

Certificate of AM Regulatory Compliance

Site Name MIN GIMLI

Location N45-6-10.41 W92-55-26.36

Client Lewis Martin, Martin Consulting

Certification Date 5/24/2014

According to the Federal Communications Commission (FCC) Rules and Regulations,

"§1 Subpart AA. Disturbance of AM broadcast station antenna patterns
Part §1.30000 Purpose.

This rule protects the operations of AM broadcast stations from nearby tower construction that may distort the AM antenna patterns. All parties holding or applying for Commission authorizations that propose to construct or make a significant modification to an antenna tower or support structure in the immediate vicinity of an AM antenna, or propose to install an antenna on an AM tower, are responsible for completing the analysis and notice process described in this subpart, and for taking any measures necessary to correct disturbances of the AM radiation pattern, if such disturbances occur as a result of the tower construction or modification or as a result of the installation of an antenna on an AM tower. In the event these processes are not completed before an antenna structure is constructed, any holder of or applicant for a Commission authorization is responsible for completing these processes before locating or proposing to locate an antenna on the structure, as described in this subpart. Part §1.30002 Tower construction or modification near AM stations.

(a) Construction near a nondirectional AM station. Proponents of construction or significant modification of a tower which is within one wavelength of a nondirectional AM station, and is taller than 60 electrical degrees at the AM frequency, must notify the AM station at least 30 days in advance of the commencement of construction. The proponent shall examine the potential impact of the construction or modification as described in paragraph (c). If the construction or modification would result in radiation in excess of the AM station's licensed standard pattern or augmented standard pattern values, the proponent shall be responsible for the installation and maintenance of any detuning apparatus necessary to restore proper operation of the directional antenna.

(b) Construction near a directional AM station. Proponents of construction or significant modification of a tower which is within the lesser of 10 wavelengths or 3 kilometers of a directional AM station, and is taller than 36 electrical degrees at the AM frequency, must notify the AM station at least 30 days in advance of the commencement of construction. The proponent shall examine the potential impact of the construction or modification as described in paragraph (c). If the construction or modification would result in radiation in excess of the AM station's licensed standard pattern or augmented standard pattern values, the proponent shall be responsible for the installation and maintenance of any detuning apparatus necessary to restore proper operation of the directional antenna."

This certificate verifies that the site at the above location has been screened and found to have no AM broadcast stations currently licensed to operate within the FCC mandated coordination distances described in the above rules. No further AM coordination actions are warranted at this time.

Certified by:



Matt Butcher, PE
VP, RF Engineering and Development
Sitesafe, Inc.



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Arlington, VA 22203
703-276-1100
www.sitesafe.com
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BOREEN STEVEN N & DONNA M

Concerning Parcel ID: 09.030.21.12.0001

10777 INWOOD AVE N

STILLWATER MN 55082

BECKER LORI C & LEE A

Concerning Parcel ID: 09.030.21.11.0005

8990 107TH ST, NORTH

STILLWATER MN 55082

ZECH RICHARD R & JUDITH J

Concerning Parcel ID: 10.030.21.22.0005

9130 107TH ST, NORTH

STILLWATER MN 55082

ROSSBACH STEPHEN L & SUSAN K

Concerning Parcel ID: 10.030.21.24.0003

9321 107TH ST NORTH

STILLWATER MN 55082

BUTTERMORE RICHARD S & JULIE

Concerning Parcel ID: 10.030.21.23.0003

9111 107TH ST, NORTH

STILLWATER MN 55082

LAVALLE DENNIS J

Concerning Parcel ID: 09.030.21.14.0001

10509 JAMACA AVE

SAINT PAUL MN 55115

FARRELL TYRONE K & AGNES T TRS

Concerning Parcel ID: 09.030.21.41.0002

10491 JAMACA AVE N

ST PAUL MN 55115

OLSON WILLIAM S & JEAN E

Concerning Parcel ID: 09.030.21.41.0007

295 MEADOWOOD LN

VADNAIS HEIGHTS MN 55127

Concerning Parcel ID:

Concerning Parcel ID:

MAULE MARK C & PATRICIA D

Concerning Parcel ID: 10.030.21.22.0002

9157 110TH ST NORTH

STILLWATER MN 55082

LOGAN RICHARD R & JUDY M

Concerning Parcel ID: 10.030.21.22.0003

9020 107TH ST, NORTH

STILLWATER MN 55082

RETTNER TIMOTHY J

Concerning Parcel ID: 10.030.21.22.0006

9240 107TH ST NORTH

STILLWATER MN 55082

JAWOR TIMOTHY P & ELIZABETH E

Concerning Parcel ID: 10.030.21.23.0001

9257 107TH ST NORTH

STILLWATER MN 55082

DEMARS RICKI R & PATRICIA E

Concerning Parcel ID: 10.030.21.23.0004

10629 JAMACA AVE N

WHITE BEAR LAKE MN 55110

SARAPPO WAYNE F & SHARON A

Concerning Parcel ID: 09.030.21.13.0001

8770 105TH ST N

STILLWATER MN 55082

ZLONIS JEFFREY S & JEANNE A

Concerning Parcel ID: 10.030.21.32.0012

10415 JAMACA AVE N

ST PAUL MN 55115

UGLEM HARVEY V

Concerning Parcel ID: 09.030.21.41.0008

8805 105TH ST NORTH

STILLWATER MN 55082

Concerning Parcel ID:

