very interested in collaborating with QCTV. They changed their course name from videography to digital media production. They were excited by the possibilities of collaboration. School district collaboration is in our strategic plan and this is setting the foundation for future efforts.

QCTV produced coverage of the Anoka Area Chamber of Commerce State of the Cities Address. This is an annual event that included Coon Rapids, Dayton, Ramsey, Andover, Anoka, Champlin, and Oak Grove. We take our four cities and put their video presentations on their city website pages. We also playback the whole show on our community channel.

QCTV produced 14 live government meetings and 7 were cancelled.

We produced "News and Views", "The District Court Show" and "The Chamber Report".

Our mobile production van was used to produce 5 games in our regular season and 5 play-off games this month. As our teams often do well, this will continue in March.

We also playback games from our sister stations North Metro, CTN, and CCX when they cover games from our cities. They also cover gymnastics and swimming.

Other Procured programming includes "A Century of Civic Engagement" by Dr. Josie Johnson, "Democratic Visions", "Inside Health Care", and "Your Legislators" with Senator John Hoffman from Champlin.

I also spent considerable time entering the annual ACM Hometown Media Awards competition. I go through all our programming from 2019 and put together an overall entry that features our program highlights. We entered 12 categories. I am now working on the NATOA entries which are due next month.

March 5, 2020

To: Karen George, Executive Director

From: John Sommer, Technology Manager

Subject: January 2020 Technology Report

Current Projects – Remote Meeting Participation:

I coordinated a meeting between Alpha Video and Anoka Staff. After the meeting Anoka finalized their plan and Alpha Video scheduled their installation for late February.

I also coordinated a meeting with Alpha Video and Ramsey Staff scheduled for early February.

Current Projects – Redundant Offsite Data Back-up:

Main Synology unit installed in rack at QCTV. Secondary unit installed at Champlin City Hall. Fiber interconnect between buildings is working well. This secondary unit at city hall was the last step in the project. All parts of the project were under the budgeted amounts.

General Items:

TransAlarm performed annual fire system and alarm inspection.

I met with Champlin Deputy Chief Chris Larrabee at their E.O.C. to look at camera and technology upgrades. It was very nice to be included in the planning stages before cameras were installed.

I assisted Leslie with the Anoka Solid Waste Open House event. It was at Green Haven and we tied into the house system to get two audio feeds. We received several positive comments from Anoka staff and Anoka council members thanking us for being there.

Equipment Issues:

QCTV Equipment

No issues to report for this period.

City Equipment

No issues to report for this period.

Comcast Equipment

No issues to report for this period.

CenturyLink Equipment

No issues to report for this period.

Action Requested: None.

QCCCC Agenda Item
4.3.2 Technology Report

March 5, 2020

To: Karen George, Executive Director

From: John Sommer, Technology Manager

Subject: February 2020 Technology Report

Current Projects – Remote Meeting Participation:

Alpha Video installed equipment at Anoka City Hall the week of February 17th. QCTV tested its functionality for TV February 21st. Met with Anoka staff the next week to test out software options. Scheduled a time to meet with city council person who would first use the equipment at a meeting. Will be used for March 16th City Council meeting.

I attended the meeting with Ramsey staff and Alpha Video. Ramsey decided on the options that would work best for them and have approved the plan. Installation will be late March.

Contacted CenturyLink about bad video on Andover SD channel 8443. Based on my description they concluded it was at their headend and they would look at it. Have not had a reply from them.

General Items:

Various printing issues this month have caused problems for staff. Maza Technologies researched the issues and installed new firmware on the printer and supplied an updated printer driver for workstations. These two solutions resolved the reported issues. A pleasant byproduct is that the new firmware has made scanning documents easier.

Equipment Issues:

QCTV Equipment

No issues to report for this period.

City Equipment

No issues to report for this period.

Comcast Equipment

No issues to report for this period.

CenturyLink Equipment

QCTV staff reported that Andover's SD Channel 8443 looked bad. I contacted CenturyLink and based on my description they concluded that the issue was in their headend and they would look at it. I have not had a reply from them; the issue is unresolved.

Action Requested: None.

QCCCC Agenda Item

5.1 Designated Depository

March 11, 2020

To: Commissioners

From: Karen George, Executive Director

Subject: Designated Depository

The Minnesota Statutes sets forth the procedures for the deposit of public funds which include requiring Quad Cities Cable Communications Commission to annually designate the official depositories for Commission funds and manage the collateral pledged to such funds. Other financial institutions are, from time to time, able to pay the Commission interest rates on deposits that are greater than can be obtained from the official depository.

Staff recommends the commission designate US Bank as the official depository for 2020; that the PMA Financial Network, Inc. (Minnesota Municipal Money Market Fund) be designated as additional depository for 2020 for investment and cash management purposes only; and, that the Commission Board of Directors is hereby designated as the approval authority for the release and acceptance of all collateral to be held by the organization in conjunction with Commission funds on deposit with authorized institutions.

