



PLEASE POST

SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION

will hold its regular meeting

THURSDAY, JULY 26, 2018

7:00 p.m.

City of Cottage Grove Council Chamber

12800 Ravine Parkway South

Cottage Grove, MN 55016

A G E N D A

1. Call to order
2. Roll call
3. Approval of agenda
4. Public comment
5. Consent agenda
 - A. May 24, 2018 Meeting Minutes
 - B. May/June Checks Written Report– Non-Payroll
6. Reports
 - A. Administrator
 - B. Legal
7. Unfinished business
 - A. Scope of Service document
8. New business
 - A. [HERO Center grant](#)
 - B. 2019 Budget review
 - C. LMCIT Liability Coverage - Waiver form annual review
9. Commission comments and Requests
10. Adjournment



SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION
MAY 24, 2018
COMMISSION MEETING MINUTES

[ONLINE VIDEO LINK](#)

1. CALL TO ORDER

Chair, Rich Irvine, called the meeting to order at 7:00 p.m. in the council chamber of the Cottage Grove City Hall.

2. ROLL CALL

Present: Rich Irvine
Rob James
Dave Thiede
Tracy Rahm
Virginia Keenan
Brian Bluhm
Paul Dieffenbach
Ray Kaiser
Craig Johnson

Also, Present: Mark Martinez, SWCTC Administrator
Michael Bradley, Bradley Berkland Hagen & Herbst, LLC
Ann Schweisguth, SWCTC Operations Manager/Producer

3. APPROVAL OF AGENDA

MOTION 5.24.18.1. To approve the agenda. Thiede/MOVED, James/SECONDED. MOTION CARRIED UNANIMOUSLY.

4. PUBLIC COMMENT

None

5. CONSENT AGENDA

MOTION 5.24.18.2. to approve the Consent Agenda consisting of the March 22, 2017 Meeting Minutes and the March/April checks report. Keenan/MOVED, Bluhm/SECONDED. MOTION CARRIED UNANIMOUSLY.

6. REPORTS

A. Administrator

Administrator Martinez reported on his activities as part of the MACTA Board. Martinez became a member of the board on the first of the year. He volunteered for the Legislative Policy Committee (LPC) and is the co-chair with Jodie Miller from Town Square TV in Inver Grove Heights, MN. Martinez conducts an hour long monthly conference call on the 2nd Thursday of the month as part of the LPC. Administrator Martinez also volunteered for the Annual Conference Committee which is chaired by Eric Strouse with the City of Coon Rapids. . Martinez was tasked with scheduling the conference welcome with the offices of Senator Klobuchar and Senator Smith. He was also tasked with developing the topics for the Crisis Communication session.

B. Harrington Langer & Associates - 2017 Financial Audit

Jesse Fraley and Anna Anderson from Harrington Langer & Associates reported on the 2017 financial audit. (see attached audit)

Auditor report highlights:

- The auditors issued a clean audit opinion.
- Net position increased by \$264,270 due to increased revenue and decreased expenses
- The commission returned \$400,000 to the member cities

Counsel Bradley inquired about whether the Commission was able to legally invest a portion of the reserve in stocks or funds. Ms. Anderson stated that she did not know at the time but would look into the matter and get back to the Administrator.

C. Legal

Counsel Bradley reported that CenturyLink will be offering DIRECTV as their TV product and is no longer marketing or bundling PRISM. PRISM is still currently supported, however, a customer would have to specifically ask for the service. It is also not being discounted and only offered at "rack rate."

CenturyLink is in the renewal window and has not, as of yet, formally issued a renewal letter to SWCTC. Unofficial word is that it will be "unlikely" that CenturyLink will go through formal renewal processes throughout the metro.

There have also been reports that CenturyLink has lower revenue distributions in Q4 and Q1 because of duplicate "test" accounts in field "cross boxes" or accounting "discrepancies" from the use of two different accounting systems for billing or reducing gross revenue due to bad debt.

Commissioner Thiede asked if CL was going to continue providing internet service. Bradley said they are continuing their internet service.

Commissioner James asked when they would have to stop providing cable service.

Bradley stated it would continue until the termination of the agreement in 2020 and that not offering a cable product could be a violation to the franchise agreement by not meeting the “aspirational” goals of the franchise.

7. UNFINISHED BUSINESS

- A. Comcast Franchise and PEG Fee Audit - Administrator Martinez stated that a group of five commissions in the metro have selected Ashpaugh & Sculco to begin a franchise and PEG fee audit with Comcast. As a cost savings to each commission, A&S will create individualized reports as to over or under payment of fees by Comcast. The Executive Committee recommends to the full commission that the engagement of Ashpaugh & Sculco’s services be approved at a cost not to exceed \$12,000.