Concerning Parcel ID:

HOLLERMANN MARK H & JEAN E

Concerning Parcel ID: 09.030.21.11.0004

8960 107TH ST, NORTH

STILLWATER MN 55082

KNEALE WILLIAM L & LISA M

Concerning Parcel ID: 10.030.21.22.0004

9080 107TH ST, NORTH

STILLWATER MN 55082

SEDERSTROM LOREN

Concerning Parcel ID: 10.030.21.21.0002

9460 107TH ST NORTH

STILLWATER MN 55082

JAWOR ELIZABETH E & TIMOTHY P

Concerning Parcel ID: 10.030.21.23.0002

9175 107TH ST, NORTH

STILLWATER MN 55082

DEMARS RICKI R & PATRICIA E

Concerning Parcel ID: 09.030.21.14.0003

10629 JAMACA AVE N

WHITE BEAR LAKE MN 55110

WEILER DENNIS H & TERRI D

Concerning Parcel ID: 10.030.21.32.0013

10360 JODY AVENUE CT N

STILLWATER MN 55082

ZLONIS JEFFREY S & JEANNE A

Concerning Parcel ID: 09.030.21.41.0003

10415 JAMACA AVE N

ST PAUL MN 55115

Concerning Parcel ID:

Concerning Parcel ID:

Concerning Parcel ID:

MEMORANDUM

To: Mayor and Grant City Council	Date: January 26, 2015
CC: Kim Points, City Clerk	RE: Land Use definitions
Nick Vivian, City Attorney	Public Hearing
From: Jennifer Haskamp, City Planner	

Please find the attached draft ordinance for consideration of the proposed amendments including additions and deletions to the Land Use Definitions contained in Section 32-1 and in the Table of Uses Section 32-245 of the City's Zoning Ordinance. In October of last year the City enacted a moratorium on its undefined land uses so that the City could study and draft definitions for inclusion in the Zoning Ordinance. The City Council identified and prioritized five land uses to initiate the process which are as follows:

- Golf Courses and country clubs
- Home Occupations (Meeting Criteria/Not Meeting Criteria)
- Recreation areas – commercial
- Recreation areas – private
- Commercial Recreation

Over the past few months the City Council has reviewed and considered draft language related to these definitions and also reviewed the Table of Uses for consistency with the objectives related to the use. The attached draft ordinance provides draft definitions as well as amendments to the table of uses reflecting the City Council's discussions to-date related to these land uses.

As such, the attached Draft Ordinance containing the proposed definitions, amendments including additions and deletions is provided for consideration and comment by the public during the public hearing. Staff has posted for a duly noticed public hearing for the February 3, 2015 per the recommendation of the City Council at the regular January meeting.

DRAFT FOR CONSIDERATION

CITY OF GRANT

WASHINGTON COUNTY, MINNESOTA

ORDINANCE 2015-__

**An Ordinance Amending the Grant Code of Ordinances
Amending Sections 32-1 Definitions and 32-245 Table of Uses of
Chapter 32 Zoning regarding Golf Courses, Home Occupations and Recreation Areas**

The City Council of the City of Grant, Washington County, Minnesota, does hereby ordain as follows:

SECTION 1. AMENDMENT OF CHAPTER 32, ZONING, OF THE CITY'S CODE OF ORDINANCES.

That City Code Chapter 32, Article I, Section 32-1, "Definitions" is hereby AMENDED to ADD the following identified as underlined, and AMENDED to DELETE as ~~striketrough~~:

Golf Course means an area of land laid out for a minimum of nine (9) holes to play golf each including a tee, fairway, and putting green to include natural and artificial hazards. The Golf Course operations and grounds may include a clubhouse, driving range, maintenance buildings and other uses which support the principal operations (such as, but not limited to swimming pools, tennis courts, etc.) of the golf course.

Home occupation means any gainful occupation or profession engaged in by an occupant only of a dwelling unit which is a use that is clearly incidental to the use of the dwelling unit for residential purposes, when conducted on the premises. The following criteria must be met, or the proposed use must be established as a conditional use in the zoning district proposed and proper permit obtained:

- a) No persons other than members of the Family who reside on the premises shall be engaged in such occupation;
- b) The use of the Dwelling Unit for the Home Occupation shall be clearly incidental and subordinate to its use for residential purposes by its occupants, and not more than thirty percent (30%) of floor area of the Dwelling Unit shall be used in the conduct of the Home Occupation.