Action Requested: Designate depository

Motion to designate US Bank as the official depository for 2020; that the PMA Financial Network, Inc. (Minnesota Municipal Money Market Fund) be designated as additional depository for 2020 for investment and cash management purposes only; and, that the Commission Board of Directors is hereby designated as the approval authority for the release and acceptance of all collateral to be held by the organization in conjunction with Commission funds on deposit with authorized institutions.

QCCCC Agenda Item

5.2 Strategic Plan Lexica Communications

March 11, 2020

To: Commissioners

From: Karen George, Executive Director

Subject: Strategic Plan Lexica Communications Project Consultant

The Strategic Plan calls for a Social Media First Strategy. Staff has been working to shift programming, staffing duties, and equipment in that direction. Lexica Communications has presented a three phase proposal to align strategic vision with day-to-day operations.

Phase 1

Craft plan aligning program content, format, and social media delivery platforms.

Phase 2

Draft an implementation plan.

Phase 3

Develop a plan for garnering supplemental revenue.

The proposal is attached for your review. Staff recommends the commission approve all three phases and delegate management of the contract to the Executive Director.

Action Requested:

Motion to approve Lexica Communications proposal:

Phase 1: Up to \$5,000

Phase 2: Up to \$4,500

Phase 3: Up to \$3,500

Total project cost: \$13,000

QCTV New Vision Development Project

Preliminary Estimate - 02/15/2020

BACKGROUND

QCTV is a community-based, cable television station that serves the cities of Andover, Anoka, Champlin, and Ramsey. The station is managed by the Joint Powers Commission which is comprised of two commissioners from each city. Programming is comprised of city government meetings, local sports, and a few other hyperlocal, primarily news-based shows.

In an effort to increase community engagement, the station's value to its constituencies, and potentially, increase revenue, QCTV is re-evaluating its programming and delivery models. Because of the growing interest in and demand for internet-based, mobile content, QCTV would like help researching and developing a forward-thinking, internet-first, mobile-friendly approach to creating and delivering content.

PROJECT DESCRIPTION AND PRELIMINARY COST ESTIMATES

Lexica Communications, Inc. will work with QCTV to create a vision of what an internet-first approach to serving its constituencies could look like in terms of content, format, and delivery platforms. The components of this project could include:

Phase I

Develop an executable vision of program content, format, and delivery platforms that utilize as much of QCTV's current resources as possible and be based on QCTV's business objectives. The project will be based on research on industry trends as well as constituency demographics and psychographics. The work will be done in conjunction with QCTV staff. Estimated length of time for completion: three months. Estimated costs: \$4,500-\$5,000

Phase II

Develop an implementation plan for the new model; including timeline and recommended resource re-allocation. Estimated length of time for completion: 4-6 weeks. Estimated cost: \$2,500-\$3,000

Develop a marketing communications plan for informing constituencies and driving them to the new programming choices. Estimated length of time for completion: 4-6 weeks. Estimated cost: \$1,500



Phase III

Develop a plan for supplemental revenue. This would involve working in conjunction with QCTV staff to identify and research the viability of a variety of supplemental revenue opportunities that fit within QCTV's mission. Estimated length of time for completion: 4-6 weeks. Estimated cost: \$2,000-\$3,500

ABOUT LEXICA COMMUNICATIONS, INC.

Lexica Communications is a strategic partner for organizations that want to develop effective messaging and the tools to deliver those messages. Tami Wendt, President and Founder, was also a producer of the Business Snapshots show at QCTV for three years.

5.3 Planned Computer Replacement Purchase

March 12, 2020

To: Karen George, Executive Director

From: John Sommer, Technology Manager

Subject: Purchase Request - Computer Workstations for Staff

General Overview:

QCTV has a practice of using assets to the full lifespan and beyond. Over the past two years we have replaced six unique workstations with identically configured Dells. We have three more video workstations and a media encoding machine that have reached five or more years of service.

Staff can spend much of their workday editing HD video. It is important to have a fast computer to take advantage of recent software advances. A more powerful workstation will also shorten processing or rendering time, allowing staff to finish video packages more quickly.

Pricing to purchase four Dell workstations:

We have three quotes ranging from \$2,700.00 per workstation to \$2,986.00 per workstation.

Capital Budget:

In the QCTV Five Year Capital Plan, we identified Office Equipment as a planned category of spending. In the past three years we have asked for \$10,950.00 out of a proposed budget of \$68,000.00.

Action Requested:

Approve purchase of four Dell workstations at up to \$2,700.00 each; not to exceed \$10,800.00.