Commissioner James asked how many other commissions involved. Counsel Bradley confirmed a group of commissions from the Twin Cities and that each would receive their own report for their jurisdiction.

MOTION 5.24.18.3. to accept the proposal from Ashpaugh & Sculco. Kaiser/MOVED, James/SECONDED. MOTION CARRIED UNANIMOUSLY.

- B. Comcast franchise renewal proceedings - recommendation to approve Resolution 2018-04-13 to commence renewal proceedings with Comcast.

The Commission hereby commences 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.

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

MOTION 5.24.18.3. to accept the proposal from Ashpaugh & Sculco. Thiede/MOVED, Keenan/SECONDED. MOTION CARRIED UNANIMOUSLY.

8. NEW BUSINESS

Administrator Martinez presented the 2017 Annual Report ([online link](#))

9. COMMISSION COMMENTS AND REQUESTS

None

10. ADJOURNMENT

MOTION 5.24.18.4. to adjourn at 7:58 p.m. Thiede/MOVED, James/SECONDED. MOTION CARRIED UNANIMOUSLY.

South Washington County Telecommunications Commission

07/23/18

Checks Written - Non-Payroll

Accrual Basis

As of June 30, 2018

Type	Date	Num	Name	Amount
Cash and Investments				
1010 - US Bank Checking				
Bill Pmt -Check	05/01/2018	24183	Summerhill II	-7,476.17
Check	05/04/2018	EFT	Capital One, F.S.B.	-644.62
Check	05/04/2018	EFT	Chase	-11,043.50
Bill Pmt -Check	05/04/2018	24202	B&H	-8,104.00
Bill Pmt -Check	05/04/2018	24203	Bradley Berkland Hagen & Herbst, LLC	-2,093.75
Bill Pmt -Check	05/04/2018	24204	Justin Atkinson (Reimbursement)	-117.72
Bill Pmt -Check	05/04/2018	24205	Neofunds by Neopost	-274.18
Bill Pmt -Check	05/04/2018	24207	To The Penny Bookkeeping, Inc.	-373.30
Bill Pmt -Check	05/11/2018	24208	Justin Atkinson (Reimbursement)	-829.15
Bill Pmt -Check	05/11/2018	24213	AT&T Mobility	-1,694.28
Bill Pmt -Check	05/11/2018	24214	Comcast 2	-202.18
Bill Pmt -Check	05/11/2018	24216	Summerhill II	-7,476.17
Bill Pmt -Check	05/11/2018	24217	Xcel Energy	-789.84
Check	05/14/2018	EFT	Analysis Service Charge	-13.00
Bill Pmt -Check	05/15/2018	24210	Laurie Reineke	-150.00
Bill Pmt -Check	05/15/2018	24211	MAGC	-240.00
Bill Pmt -Check	05/24/2018	24219	Brian Bluhm	-50.00
Bill Pmt -Check	05/24/2018	24220	Craig Johnson	-50.00
Bill Pmt -Check	05/24/2018	24221	Dave Thiede	-50.00
Bill Pmt -Check	05/24/2018	24222	Paul Dieffenbach	-50.00
Bill Pmt -Check	05/24/2018	24223	Ray Kaiser	-50.00
Bill Pmt -Check	05/24/2018	24224	Richard Irvine	-50.00
Bill Pmt -Check	05/24/2018	24225	Robert James	-50.00
Bill Pmt -Check	05/24/2018	24226	Tracy Rahm	-50.00
Bill Pmt -Check	05/24/2018	24227	Virgina Keenan	-50.00
Bill Pmt -Check	05/25/2018	24218	Scheitel's Music	-1,527.17
Bill Pmt -Check	05/30/2018	24228	Laurie Reineke	-150.00
Check	06/01/2018	EFT	Chase	-9,146.80
Check	06/01/2018	EFT	Capital One, F.S.B.	-3,269.18
Bill Pmt -Check	06/01/2018	24232	AVI Systems	-596.91
Bill Pmt -Check	06/01/2018	24233	CenturyLink (V)	-0.62
Bill Pmt -Check	06/01/2018	24234	Leaf	-397.44
Bill Pmt -Check	06/01/2018	24235	Mail Finance	-278.47
Bill Pmt -Check	06/01/2018	24236	Premium Waters	-36.05
Bill Pmt -Check	06/01/2018	24237	TBS Office Automations	-24.74
Bill Pmt -Check	06/01/2018	24238	To The Penny Bookkeeping, Inc.	-436.30
Bill Pmt -Check	06/01/2018	24239	US Bank Equipment Finance	-133.29
Bill Pmt -Check	06/06/2018	24241	Ashpaugh & Sculco, CPAs, PLC	-6,000.00
Bill Pmt -Check	06/06/2018	24242	CDW Government, Inc.	-6,667.53
Bill Pmt -Check	06/06/2018	24243	CenturyLink (V)	-168.96
Bill Pmt -Check	06/06/2018	24244	Lake 3 Sound, LLC	-700.00
Bill Pmt -Check	06/06/2018	24245	MAGC	-30.00
Bill Pmt -Check	06/06/2018	24246	Premium Waters	-87.24
Bill Pmt -Check	06/11/2018	24240	Laurie Reineke	-150.00
Bill Pmt -Check	06/14/2018	24247	Jonathan C. Lyksett (Reimb)	-215.63
Check	06/14/2018	EFT	Analysis Service Charge	-13.00
Bill Pmt -Check	06/15/2018	24248	AT&T Mobility	-5,243.09
Bill Pmt -Check	06/15/2018	24249	Comcast 2	-202.18
Bill Pmt -Check	06/15/2018	24250	Xcel Energy	-1,072.85
Bill Pmt -Check	06/22/2018	24254	Brian Schmidt (Reimbursement)	-422.40
Bill Pmt -Check	06/22/2018	24255	Graphic Resources	-63.21
Bill Pmt -Check	06/22/2018	24256	Leaf	-397.44
Bill Pmt -Check	06/22/2018	24257	Lonnie Garland (Reimbursement)	-263.64
Bill Pmt -Check	06/22/2018	24258	US Bank Equipment Finance	-133.29
Bill Pmt -Check	06/26/2018	24252	Laurie Reineke	-150.00
Bill Pmt -Check	06/27/2018	24259	Brian Bluhm	-50.00
Bill Pmt -Check	06/27/2018	24260	CDW Government, Inc.	-1,121.34
Bill Pmt -Check	06/27/2018	24261	Craig Johnson	-50.00
Bill Pmt -Check	06/27/2018	24262	Dave Thiede	-50.00
Bill Pmt -Check	06/27/2018	24263	Jonathan C. Lyksett (Reimb)	-185.00
Bill Pmt -Check	06/27/2018	24264	Julie Ohs	-50.00
Bill Pmt -Check	06/27/2018	24265	Kevin Franke	-50.00
Bill Pmt -Check	06/27/2018	24266	League of MN Cities Insurance Trust	-1,144.00
Bill Pmt -Check	06/27/2018	24267	Ray Kaiser	-50.00

