



NORTH SUBURBAN COMMUNICATIONS COMMISSION

January 6, 2011

6:00 P.M.

**Roseville City Council Chambers
2660 Civic Center Drive
Roseville, MN**

A G E N D A

- I. Call to Order
- II. Roll Call
- III. Public Forum (10 Minutes)
- IV. Approval of Agenda
- V. Approval of Minutes
- VI. Reports
 - A. Executive Director
 - B. Cable Company
- VII. Closed Executive Session to Discuss Confidential Legal Advice and Strategies Pertaining to the Formal Franchise Renewal Administrative Litigation Process Invoked by Comcast Pursuant to Section 626(a) of the Cable Communications Policy Act of 1984, As Amended
- VIII. Adjourn Closed Executive Session and Re-Open Public Portion of the Regular Commission Meeting
- IX. General Business
 - A. Treasurer's Report – November 2010
 - B. Recommendation to Cities to Adopt Franchise Renewal Resolution – C. Wilson, S. Guzzetta
 - C. Appointment of Nominating Committee
 - D. Transfer of Reserve Funds from the City of Roseville to Bremer Bank – C. Wilson
- X. Announcements
- XI. Adjournment

Please call the office if you or your alternate are unable to attend the meeting.

Next Regular Meeting – February 3, 2011

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**NORTH SUBURBAN COMMUNICATIONS COMMISSION
MINUTES
December 2, 2010**

I. Call to Order

The Commission chair, Dan Roe, called the meeting to order at 7:00pm at the CTV North Suburbs, Roseville facility.

II. Roll Call

The following Commissioners were in attendance:

Craig Wilson, Arden Hills
Rick Talbot, Falcon Heights
Jeff Dains, Lauderdale
Nancy Kracl, Alternate, Mounds View
Mary Burg, New Brighton
Steve Beilke, North Oaks
Dan Roe, Roseville
Jim Roth, St. Anthony
Blake Huffman, Shoreview

Others Present:

Coralie Wilson, Executive Director
Madeline Koch, Senior Government Affairs Professional, Comcast
Patricia Doocy, Office Administrator

III. Public Forum

No one was present to speak at the public forum.

IV. Approval of Agenda

Mr. Wilson moved, seconded by Mr. Dains, to approve the agenda. The motion was approved unanimously

V. Approval of Minutes

Mr. Roe noted that the motion for approval of the agenda should include “as amended” since an agenda item was removed. Mr. Huffman moved, seconded by Mr. Dains, to approve the minutes of the November 4, 2010, Commission meeting as amended. The motion was approved unanimously.

VI. Reports

A. Executive Report

Ms. Wilson reported on legislative issues. She noted that a letter from Kathi Donnelly-Cohen from Comcast, which stated the company does not plan to have an annual rate increase in January, 2011, was included in the packets.

B. Cable Company

Ms. Koch distributed Comcast's November/December Newsletter. She also highlighted the free application now available for iPod, iPhone and iTouch Users. The application gives customers control over their set-top boxes, allowing them to use such items as "browse for content", select "on Demand", change channels, or schedule a DVR recording.

Another item Ms. Koch highlighted is a "request for information" feature which allows digital subscribers to interact with TV commercials during a 30-second pop-up trigger.

VII General Business

A. Treasurer's Report

Mr. Talbot moved, seconded by Ms. Burg, to approve the October 2010 Treasurer's Report. The motion was approved unanimously.

B. 2011 Budget

Mr. Huffman moved, seconded by Mr. Beilke, to approve the 2011 North Suburban Communications Commission budget as presented. The motion was approved unanimously.

C. Franchise Renewal Committee

Mr. Huffman moved, seconded by Mr. Talbot to approve the members of the Franchise Renewal Committee, which include: Commissioners Craig Wilson of Arden Hills, Jeff Dains of Lauderdale and Rick Montour of Little Canada, and also Roseville City Manager, Bill Malinen. The motion was approved unanimously.

