



NORTH SUBURBAN COMMUNICATIONS COMMISSION
November 6, 2014
7 p.m.
2670 Arthur Street, Roseville, MN

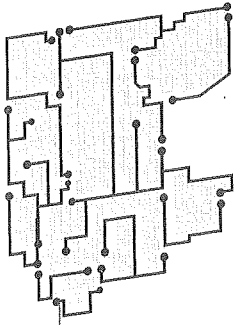
A G E N D A

- I. Call to Order
- II. Roll Call
- III. Public Forum (10 Minutes)
- IV. Approval of Agenda
- V. Approval of October 9, 2014, Minutes
- VI. Reports
 - A. Executive Director's Report
 - B. Legal Counsel Report
 - C. Cable Company Report
- VII. General Business
 - A. Treasurer's Report – September 2014
 - B. Termination of Retainer Agreement with Bradley & Guzzetta, LLC -- C. Wilson
 - C. 2015 Budget -- Finance Committee, C. Wilson
- VIII. Announcements
- IX. Adjournment

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

Next Regular Meeting – December 4, 2014

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North
Suburban
Communications
Commission



NORTH SUBURBAN COMMUNICATIONS COMMISSION
MINUTES
October 9, 2014

I. Call to Order

Commission Chair Steve Beilke called the meeting to order at 7:02 pm at the CTV North Suburbs facility in Roseville.

II. Roll Call

The following Commissioners were in attendance:

Craig Wilson, Arden Hills
Jeff Dains, Lauderdale
Rick Montour, Little Canada
Barb Haake, Mounds View, Secretary/Treasurer
Gina Bauman, New Brighton, Vice Chair
Steve Beilke, North Oaks, Chair
Dan Roe, Roseville
Hal Gray, St. Anthony
Terry Schwerm, Alternete, Shoreview

Others Present:

Coralie Wilson, Executive Director
Michael Bradley, Legal Counsel, Bradley Hagen & Gullikson, LLC
Emmett Coleman, Comcast
Val Kosky, Business Manager

III. Public Forum

No one was present to speak at the public forum.

IV. Approval of Agenda

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

V. Approval of Minutes

Mr. Montour moved, seconded by Mr. Wilson, to approve the August 2014 meeting minutes. The motion was approved with one (1) abstention by Mr. Schwerm

VI. Reports

A. Executive Director's Report

Ms. Wilson reported the NATOA conference held last week in St. Paul was very well attended and attendee comments were very positive. Tom Wheeler, FCC Chair was the keynote speaker on Wednesday.

Ms. Wilson noted that Congress is out until after the election, so there are few updates from Washington, DC. Of note are two internet tax bills that are expected to be combined and approved after the elections. She also noted that there will be an upcoming webinar on new cell tower siting rules issued by the FCC, and she will notify City Managers of the date and time.

Ms. Wilson reported that the franchise fee audit settlement check from Comcast had been received and that checks would go out to the member cities for their portion of the settlement.

B. Legal Counsel Report

Mr. Bradley noted his report would be under General Business.

C. Cable Company Report

Mr. Coleman reported on community involvement events that Comcast is currently supporting. He also noted that a September 30th letter noted that enrollment in Internet Essentials was at 5,000 in the Metro area, and he said that GreatLand Connections would be continuing the program.

Mr. Beilke asked if Comcast anticipated any turnover of employees due to the GreatLand transfer of ownership and if Mr. Coleman had an update on the timeframe for the Comcast / Time Warner merger. Mr. Coleman noted that employee turnover was not anticipated and that it could be the early part of 2015 before the merger would be approved by the FCC.

VII. General Business

A. Treasurer's Report

Ms. Haake moved, seconded by Mr. Dains, to approve the August 2014 Treasurer's report. The motion passed unanimously.

B. Resolution 2014-05, An Agreement Resolving Various Legal and Franchise Issues and Franchise Extension

Ms. Wilson reported that Comcast approached our legal counsel in the early part of September to discuss a possible extension of the current franchise.

