

**NORTH SUBURBAN COMMUNICATIONS COMMISSION
MINUTES
September 17, 2020**

I. Call to Order

Chair Kara Ries called the meeting to order at 6:00 p.m. via Zoom teleconference platform.

Chair Ries noted that each vote would be recorded by roll-call.

II. Roll Call

The following Commissioners were in attendance:

Craig Wilson, Arden Hills
Sue Majerus, Falcon Heights, Vice-Chair
Kelly Dolphin, Lauderdale, Secretary/Treasurer
Kara Ries, North Oaks, Chair
Bernard Walker, St. Anthony
Emily Dunsworth, New Brighton
Rick Montour, Little Canada
Bill Bergeron, Mounds View
Dan Roe, Roseville

Absent: None

Others Present:

Dana Healy, Executive Director
Mike Bradley, Attorney
David Rosenbloom, Business Manager
Patrick Cook, Senior Technician/Facilities Coordinator

III. Approval of Agenda

Rosenbloom noted there wasn't a check register in the NSCC so there is no Consent Agenda.

Roe moved to approve the agenda without the Consent Agenda. Montour seconded the motion. The motion was approved unanimously by roll-call.

IV. Approval of Minutes

Chair Ries noted that Executive Director Healy's microphone cut off during discussion at the July 16, 2020 meeting and when there are technical difficulties, it's important to review the minutes to be sure they are reviewed in their entirety and properly reflect the meeting.

Roe noted the Executive Director sent a corrected version of the minutes the day previous, with the correction to the section which had been missing due to technical difficulties.

Roe moved to approve the corrected Minutes of the Regular Meeting on July 16, 2020. Majerus seconded the motion. The motion was approved unanimously by roll-call.

V. Public Forum

No one chose to speak at the public forum.

VI. Reports

A. Executive Director's Report

Ms. Healy summarized cable updates and noted they've received 4 cable complaints from New Brighton, North Oaks, Roseville and Arden Hills which have all been resolved. Ms. Healy worked with the League of Minnesota Cities Telecommunication Task Force to provide input on state-level legislation to television communications and she relayed the concern of dropping franchise fees for their Cities and the importance of maintaining the rights-of-way. They held the quarterly Joint Powers Authority (JPA) Administrator's Meeting, all cities were represented and a memo of the overview of the meeting is attached. She noted all cities have either placed the JPA Bylaws Amendment on their future Consent Agendas or have signed the documentation related to changing the contiguous cities that could be involved in the Commission. She presented at the Ramsey County League of Local Governments about digital equity and how CTV is helping the community access information, specifically around schools, citing a case study with St Anthony/New Bright District.

Roe encouraged people to watch the Ramsey County League of Local Governments meeting as the discussion about technical access and equity issues and how they can make sure everyone in the area is getting access to technology in the area to do their business or schoolwork is important.

B. Attorney's Report

Mr. Mike Bradley noted the appeal of the 621 FCC Order and said as a reminder this Commission as well as many other local franchising authorities across the country are appealing the FCC 621 Order in front of the 6th Circuit Court of Appeals. Since he was last in front of the Commission, they submitted the Appellate Brief, there was an Intervener Brief in support of that brief filed by NATOA, New York City

and some Florida jurisdictions, and the FCC was allowed to reply to that brief with an opposition which was supported by the Internet and Television Association's (NCTA) Intervener Brief. He stated there is now an opportunity to reply to both the FCC's brief and the NCTA's brief which will be due on September 24, 2020. Secondly, they are continuing to work on the franchise fee review that Ashpaugh & Sculco did on NSCC's behalf, as a reminder the Commission joined four other cable commissions in doing a franchise fee review of Comcast. Over the summer they've been going back and forth with Comcast in a very productive way and recently received a new offer from Comcast and they will be responding shortly to make sure they're hitting everyone's interests. He is hoping for a resolution one way or the other by the time the NSCC meets next.