VII. Announcements

Mr. Roe announced that the Board of Directors had a work session prior to the Board meeting to discuss the proposed lease for the new facility, including budget and service contracts related to the move.

IX. Adjournment

Mr. Beilke moved, seconded by Mr. Wilson, to adjourn the meeting. The motion was approved unanimously, and the meeting adjourned at 7:16 pm.

Respectfully submitted

Pat Doocy, Office Administrator

Blake Huffman, Secretary/Treasurer

**NSCC Item VI.A.
December 30, 2010**

to: Commissioners

from: Cor Wilson
Executive Director

subject: December Report

December was a relatively quiet month for regulatory and policy issues. While the U.S. House of Representatives and the Minnesota Legislature are getting organized, most of the action was at the Federal Communications Commission. There, the biggest item was the introduction of proposed “net neutrality” rules by the Chairman. They are being circulated and will likely be formalized early in 2011. In addition, the trade publications reported that a draft order approving the merger of Comcast and NBC/Universal – with conditions -- is being circulated to the Commissioners. The expectation is that it will be approved in January.

We have also gotten word that Qwest, which is in the process of being acquired by CenturyLink, is lobbying for state franchising in Colorado. I expect to get an update on that effort during the NATOA Policy & Legal Committee conference call on January 5. In the meantime, MACTA has asked its lobbyists to look into whether Qwest is pushing for state franchising in Minnesota.

We have scheduled a meeting of the Telecommunications Advisory Committee for Wednesday, January 12, and we will update them on the NSCC/NSAC move and discuss cable franchise renewal.

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North Suburban Communications Commission

2010 Financial Report Summary

For the Eleven Months Ending November 30, 2010

	Current Month	Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Revenues					
Interest Income	0.00	15,513.13	(1.03)	13,750.00	15,000.00
Cable Co. Scholarships	0.00	90,442.93	(1.00)	82,913.41	90,451.00
Reimbursement	1,660.32 a.	4,906.32	(0.74)	6,050.00	6,600.00
Misc. Income	0.00	0.00	0.00	0.00	0.00
City Contributions	0.00	338,468.00	(1.00)	310,262.34	338,468.00
Transfer from Reserves	0.00	0.00	0.00	35,032.25	38,217.00
Total Revenues	1,660.32	449,330.38	(0.92)	448,008.00	488,736.00
Expenses Summary					
Personal Services	7,930.89	107,230.71	0.88	112,222.92	122,425.00
Operating Expenses	8,521.62	183,850.99	0.64	261,901.72	285,711.00
Contingency	0.00	0.00	0.00	0.00	0.00
Capital Expenses	0.00	2,937.63	0.04	73,883.33	80,600.00
Total Expenses	16,452.51	294,019.33	0.60	448,007.97	488,736.00
Net	(\$ 14,792.19)	\$ 155,311.05	0.00	0.03	0.00

a. Reimbursements -- Ramsey County lease for use of I-Net

North Suburban Communications Commission

2010 Detail Financial Report

For the Eleven Months Ending November 30, 2010

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Personal Services						
Full Time Salaries	7,361.58		84,525.82	0.87	88,622.41	96,679.00
Part Time Salaries	0.00		0.00	0.00	0.00	0.00
FICA	593.17		6,796.31	0.85	7,328.75	7,995.00
Retirement	0.00		4,410.60	1.01	3,988.42	4,351.00
Unemployment	73.34		1,052.34	1.17	825.00	900.00
Workers Comp	0.00		384.43	0.77	458.34	500.00
Health/Life Insurance	(97.20)	b.	10,061.21	0.84	11,000.00	12,000.00
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Total Personal Services	7,930.89		107,230.71	0.88	112,222.92	122,425.00
Operating Expenses						
General						
Printing	0.00		657.70	0.37	1,650.00	1,800.00
Publications	0.00		129.96	0.52	229.16	250.00
Memberships	0.00		816.00	0.15	5,041.66	5,500.00
Entries Fees	0.00		0.00	0.00	0.00	0.00
Video Programming	0.00		0.00	0.00	0.00	0.00
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Total General	0.00		1,603.66	0.21	6,920.82	7,550.00
Supplies						
I-Net Supplies	0.00		0.00	0.00	916.67	1,000.00
Office Supplies	82.03		1,297.21	0.81	1,466.67	1,600.00
Video Supplies	0.00		0.00	0.00	0.00	0.00
Software Supplies	0.00		221.47	0.22	916.66	1,000.00
Volunteer Supplies	50.59	c.	833.33	0.42	1,833.33	2,000.00
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Total Supplies	132.62		2,352.01	0.42	5,133.33	5,600.00