DRAFT FOR CONSIDERATION

- c) Any business operations conducted in an Accessory Building or garage shall be conducted entirely within the accessory building, and no exterior modifications to the building shall be permitted which would indicate that the structure is being used for commercial activity, except as permitted in Section d.
- d) There shall be no change in the outside appearance of the Principal Building or Premises, or other visible evidence of the conduct of such Home Occupation other than any signage as permitted by the City's ordinances.
- e) No traffic shall be generated by such Home Occupation in greater volume than would normally be expected to a residence in a residential neighborhood, and the driveway shall be designed accordingly.
- f) Parking areas may not exceed four (4) stalls and shall not be located in any required yard setback area and must be screened from any adjacent residential use.
- g) No equipment, activity, or process shall be used in such Home Occupation which creates, noise, vibration, glare, fumes, odors, or electrical interference detectable to the normal senses off the Lot.
- h) No outside storage is permitted.

Recreation, commercial indoor means a recreational use conducted entirely within a building for a fee, with or without seating for spectators, providing accommodations for a variety of individual, organized, or franchised sports. Examples include, but are not limited to, basketball, ice hockey, soccer, tennis, bowling alley, health and fitness club facilities, and other support facilities.

Recreation, commercial outdoor means recreational uses conducted almost wholly outdoors for a fee, including, but not limited to golf driving ranges, miniature golf, frisbee golf courses, tennis courts and outdoor skating rinks. Such uses may include support accessory structures such as a ticket booth, warming house, or small bathroom facility, but in all cases shall be clearly incidental to the principal outdoor recreational use.

Recreation, private means an accessory structure and/or use that are customary and incidental to the principal residential use of a site, including swing sets, play structures, sand boxes, tennis courts, sport courts, swimming pools and the like, intended for the enjoyment and convenience of the residents of the principal use and their occasional guests.

DRAFT FOR CONSIDERATION

SECTION 2. AMENDMENT OF CHAPTER 32, ZONING, OF THE CITY'S CODE OF ORDINANCES.

That City Code Chapter 32, Article I, Section 32-245, "Table of uses", Item (c) is hereby AMENDED to ADD the following identified as underlined, and AMENDED to DELETE as ~~striketrough~~ :

USE					
(KEY) CC=Certificate of Compliance N=Not Permitted		Agricultural A1	Agricultural A2	Residential R1	General Business (GB)
Golf courses and country clubs	N	C	C	C	N
Home occupations (meeting criteria)	CC-P	CC-P	CC P	CC P	N
Home occupations (not meeting criteria)	N	C	C	C	N
Commercial recreation <u>Recreation,</u> <u>Commercial indoor</u>	GN	GN	GN	GN	C
Recreation areas — commercial <u>Recreation,</u> <u>Commercial outdoor</u>	N	C	CN	CN	C
Recreation areas — private <u>Recreation,</u> <u>Private</u>	GP	GP	GP	GP	N

SECTION 4. SEVERABILITY.

In the event that court of competent jurisdiction adjudges any part of this ordinance to be invalid, such judgment shall not affect any other provisions of this ordinance not specifically included within that judgment.

SECTION 5. EFFECTIVE DATE.

This ordinance takes effect upon its adoption and publication according to law.

WHEREUPON, a vote, being taken upon a motion by Council member _____ and seconded by Council member _____, the following upon roll call:

Voting AYE:

Voting NAY:

Whereupon said Ordinance was declared passed adopted this ____ day of _____, 2015.

Thomas Carr, Mayor

Attest: Kim Points, City Clerk

AGENDA ITEM 6A

STAFF ORIGINATOR	Kim Points
MEETING DATE	February 3, 2015
TOPIC	Resolution No. 2015-04
VOTE REQUIRED	Majority

BACKGROUND

Dellwood Barn Weddings has applied for a liquor license to utilize at their venue during some scheduled events. Last year the facility did serve intoxicating beverages but used a licensed caterer.

Staff has reviewed the current Conditional Use Permit on the property and determined the application for liquor license does not require an amended CUP.

The City does not have limit on the number of permitted liquor licenses. The City currently has five issued, as one license holder did not submit a renewal for 2015.

Resolution No. 2015-04 is attached for review.

OPTIONS

1. Approve Resolution No. 2015-04, Dellwood Barn Weddings Liquor License Application
2. Deny Resolution No. 2015-04

STAFF RECOMMENDATION

Adopt Resolution No. 2015-04.

Resolution No. 2015-04

Resolution to Approve On-Sale Liquor License for Dellwood Barn Weddings

WHEREAS, Dellwood Barn Weddings . submitted an application for the issuance of an On-Sale Intoxicating Liquor License; and

WHEREAS, the Washington County Sheriff's Department completed the required Background check and found nothing to prevent issuance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Grant that the City Council does herby approve issuance of an On-Sale Intoxicating Liquor License to the applicant listed below for the period of February 3, 2015 through December 31, 2015:

Dellwood Barn Weddings

7373 120th St North

Grant, MN 55110

Licensee: Julie Varney

BE IT FURTHER RESOLVED that licensing is contingent upon said applicant making payment of their taxes and submission of appropriate license fees, necessary liability insurance, to the Administrator/Clerk..