Chair Ries asked regarding the FCC appeal brief, what might be the timeline or turnaround time for a response after filing.

Mr. Bradley said the final briefs will be submitted by October 24, 2020 and they do not have an oral argument date set, and they expect that to be at the end of 2020 or first quarter of 2021 and expect a decision out of the 6th Circuit sometime in the second quarter of 2021.

C. Cable Company Reports

i. CenturyLink

ii. Comcast

There were no representatives from the Cable Companies present.

Executive Director Healy shared some insight on franchise fees, noting they have received Comcast franchise fees for the first and second quarters of 2020 and compared to 2019 there has been a very negligible drop in franchise fees; while given the current climate that is a very positive thing, and is a less than 1% drop with all the aggregate JPA franchise fees. At the beginning of COVID-19 customers relied more heavily than usual on the home internet connections and Comcast came out with a lot of bundle opportunities and she thinks that is what is driving it right now. She said moving in to Quarter 3, she hopes to continue with live sports, as then they will have cable subscribers.

VII. Treasurer's Report

A. May Financials

Mr. Rosenbloom reviewed and summarized the Treasurer's Report from May 2020.

Majerus moved to approve the May 2020 Financials. Walker seconded the motion. The motion was approved unanimously by roll-call

VIII. General Business

IX. Approve Consent Agenda

A. Approval of check register

Mr. Rosenbloom stated there isn't a check register for May because there were no checks written and this item was pulled from the agenda.

X. Community Announcements

Roe said related to Roseville, Maplewood and Saint Paul, the Rice and Larpenteur Alliance which is a joint effort of those cities as well as Ramsey county is having an event on Saturday September 26 from 3-7:00 p.m. which will be a properly socially-distanced event called the Rice and "Larpentour", an opportunity to check out local businesses, activities for kids and entertainment provided.

XI. Adjournment

Wilson moved to adjourn the meeting. Montour seconded the motion. The motion was approved unanimously by roll-call, and the meeting concluded at 6:23 p.m.

Respectfully Submitted

Kelly Dolphin, Secretary/Treasurer

**NORTH SUBURBAN ACCESS CORPORATION
MINUTES
September 17, 2020**

I. Call to Order

Chair Kara Ries called the virtual meeting to order at 6:23 p.m. She stated that some of the participants would be joining the meeting via Zoom teleconference platform.

II. Roll Call

The following Commissioners were in attendance:

Craig Wilson, Arden Hills
Kelly Dolphin, Lauderdale, Secretary/Treasurer
Sue Majerus, Falcon Heights, Vice-Chair
Kara Ries, North Oaks, Chair
Dan Roe, Roseville
Bernard Walker, St. Anthony
Emily Dunsworth, New Brighton
Bill Bergeron, Mounds View
Rick Montour, Little Canada

Absent: None

Others Present:

Dana Healy, Executive Director
David Rosenbloom, Business Manager
Patrick Cook, Technical Services Manager
Dale Irving, Community Media Manager

III. Approval of Agenda

Montour moved to approve the agenda. Wilson seconded the motion. The motion was approved unanimously by roll call.

IV. Approval of Minutes

A. Regular Meeting, July 16, 2020

Dolphin moved to approve the minutes. Walker seconded the motion. The motion was approved unanimously by roll call.

V. Reports

A. Executive Director's Report

Ms. Healy shared her screen and noted they continue to provide Spanish translations for the Governor's addresses in partnership with TPT Now.

She said they've also secured a partnership with Ramsey County related to their new RECERT program in which they provide Spanish translations for the Ramsey County Commission meetings. They've just rounded out 32 episodes of Cities Speak, and are continuing to meet with State Legislators and activists in the community. They are finishing up Speak Outs 2020, and Ms. Healy gave a big shout out to the production team, noting they did a phenomenal job in producing these pieces. If people don't receive the E-newsletter, she asked them to subscribe so they can see all of that content. They held a successful, socially-distant Point of Light program that highlighted 10 worship organizations in the Cities. Staff is still in a hybrid work model of working from home and shifting back to the office.