b. Health/Life Insurance -- Payroll deductions

c. Volunteer Supplies -- Meeting refreshments

	Current Month	Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Maintenance					
Office Equipment	0.00	811.77	0.41	1,833.33	2,000.00
Network Equip. Maint.	0.00	0.00	0.00	4,583.34	5,000.00
Building Janitorial	842.91	10,348.60	0.69	13,750.00	15,000.00
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Total Maintenance	842.91	11,160.37	0.51	20,166.67	22,000.00
Travel					
Conferences	0.00	10,774.53	1.44	6,875.00	7,500.00
Mileage & Meals	158.38	2,214.83	1.01	2,016.67	2,200.00
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Total Travel	158.38	12,989.36	1.34	8,891.67	9,700.00
Tuition & Training					
Tuition & Training	15.00 d.	377.50	0.50	687.50	750.00
Utilities					
Utilities	500.00	5,500.00	0.92	5,500.00	6,000.00
Leases					
Rent	1,244.34	13,687.74	0.39	32,083.33	35,000.00
Property Taxes	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	458.33	500.00
Postage Meter	0.00	771.00	0.64	1,100.00	1,200.00
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Total Leases	1,244.34	14,458.74	0.39	33,641.66	36,700.00

d. Tuition & Training -- Wellness program

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Contractual						
Audit	0.00		5,200.00	1.00	4,766.66	5,200.00
Insurance	0.00		4,557.00	1.01	4,125.00	4,500.00
Legal	5,082.50		26,232.50	0.75	32,083.33	35,000.00
Intrnet Connection	0.00		5,052.25	0.84	5,500.00	6,000.00
NSCC SALES TAX	30.59		575.40	0.10	5,500.00	6,000.00
Cable Services	1,005.00		11,055.00	0.83	12,155.00	13,260.00
Miscellaneous	10.00	e.	10,474.68	0.35	27,500.00	30,000.00
Total Contractual	6,128.09		63,146.83	0.63	91,629.99	99,960.00
Communications						
Postage	150.00		1,020.38	1.02	916.67	1,000.00
Telephone	350.28		3,792.24	0.84	4,125.00	4,500.00
Advertising & Promotion	0.00		330.00	0.22	1,375.00	1,500.00
Total Communications	500.28		5,142.62	0.73	6,416.67	7,000.00
Grants						
Grants/Scholarships CABLE	(1,000.00)	f.	47,000.00	0.94	45,833.33	50,000.00
Internships	0.00		20,119.90	0.50	37,080.08	40,451.00
Total Grants	(1,000.00)		67,119.90	0.74	82,913.41	90,451.00
Recruiting						
Recruiting	0.00		0.00	0.00	0.00	0.00
Total Operating	8,521.62		183,850.99	0.64	261,901.72	285,711.00

e. Misc. Contractual -- Bank fee

f. Grants/Scholarships -- Unused scholarship funds returned by school.

	Current Month	Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Contingency					
Contingency	0.00	0.00	0.00	0.00	0.00
Capital Expenses					
Capital Improvements	0.00	0.00	0.00	0.00	0.00
Capital Video	0.00	0.00	0.00	0.00	0.00
I-Net Equipment	0.00	949.00	0.01	67,375.00	73,500.00
Office Equipment	0.00	1,988.63	0.28	6,508.33	7,100.00
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Total Capital	0.00	2,937.63	0.04	73,883.33	80,600.00
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Total Expenses	16,452.51	294,019.33	0.60	448,007.97	488,736.00

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**NSSC Item IX.B.
December 30, 2010**

to: Commissioners

from: Cor Wilson
Executive Director

subject: Franchise Renewal Resolution for Member Cities

Legal Counsel Steve Guzzetta has prepared a resolution to be adopted by the member cities. The resolution formally delegates cable franchise renewal responsibilities to the North Suburban Commission. A copy of the resolution is attached.