PASSED: February 3, 2015 by the City Council of the City of Grant

Tom Carr, Mayor

Kim Points, Administrator/Clerk

STAFF RECOMMENDATION REGARDING PENDING APPLICATION FOR TRANSFER OF CONTROL OF FRANCHISE TO MIDWEST CABLE

Summary.

The Commission has before it an application for approval of a transaction which will result in the franchise being transferred from the current holder, Comcast of Minnesota, to a recently-created company, Midwest Cable LLC. If the transaction is approved, Midwest Cable is expected to change its name to GreatLand Communications, Inc. We will refer to the transferee as GreatLand Communications.

The transaction has been approved by many surrounding jurisdictions as part of renewals of franchises, or as part of a settlement of outstanding issues. However, there is no renewal agreement with respect to the areas served by the Ramsey-Washington Suburban Cable Commission, and there are outstanding compliance issues that have not settled. The RWSCC is in a different position than many surrounding areas, and has been examining the transaction on its own merits. Based on that examination, staff currently recommends that the Commission deny the application, without prejudice to Comcast's right to refile for approval.

Staff has had some discussions with Comcast and GreatLand, and is seeking to see if agreement could be reached on conditions that would protect the communities short of denying the application. We also recommend that the Commission provide the staff and Chair latitude to negotiate appropriate conditions for presentation to the communities, without the need to reconvene the Commission.

This recommendation is based on the following factors, each of which would independently support the recommended action:

1. The companies involved in the transaction failed to reasonably cooperate with consultants hired by the County to analyze the transaction. By doing so, Comcast placed itself in violation of its franchise.
2. The companies failed to show that GreatLand is financially qualified, and there are serious reasons to be concerned about its financial qualifications. Among other things, with the franchise about to expire, and with significant outstanding issues related to extension of the system to areas within the Commission's jurisdiction that do not have service, it is important that any franchisee be in a strong position to improve its system while meeting local needs at reasonable rates. The financial report indicates the company may not be qualified in this regard.¹
3. The companies failed to show that GreatLand is technically qualified to perform as promised. Among other things, a substantial portion of the operations of the system will be performed by another cable company, Charter, which is not clearly required to produce reports to

¹ Ashpaugh and Sculco, CPAs, PLC and Front Range Consulting, Inc. "Report Regarding the Spin-Off of Cable Systems To Midwest Cable, Inc." January 2015.

the Commission or to GreatLand that may be required under the franchise.² Absent some guarantees from the companies, it is not clear that GreatLand can perform as it may be required to perform. Charter itself consistently ranks among the lowest rated companies with respect to customer service³, but its primary promise to GreatLand is that it will provide service typical of its own franchise areas⁴. It is not clear that GreatLand has any means to ensure effectively that Charter will comply with applicable customer service standards now in place or that may be adopted.

4. Relatedly, the communities are in the midst of a franchise renewal with Comcast. It is not clear that GreatLand is able or prepared to step into the shoes of Comcast and provide service on a long-term basis, and the documents provided appear to assume that it will continue to have a long-term cash flow from the franchise area – an assumption that cannot be made unless the existing franchise is renewed or extended.

5. The franchise prohibits the communities from approving a transfer “if City determines Grantee is in noncompliance of the Franchise unless an acceptable compliance program has been approved by City.”⁵ There are at least three outstanding non-compliance issues, one related to rate orders issued by the Commission, and the others related to system safety code violations and the failure to provide minimum levels of customer service.⁶

It is possible that the communities could agree to conditions that would allow the transfer to move forward. At this stage Comcast contends that the communities must act on the transfer by February 27, 2015.⁷ To provide time for the communities to receive public comment and act on the transaction, we recommend denial without prejudice to renew the application for a transfer.

Background and Timing

1. *Description of the transaction.* The transaction before the Commission is part of a larger deal that involves the merger of the nation’s two largest cable companies, Comcast and Time Warner (the “Acquisition”). When Comcast announced the Acquisition, it also explained that it would divest systems and subscribers to reduce its footprint to 30% or less of multichannel video programming subscribers.⁸ Comcast proposed to accomplish this through the sale of certain

² See Charter Services Agreement By and Between Midwest Cable, Inc. and Charter Communications Operating, LLC

³ See Steve Donohue, “Bright House, DirecTV top Temkin customer experience rankings,” *FierceCable* March 28, 2014, available at <http://www.fiercecable.com/story/bright-house-directv-top-temkin-customer-experience-rankings/2014-03-28> (where Charter placed 168 out of 268); see also Steve Donohue, “Charter, TWC, Cox, Cablevision ranked last in Temkin customer service ratings,” *FierceCable*, August 23, 2013, available at <http://www.fiercecable.com/story/charter-twc-cox-cablevision-ranked-last-temkin-customer-service-ratings/2013-08-23> (where Charter ranked 235 out of 235)

⁴ Charter Services Agreement at Section 1.1(b)

⁵ Ramsey Cable Television Franchise Agreement at Section 10.5.i

⁶ Timothy W. Finnerty, Letter to Karly Werner, Sr. Manager Government Affairs, Comcast—Twin Cities, July 10, 2014.