Ms. Healy noted that Sydney and Jared left CTV to get their master's degrees in New York and they wish them the best of luck. She stated they just hired Wade who is working in the background to produce this meeting and are in the process of hiring another employee.

She reported that CTV has signed a renewal on their lease for an additional five years in a reduced footprint and are projecting a 32% savings on the facilities.

Regarding the name change process, Ms. Healy said they've been in the process of changing their brand and name and wants to update the Commission. About a year ago they sourced consultants to help and began a discovery process in January that was pretty intensive for a very small committee within CTV. Last week, City Administrators reviewed the name and logo and now she is bringing it to the Commission. The must-haves for the name change included representing the legacy of the organization, leaving room for innovation (by removing the "TV" aspect), it must be attractive on print, video and graphics, SEO strength, and that differentiates from Canada Television, noting that CTV is Canada Television.

Ms. Healy presented NineNorth for review as a new name and logo, noting it's a much more modern feel but is more general and broad and can encompass webcasting, digital media and other services to the community. She asked for feedback from the Commission and comments on next steps.

Majerus said great work and asked the question, what happens when they have more than nine cities.

Wilson wondered the same thing.

Ms. Healy noted that is something they discussed and is part of the legacy aspect, they want to maintain that it is the nine-core group and pay homage to that. If they get six more cities, they will stay with the NineNorth.

Roe noted it's like the Big Ten.

Chair Ries commended Ms. Healy for all of her work and time on the project.

Ms. Healy said it was a team effort, and they relied on an outside consultant, as well.

Majerus moved to approve the new NineNorth logo for CTV. Walker seconded the motion.

Dunsworth said she really like the change and it is keeping in line with what CTV is trying to do with innovation and looking more holistically at what it means to the community. She asked how it will be communicated so as not to create confusion regarding the change and what it means, ensuring the public that the programming hasn't gone away.

Ms. Healy said there will be growing pains, noting they have a social media marketing plan as well as brand voice and copy but it will be a constant barrage of information. She'd start with a campaign to the City Councils for a report and update, hit all of the service groups, Ramsey County groups, and it will be a lot of work and will take time to stick but she is confident as long as they stay consistent with the messaging, they will be able to replace CTV eventually.

Roe said he is supportive of the motion and wants to express that he wished the Board might've had an earlier check-in on the subject during the process, looking at alternatives, but it's not a strong enough opinion to vote against it. He noted on other Boards, they usually have a role in the development of the new brand and logo in terms of feedback. He is registering this view and is certainly not unsupportive of it in any way.

Wilson agreed he would've liked a bit more notice to mull it over and think about it so they could provide input. He said they'd have to differentiate themselves from the Nine North Line Company and the Nine North hydrothermal vents in the ocean, but he is sure they can get their name out there.

Chair Ries asked when the rollout will happen.

Ms. Healy said because they are so thinly staffed, she'd like to push it out to 2021. She noted they may start making background changes, such as on the website, but start executing in 2021.

Majerus said she assumes when they go live with the change, if people search CTV or go to the old website, they will automatically be redirected.

Ms. Healy noted that is an excellent question and answered yes, the redirect will be in place.

The motion was approved unanimously by roll call.

Ms. Healy continued her report and shared her screen again regarding Cassandar, noting it is the web-streaming platform that all of the member Cities use to stream and archive City meetings. It was created in-house nearly 10 years ago and they've been working with developers to improve security and usability and the next goal is to bring this product to market and sell to cities outside their JPA. The remainder of 2020 will be devoted to developing a go-to-market plan and in 2021 they will be working on a sales and marketing strategy geared towards mid-sized cities, municipalities and other entities. The purpose of selling the product is an alternative revenue source that still aligns with the mission and doesn't take a lot of time and effort from Staff. It will also introduce new cities to what they can do within their service menu. They will be reaching out for testimonials, product research, referrals.