Action Requested: Motion to recommend that the member cities of the North Suburban Communications Commission adopt A RESOLUTION CONCERNING THE COMMENCEMENT OF FORMAL RENEWAL PROCEEDINGS UNDER THE FEDERAL CABLE COMMUNICATIONS POLICY ACT OF 1984, AS AMENDED, as soon as possible, and to direct staff to draft a letter for the chair's signature requesting adoption of the resolution.

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[COMMUNITY NAME], MINNESOTA

RESOLUTION NO. _____

A RESOLUTION CONCERNING THE COMMENCEMENT OF FORMAL RENEWAL PROCEEDINGS UNDER THE FEDERAL CABLE COMMUNICATIONS POLICY ACT OF 1984, AS AMENDED

WHEREAS, [COMMUNITY FULL NAME], (“City”) enacted an ordinance and entered into a cable television franchise agreement (collectively, the “Franchise”) with MediaOne North Central Communications Corp. (“MediaOne”), which became effective October 1, 1998, to provide cable television service within the territorial limits of the City; and

WHEREAS, as a result of several transfers of the Franchise, Comcast of Minnesota, Inc. (“Comcast”) currently holds the Franchise; and

WHEREAS, the North Suburban Cable Commission (the “Commission”) was organized by the City and the other member cities pursuant to Minn. Stat. § 471.59, as amended, for the purposes of monitoring Comcast’s performance, operations and activities, and coordinating, administering and enforcing the City’s Franchise and the franchises granted by the Commission’s other member cities; and

WHEREAS, Section 626(a)(1) of the Cable Communications Policy Act of 1984, as amended (the “Cable Act”), 47 U.S.C. § 546(a)(1), provides that if a written renewal request is submitted by a cable operator during the 6-month period which begins with the 36th month before franchise expiration and ends with the 30th month prior to franchise expiration, a

franchising authority shall, within six months of the request, commence formal renewal proceedings to identify the future cable-related community needs and interests, and to review the performance of the cable operator under its franchise during the then current franchise term; and

WHEREAS, the Franchise is scheduled to expire on October 1, 2013, unless sooner terminated or extended; and

WHEREAS, by letter dated October 11, 2010, from Comcast to the City, Comcast invoked the formal renewal procedures set forth in Section 626 of the Cable Act, 47 U.S.C. § 546; and

WHEREAS, the City is desirous of commencing the formal renewal proceedings specified in Section 626(a)(1) of the Cable Act, 47 U.S.C. § 546(a)(1) and, at the same time, of pursuing the informal renewal process with Comcast pursuant to Section 626(h) of the Cable Act, 47 U.S.C. § 546(h); and

WHEREAS, the City wishes that the formal proceedings under Section 626(a) of the Cable Act and the informal renewal process under Section 626(h) be managed and conducted by the Commission, or its designee(s); and

WHEREAS, the City intends to confirm the Commission's pre-existing authority to take any and all steps required or desired to comply with the franchise renewal and related requirements of the Cable Act, Minnesota law and the Franchise in accordance with the broad powers granted to the Commission by the Amended North Suburban Cable Commission Joint

and Cooperative Agreement for the Administration of a Cable Communications System, dated June 1990 (the “Joint Powers Agreement”); and

WHEREAS, the Commission is empowered by Joint Powers Agreement to conduct the Section 626(a) proceedings on the City’s behalf and to take such other steps and actions as are needed or required to carry out the formal and informal franchise renewal processes; and

WHEREAS, the Commission, on behalf of the City, must provide the public with notice of, and an opportunity to participate in, formal renewal proceedings under Section 626(a) of the Cable Act; and