⁷ December 23, 2014 letter, Klayton Fennell to Joseph Van Eaton

⁸ David L. Cohen, “Comcast and Time Warner Cable Announce Merger, Detail Public Interest Benefits and Undertakings,” *Comcast Voices*, February 13, 2014, available at <http://corporate.comcast.com/comcast-voices/comcast-and-time-warner-announce-merger-detail-public-interest-benefits-and-undertakings>

systems to Charter and the spin-off of systems to a new company, initially identified as SpinCo in SEC documents (SpinCo has since become Midwest Cable, and if all elements of the transaction are ultimately approved, Midwest will become GreatLand Connections, Inc. For convenience, we refer to the entity that will control the franchises for communities that make up the commission as “GreatLand”).⁹ In addition, Comcast is “swapping” systems with Charter to consolidate its holding in certain areas of the country.¹⁰ The transaction is described in more detail in the attached report prepared by Ashpaugh & Sculco and Front Range Consulting.¹¹

Comcast will have no direct ownership of GreatLand. Instead, existing Comcast shareholders will receive GreatLand stock, initially owning 100%.¹² Charter Communications will swap 13% of its ownership shares with GreatLand shareholders resulting in existing Comcast subscribers owning shares of Charter, and Charter Communications owning 33% of GreatLand.¹³

As part of the transaction, GreatLand entered into a service agreement with Charter (the Charter Service Agreement, or “CSA”) which appears to allow Charter to provide much of the engineering, technical, accounting, billing, and support, including customer service functions for GreatLand.¹⁴ Additionally, GreatLand will also have a Transition Service Agreement (“TSA”) with Comcast to provide specified transitional services to GreatLand for periods of up to eighteen (18) months.¹⁵ GreatLand will also have a Separation Agreement with Comcast that will address legal matters regarding the spin-off and tax and debt issues.¹⁶ GreatLand will be assuming a significant amount of Comcast debt – the exact amount has not been established – and will also be assuming certain deferred tax liabilities.¹⁷ As a result, after the transaction is completed, and the TSA expires, the franchises for the communities will be controlled by GreatLand, and Charter, which will own a significant share of GreatLand, will be directly involved in the operations of the system and providing strategic management services that will directly affect subscribers.

2. *The Commission’s authority.* Comcast holds a franchise with each of the members of the Commission that provides in relevant part:

Section 10.5. Sale or Transfer of Franchise.

a. No sale or transfer of the Franchise, or sale, transfer, or fundamental corporate change of or in Grantee...shall take place until a written request has been filed with City requesting approval of the sale, transfer, or corporate change and such approval has been granted or deemed granted...

⁹ See Midwest Cable, Inc., “Amendment No. 1. To Form S-1,” available at http://www.sec.gov/Archives/edgar/data/1622920/000095010314008965/dp51946_s1a.htm

¹⁰ Gregory J. Wilcox, “Comcast, Charter execute blockbuster customer swap,” *Los Angeles Daily News*, April 28, 2014, available at <http://www.dailynews.com/business/20140428/comcast-charter-execute-blockbuster-customer-swap>

¹¹ See Ashpaugh and Sculco at 7.

¹² *Id.*

¹³ *Id.* at 8.

¹⁴ *Charter Services Agreement* at Section 1.2.

¹⁵ *Transition Services Agreement By and Between Comcast Corporation and Midwest Cable, Inc.* Filed with the FCC December 2, 2014, available at <http://apps.fcc.gov/ecfs/document/view?id=60000989214>

¹⁶ *Id.*

¹⁷ See Ashpaugh and Sculco at 5.

- b. Any sale, transfer, exchange or assignment of stock in Grantee, or Grantee's parent corporation or any other entity having a controlling interest in Grantee, so as to create a new controlling interest therein, shall be subject to the requirements of this Section 10.5...
- c. The Grantee shall file, in addition to all documents, forms and information required to be filed by applicable law, the following:
 - i. All contracts, agreements or other documents that constitute the proposed transaction and all exhibits, attachments, or other documents referred to therein which are necessary in order to understand the terms thereof.
 - ii. A list detailing all documents filed with any state or federal agency related to the transaction including, but not limited to, the MPUC, the FCC, the FTC, the FEC, the SEC or MnDOT. Upon request, Grantee shall provide City with a complete copy of any such document; and
 - iii. Any other documents or information related to the transaction as may be specifically requested by the City.
- d. City shall have such time as is permitted by federal law in which to review a transfer request....
- f. In no event shall a sale, transfer, corporate change, or assignment of ownership or control pursuant to subparagraph (a) or (b) of this Section be approved without the transferee becoming a signatory to this Franchise and assuming all rights and obligations thereunder, and assuming all other rights and obligations of the transferor to the City including, but not limited to, any adequate guarantees or other security instruments provided by the transferor....
- i. No Franchise may be transferred if City determines Grantee is in noncompliance of the Franchise unless an acceptable compliance program has been approved by City....¹⁸