Ms. Healy said related to service contracts and price structure, the goal of the NSCC/NSAC partnership is to collectively improve the communications of the partner cities through their mission to the community which is producing community-focused media that educates and engages residents. She said historically the price structure for meetings was \$33/hour and this doesn't accurately represent the investment into CTV's meeting coverage, therefore they are restructuring their meeting cost to \$173 per meeting. A cost per meeting structure helps cities and CTV budget more accurately. She explained how they got to the number, which includes the municipal producer, who arrives on site and sets up equipment and costs approximately \$20 per hour (\$60-80 per meeting). Additionally, there is an Engineer on staff who is troubleshooting, with a higher skill set and has specific City knowledge and would be a difficult person to replace; that cost is approximately \$25/hour (\$25-75 per meeting).

Programming staff starts and stops back-up recordings and are the first quality control point and monitor the meeting to be sure it's being broadcast, webcast and recorded; the cost is approximately \$18/hour (\$36-72 per meeting). Finally, there is quality control; due to an audio transmission one of the partner cities had in 2019 they decided to contract an outsource quality control person to be another set of eyes; cost is approximately \$35/meeting. She noted the total meeting investment per meeting is \$156-\$262, not taking into account overhead and investment into Capital. She brought this structure and proposal to the JPA Administrators and they were fairly supportive of the restructuring. She noted they are still working some things out such as if there are two meetings in one night, or if a meeting only lasts 15 minutes, and other nuances. She asked for feedback and thoughts from the Commission.

Chair Ries asked if pricing would change automatically for a meeting that only lasts 15 minutes.

Ms. Healy answered they are discussing that and she thinks it will be an automatic thing and staff will need to track and minimize.

Montour said they need to recover their costs and this is a good exercise, noting his Council reviewed it the previous week and had no issues. The discussions about shorter meeting times, he has a concern about, because there are still start-up costs and mobilization costs which need to be covered. He noted there should be a minimum cost per meeting if it runs under a certain amount of minutes.

Dunsworth agreed there should be a minimum cost for any city, period. She said as they go out to other cities, it makes it very easy to budget and is a huge selling point for why CTV/NineNorth is a good organization to work with as there aren't hidden costs and shows. They're there to get the job done and not just bill by the hour.

Chair Ries noted the balance between meeting their costs and making sure they're adequately compensated, staff and equipment. She is glad this is being looked at in a detailed way and having discussions with the cities but they do need to make sure they're being compensated adequately is also important.

B. Operations Report – Dale Irving

Mr. Irving shared his screen and gave an overview of Operations, noting they've expanded Candidates Speak Out, in the first round of recording they had 24 Candidates participate and in the second round, they had

45 Candidates. He noted everything is on the website and it was very successful. Candidate Forums are also going strong, as well as other projects with various cities, schools and police.

Chair Ries thanked him for the Candidates Speak Out and said they did a great job and she appreciates their dedication.

Majerus asked Mr. Irving regarding Candidates Speak Out, how do they draw the line between what they charge for and what they don't.

Mr. Irving said everyone is invited to participate and it's optional, if they want to purchase the video of themselves and can put it on their website, Facebook page, or wherever, they can do that. He noted they had a pretty good return rate with those up-sells; in the second round, out of the 45 Candidates 27 purchased the video, which was a huge boost.

C. Technical Report – Pat Cook

Mr. Cook said technically they've been working on many things, including live sports, and leasing out equipment to St. Anthony and Roseville schools' production crew, and they're making sure those games are live on the channels and recorded/played back. It is a good partnership between CTV and the schools. He said if anyone is watching and would like to volunteer, both crews are looking for help. He noted he's been getting computers swapped out so they're no longer using the CTV-provided equipment but the Cities have equipment installed at City Halls, the Zoom computer for virtual meetings will be available to each City as they move forward, and they did it in a very economical way. Mr. Cook has been working on the remodel of the building to make sure the technical aspects are taken care of and as they move in it will be as smooth as possible. The challenge will be occupying the space while it's being remodeled, noting the server room is right in the middle of the remodel.