Additional Options for Action

- Direct staff to provide more information
- Direct staff to obtain more quotes and return at later meeting
- Delay action for future consideration
- Approve purchase of fewer workstations

QCCCC Agenda Item

5.4 Protecting Community Television Act

March 11, 2020

To: Commissioners

From: Karen George, Executive Director

Subject: Protecting Community Television Act

Senator Markey and Representative Eshoo introduced the *Protecting Community Television Act*, which will restore the long-standing protections in federal law designed to ensure that local communities with PEG Cable Access Channels, continue to serve residents.

When Congress passed the Cable Act in 1984, among its stated purposes for the legislation were to ensure that cable companies were "responsive to the needs and interests of the local community" and "provide the widest possible diversity of information sources" to the public. In August 2019, the Federal Communications Commission voted to reinterpret the Act to undermine both of these purposes by allowing cable companies to assign a value to commitments they made in negotiated cable franchise agreements-including support for local programming and cable services to schools and libraries-and then deduct that value from their franchise fees, which is the rent they pay municipalities for use of public property. The result of this new interpretation of a decades-old statute is to force local governments to choose whether to retain the community benefits and protections negotiated in the cable franchise or to reduce franchise fee payments, which support critical public services like police, fire and libraries.

NATOA, ACM, and MACTA enthusiastically endorsed the Protecting Community Television Act.

A resolution in support of the Protecting Community Media Act is attached for your review and action.

Action Requested: Approve resolution.

RESOLUTION IN SUPPORT OF THE PROTECTING COMMUNITY TELEVISION ACT

WHEREAS, the Quad Cities Cable Communications Commission (the “Commission”) is a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59 [or 238.08], as amended, and includes the municipalities of Andover, Anoka, Champlin, and Ramsey, Minnesota (collectively the “Member Cities”);

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

WHEREAS, QCTV 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, is the principal, and may soon be the sole, source for local residents to have access to coverage of local events;

WHEREAS, QCTV 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, as well as QCTV programming channel operations;

WHEREAS, in 1984 Congress defined a franchise fee as a “tax, fee, or assessment” and, for the past 36 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, the Commission and QCTV;

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 36 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, NATOA, ACM, and MACTA.

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 19th day of March, 2020.

**QUAD CITIES CABLE COMMUNICATIONS
COMMISSION**

By: _____
Its Chair

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.).

###

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

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Companies pay local governments for right of way to use public property for cable. For the last four CCX Media News Director Shannon Slatton was 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

Briana Bierschbach is a politics and government reporter for the Star Tribune.

briana.bierschbach@startribune.com

bbierschbach



January 16, 2020

The Honorable Angie Craig
United States House of Representatives
1523 Longworth House Office Building
Washington, DC 20515

Dear Representative Craig,

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 that reads "Mike Mornson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mike Mornson
President, League of Minnesota Cities



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.

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Sincerely,

A handwritten signature in black ink, appearing to read "Mike Mornson", with a long, sweeping underline.

Mike Mornson
President, League of Minnesota Cities

News: NATOA Endorses the Protecting Community Television Act

1 message

Tonya Rideout <info@natoa.org>
Reply-To: info@natoa.org
To: mike@bradleylawmn.com

Tue, Jan 21, 2020 at 1:11 PM



NATOA ENDORSES THE PROTECTING COMMUNITY TELEVISION ACT

Contact: Nancy Werner, (703) 519-8035

FOR IMMEDIATE RELEASE -- January 21, 2020 -- The National Association of Telecommunications Officers and Advisors (NATOA) applauds Senator Markey and Representative Eshoo for introducing the [Protecting Community Television Act](#), which will restore the long-standing protections in federal law designed to ensure that local communities, especially local media, are not trampled by cable operators.

When Congress passed the Cable Act in 1984, among its stated purposes for the legislation were to ensure that cable companies were "responsive to the needs and interests of the local community" and "provide the widest possible diversity of information sources" to the public. In August 2019, the Federal Communications Commission voted to reinterpret the Act to undermine both of these purposes by allowing cable companies to assign a value to commitments they made in negotiated cable franchise agreements-including support for local programming and cable services to schools and libraries-and then deduct that value from their franchise fees, which is the rent they pay municipalities for use of public property. The result of this new interpretation of a decades-old statute is to force local governments to choose whether to retain the community benefits and protections negotiated in the cable franchise or to reduce franchise fee payments, which support critical public services like police, fire and libraries.

NATOA enthusiastically endorsed the [Protecting Community Television Act](#), which is necessary to rein in the Commission's windfall to cable operators at the expense of local media and, ultimately, local taxpayers. We thank Senator Markey and Representative Eshoo, as well as the many co-sponsors of this legislation, for their efforts on behalf of local governments and local media.

NATOA, [3213 DUKE STREET, #695, ALEXANDRIA, VA 22314](#)

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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 assessment”.

○

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.**

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5 Television Act”.

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4 assessment”.

○

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.