In addition, Section 8.2 provides that each member of the Commission “may delegate to any other body or Person authority to administer the Franchise and to monitor the performance of the Grantee pursuant to the Franchise. Grantee shall cooperate with any such delegatee of City.”¹⁹ Section 9.2 provides for liquidated damages if the Franchisee fails “to provide data, documents, reports or information or to cooperate with City or Commission during an application process or system review...”²⁰

The Commission thus had clear authority to review the transaction on behalf of the communities, and to require Comcast to provide information that would allow the Commission to analyze the transaction. The Commission agreed to contribute to preparation of a financial report on the transaction that was commissioned by MACTA. A true copy of that report, which was prepared jointly by Ashpaugh & Sculco and Front Range Consulting (the “Consultants”) is attached.²¹ In addition, Staff has worked with its outside counsel, Best Best & Krieger, to review the transaction from non-financial perspectives.

The timing of the review has been driven by the Section 617 of the federal Cable Communications Act of 1984, as amended (“Cable Act”)²², which provides that localities must either act on a complete application for a transfer within 120 days of its submission, or approval

¹⁸ Ramsey Cable Television Franchise Agreement at Section 10.5

¹⁹ Id. at Section 8.2

²⁰ Id. at Section 9.2

²¹ See Ashpaugh and Sculco.

²² 47 U.S.C. § 537

is deemed granted. The time can be extended by mutual agreement.²³ Comcast and GreatLand agreed to extend the time for review of the transaction through and including at least February 27, 2015. It is Staff's position that the 120-day deadline was never triggered because the Company never submitted a complete application. However, as a matter of caution, the Commission must assume that it and the affected communities must act by the deadline to which Comcast and GreatLand agreed, or else lose rights.

3. *The standards for approval.* Federal law does not set substantive standards for review, so the Commission is free to consider the effect of the proposed transaction broadly, and determine whether it would adversely affect the communities or the public.²⁴ For purposes of this report, we focused on the following:

a. Did Comcast and GreatLand cooperate with the communities to allow them to fully analyze the transaction?

b. Has GreatLand shown it is financially, technically and legally qualified to hold the franchise?

c. Is Comcast in compliance with its franchise? If not, has an adequate protective plan been proposed?

Analysis

1. Cooperation. The Financial Report explains that Comcast, GreatLand and Charter did not provide the information requested by the consultants, but only provided certain public information which was not sufficient to enable the Consultants to fully analyse the financial impacts of the transaction.²⁵ As far as we can determine, with inconsequential exceptions the companies produced only public information to the Consultants, although thousands of pages of non-public materials were produced to the FCC, and the report suggests that non-public analyses directly responsive to questions asked by the Consultants did exist.²⁶ This is particularly troubling because the transfer provisions of our franchise clearly indicate that Comcast must cooperate, and there is nothing that permits it to limit production to "public documents" (the franchise actually clearly requires production of confidential information).²⁷ The report and Attachment A detail the non-cooperation.²⁸ The failure to cooperate did affect the analysis, according to the report.²⁹

2. Qualifications.

²³ Id.

²⁴ Id.

²⁵ Ashpaugh and Sculco at 3.

²⁶ Id.

²⁷ Ramsey Cable Television Franchise Agreement at Section 10.5

²⁸ Ashpaugh and Sculco at 3, 40.

²⁹ Id. at 3.

a. Financial qualifications. The Consultants report is clear that neither Comcast, GreatLand or Charter showed that GreatLand was financially qualified to perform.³⁰ Based on the best information available to them, the Consultants found that there were meaningful indications that GreatLand would face significant financial issues that could translate into increased rates, reduced services, or reduced capital investment – a matter of particular concern to the Commission as there are many areas that the existing system does not now reach.³¹ In a worst case scenario, of course, the company may not prove viable. GreatLand provided analyses from analysts who find that the deal is financially sensible from an investment point of view.³² But those analyses raise as many questions as they answer – they appear to assume a cash flow level that does require significant operational changes, and the companies never provided any information as to how those results could be practically achieved without harming subscribers.³³ We understand that private businesses should be permitted to take risks, and that the future is to some degree always uncertain. However, we have no information, and no guarantees or warranties that would ensure that consumers are protected. This is particularly important because of the status of the franchise. The franchise is near expiration, and if the company lacks the financial resources necessary to expand its system to new areas, or to continue support for PEG and for the institutional network (and improvements to those), consumers and the communities could suffer, and it will become difficult to meet future needs and interests. There are also outstanding franchise issues that will require company investment to address (see the past performance discussion below).

In addition, the report suggests that the company assumes it will be able to operate within its franchise areas for an extended period. But without a franchise or a franchise extension, that assumption cannot be made with respect to the communities within the Commission's jurisdiction.

b. Technical Qualifications. GreatLand relied heavily on the experience of Charter to establish its technical qualifications to perform. GreatLand's executives have significant cable experience, but GreatLand, as a company, obviously does not. But Charter has not shown that it will be able to provide customer services that meet local needs and interests, or comply with local (or federal) standards. Charter ranks among the lowest rated video providers in 2014 J.D. Powers survey³⁴ and near the bottom in Consumer Reports latest ranking of television providers (which is based on surveys from Spring, 2013)³⁵. Of course, Comcast does not fare well in these rankings either, a matter which has been of concern to the Commission. But Comcast was in a position to improve services on its own. If Charter does not perform well, it is not clear that GreatLand would be in a position to force Charter to promptly move to bring itself into compliance with local standards, or to meet local needs. The Charter Service Agreement, while

³⁰ Id.

