

Meeting #419
Nebraska Educational Telecommunications Commission
Nebraska Educational Telecommunications Center
1800 No. 33rd Street
Lincoln, Nebraska
June 25, 2009

PRESENT: Commissioner Ken Bird
Commissioner Roger Breed
Commissioner Kim Dinsdale
Commissioner Phil Dudley
Commissioner Dick Shoemaker
Commissioner Clay Smith
Commissioner Darlene Starman
Commissioner Dara Troutman

ABSENT: Commissioner Stan Carpenter
Commissioner Dennis Miller
Commissioner Mandy Johnson

Advance notice of the public meeting was sent to Nebraska news media by means of a news release forwarded from the Commission office with Agenda posted in the NET Lobby, NET elevator bulletin board areas and on the State and NET web sites. LB 898 (related to Open Meetings Act) is also posted in the NET Board Room on 1st floor.

Vice Chair Dara Troutman called meeting #419 to order at 9:33 a.m.

Following the call of the roll, Secretary Rod Bates determined that a duly constituted quorum of Commissioners to be present.

It was moved by Dudley and seconded by Bird that the minutes of meeting #418 as held on May 7, 2009 be approved as presented. Roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- aye
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- absent
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent
Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

Dr. Roger Breed was introduced as a new member of the Nebraska Educational Telecommunications Commission. Dr. Breed recently became Commissioner of the Nebraska Department of Education. Commissioners and NET staff introduced themselves to Dr. Breed.

Vice Chair Troutman called for public comment. There was none.

Commissioner Dinsdale joined the meeting in progress at 9:48 a.m.

AGM-Administration & Finance Hansen presented the proposed fiscal year 2010 operating budget as reviewed by the Finance Committee prior to the meeting. It was moved by Shoemaker and seconded by Smith to approve the Commission's FY 2010 operating budget totaling \$10,706,956 as presented and attached to the minutes. Included in this amount is the 2.9% July 1, 2009 base salary increase for all non-contract Commission employees (exempt, salaried employees) and a 2.9% base salary increase for Commission employees covered by the union contract (non-exempt, hourly rate employees) as July 1, 2009 (except two employees in Bargaining Unit E, which will not receive increases since these Bargaining Units are at an impasse). Following discussion, roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- aye
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- aye
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent
Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

Kim Dinsdale was also introduced as a new member of the Nebraska Educational Telecommunications Commission. Kim represents the Third Congressional District and is from Grand Island. Commissioners and NET staff introduced themselves to Commissioner Dinsdale.

AGM-Administration & Finance Hansen submitted information regarding surplus and write off of old, obsolete capital assets. Over the past 8 years the Commission has been through a significant transformation of its infrastructure and many of the Commission's older capital assets became unusable or obsolete. As per the 6/30/08 state auditors management letter recommendations, NET staff has reviewed the entire capital asset inventory listing for assets that have been previously surplus or should be written off because they have become obsolete. It was moved by Bird and seconded by Starman that the Commission approve the write off capital assets totaling \$801,832.52 with an accumulated depreciation balance of \$797,564.90 as of June 30, 2009. Included in this amount was \$479,380 of equipment that was donated to UNO for parts. This will result in a "loss on disposal of capital assets" totaling \$4,267.62 in the June 30, 2009 Statement of Operations. Following discussion, roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- aye
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- aye
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent

Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

AGM-Marketing & Business Michael Winkle reviewed the grant applications to the Corporation of Public Broadcasting (CPB) Digital Radio Fund with additional information from AGM-Engineering Stacey Decker. This is a federal source of capital funds available to public radio licensees seeking to add digital radio capabilities. Funding of up to \$95,000 is available to those projects selected by the review panel. This year's competitive round has an early deadline of June 15, 2009. Awards may not be announced until the fall of 2009. NET staff requests the Commission's approval for two applications: An application for the radio station in Norfolk, NE (KXNE), replacing the FM transmitter approaching the end of its expected life cycle and adding IBOC digital transmission capability. Estimated cost of the project is \$119,147. Match would come from a grant of \$24,147 from the NET Foundation for Radio to the Commission; and, an application for the radio station in Alliance, NE (KTNE), replacing the FM transmitter approaching the end of its expected life cycle and adding IBOC digital transmission capability. Estimated cost of the project is \$130,810. Match would come from a grant of \$35,810 from the NET Foundation for Radio to the Commission. It was moved by Starman and seconded by Smith that Nebraska Educational Telecommunications Commission authorizes the two applications to the CPB Digital Radio Program. Roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- aye
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- aye
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent
Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

The Vice Chair requested that appreciation be extended to the NET Foundation for Radio for their support with the matching funding amounts listed above that enabled submission of the grant applications.

