

**SOUTHWEST SUBURBAN CABLE COMMISSION
("SWSCC")
2016 ANNUAL REPORT**

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2016 SWSCC Members

- Chair: Patty Latham, City of Minnetonka
- Vice Chair: Scott Neal, City of Edina (April - October 2016)
Rick Getschow, City of Eden Prairie (October 2016 - present)
- Secretary/Treasurer: Rick Getschow, City of Eden Prairie (April - October 2016)
Scott Neal, City of Edina (October 2016 - present)
- Directors: *Rick Getschow, City Manager - City of Eden Prairie
Kathy Nelson, Council Member - City of Eden Prairie
*Scott Neal, City Manager - City of Edina
Ann Swenson, Council Member - City of Edina
*Ari Lenz, Assistant City Manager – City of Hopkins
Kristi Halverson, Council Member - City of Hopkins
*Patty Latham, IT Manager - City of Minnetonka
Dick Allendorf, Council Member - City of Minnetonka
*Steve Devich, City Manager - City of Richfield
Pat Elliot, Council Member - City of Richfield
- Commission Staff: Brian T. Grogan, Attorney/Administrator

*Designates member of Managers' Committee

2016 SWSCC Meetings

As indicated below the Southwest Suburban Cable Full Commission met two times during 2016. The meeting minutes are attached.

1. Full Commission meeting - Wednesday, March 30, 2016; and
2. Full Commission meeting - Wednesday, October 26, 2016.

2016 SWSCC Expenses/Income

1. **2016 Annual Operating Budget.** The 2016 budget was approved by the Commission at the October 28, 2015 meeting.

	<u>2016 Budget</u>
Legal and Administrative Costs	\$42,500.00
Seminar Expenses	
MACTA Conference	\$1,050.00
NATOA Conference	\$2,600.00
Insurance	
League of MN Cities	\$2,100.00
Memberships	
MACTA	\$3,500.00
NATOA	\$550.00
Alliance for Community Media	\$200.00
Access Playback Personnel	\$35,000.00
Web Page Creation	\$7,500.00
Contingency	<u>\$7,500.00</u>
Total Operating Expenses	\$102,500.00
Playback Equipment Contingency	<u>\$5,000.00</u>
City of Bloomington Access Studio	<u>\$15,000.00</u>
Total Capital Expenses	\$20,000.00
TOTAL EXPENSES	\$122,500.00

2. **2016 Franchise Fee Payments**

Member City	2016 1st Quarter	2016 2nd Quarter	2016 3rd Quarter	2016 4th Quarter	2016 Total	% of subs
Eden Prairie	\$210,111.98	\$210,819.11	\$216,440.92	\$223,490.64	\$860,862.65	27%
Edina	\$211,192.23	\$211,233.25	\$219,374.01	\$224,845.34	\$866,644.83	27%
Hopkins	\$58,514.84	\$57,478.18	\$58,730.61	\$60,637.95	\$235,361.58	7%
Minnetonka	\$204,083.31	\$206,044.13	\$212,361.43	\$219,405.48	\$841,894.35	27%
Richfield	\$89,641.98	\$89,896.03	\$91,937.40	\$94,736.49	\$366,211.90	12%
TOTAL	\$773,544.34	\$775,470.70	\$798,844.37	\$823,115.90	\$3,170,975.31	100%

MINUTES
Southwest Suburban Cable Commission
Wednesday, March 30, 2016

At approximately 4:01 p.m. Mr. Scott Neal called the meeting to order. Those present: Ms. Kathy Nelson of Eden Prairie, Mr. Scott Neal and Ms. Ann Swenson of Edina, Mr. Jim Genellie and Ms. Kristi Halverson of Hopkins, Mr. Dick Allendorf of Minnetonka and Mr. Steve Devich of Richfield. Guests present: Mr. Dietrich Nissen, SWTV Access Coordinator - City of Edina, Ms. Kate Hensing of Comcast and Mr. Patrick Haggerty of CenturyLink. Staff present: Mr. Brian Grogan and Ms. Terri Hammer of Moss & Barnett.