WHEREAS, formal Section 626(a) proceedings and the informal franchise renewal process may involve the collection and analysis of information from Comcast (and its affiliates and subsidiaries), City agencies and departments, the Commission, the North Suburbs Access Corporation, the public and other interested parties, and may require one or more public hearings.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF [COMMUNITY NAME], MINNESOTA, THAT:

Section 1. The City authorizes the Commission and its staff to commence formal franchise renewal ascertainment and past performance proceedings under Section 626(a)(1) of the Cable Act, 47 U.S.C. § 546(a)(1), concerning Comcast and the Franchise, on the City’s behalf, pursuant to the powers granted to the Commission in the Joint Powers Agreement. These proceedings, and all applicable procedures, timelines and deadlines set forth in Section 626(a)-

(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), may be tolled if Comcast and the Commission enter into a lawful and binding tolling agreement (“Standstill Agreement”).

Section 2. The Commission, Commission staff and/or their designee(s) are authorized to manage and conduct those formal franchise renewal proceedings specified in 626(a)(1) of the Cable Act, 47 U.S.C. § 546(a)(1), and to take all steps and actions necessary or desired to conduct such proceedings and to comply with applicable laws, regulations, orders and decisions.

Section 3. The Commission, Commission staff and/or their designee(s), may explore with Comcast the possibility of pursuing the informal renewal process under Section 626(h) of the Cable Act, 47 U.S.C. § 546(h). If the Commission and Comcast decide to utilize the informal renewal process, the Commission, Commission staff and/or their designee(s) are authorized to enter into a Standstill Agreement, if appropriate or desired, to perform past performance and needs assessment reviews, to negotiate and communicate with Comcast concerning matters relating to the renewal and/or extension of the Franchise, and to take all other steps and actions necessary or desired to engage in the informal renewal process and/or to comply with applicable laws, regulations, orders and decisions.

Section 4. The Commission, Commission staff and/or their designee(s) shall provide the public with notice of, and an opportunity to participate in, proceedings conducted under Section 626(a)(1) of the Cable Act, 47 U.S.C. § 546(a)(1), unless those proceedings are tolled pursuant to a Standstill Agreement, in which case such notice and an opportunity to participate

will only be required if the Standstill Agreement ceases to be effective or if the Cable Act's formal renewal process is re-activated in accordance with the Standstill Agreement.

Section 5. The Commission, Commission staff and/or their designee(s) may establish procedures and dates for the conduct of any hearings related to the Section 626(a) proceedings or the informal franchise renewal process and may establish procedures and dates for the submission of testimony and other information in connection with such proceedings and the informal franchise renewal process.

Section 6. The Commission, Commission staff and/or their designee(s) are authorized to request and require Comcast and its affiliates and subsidiaries to submit such information as may be deemed appropriate in connection with the Section 626(a) proceedings or the informal renewal process under Section 626(h), to the maximum extent permitted by the Franchise and applicable laws and regulations, to gather such other information from other persons or sources as may be deemed appropriate, and to take such further steps as may be needed or desired to ensure the City's, the Commission's, the North Suburbs Access Corporation's and the public's cable-related needs and interests are satisfied and fully protected consistent with applicable law.

Section 7. The City reserves all of its rights, remedies and defenses with respect to determining whether or not to renew the Franchise, to the full extent permitted by law. The Mayor, City Council members and City employees shall not take a stated position on the renewal of the Franchise or any Franchise renewal-related issues until the Commission makes a formal

written recommendation to the City concerning whether renewal of the Franchise should be approved or denied under the formal and/or informal renewal processes.

Section 8. Nothing in this Resolution shall be construed to limit the powers of the Commission under the Joint Powers Agreement or to otherwise waive or limit the Commission's authority, rights, remedies and defenses under applicable agreements, laws, regulations, orders and decisions.

Section 9. The Commission shall keep the City fully apprised of the status and progress of the formal and informal renewal processes, as appropriate.

Section 10. This Resolution shall become effective immediately upon adoption.

ADOPTED on this _____ day of _____, 2011.