AGM-Marketing & Business Winkle next presented information regarding a grant application to the Corporation of Public Broadcasting (CPB) Digital Distribution Fund (DDF) – Round 14. CPB's Digital Distribution Fund program is a federal source of capital funds available to public television licensees seeking to complete transmission projects (Priority 1) or complete master control/digital content management projects (Priority 2) related to the final conversion to digital television. Funding of up to \$750,000 is available to those projects selected by the review panel, and for which the applicant can match 25% of the total project cost. Round 14 of the DDF was announced on June 6, 2009 and has a deadline of July 10, 2009. Awards may not be announced until the fall of 2009. NET staff requests the Commission's approval for a two-part application: 1) Transmitter monitor and control; and, 3) Digital Content Distribution System. It was moved by Shoemaker and seconded by Smith that Nebraska Educational Telecommunications Commission authorizes the application to the CPB Digital Distribution Program for two Priority 2 projects totaling \$405,000. The request for DDF funds would total \$303,750 and would be matched (at the required 25% level or \$102,250) with funding provided by the State of Nebraska in NET's FY 2009-2010 capital budget for completing the digital television conversion project. Roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- aye
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- aye
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent
Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

NET Foundation Executive Director Jeff Beckman presented a report regarding NET Foundation activities indicating that NET Television pledge drive raised over \$190,000 which surpassed the goal of \$135,000. This was following a very successful radio pledge drive this spring. *Homemade Astronaut* and *Backyard Farmer* were among the programs contributing to this successful drive. He also reviewed the Governor's Premiere held in Ashland that netted over \$100,000 and extended appreciation to Commissioner Dudley on behalf of Hastings College for their contribution at this event.

The Strategic Planning process is entering phase II of planning. Some of the action steps that are being considered include membership focus, target of major annual gifts to directly support the Sports and Children's initiatives and increased focus on Omaha membership development. The NET Development staff will be focusing on working with individual members in the major and planned giving area with NET Marketing staff working exclusively with corporate relations. He stressed the importance of presenting a unified message regarding communications and promotion programs to enable the same message to be portrayed whether on the air, in advertising, while making speeches, answering the phone or during special events. A comprehensive assessment of NET's institutional communications will be conducted.

Jim Seacrest and Ron Hull have agreed to Co-Chair the Inspire Nebraska Campaign. Commissioner Clay Smith and his wife, Beth, have agreed to serve on the District Leadership Committee for Southeast District along with Roger Larson and Tom & Candy Henning.

Commissioner Smith commented on the Governor's Premiere at the Strategic Air and Space Museum and indicated that this was an outstanding event. His observation was that there was a different audience in attendance at this event than at previous Governor Premieres. This indicates that moving out of Lincoln encourages a broader audience and increased awareness of NET. General Manager Bates expressed his appreciation to Commissioner Smith for helping to get Jeff Raikes as a participant.

AGM-Engineering Stacey Decker reviewed a list of projects that will be completed by the technology departments by the end of December including replacement of the Beatrice and Harrison translator towers. The Information Technology department has taken a more active role in the AVID editing system as it is a good fit with their experience with IT equipment. This is the beginning of the shift that is being seen in the industry to a personal computer based environment. Individuals are now selected that have the ability to cross train to the broadcast IT needs in the future. The Engineering Department has started training personnel to support the massive editing system that NET uses. This will allow integration of the editing system with the Digital Asset Management system going into operations to achieve a full file based work flow.

AGM-Content David Feingold reviewed activities of Nebraska public radio and television. He indicated that Television pledge revenue declined in 2008-09 by approximately 10%. This could be due in part to the August pledge drive being moved to September because of the Olympics, the presidential election coverage bumped NET off the air several times and far fewer over-the-air viewers during the digital television conversion. It is anticipated that the Nielsen ratings will improve as more people make the conversion to digital television.

Commissioner Breed left the meeting at 10:45 a.m.

It was moved by Starman and seconded by Smith that the Nebraska Educational Telecommunications Commission go into closed session as authorized by Section 84-1410 of the Revised Statutes of Nebraska for the protection of the public interest, and to prevent needless injury to the reputation of persons who have not requested a public hearing, for the purpose of holding a discussion limited to a personnel matter involving a member of the staff. Roll call vote was recorded as follows:

Commissioner Ken Bird	- aye
Commissioner Roger Breed	- absent
Commissioner Stan Carpenter	- absent
Commissioner Kim Dinsdale	- aye
Commissioner Phil Dudley	- aye
Commissioner Mandy Johnson	- absent
Commissioner Dennis Miller	- absent
Commissioner Dick Shoemaker	- aye
Commissioner Clay Smith	- aye
Commissioner Darlene Starman	- aye
Commissioner Dara Troutman	- aye

Commissioner Bird left the meeting at 11:00 a.m.

Executive Session adjourned at 11:24 a.m. The General session adjourned at 11:25 a.m.

The next NETC meeting will be August 27th, 9:30 a.m., at NET, with no meeting scheduled for July.

There being no further business, Meeting #419 adjourned at 11:25 a.m. Meeting dates for remainder of 2009 are as follows:

August 27 – Regular Meeting
September– No Meeting
October 15 – Videoconference Meeting
November – No Meeting
December 3 – Regular Meeting

Respectfully submitted,

Rod Bates
Secretary