³¹ Id. at 39.

³² See Midwest Cable, Inc., "Amendment No. 1. To Form S-1," available at http://www.sec.gov/Archives/edgar/data/1622920/000095010314008965/dp51946_s1a.htm

³³ Ashpaugh and Sculco at 4.

³⁴ J.D. Power, "Performance and Reliability Problems Decline in Both Residential TV and Internet Services; Quality and Connection Speeds Continue to Improve." September 25, 2014, available at <http://www.jdpower.com/press-releases/2014-us-residential-television-internet-telephone-service-provider-satisfaction>

³⁵ "Consumers still don't like Cable TV Companies" ConsumerReports.org, March 26, 2014, available at <http://www.consumerreports.org/cro/news/2014/03/consumers-still-don-t-like-cable-tv-companies/index.htm>

indicating that Charter must satisfy local service requirements, also promises that the service will be “average” for Charter systems.³⁶ If there is a breach, there is an extended process for cure.³⁷ What is not clear is that there is a mechanism for timely response to non-compliance. There is added concern because surveys that were conducted in connection with the ongoing franchise renewal suggest that customer service needs improvement.³⁸ It is not clear how it can be improved under the proposed transaction. Those issues might be addressable through appropriate warranties and guarantees, but those are not in place now.

Charter itself has advised investors that its role will be a “management” role. In a presentation to investors in April of last year, it noted that as a result of the transaction:

- “Charter will own systems with an estimated 5.7 million video customers”
- “Through its services agreement with SpinCo, Charter **will manage** an additional estimated 2.5 million SpinCo video customers”
- “As a result of the transactions Charter will own 5.7 million video customers **and manage** systems comprising 8.2 million video customers providing scale and operating efficiencies for both companies...”³⁹

c. Legal Qualifications. Legal qualifications are related both to the non-cooperation issue, and the non-compliance issues discussed below.

3. Compliance. There are outstanding compliance issues. The company has yet to comply with the Rate Order issued by this Commission and largely upheld by the FCC.⁴⁰ It has proposed a settlement, similar to the settlement it entered into in a nearby community, but that settlement was part of a larger deal. At this stage, the proposal does not comply with the Order. The Company continues to charge fees (such as a convenience fee) which it was directed not to charge; negative option issues have not been fully addressed. Second, there are safety code issues associated with the franchise. Those have been brought the company’s attention. Not only do the specific safety code issues need to be addressed, but the communities need assurance that any endemic problems are being corrected. Particularly given the financial issues associated with the transaction, it would be important that those be addressed in a way that does not burden GreatLand or consumers.

CONCLUSION

It may be that with appropriate conditions, the transfer could be approved, but for now, with the impending deadline, we recommend for the reasons above, that the transfer be denied without prejudice to the companies to renew the application.

At the same time, because Staff continues to discuss the transfer with Comcast and GreatLand, we suggest that the Commission provide Staff and Chair with authority to attempt to negotiate

³⁶ Charter Services Agreement at Section 1.2.

³⁷ Id. at 3.2

³⁸ See Donohue.

³⁹ <http://files.shareholder.com/downloads/CMCSA/0x0x747845/e572c896-c3f2-496e-9241-0c98c9f18b16/Investor%20Presentation.pdf>

⁴⁰ Finnerty Letter.

conditions that would address concerns raised in this report, and to submit a proposed resolution to the communities without the need for the Commission to meet again. If the Commission would prefer to meet, it will be necessary to set a meeting date that would allow the communities to timely notice a hearing on the proposed transaction.

Administrator/Clerk

From: Ted Arbeiter <ted@scctv.org>
Sent: Friday, January 09, 2015 3:47 PM
To: Grant City Clerk; Alyssa MacLeod; Mychal Fowlds; Ellen Richter; Bill Short; Scott Schaefer; jason.foutz@ci.oakdale.mn.us; Kevin Watson; scott.duddeck@ci.north-saint-paul.mn.us
Cc: Randy LaFoy; Judy Skeie-Voss
Subject: Municipal meeting programming Opportunity
Attachments: Ch98DraftCityResolution12-2014.pages; Untitled attachment 00110.htm

Hello,

I'm Randy LaFoy, one of the Cable Commissioners for the Ramsey Washington Suburban County Cable Commission. I am contacting you to make your municipality aware of a new cable television channel the Cable Commission would like to offer its member municipalities. This channel would enable wider distribution of your council meetings.

The Cable Commission would like to roll out Government Cable Meeting TV (working channel name), a municipal meeting channel for its member cities. Your municipality's council meeting, presented on channel 98, will be available to every cable subscriber in every RWSCC municipality. This meeting playback would be in addition to the municipally narrowcasted GTN Channel 16 your meetings are currently seen on.