Mr. Bradley explained that the franchise is set to expire November 2014 and the extension being presented would extend the franchise and Memorandum of Understanding (MoU) through December 2016. Mr. Bradley reviewed key details of the proposed franchise extension agreement. Mr. Bradley noted that the acceptance of the franchise extension will suspend the administrative hearing until July 15, 2015, or to such time that the transfer of ownership occurs, at which time either party may reinstate the formal franchise renewal process. He also noted that informal franchise renewal discussions can continue during this time period.

Mr. Bradley recommended the Commission approve Resolution 2014-05, authorizing the Chair to execute the Agreement Resolving Various Legal and Franchise Issues and Franchise Extension, including Exhibit A and Exhibit B.

Mr Bradley noted that a Franchise Extension Ordinance and a resolution approving the transfer will be prepared for the member cities to use. He cautioned that all member cities must approve both documents. Ms. Wilson noted that she and Mr. Bradley would be willing to attend City council meetings.

Ms. Haake moved, seconded by Mr. Gray, that the Commission Approve Resolution 2014-05 authorizing the Chair to sign the Agreement Resolving Various Legal and Franchise Issues and Franchise Extension, including Exhibit A and Exhibit B; and for staff to develop the franchise extension ordinance and transfer application resolution for member cities. The motion was approved with eight (8) yes and one (1) abstention, Mr. Schwerm.

C. 2015 Budget - Discussion

Ms. Wilson reported that the Finance Committee had met two times regarding the proposed budget. She noted that the budget is based on the approval of the extension and transfer of ownership by member cities and did not include funding from Shoreview.

During the review of the Miscellaneous Consulting line item, several Commissioners questioned whether the reports/surveys that were prepared for the current franchise renewal process would need to be updated. Mr. Bradley noted that it may be necessary to update the documents depending on discussion with Comcast or the new operator. Ms. Wilson noted that she would contact the consultant who completed the original telephone survey for a quote on a new survey.

Following a short discussion, consensus was reached to remove the Cable Service line item from the budget. This was followed by a discussion regarding the funding and use of the reserve accounts.

Ms. Wilson noted that she will plan one more Finance Committee meeting and present a final budget for approval at the November 6th Commission meeting.

VIII. Announcements

Ms. Haake announced Executive Director Cor Wilson was recognized at the NATOA conference with the presentation of the Brian Wilson Memorial Award. A video of the presentation was shown.

IX. Adjournment

Ms. Haake moved, seconded by Mr. Montour, to adjourn the meeting. The motion was approved unanimously and the meeting adjourned at 8:09 pm.

Respectfully Submitted

Barb Haake, Secretary/Treasurer

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**NSCC Item VI.A.
October 31, 2014**

to: Commissioners
from: Cor Wilson
Executive Director
subject: October Report

Franchise Extension and Transfer – So far, the ordinance extending the current franchise and the resolution transferring the franchise to GreatLand Connections has been approved by Little Canada, Arden Hills and St. Anthony. The Mounds View Council held a public hearing and first reading of the ordinance on October 27, with the second reading and vote on the ordinance and resolution on November 10. I made a brief presentation and answered questions at the New Brighton city council meeting on October 28, and they are scheduled to vote on the two items on November 12.

The balance of the schedule:

November 3 – Shoreview
November 10 – Lauderdale, Mounds View (2nd Reading), and Roseville
November 12 – Falcon Heights, New Brighton
November 13 – North Oaks

Formal Renewal Process – Administrative Hearing – John Baker, our litigation attorney with Greene Espel, PLLP, and Comcast's attorney, Randall Tietjen, have notified Administrative Law Judge Barbara Neilson that the NSCC and Comcast reached an agreement on a franchise extension that includes a suspension of the administrative hearing. According to Mr. Baker, the proceedings would be held in abeyance.