VI. Treasurer's Report

A. May 2020 Financials

Mr. Rosenbloom noted May is a while ago and while April had a big hit to revenues, that started to bounce back in May. The operating revenues were up about \$5,000 between April and May and a good deal of that were the Zoom meetings for core cities and services for non-core cities. He noted the intern expense went way down because the interns didn't have much to do for the months of April and May. It began to pick up later in the summer and is slowly coming back. Assets are holding steady, as Ms. Healy pointed out, the revenue from the PEG fees

from Comcast has been very close to even which was a pleasant surprise given the pandemic and difficulties that go along with that. CTV's revenue has been pretty close to what it was last year and they are grateful. Invested funds are getting miniscule amounts of interest, it's fallen by about 90%.

Dunsworth moved to approve the May 2020 Financials as presented. Montour seconded the motion. The motion was approved unanimously by roll call.

B. First Reading of Budget (no vote item)

Ms. Healy shared her screen and gave an overview of the budget. They are predicting a 2.7% drop in the Cable Grant and a 22% Increase in Core City Services, due to the restructuring to a price-per-meeting format. There is a 6.5% drop in non-core City Services but they are hopeful they will continue building clientele and they've already established new clients so she anticipated a change before the Second Reading. They have a \$27,000 Goal for Cassandar Sales and already have three subscriptions, which she is very excited about. Facility expenses were the second highest expense and they are reducing it by 32% which is approximately \$64,000, due to the smaller footprint of the new space and a well-negotiated lease. Professional services increase by 47% or \$19,000 due to contracting specialists to help bring Cassandar to market. General Operating expenses were reduced by 28%, due to a restructuring of General Ledger which was reallocated into the Personnel General Ledger. They're budgeting \$30,000 for Capital, all strategic purchases are in line with 2021 goals, and at the end of the year they hope to be \$48,000 Net Positive by the end of 2021. She said they will hustle but still predict a .33% Decrease in Revenue and a 9% decrease in total Operating Expenses.

Chair Ries noted many of the decreases are the signs of the times and she hopes 2021 will be more optimistic and she appreciates all the work the team has been doing.

Roe echoed Chair Ries' comments and thanked Ms. Healy and Mr. Rosenbloom for the work they've done on the budgets.

Ms. Healy noted although they are currently cutting costs, they will be investing into the organization moving forward, investing into the capital and staffing in order to grow and innovate. Right now, they are in a constriction phase, but she wants the Commission to know that is not how they will always stay.

Roe said he doesn't think they saw a draft of the 2021 Commission-side budget and presume they will see that at some point as well.

Mr. Rosenbloom said the Access Corporation budget is the most difficult one to put together, and the Commission doesn't change much year-to-year so it is usually done after the Access Corporation is finished and he expects it will be presented at the next Board Meeting.

C. Second Reading of Five-Year Capital Plan

Ms. Healy gave the floor to Mr. Cook who shared regarding the Five-Year Capital Plan.

Mr. Cook shared his screen and gave an overview of the included memo in the packet.

Montour asked if they still planned to sell one of the trucks.

Mr. Cook replied they are in the process of selling a truck and have divested themselves of much of the equipment, noting most of it was standard definition and they kept the high definition bits.

Wilson asked regarding laptops and PC's, do those prices include software and what caused them to be priced at that level.

Mr. Cook said they have been using Macintosh computers, which is a common choice in the creative community and because they are computers used for video editing, they are more than just a base-level computer.

Wilson asked regarding the Cassandar server, if it's in-house or if they're looking at cloud-based.