1. CONSENT AGENDA

Ms. Swenson moved to accept the Consent Agenda items and Mr. Genellie seconded the motion. Mr. Neal called for a vote on the motion and all those present voted in favor of adopting the consent agenda items.

2. NEW BUSINESS

A. 2016 List of Directors. Mr. Grogan referenced the 2016 list of contacts for the Commission's information only.

B. 2015 Annual Report. Mr. Grogan briefly described the Annual Report. Mr. Devich moved to approve the 2015 Annual Report. Motion was seconded by Mr. Genellie and the motion passed. Ms. Hammer will finalize the 2015 Annual Report and distribute to a representative of each member city.

C. 2016 Election of Officers. Motion was made by Ms. Swenson to approve the following slate of officers with the understanding that the Managers' Committee will have the authority to make interim changes: Patty Latham - Chair, Scott Neal - Vice Chair, and Rick Getschow - Secretary/Treasurer. The motion was seconded by Mr. Devich. Motion passed.

3. SECRETARY/TREASURER'S REPORT

A. Insurance Waiver. Mr. Genellie's advice to the Commission is to "not waive" the monetary limits on municipal tort liability insurance. Mr. Devich moved to "not waive" the monetary limits on municipal tort liability insurance and Mr. Genellie seconded the motion. Motion passed.

B. Treasurer's Report and Approval of Claims. Mr. Genellie distributed the Treasurer's and Claims Reports referenced in the agenda packet. Mr. Devich moved to accept the Claims Report and Treasurer's Report and Ms. Halvorson seconded the motion. Motion passed.

4. ATTORNEY/ADMINISTRATOR'S REPORT

A. CenturyLink Franchising Update. Mr. Grogan reported that all member cities have granted a franchise to CenturyLink and CenturyLink has provided executed documents to each member city. In approximately four months CenturyLink will begin holding quarterly

meetings with each member city as required by the franchise. More information will be available at the October meeting.

B. Commission Web Site. Mr. Grogan discussed the proposal from Webaloo to develop and support a web site for the Commission. The need for a mobile version of the web site was discussed. Ms. Swenson moved to approve a not to exceed \$5,000 amount and authorized Mr. Grogan to move forward with developing a web site for the Commission. Ms. Halvorson seconded the motion. Motion passed.

C. Legislative Update. As of this meeting, Minnesota's legislature has only been in session for a few weeks. Mr. Grogan described the FCC's Order that a cable operator faces effective competition in every franchise area in the country and shifting the burden of rebutting that presumption from cable operators to LFAs, and the jointly filed briefs to the DC District Court of Appeals challenging the FCC's Order by the National Association of Broadcasters and the Northern Dakota County Cable Communications Commission. Updates will be provided as they become available.

D. SWTV Report. Mr. Nissen distributed and reviewed his presentation and two cost proposals for HD equipment. Discussion was held regarding the need and timing for HD equipment at SWTV. Also, the group discussed the franchise provisions regarding HD PEG channels. Mr. Nissen will gather more information and present it to the Commission at the October meeting.

5. MANAGER'S COMMITTEE REPORT

The Managers' Committee reported that a brief conference call was held in advance of this meeting to discuss agenda topics and potential slate of officers given Jim Genellie's upcoming retirement.

6. COMPANY REPORTS

The Commission received correspondence from Comcast dated January 11, 2016 through March 16, 2016 as indicated in the agenda packet. Ms. Hensing shared information regarding a revised billing format to be rolled out later this year and two new billing centers are opening by the end of 2016 (approximately 400 new employees).

The Commission received correspondence from CenturyLink dated February 16, 2016 as indicated in the agenda packet. Mr. Haggerty reported that CenturyLink has obtained 35 Twin City cable franchises, hired 200 new technicians, opened 2 training centers, and deployed a mass marketing program.