[COMMUNITY], MINNESOTA

By: _____

ATTEST:

**NSCC Item IX.C.
NSAC Item VI.D.
December 30, 2010**

to: Commissioners
Board of Directors

from: Cor Wilson
Executive Director

subject: Appoint Nominating Committee

It is that time of the year to appoint a nominating committee for officers of the Commission and Corporation Board of Directors. However, all of the current officers are eligible to serve a second year in their current positions if they are willing and able to do so. The current officers are:

Dan Roe -- Commission Chair/Board President

Rick Talbot – Commission Vice-Chair/Board Vice-President

Blake Huffman – Commission and Board Secretary/Treasurer

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**NSCC Item IX.D.
NSAC Item VI.B.
December 30, 2010**

to: Commissioners
Board of Directors

from: Cor Wilson
Executive Director

subject: Transfer of Reserve Funds

Since at least 1994, when we received \$650,000 for equipment replacement from Hauser Communications upon the sale of the cable company, the City of Roseville's Finance Department has been holding and investing the reserve funds for the North Suburban Communications Commission and for the North Suburban Access Corporation. In recent years, however, the reporting system used by the Roseville Finance Department has made it difficult for our staff to know what our monthly earnings are so that we can include them in our financial reports to you.

Further, because the lease of the new space required a Letter of Credit, the cost of which will be less expensive if our reserves are held and invested at the financial institution that issues the Letter of Credit, I initiated a conversation with our Secretary/Treasurer, Blake Huffman, and with the Chair/President Dan Roe about moving our funds to Bremer Bank, where the corporation has its checking account and which issued the Letter of Credit required by the lease. They both concurred with my recommendation to move our reserve funds to Bremer. In order to do so, you must adopt the attached resolution.

Action Requested: Motion to adopt Resolution 2011-01, A Resolution Designating Bremer Bank as the depository for the funds of the North Suburban Communications Commission/North Suburban Access Corporation.

**NORTH SUBURBAN COMMUNICATIONS COMMISSION
Resolution 2011-01**

**A resolution designating the depository for funds of the
North Suburban Communications Commission.**

SECTION 1. RESOLVED, That Bremer Bank is hereby designated as a depository for the funds of the North Suburban Communications Commission (NSCC). The secretary/treasurer is authorized to deposit NSCC funds therein to the amount of *(amount)* Dollars (\$___). [Amount TBD]

SECTION 2. RESOLVED ALSO, That before any deposits are made that exceed the amount that is guaranteed by the Federal Deposit Insurance Corporation (FDIC), the depository must supply to the NSCC a corporate surety bond in the amount of at least 10 percent more than the amount on deposit at the depository's cutoff hour. The bond is subject to the approval of the NSCC. The surety bond must be conditioned to repay the above amount or any part thereof upon proper demand therefore and to perform such other duties in connection with the deposit as the council may require.

[**Comment:** The amount of collateral is established by Minn. Stat. § 118A.03, subd. 3.]

SECTION 3. RESOLVED FURTHER, That, in lieu of the above bond, the depository may furnish collateral in the manner and to the extent permitted by law. All such collateral must be approved by the NSCC and accompanied by a written assignment providing that, upon default, the financial institution shall release to the NSCC on demand, free of exchange or any other charges, the collateral pledged.

Comment: Collateral securities are permitted in lieu of a bond under Minn. Stat. § 118A.02, subd. 2.

SECTION 4. RESOLVED FURTHER, All collateral must be placed in safekeeping in a restricted account at either a Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution that is furnishing the collateral. The selection must be approved by the NSCC.

In case of default upon the part of the depository, the NSCC shall have full power and authority to sell such collateral or as much as may be necessary to realize the full amount due the NSCC over such federal guarantee.

[**Comment:** The requirement of where collateral can be kept is established by Minn. Stat. § 118A.03, subd. 7.]

This designation is effective until *(date and year)*. [Date TBD]

Dated *(date and year)*.

Approved

Attest: _____
Chair

Secretary /Treasurer