

City of North Saint Paul
January 15, 2019
Adopted City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:00 p.m.

II. ROLL CALL

Present: Council Member Scott Thorsen
Council Member Candy Petersen
Council Member Tom Sonnek
Council Member Jan Walczak
Mayor Terry Furlong

Staff: Interim City Manager Scott Duddeck, Deputy Clerk Mary Mills, Police Captain Dustin Nikituk

Guests: Amy Roberts and Carlie Werner from Government Affairs Team for Comcast; David Nguyen, MACV; Donnie Brown, BATC; David Siegel, BATC; Dan Fisher, Veteran's Memorial Park.

III. ADOPT AGENDA

On motion by Council Member Walczak, seconded by Council Member Petersen, with all present voting aye (5-0), motion carried to approve the agenda as presented.

IV. TOPIC(S)

A. Comcast

Amy Roberts and Carlie Werner discussed the status of the franchise renewal. The City of North St. Paul is part of a Joint Powers Agreement that is now part of the Ramsey/Washington Suburban Cable Commission. Comcast is currently in the process of renewing the franchise with the City. The franchise agreement has been extended twice to allow for negotiations for renewal. They summarized some of the changes going on in the industry and Comcast's view of the future of the cable industry and the future of franchises in general. Some cities in the membership have elected to pursue an independent negotiation with Comcast. Vadnais Heights has a different vision of their communications program. A couple years ago Maplewood left the Cable Commission and there was some litigation which is now complete. The current franchise began in 1999. It was originally a 15 year franchise with a different entity. Century Link was unable to negotiate a deal with the commission for Ramsey and Hennepin Counties. The change in the market is such that Century Link is no longer offering their product (Prism TV) in this market.

A main concern is that franchise money came into being when the market was significantly different than it is now. The current competitors of Comcast are not in the City's right-of-way, and Comcast currently pays us a franchise fee of 5% in order to do that. The PEG fee (Public Education Government access programming) is part of the contract negotiations. The PEG fee that exists in this market is one of the highest in the twin cities and in the nation. It is \$4.62 per

month per subscriber. That is something, along with the franchise fee, that Comcast's competitors are not paying. Anyone who chooses Comcast for cable is shouldering the responsibility of all the public access channels. Moving forward Comcast is looking for a right-sizing of the franchise. Comcast is sensing concern about what that looks like going forward. There are a lot of ways for cities to be communicating with residents and constituents that would not necessarily put such demands on a cable commission to put those demands in turn on cable customers.

Scott Duddeck inquired about the franchise violation and the lawsuit by the Attorney General's Office. They vigorously deny the allegations. Because it is only a complaint, not adjudicated, not proven, there is no actual violation at this point and time. Comcast plans to defend themselves vigorously in the appropriate court of law. Comcast has been and continues to fully cooperate with the Attorney General's Office. It is pending litigation and they cannot comment any further on it.

Tom Sonnek inquired why we pay so much for the PEG fee, what do we get out of it, and how can we stop paying so much for it. North St. Paul has one of the largest operations in the area. RWSCC has the money and it is not being used so why do we continue to pay. What is the purpose of them collecting all that money if they don't do anything with it. Scott Thorsen also inquired how we could look at bringing government and public programming in-house. The public still has access to use the facilities. The resources were there in years past, but now people aren't tuning in. Petersen noted that they still cover local sports and school events, but have gotten rid of public access. How can the City prioritize what it is doing. Does it need all of these pieces or can it have a robust channel focused on council meetings and local items. What makes sense for the residents. Comcast 15 years ago is different than it was today. Comcast is positioning itself well for the future. This company has had to evolve and is looking for new ways to remain competitive.

If Comcast no longer is the City's cable provider, the City no longer has a franchise fee coming from Comcast. There is a partnership piece here that is a big part of what's in all of our best interests, moving forward. There are 2021 Comcast subscribers in North St. Paul, probably about 30-40% of the population. If officially requesting to leave the franchise, the deadline to notify is October 15 for 2019. The Cable Commission has issued a study of their needs for the next ten years and it would amount to even more money for subscribers to meet the needs being requested.

B. Presentation by Minnesota Assistance Council for Veterans (MACV)

Mayor Furlong and Scott Duddeck met with the MACV recently and asked them to come share information with the Council. Dan Fisher introduced David Nguyen, Donnie Brown and David Siegel. Located in the Metro Region, the MACV provides a structured program that gives homeless veterans support to again become a productive member of the community, knowledge that the community cares and confidence to once again find success. It is intended to give back to veterans the way of life they fought to preserve. One way MACV accomplishes this goal is by providing transitional housing across the State of Minnesota. MACV is committed to ending veteran homelessness in Minnesota and does so through the generous support of community partners. The Builders Association Twin Cities (BATC) and the Lennar Building Team is partnered with MACV to either build new housing or renovate existing housing. (Full details available at City Hall).

North St. Paul currently has a vacant lot across from the Veteran's Memorial Park that could possibly work as a site to build a transitional house through this program. Council was in support of having staff provide MACV with information on the lot to be considered for review.

C. Workshop topics and processes

Mayor Furlong and Manager Duddeck requested that the council members submit their ideas and requests for workshop and retreat topics to staff so that they can be addressed.

D. Set Council Retreat Date

The council set their retreat date for Monday, February 4, 2019 from 6:00 – 9:00 p.m.

V. OTHER BUSINESS

There was no other business.

VI. ADJOURNMENT

There being no further business, on motion by Council Member Thorsen, seconded by Council Member Walczak, with all present voting aye (5-0), Mayor Furlong adjourned the workshop meeting at 6:30 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Scott A. Duddeck, Interim City Manager