

MINUTES OF THE SOUTH CAROLINA ETV COMMISSION

Friday, March 22, 2019
Commission Conference Room
1041 George Rogers Boulevard
Columbia, South Carolina

The South Carolina ETV Commission met on Friday, March 22, 2019, in the Commission Conference Room of The ETV Telecommunications Building. Those in attendance were as follows:

Dr. Brent Nelsen, Chairman
Ms. Elise Bidwell
Ms. Jill Holt
Mr. Craig Kinley (via conference call)
Ms. Karen Martin
Mr. David Vipperman
Ms. Emily Heatwole, representing Molly Spearman, State Department of
Education
Ms. Julie Lonon, representing the ETV Endowment of South Carolina

ETV STAFF:

Mr. Anthony Padgett
Ms. Adrienne Fairwell
Dr. Stephanie Frazier
Ms. Tracey Hunt
Mr. Mark Jahnke
Ms. Bobbi Kennedy

Dr. Nelsen called the meeting to order and stated that a quorum was present. He reported that the requirements of the Freedom of Information Act with respect to this meeting had been met. The Commission members were given the opportunity to discuss the items on the Consent Agenda. The minutes of the February 6, 2019, ETV Commission Meeting were approved. Dr. Nelsen welcomed David Vipperman back to the Commission.

Julie Lonon gave the report of the ETV Endowment. She said that overall, at this point, membership is 4% ahead of budget. She reported that on-air, telemarketing, and e-newsletters fund raising is trending behind. The One State, Many Voices: Sharing South Carolina's Stories campaign is less than \$100,000 away from the goal of \$1.6 million—53 pledges totaling \$930,537 and planned gifts totaling \$570,846. A public roll-out is being planned. An event with *Walter Edgar's Journal* was held in the South Carolina Public Radio studios in which Legacy Society donors watched a taping; a discussion followed. Upcoming events include a *SC Lede* live event in Florence on March 28th and one in Rock Hill on April 11th. Two screenings for *Reconstruction: America After The Civil War* are planned – Charleston on April 4th and Beaufort on April 5th. Three screenings are planned for *Les Miserables* – Charleston (College of Charleston) on March 28th; Columbia (ETV) on April 10th; Greenville (Michelin North

America) on April 10th. The *Spoletto Chamber Music Series* “Meet and Greet” will be held in Charleston at the Spoletto Headquarters on May 15th. The Endowment is engaged in direct donor outreach through thank-you notes; thank you calls/emails; visits; event RSVPs; tickets; and planned giving interactions. The Endowment overall retention rate is 72%.

Emily Heatwole, representing the State Department of Education, reported that there are a number of education bills moving through the House of Representatives and the Senate. The House passed an education reform bill that was sent to the Senate. SDE was concerned about the functioning of the 0-20 Committee, but the Senate has taken that out of their version of the bill. SDE is also watching the section that addresses how SDE provides technical assistance to under performing schools. The Read to Succeed bill is moving through the process. Ms. Heatwole explained assessments and where it stands in the versions of the bill; a discussion followed.

The Commission moved into Executive Session to discussion contractual issues.

Following the Executive Session, Dr. Nelsen reported that the following Resolution was passed in Executive Session (4 affirmative votes; 1 abstention—Craig Kinley):

Resolved, that the ETV President and CEO shall seek to reach agreement with the ETV Endowment on a Memorandum of Understanding (MOU) that will incorporate the following “core principles” as required by the Federal Communications Commission (FCC) and/or the Corporation for Public Broadcasting (CPB), and will otherwise represent the interests of the ETV Commission:

- 1. All funds which have been or will be raised over-the-air on ETV’s television and/or radio stations through pledge drives and similar activities that interrupt regular programming must be used only to support ETV’s broadcast operations as determined by ETV.*
- 2. ETV must maintain complete, accurate and secure records of all uses of donor information and must maintain active control of donor lists containing donor information that has been or will be obtained via ETV’s over-the-air fundraising or via any other fund-raising conducted in the name of or for the benefit of ETV. This does not necessarily require that the ETV Endowment transfer possession of the lists to ETV, but the arrangement should acknowledge that the Endowment’s possession and use of such donor information is on behalf of ETV as ETV’s agent, is subject to, and will be in compliance with CPB requirements.*
- 3. ETV must have the right to have an accounting of the source and use of all funds—past and future—raised using ETV’s name. It must be agreed that any such funds will be expended by the ETV Endowment only for purposes that directly benefit ETV.*

Further Resolved, that the ETV President and CEO is directed to take any necessary legal and institutional steps to ensure compliance with the requirements of the FCC and/or the CPB, and the directives of the ETV Commission.