7. NEXT MEETING DATE

The next regular Full Commission meeting is Wednesday, October 26, 2016 at 4:00 p.m. at the Edina City Hall.

MINUTES
Southwest Suburban Cable Commission
Wednesday, October 26, 2016

At approximately 4:02 p.m. Ms. Patty Latham called the meeting to order. Those present: Mr. Rick Getschow of Eden Prairie, Mr. Scott Neal and Ms. Ann Swenson of Edina, Ms. Ari Lenz and Ms. Kristi Halverson of Hopkins, Ms. Patty Latham of Minnetonka and Mr. Steve Devich of Richfield. Guests present: Mr. Dietrich Nissen, SWTV Access Coordinator - City of Edina, Ms. Kate Hensing of Comcast and Mr. Patrick Haggerty of CenturyLink. Staff present: Mr. Brian Grogan and Ms. Terri Hammer of Moss & Barnett.

1. CONSENT AGENDA

Mr. Neal moved to accept the Consent Agenda items and Mr. Devich seconded the motion. Ms. Latham called for a vote on the motion and all those present voted in favor of adopting the consent agenda items.

2. ATTORNEY/ADMINISTRATOR REPORT

A. SWTV Update and HD Upgrade. Mr. Nissen provided an update on SWTV since the last Full Commission meeting. Ms. Swenson moved to table the option of live streaming of public access channels due to lack of interest. Mr. Neal seconded the motion. Motion passed.

Ms. Swenson moved to allow \$1,000 for 2017 marketing efforts for SWTV. Mr. Devich seconded the motion. Motion passed. Mr. Getschow moved to add a new line item to the 2017 budget called "marketing" and move \$1,000 from the contingency line item to the *new* marketing line item. Ms. Swenson seconded the motion. Motion passed.

The Manager's committee recommended that the Commission hold off until 2018 or after before purchasing HD equipment. Ms. Swenson moved to delay the purchase of HD equipment until 2018 or after. Mr. Neal seconded motion. Motion passed.

B. Bloomington Studio Usage and 2017 Contract. Mr. Neal moved to renew the contract with the City of Bloomington for 2017 and Ms. Halvorson seconded the motion. Motion passed.

C. Web site launch. Staff will look into adding the SWTV line-up to the Commission's website.

D. Legislative Report. Updates included in the agenda packet were discussed.

E. Comcast Update. Materials in the agenda packet were reviewed.

F. CenturyLink Update. Materials in the agenda packet were reviewed.

3. SECRETARY/TREASURER'S REPORT

A. Treasurer's Report and Approval of Claims. Mr. Grogan referred to the Treasurer's and Claims Reports in the agenda packet. Ms. Swenson moved to accept the Claims Report and Treasurer's Report and Mr. Devich seconded the motion. Motion passed.

B. 2017 Budget. Ms. Swenson moved to approve the 2017 budget and Mr. Devich seconded the motion. Motion passed.

C. Treasurer/Vice Chair transition. Ms. Lenz moved to approve Mr. Neal as the secretary/treasurer from this meeting date forward and Mr. Getschow as Vice Chair from this meeting date forward. Ms. Halvorson seconded the motion. Motion passed.

4. MANAGER'S COMMITTEE REPORT

The Managers' Committee reported that a brief conference call was held in advance of this meeting to discuss the HD equipment proposal.

5. COMPANY REPORTS

CenturyLink - Mr. Haggerty provided a company update.

Comcast - Ms. Hensing reported a second call center in St. Paul to open by year end.

6. NEXT MEETING DATE

The next regular Full Commission meeting is Wednesday, April 26, 2017 at 4:00 p.m. at the Richfield City Hall.

Mr. Neal moved to adjourn at 5:05 p.m. and Mr. Devich seconded the motion.