

WATOA All membership meeting 12/10/14

1. Call to order 2:04 PM
 - a. Attendees: Ken Fellman, Ron Lucas, Megan Hutton, Chris Jaramillo, Jon Delay, Dave Hinman, Jeff Leuders, Mike Charboneau, Alice Lawson, Victoria Lincoln, Debbie Desoro, Linda Seesz, Jim Demmon, Dea Drake,
2. Approval of minutes from 12/18/13, Linda moved, Jeff seconded--approved
3. Treasurer's report - Dea Drake
 - a. Judy moved, Jeff seconded, unanimously approved
 - b. 2013 Balance= \$11,576.60
 - c. Current balance as of 11/17/14= \$12,409
 - d. Remaining bills
 - i. Owe NATOA membership fee= approx \$750
 - ii. Nov conference call= \$90
 - iii. Dec conf call= approx \$150
 - iv. Final bills for mailing the ballots= \$39
 - e. Estimated final budget for 2013= \$11,379.80
 - f. 64 members, 24 agency members, 818,000 reported cable subscribers from represented members
4. 2015 Officer and Board Elections – Alice Lawson
 - a. Ballots mailed on Tuesday—expect them if you're a voting member of WATOA
 - b. Postpaid envelope included
 - c. Ballot must be postmarked no later than Dec. 31, 2014 to count
5. "Over the Top (OTT) Programming. Franchise Fees at Risk?"
 - a. **Speakers:** Ken Fellman, Kissinger and Fellman; Victoria Lincoln, AWC; Dave Hinman, Pierce County Television
 - b. Dave Hinman:
 - i. Increasing emphasis on broadband in cable TV performance models
 - ii. Make sure future definitions include right of way and broadband. Focus on infrastructure use and right of way authority, not just a delivery mechanism.
 - iii. Topics that franchises should include: Guaranteed bandwidth,
 - c. Ken Fellman:
 - i. This is bigger than an over the top video question.
 - ii. What is Over the Top—OTT—when you get video programming over the internet (Netflix, Hulu) that's what's called Over the Top. You're not watching it off of cable/broadcast TV.
 - iii. Voice service and video service are both broadband services. Stuck in regulatory framework created between 1940-1990. The law gave Satellite (MVPDs) access to cable programming. Netflix and others don't have the same rights as MVPDs to that cable programming.
 - iv. Bad news--What's just starting to happen in Washington DC regarding OTT: FCC looks at MVPD rules very soon. NATOA met today with cable lobby group. Maybe local govt. should participate in that discussion? FCC says you have to own and control the infrastructure.
 1. Congress is looking at rewriting parts of the Telecommunications Act. Issued a white paper today asks cable/TV questions that are industry friendly. Discussions expected over next 12 months. Industry likely to want rewrites without any fees.

2. We should focus on the use being made. A private entity wants to use local govt right of way. It's still a broadband service. *It needs to impact federal and state law.*
- d. Victoria Lincoln:
 - i. Goal is to protect the right of way and focus on fees for delivery of broadband services.
 - ii. Funding mechanisms: important for local govts.—especially cities—for how we collect utility taxes—making sure this revenue remains.
 - iii. After debates in '92 and '96 cable and telecomm acts, we passed a right of way bill that took 3 years. What we've learned—what happens on the federal level then spurs activity at the state level. History shows it rarely happens the other way regarding telecomm issues—state changes influence federal changes.
 - iv. Should we be proactive about erosion of our revenues and managing our right of ways? Should something be done at the state level? Makes Victoria nervous. Ex. in another attempt at the state level. In those meetings there were 25 industry lobbyists vs. 3 city/county representatives.
 - v. WATOA's role in this: will this be debated in Congress or at the FCC anytime soon? WATOA members *need data* from their own organizations that show the local problem.
 - vi. I have cities telling me regularly that they're worried about losing revenues in their utility taxes...already seeing flat or declining revenues.
- e. Questions from listeners:
 - i. Timeframe for a potential federal telecomm rewrite?
 1. Ken—impossible to answer. Congress has trouble passing other major legislation. Unlikely we'll see them do it with telecomm. The 1996 act took 3 years to pass. '92 act was at least a couple years.
 - ii. New age franchise agreements—just because services change, what should we be thinking about when we make new franchises?
 1. Ken—language that provides opportunity to reopen and include new laws. If laws change to your detriment, keep until franchise date ends. “This is for cable only. Does not apply to other services, even if it uses the same right of way.”
 - iii. Would it be helpful to try and level the playing field between cable and telecomm operators?
 1. Victoria—if it in any way costs more for the industry, they'll come out against it. Be careful if you open the door to this.
6. Other business/announcements
 - a. Mike Charboneau and Brenda will be leaving the board
 - i. Mike Conner will replace Brenda
 - b. Alice Lawson to become treasurer
7. Adjournment 3:03 PM