Anthony Padgett gave the report of the Office of the President. ETV has been working to increase awareness around workforce development within the State and draw attention to areas

of industry that could benefit from an increased workforce. ETV's efforts for this began with a series of video concepts generated from the ETV Advisory Council (Mack Bailey with support from David Vipperman). These video segments were produced at the Spartanburg regional studio. Workforce clips were shown. Mr. Padgett continued by stating that, as the awareness project evolves, it is anticipated that a web presence will be created to coordinate resource materials and provide additional information about various career paths. ETV staff are working with the Department of Education and the Department of Commerce to keep them informed about the project and staff have been invited to attend their ongoing conversations around workforce development in the State. A discussion followed.

Mr. Padgett reported that in April PBS will air Henry Louis Gates, Jr's (host of *Finding Your Roots*) new four-hour documentary series *Reconstruction: America After The Civil War*. The series explores the transformative years following the American Civil War when the nation struggled to rebuild itself in the face of profound loss, massive destruction and revolutionary social change. A clip from the series was shown. A sneak preview of the new mini-series will be shown in Beaufort at Tech of the Low Country on April 4th at 6:00 pm; immediately following the screening, there will be a panel discussion moderated by ETV's Beryl Dakers. On Friday, April 5, at ETV's Low Country studio, Dr. Gates will be part of a virtual classroom event, followed by a Reconstruction discussion and luncheon.

Mr. Padgett gave a spectrum funds and repack update (a copy of his power point presentation is attached). He reported that ETV benefitted from the FCC Spectrum Auction in 2017 and was authorized by the State to receive \$35 million of the proceeds. ETV intends to utilize these funds over the next 4-5 years to fund the mandatory repack of all 10 of the Network's television transmitters, advance aging infrastructure, and address other technical needs. Over the next several months ETV, along with thousands of other broadcasters across the country, will be going through the repack process. During this time, interruptions can be expected to both television and radio services caused by work that is required, as well as work that that others in the area are required to complete. ETV is working to proactively message and alert the audience about the interruptions and is preparing to provide customer support related to the process. Adrienne Fairwell, ETV's Vice of Communications, Underwriting, and Marketing, outlined the campaign that is being planned including a direct mail piece, a repack website, and social media.

Mr. Padgett reminded the Commissioners about the special event on April 24th at 5:30 pm in the ETV studios for *Women Vision SC*. Commissioners are invited to celebrate this year's eleven honorees.

Mr. Padgett updated the Commission on the TATA Business Concept, which is a cloud based service solution, offering a virtualized Master Control. Conversations with NETA (National Educational Telecommunications Association) to act as ETV's partner and business agent for this project did not materialize. New conversations have begun, with WUFT, ETV's partner for SCEIN, and with Public Media Company, a company specializing in providing

business solutions to public media stations, to address and identify future business models around ATSC 3.0 and other services. A discussion followed.

Dr. Nelsen gave the report of the Chairman. Dr. Nelsen and Mr. Padgett attended the APTS Public Media Summit in Washington. On Capitol Hill Day they met with Senator Scott, Representative Timmons, and the staffs of Representatives Norman, Clyburn, and Cunningham about public broadcasting funding. Dr. Nelsen reported that he has had conversations with Tommy Windsor in the Governor's Office about the need to fill the vacancies on the ETV Commission.

There being no further business to be brought before the Commission, the meeting was adjourned.