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North Suburban Communications Commission
 2014 Financial Report Summary
 For the Nine Months Ending September 30, 2014

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Revenues						
Interest Income	11.19		121.47	(0.40)	225.00	300.00
Cable Co. Scholarships	0.00		109,693.66	(1.00)	109,158.00	109,158.00
Reimbursement	1,814.82	a.	5,406.06	(0.77)	5,253.75	7,005.00
Misc. Income	0.00		0.00	0.00	0.00	0.00
City Contributions	0.00		366,259.00	(1.00)	366,259.00	366,259.00
Transfer from Reserves	0.00		0.00	0.00	0.00	138,144.00
Total Revenues	1,826.01		481,480.19	(0.78)	480,895.75	620,866.00
Expenses Summary						
Personal Services	13,534.11		89,768.67	0.70	94,123.12	127,639.00
Operating Expenses	34,580.97		363,087.41	0.78	402,109.99	468,227.00
Capital Expenses	0.00		387.92	0.02	6,000.00	25,000.00
Total Expenses	48,115.08		453,244.00	0.73	502,233.11	620,866.00
Net	(\$ 46,289.07)		\$ 28,236.19	0.00	(21,337.36)	0.00

a. Reimbursements -- Ramsey County for use of Institutional Network

North Suburban Communications Commission
 2014 Detail Financial Report
 For the Nine Months Ending September 30, 2014

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Personnel Services						
Full Time Salaries	11,444.64	b.	70,397.22	0.72	71,678.12	98,000.00
Part Time Salaries	0.00		0.00	0.00	0.00	0.00
FICA	857.49		5,925.48	0.66	6,560.00	8,912.00
Retirement	387.00		2,634.21	0.60	3,465.00	4,410.00
Unemployment	0.00		316.47	0.62	507.00	507.00
Workers Comp	0.00		809.20	1.00	810.00	810.00
Health/Life Insurance	844.98		9,686.09	0.65	11,103.00	15,000.00
Total Personal Services	13,534.11		89,768.67	0.70	94,123.12	127,639.00
Operating Expenses						
General						
Printing	0.00		62.95	0.13	300.00	500.00
Publications	0.00		385.56	0.77	335.00	500.00
Memberships	0.00		5,294.00	0.88	5,800.00	6,000.00
Total General	0.00		5,742.51	0.82	6,435.00	7,000.00
Supplies						
I-Net Supplies	0.00		0.00	0.00	0.00	3,000.00
Office Supplies	0.00		365.59	0.29	1,075.00	1,250.00
Software Supplies	0.00		1,129.50	1.13	750.00	1,000.00
Volunteer Supplies	57.99	c.	347.33	0.35	900.00	1,000.00
Total Supplies	57.99		1,842.42	0.29	2,725.00	6,250.00

b. Full-Time Salaries -- 3 payrolls in September

c. Volunteer Supplies -- TAC meeting

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Maintenance						
Office Equipment	204.70	d.	577.24	1.15	360.00	500.00
Network Equip. Maint.	0.00		0.00	0.00	4,000.00	5,000.00
Building Janitorial	1,300.30		12,164.73	0.81	11,297.10	15,000.00
Total Maintenance	1,505.00		12,741.97	0.62	15,657.10	20,500.00
Travel						
Conferences	1,811.84	e.	3,596.84	0.45	8,000.00	8,000.00
Mileage & Meals	201.26		1,845.88	0.74	1,963.70	2,500.00
Total Travel	2,013.10		5,442.72	0.52	9,963.70	10,500.00
Tuition & Training						
Tuition & Training	0.00		70.00	0.14	450.00	500.00
Utilities						
Utilities	599.99		5,327.42	0.76	5,441.90	7,000.00
Leases						
Rent	1,696.40		15,267.60	0.73	15,750.00	21,000.00
Miscellaneous	0.00		0.00	0.00	375.00	500.00
Postage Meter	21.00		63.00	0.42	113.00	150.00
Total Leases	1,717.40		15,330.60	0.71	16,238.00	21,650.00

d. Office Equip Maint -- Printer/copier (20%)

e. Conferences -- NATOA conference (commissioners & executive director)