Mr. Cook said they're looking at both and have been having discussions on what the best way is. Currently Cassandar exists as a virtual machine on one of their servers which has a redundant pair to it that exists in the City of Roseville. In the future he believes they will look at cloud services.

Wilson said they've seen a lot of change in video in the last few years and asked if in the next five years they think things have topped out for a while.

Mr. Cook said regarding their studio and production truck, they are still looking at the continued high definition standard of 1080i or 720p, for

portable or field productions, and any new camcorders they get will be 4K.

Chair Ries asked if there will be any software upgrades needed in the future.

Mr. Cook replied they currently subscribe, so the Apple software has been purchased and they own it. They use Adobe products and have Adobe Creative Cloud subscriptions, and a former staff member did a great job securing a great deal on that. He said those software subscriptions are another budget item and are not in the capital.

Majerus moved to approve the Five-Year Capital Plan which is from 2021 to 2025. Bergeron seconded the motion. The motion was approved unanimously by roll call.

VII. General Business

A. Reading of the 2021 Objectives

Ms. Healy said each year CTV establishes a slate of objectives under three categories: Marketing and Sales, Operations and Municipal Engagement. These objectives are mission focused and ladder up to an over-arching goal for the year. She noted 2021's focus is to continue to build earned income through their services.

B. Report on Executive Director Review

Chair Ries noted this is part two of the Review of the Executive Director's work. She noted Ms. Healy worked in a very interesting time during COVID-19 and set very high standards for herself. Ms. Healy received a positive review from the committee and they are recommending a 4% bonus and to table a salary increase, as that is normally reviewed and given in July. However, because of the year they're having and some outstanding financial information and planning to be done, for example, the building and financials coming in, the committee recommends this be tabled until the next meeting as they want to do it responsibly and in-step with the other staff members.

Roe asked what the possible range of bonus could be based on the contract.

Chair Ries replied she believes it goes up to 5% and they recommend not going to that point due to the financial outlook, but they want to compensate Ms. Healy based on her excellent performance and the fact that she met goals during a very challenging time.

Montour asked if, when the possible salary increase is looked at in November, would it be retroactive to July.

Chair Ries said the committee recommends moving her salary adjustment to keep in step with the calendar year, as it was very difficult to review mid-way through the year. She recommended not post-dating but moving it ahead to the next calendar year.

Montour asked if that will result in a change in the wording of the contract.

Chair Ries said she doesn't have the contract wording.

Ms. Healy noted she believes the contract wording would need to be updated.

Roe moved to approve a 4% bonus for Executive Director Healy and to table salary adjustment and keep her salary adjustment review in step with the calendar year. Montour seconded the motion.

Chair Ries again thanked Executive Director Healy for her work, this hasn't been an easy year and she wants to reiterate that Ms. Healy received an outstanding review and her hard work is appreciated.

Roe said to clarify the contract, he believes the bonus is a bonus based on 2020 performance, and was done because it gave a chance between the end of the year and the mid-year review time frame as the contract was originally set up.

The motion was approved unanimously by roll call.

Ms. Healy thanked the members.

VIII. Approve Consent Agenda

- A.** Approval of check register
- B.** Approval of credit card transactions

Roe moved to approve the Consent Agenda, as presented. Bergeron seconded the motion. The motion was approved unanimously by roll call.

IX. Crew Introductions

President Ries thanked Patrick Cook, Dale Irving and Wade Arendsee. She thanked them for all their hard work and noted they do an excellent job with all of their productions.

Wilson asked if there is any information or update from National Association of Telecommunications Officers and Advisors (NATOA).

Ms. Healy replied NATOA conference was virtual and she had an opportunity to present, which was great. She noted much of the conversation surrounding the 621 Order and how to improve Broadband and speed tests.

X. Adjournment

Montour moved to adjourn the meeting. Walker seconded the motion. The motion was approved unanimously by roll call, and the meeting concluded at 7:55 p.m.

Respectfully submitted,

Kelly Dolphin, Secretary/Treasurer