5:25 PM

South Washington County Telecommunications Commission

07/23/18

Checks Written - Non-Payroll

Accrual Basis

As of June 30, 2018

Type	Date	Num	Name	Amount
Bill Pmt -Check	06/27/2018	24268	Robert James	-50.00
Bill Pmt -Check	06/28/2018	24253	Richard Irvine	-50.00
Total 1010 · US Bank Checking				-82,799.63
Total Cash and Investments				-82,799.63
TOTAL				-82,799.63



ADMINISTRATIVE REPORT

JUNE/JULY

6/13: MACTA Annual Conference and Trade Show

6/19 and 6/26: The ROV committee met to draft a formula structure

7/11: Our search to fill the open producer position began and we received just over 100 applicants. We have narrowed it down to 12 and will be conducting phone interviews the week of the 23rd.

7/12: SWCTC hosted the East Metro Communicators meeting and presented information about the components of video production [Instagram link here](#)

7/13: Ann and Brian were recognized at the Alliance for Community Media Hometown Media Awards in Baltimore for receiving first place in the Sports Coverage Category for their Cottage Grove [Pickleball video](#).

7/24: The ROV committee met to draft a formula structure

7/25: Mark presented the annual report to the City of Woodbury

2018 GOALS UPDATES

- SWCTC is reviewing the final drone policy draft and is scheduled for approval at the September meeting
- ADA closed captioning review in progress with attorney Mike Bradley
- Franchise and PEG fee audit in process with Ashpaugh & Sculco
- Revision of staff job descriptions in progress
- Reserve fund planning part of HERO Center project
- ROV committee continues to work on formula that is scheduled for August Executive meeting
- St. Paul Park upgrade to the council chamber is scheduled to begin the week of August 20. The estimated investment cost is **\$165,000** and will include video upgrades in the chamber and a migration to HD video for live cablecast