	Current Month		Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Contractual						
Audit	0.00		6,050.00	0.97	6,250.00	6,250.00
Insurance	192.45		3,021.54	0.58	3,924.32	5,250.00
Legal	18,915.00	f.	144,234.97	0.87	144,000.00	165,000.00
Intrnet Connection	500.00		4,500.00	0.74	4,573.00	6,100.00
NSCC SALES TAX	68.91		599.30	0.60	691.28	1,000.00
Cable Services	905.00		8,345.00	0.63	9,945.00	13,260.00
Miscellaneous	639.00	g.	68,570.81	0.98	68,200.00	70,000.00
Total Contractual	21,220.36		235,321.62	0.88	237,583.60	266,860.00
Communications						
Postage	150.00		486.04	0.65	720.46	750.00
Telephone	113.74		1,040.09	0.42	1,881.00	2,500.00
Advertising & Promotion	27.86	h.	783.86	0.49	1,100.00	1,600.00
Total Communications	291.60		2,309.99	0.48	3,701.46	4,850.00
Grants						
Scholarships	0.00		35,000.00	0.78	45,000.00	45,000.00
Internships	7,175.53		43,958.16	0.58	58,914.23	76,117.00
Total Grants	7,175.53		78,958.16	0.65	103,914.23	121,117.00
Recruiting						
Recruiting	0.00		0.00	0.00	0.00	2,000.00
Total Operating	34,580.97		363,087.41	0.78	402,109.99	468,227.00

f. Legal -- Franchise renewal retainer, plus franchise transfer expense

g. Misc Contractual -- Roseville IT services; bank fees

h. Advertising/Promotion -- NATOA silent auction item

	Current Month	Year to Date	% Total Budget	Y-T-D Budget	Annual Budget
Capital Expenses	0.00	0.00	0.00	2,000.00	2,000.00
Capital Improvements	0.00	0.00	0.00	0.00	0.00
Capital Video	0.00	0.00	0.00	3,000.00	20,000.00
I-Net Equipment	0.00	387.92	0.13	1,000.00	3,000.00
Office Equipment					
	0.00	387.92	0.02	6,000.00	25,000.00
Total Capital					
	48,115.08	453,244.00	0.73	502,233.11	620,866.00
Total Expenses					
Net					

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**NSCC Item VII.B.
October 31, 2014**

to: Commissioners
from: Cor Wilson, Executive Director
subject: Termination of Retainer Agreement with Bradley & Guzzetta, LLC

With the approval of the extension of the current cable franchises through December 31, 2016, Mike Bradley, our legal counsel, and I believe that the level of legal activity should diminish in 2015. As a result, we agree that it should be more cost effective for the NSCC to cancel the flat-fee/retainer agreement with Bradley & Guzzetta, LLC, (now Bradley Hagen and Gullickson, LLC) and revert to an hourly rate for legal services. In accordance with the attached document, we must provide at least 30 days written notice in order to terminate the agreement.

Action Requested: Motion to authorize the Executive Director to send a written notice terminating the flat fee/retainer agreement with Bradley & Guzzetta, LLC (Bradley Hagen and Gullickson, LLC).

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BRADLEY & GUZZETTA, LLC
FLAT FEE PROPOSAL TO THE NORTH SUBURBAN COMMUNICATIONS COMMISSION
MARCH 1, 2014

Introduction

The North Suburban Communications Commission (the "NSCC") is currently engaged in the cable television franchise renewal process with Comcast of Minnesota, Inc. ("Comcast"). As part of this process, the NSCC is prepared a Staff Report, Request for Renewal Proposal ("RFRP"), and Model Franchise Ordinance/Agreement that was issued to Comcast in 2013. Comcast responded to the RFRP and associated documents on December 20, 2013. The NSCC needs to review and make recommendations concerning Comcast's formal renewal proposal (e.g., approve or preliminarily deny) in accordance with applicable law, and may need to take additional steps to follow the formal franchise renewal process set forth in federal law. At the same time, it is possible that the NSCC and Comcast may wish to hold informal franchise renewal discussions concurrently with the formal franchise renewal process, or after entering into a standstill agreement that "pauses" the formal process. In addition to, or related to franchise renewal, the NSCC may need to address other legal issues, such as franchise noncompliance/enforcement matters, rate regulation, and litigation (either before a court and/or an administrative law judge) over the next year. In light of the volume of legal work that has been performed and likely will need to be performed over the next six to twelve months, the NSCC is interested in establishing a set amount it will pay for legal expenses on a monthly basis, until the franchise renewal process is completed, so that it can accurately allocate adequate financial resources for necessary legal activity.