Here's the nuts and bolts on how Channel 98 will be put together and rolled out:

- Your municipality OK's its participation with supplying meeting content to channel 98 via a municipal resolution and returns your resolution to SCC. I've attached some sample wording of a council resolution passed by my city, Birchwood Village.
- SCC staff has created content for channel 98 that will be on when municipal meetings are not playing. This created content includes the channel's overall look, all bulletin board related content, channel logo, branding concepts, etc.. (If interested, we can send them to you.)
- Municipal meetings will be presented on channel 98 on Sunday, Monday, Wednesday and Friday at 7am, 12pm, and 7pm. A rotation of all council meetings will be established once it is determined which member municipalities are interested in participating.

Government Cable Meeting TV is great opportunity for your municipality to share with the entire RWSCC cable service territory information about your municipality, showcase the important process of council meetings, and participate with the powerful medium of television and the unique local aspect that is community television.

Please contact me with any questions you may have regarding your city's participation with the Government Cable Meeting TV channel as well as your city's desire to participate with this exciting new opportunity for RWSCC member municipalities.

Thanks for your interest,

Randy LaFoy

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2015.0.5577 / Virus Database: 4257/8897 - Release Date: 01/09/15

RESOLUTION 2015-06

**CITY OF GRANT
WASHINGTON COUNTY, MINNESOTA**

**A RESOLUTION AUTHORIZING THE RAMSEY WASHINGTON SUBURBAN
CABLE COMMISSION TO BROADCAST AND RE-BROADCAST CITY COUNCIL
MEETINGS ON OTHER CABLE CHANNELS**

WHEREAS, all Regular and most Special meetings of the City of Grant City Council are broadcast on the City's public access channel through the Ramsey Washington Suburban Cable Commission (RWSCC); and

WHEREAS, RWSCC desires to have the authority to broadcast and re-broadcast these meeting on other cable channels of a public service nature including, but not limited to, On-Demand or a "C-SPAN" type of channel; and

WHEREAS, RWSCC is requesting permission from the City Council of the City of Grant for said broadcasting and re-broadcasting of City of Grant City Council meetings; and

WHEREAS, the City Council agrees that providing alternative venues and channels for residents to view City Council meetings is desirable and appropriate.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Grant that it grants permission to the Ramsey Washington Suburban Cable Commission to broadcast and/or rebroadcast on other public-service, non-commercial cable channels any Council meeting that it originally broadcast live on the City's public access channel.

I certify that the City of Grant adopted the above Resolution on this 3rd day of February, 2015.

Tom Carr, Mayor

ATTEST:

Kim Points
Administrator/Clerk

City Council Report for January 2015

Date: January 18, 2015

To: Honorable Mayor & City Council Members

From: Jack Kramer Building & Code Enforcement Official

Zoning Enforcement:

1. Penfield Inc., (Houles Feed Store) 10010-60th. St. N. Violation of Conditional Use Permit.

a. The city received a formal complaint that Penfield Inc. was in violation of their CUP by allowing the storage of semi-tractor trailers in front of the building. The CUP states "Any outside storage must be behind the Building and screened from the road and adjoining properties".

I sent a letter dated January 16, 2015 indicating the violation and that the property had to be brought into compliance no later than January 31, 2015.

2. Lanoux Stables 9711 Keswick Ave. N. Conditional Use Permit required operating a horse training facility.

a. The city received a formal complaint regarding the use of the property as a horse training facility. The City clerk researched the property files and it was noted that no CUP was ever issued to the property. The city zoning ordinance indicates that the operation of horse boarding and training facility is a permitted use, however requires a conditional use permit and a public hearing.

I sent a letter dated January 17, 2015 advising the property owner to make application with the city clerk within ten days.

Building Permit Activity:

1. Three (3) Building Permits were issued for a total valuation of \$ 537,227.00.

Respectfully submitted,

A handwritten signature in black ink that reads "Jack Kramer". The signature is written in a cursive style with a large, stylized "J" and "K".

Jack Kramer

Building & Code Enforcement Official

Grant Master Form

Permit	Permit Type	Name	Project Address	Date Issued	Valuation:	City Fee:	75%	Plan CK Fe	Surcharge	Paid
2014-211	Windows	Renewal	11802-97th. St. N	12/15/2014	\$ 7,907.00	\$ 153.25	\$ 114.93	\$ -	\$ 3.95	
2014-212	House & Gar.	Grubb	6639 Jasmine Ave. N.	12/19/2014	\$ 529,320.00	\$ 3,401.75	\$ 2,551.31	\$ 2,211.13	\$ 264.66	
2014-213	HVAC Permit	Rankin	10340 Jody Ct. N.	12/27/2014	N/A	\$ 80.00	\$ 60.00	\$ -	\$ 5.00	
Monthly total					\$ 537,227.00	\$ 3,635.00	\$ 2,726.24	\$ 2,211.13	\$ 273.61	