STAFF PROJECTS

- SWCTC produced a [recruitment video](#) for the City of Woodbury. The video is to help find candidates for the Engineering Department leader
- Newport Booya on July 8
- Woodbury Safety Camp July 17-18

OUTLOOK

8/12: Newport Pioneer Day

8/17: SPP Heritage Days

8/23: SWCTC Executive Committee meeting - moved to the Cherry room at Woodbury City Hall

8/24: Woodbury Days

8/26-8/30: Mark, Brian, Julie and Virginia will be attending NATOA in Philadelphia



SCOPE OF SERVICES GUIDELINE

South Washington County Telecommunications Commission (SWCTC) is the cable franchise authority, as granted by the member cities of Woodbury, Cottage Grove, St. Paul Park, Newport and Grey Cloud Island Township, and is a service provider that effectuates a Return of Value (ROV), to each member city, based on the ROV formula. As a result, the Commission recommends engaging in services that meet or partially meet the guidelines below.

CORE SERVICES

SWCTC strives to carry out the general mission and purpose as defined in the [Amended Joint and Cooperative Agreement](#), the authority of the [Cable Franchise Ordinances](#), and the primary objectives of the [Commission's government access channels](#). SWCTC's core services include *"monitoring the operation and activities of cable and telecommunications services and, in particular, the Cable Communications Systems ("Systems") in the Member Cities; to provide coordination of administration, enforcement and renewal of the franchises for the Systems; to promote the development of governmental and educational access cable television programming."*

VALUE ADDED

In addition to core services, there are operational policies and procedures that extend beyond the above documents, benefit the community as a whole and, subsequently, cable subscribers in each city. Historically, value added projects have included those that *"Widen the dissemination of information regarding the activities of member city legislative and advisory bodies"* and *"increase the knowledge of citizens as to various functions performed by their city government."* Capital investments in AV infrastructure, direct to city production services, and local interest works have been carried out in the past.

CONSULTATION

Service requests that are unique, one-time, or fall outside the core or "value added" services are examined through a consultation service. As subject matter experts in the areas of cable, telecommunications, audio and video production, we recommend that these requests be evaluated on a case-by-case basis. This document is intended to be a guideline to formulate a recommendation and resources, such as labor and capital, required for the "project", will be taken into consideration. After consultation, the Commission will submit a recommendation, to the requesting member, as to SWCTC's participation in the request.

to: Commission Directors

from: Dave Thiede, Treasurer and Mark Martinez, Administrator

subject: Request to approve HERO Center funding

Upon receiving \$10.96 Million from the State of Minnesota Bonding Appropriation, the Public Safety Departments of both the City of Woodbury and City of Cottage Grove are requesting funding in two parts.

Part I: AV Integration

Previously, SWCTC had allocated \$500,000 in reserve funds to accommodate the installation of AV equipment once the center was approved. Currently, the AV integration estimate is at \$356,000.

Part II: Construction Grant - Virtual Simulator Area

Due to a shortfall of funding and the necessity to lower our 4M reserve fund (passed Dec. 7, 2017) the Executive Committee considered, at the June 28 meeting, the potential of achieving two goals with the approval of an additional \$577,000 toward the construction costs and VR training equipment. This would be a one-time grant and does not include ongoing maintenance or operation of equipment.

Total ask: \$933,000 (estimated)

*Viewable Google link in agenda item.

Actions Requested: Approval of the use of additional reserve funds for the Virtual Simulator Area of the HERO Center.

TWO-PART FUNDING REQUEST

1. A/V Equipment Package

Estimated cost \$356,000*

*Exact number to be provided by AVI

2. Construction Grant: Virtual Simulator Area

Virtual Reality Simulator \$140,000

Construction Costs \$437,000

Total \$577,000

Total cost of A/V Equipment Package + Simulator/Construction Grant

\$933,000*

(*Pending exact number of A/V equipment package)

SWCTC Item VIII.C.
July 26, 2018

to: Commission Directors

from: Dave Thiede, Treasurer and Mark Martinez, Administrator

subject: Request to select DOES NOT WAIVE in annual LMCIT Liability Coverage - Waiver form

Actions Requested: Request to select **DOES NOT WAIVE** in annual LMCIT Liability Coverage - Waiver form.



LIABILITY COVERAGE – WAIVER FORM

LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to pstech@lmc.org

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

League of Minnesota Cities Insurance Trust (LMCIT) members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- ❑ *If the member does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits apply regardless of whether the city purchases the optional excess liability coverage.
- ❑ *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$2,000,000 for a single occurrence. (Under this option, the tort cap liability limits are waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2 million.) The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- ❑ *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04.
- The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting _____

Signature _____ Position _____