Scope of Work and Term

1. Bradley & Guzzetta, LLC ("B&G") will function as the NSCC's attorneys and provide all legal services requested by the NSCC during the life of any flat fee billing agreement, subject to the Minnesota Rules of Professional Responsibility. This proposal does not include: (i) legal services performed on behalf of the North Suburbs Access Corporation ("NSAC") that are unrelated to the ongoing franchise renewal process; or (ii) legal services performed for which payment may be made directly or indirectly from an entity other than the NSCC (such as the League of Minnesota Cities Insurance Trust). Any such services will be provided and billed to the NSCC and/or NSAC at B&G's standard municipal discounted legal rates.
2. It is anticipated that the flat fee billing arrangement proposed by B&G, if accepted by the NSCC, will begin on March 1, 2014, and will remain in effect until the franchise renewal process is completed. The parties may review the efficacy of this arrangement, or the amount of the flat fee, in April 2014, or at any other time by providing written notice to the other party. Either the NSCC or B&G will be able to terminate any flat fee billing agreement resulting from this proposal at any time after providing at least thirty (30) days' written notice to the other party.
3. B&G will continue to pass through to the NSCC consulting fees and costs for consulting services rendered by Front Range Consulting, Inc., CBG Communications, Inc., Connie Ledoux,



The Buske Group, and any other consultant retained to assist B&G and/or the NSCC in addition to any agreed upon flat fee, unless the NSCC contracts directly with or has already directly contracted with these entities. These outside consultant fees are not included in the B&G flat fee.

4. Flat fee invoices (which will include any out-of-pocket reimbursable costs) will be submitted to the NSCC monthly and will be due and payable 30 days after submission.

Flat Fee and Out-of-Pocket Expenses

In consideration of the legal services to be performed, as described above, B&G proposes that the NSCC pay B&G a flat fee of \$13,500.00 per month. This amount will be paid regardless of the dollar value of the professional services rendered in any given month. Out-of-pocket disbursements (postage, FedEx deliveries, filing fees, photocopying, supplies, travel and lodging, etc.) and fees paid to consultants (e.g., Front Range Consulting, CBG Communications, Inc., The Buske Group and Connie Ledoux) will be separately charged on an actual cost basis.

Hourly Billing Rates for Legal Services Outside the Scope of Work

For all hourly legal work outside the scope of the flat fee billing agreement (**which work must be preapproved by the NSCC's or the NSAC's Executive Director**), the NSCC or the NSAC, as appropriate, will be billed at the following effective hourly rates:

Professional	Municipal Discounted Hourly Rate
Partner	\$190.00
Associate	\$135.00
Law Clerk	\$100.00
Paralegal	\$75.00

Invoices for hourly legal work will be submitted to the NSCC or the NSAC monthly and will be due and payable 30 days after submission.

Conclusion

Thank you for asking us to submit this informal proposal. B&G would welcome the opportunity to discuss it further with the NSCC or to answer any questions NSCC staff or commissioners may have.



**NSSC Item VII.C.
November 5, 2014**

to: Board of Directors
from: Cor Wilson, Executive Director
subject: 2015 NSSC Budget

The proposed 2015 NSSC Budget, with some revisions discussed at the Finance Committee meeting on Monday, is attached for your review. They include adding beginning and ending fund balances. Unfortunately, Val is still out sick, so I have been unable to confirm the beginning fund balance number, although I believe it is close. We will work on that when she returns to work.

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**NORTH SUBURBAN COMMUNICATIONS COMMISSION
2015 BUDGET**

11/5/2014
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	2013	2014	2014	2014	2015	Percent	Percent
	Actual	Budget	Jan-Sept.	Estimated	Budget	Change	Change
			YTD	Total	Proposed	to	to
						2014 Budget	2014 Projected
Personal Services							
Full-Time Salaries	99,613	98,000	70,397	96,241	98,200	0.2%	2.04%
Part-Time Salaries	0	0	0	0	0		
Retirement	3,839	4,410	2,634	4,331	4,419	0.2%	2.04%
Health/Life Insurance	13,596	15,000	9,686	15,166	14,000	-6.7%	-7.69%
SUI (Unemployment)	318	507	317	507	507	0.0%	0.00%
Workers Compensation	810	810	809	809	825	1.9%	1.98%
FICA	7,037	8,912	5,926	10,159	7,875	-11.6%	-22.48%
<i>Total Personal Services</i>	125,213	127,639	89,769	127,213	125,826	-1.4%	-1.09%
<p>Full-time Salaries -- NSCC pays 50% of the salaries and benefits of the Executive Director, the Business Manager and the Technical Services Senior Project Manager. In 2014, the cost of living adjustment was 2%, and the same percentage is budgeted for 2015.</p> <p>Retirement -- 4.5% of eligible Full-time and Part-time salaries.</p> <p>Health/Life Insurance -- Employees pay approximately 20% of the premiums for health, dental and life insurance, plus co-pays.</p>							

**NORTH SUBURBAN COMMUNICATIONS COMMISSION
2015 BUDGET**

11/5/2014
4:35 PM

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	2013	2014	2014	2014	2015	Percent	Percent
	Actual	Budget	Jan-Sept.	Estimated	Budget	Change	Change
			YTD	Total	Proposed	to	to
						2014 Budget	2014 Projected
Operating Expenses							
General							
Printing	210	500	63	250	500	0.0%	100.00%
Publications	325	500	386	515	500	0.0%	-2.85%
Memberships	5,341	6,000	5,294	6,000	6,000	0.0%	0.00%
<i>Total General</i>	5,876	7,000	5,743	6,765	7,000	0.0%	3.48%
Supplies							
Office Supplies	2,928	1,250	366	488	800	-36.0%	63.93%
I-Net Supplies	2,852	3,000	0	0	1,500	-50.0%	#DIV/0!
Software Supplies	0	1,000	1,129	1,500	1,000	0.0%	-33.33%
Volunteer Supplies	644	1,000	347	463	500	-50.0%	8.07%
<i>Total Supplies</i>	6,422	6,250	1,842	2,451	3,800	-39.2%	55.06%
Maintenance							
Office Equipment	588	500	577	769	800	60.0%	3.99%
Building/Janitorial	14,543	15,000	12,165	16,220	17,350	15.7%	6.97%
Network Equipment	4,788	5,000	0	1,700	4,000	-20.0%	135.29%
<i>Total Maintenance</i>	19,919	20,500	12,742	18,689	22,150	8.0%	18.52%
Travel							
Conferences	13,526	8,000	3,597	4,200	8,000	0.0%	90.48%
Mileage & Meetings	2,421	2,500	1,846	2,461	2,500	0.0%	1.57%
<i>Total Travel</i>	16,353	10,500	5,443	6,661	10,500	0.0%	57.63%
Tuition & Training	405	500	70	250	500	0.0%	100.00%
Utilities	6,706	7,000	5,327	7,103	7,400	5.7%	4.19%
<p>Printing -- Primarily covers cost of letterhead, etc., as well as contingency for formal franchise renewal proceedings.</p> <p>Publications -- Includes several trade publications and 1/2 cost of Pioneer Press and community newspapers</p> <p>Memberships -- National Association of Telecommunications Officers and Administrators (NATOA), MN Association of Community Telecommunications Administrators (MACTA), New Brighton/Mounds View Rotary Club, and state purchasing group (1/2).</p> <p>Office Supplies, Building/Janitorial and Utilities -- 20% allocation.</p> <p>I-Net Supplies -- For any supplies needed to support the use of the I-Net.</p> <p>Software Supplies -- For software upgrades for administrative services programs.</p> <p>Volunteer Supplies -- Primarily refreshments for monthly meetings and meals for dinner meetings.</p> <p>Network Equipment Maintenance -- For any repairs or maintenance to equipment on the I-Net. The 2014 Estimated Total and 2015 budget amount is for maintenance agreements on the replacements for the obsolete V-Bricks.</p> <p>Conferences -- Covers the cost of sending staff and Commissioners to the NATOA and MACTA conferences.</p> <p>Mileage -- 50% car allowance for the Executive Director and 50% mileage reimbursement for the Business Manager and Technical Services Senior Project Manager.</p> <p>Tuition & Training -- Includes wellness program reimbursement for staff plus some miscellaneous workshops.</p>							

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