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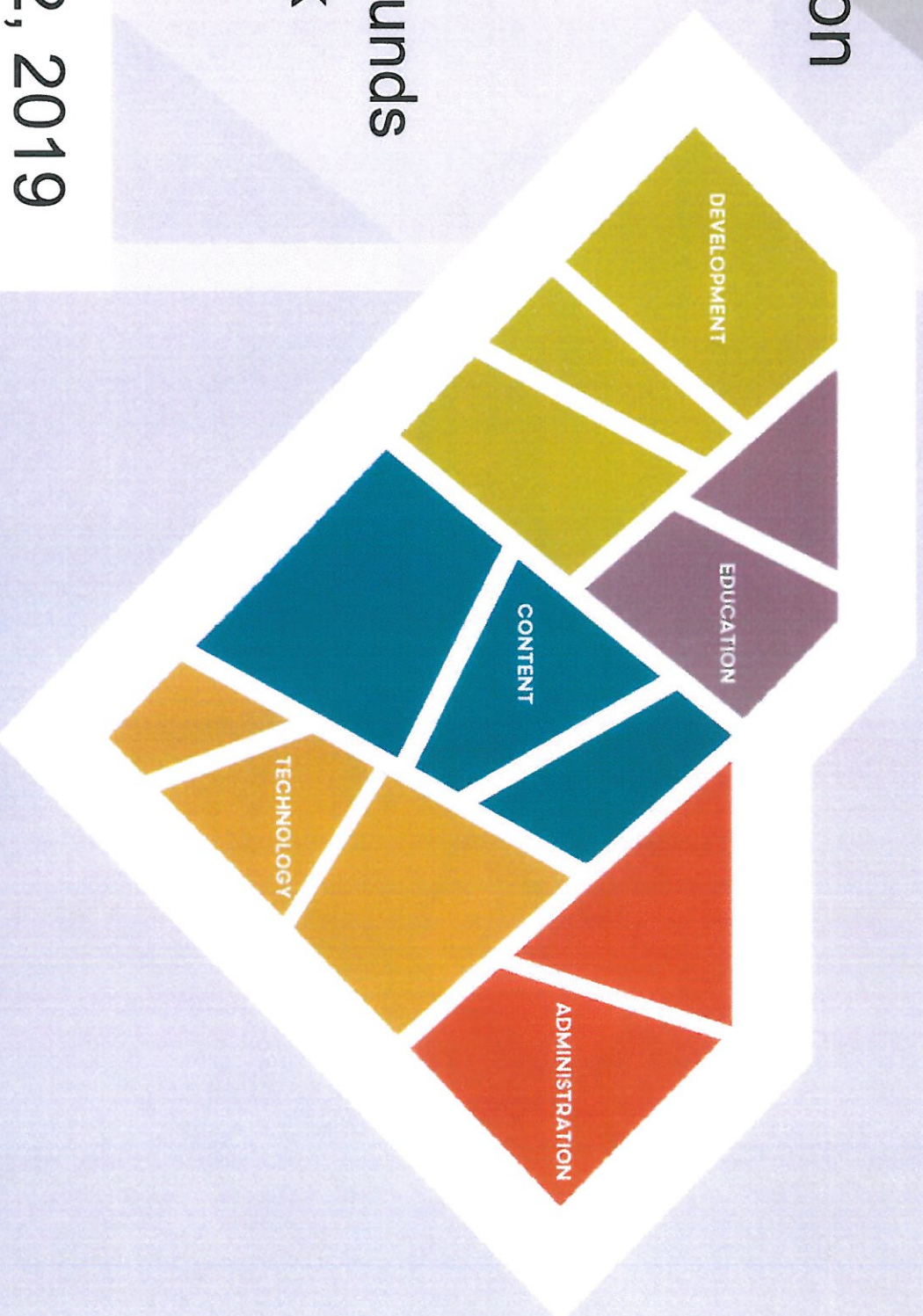
business solutions to public media stations, to address and identify future business models around ATSC 3.0 and other services. A discussion followed.

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SCETV Commission Meeting

Spectrum Funds and Repack Update



March 22, 2019

Spectrum Auction Information

- Spectrum is the range of frequencies used to transmit sound, data and video. TVs, radios, cellphones, computers, garage door openers, medical equipment and wireless microphones, among other devices, all use spectrum. The growth of smartphones, tablets and other wireless gadgets calls for more spectrum.

Repack Information

- Due to the need for spectrum to support needs, Congress authorized a Spectrum Auction along with a Repack initiative. As a result of this mandate, many stations were required to move to new channels. The FCC has given stations 39 months to complete the technical work that repacking will require, or face fines. Congress mandated that \$1.75 billion be set aside from auction proceeds to help stations repack.

Spectrum Auction & Repack Timeline

March
2010

A National Broadband Plan was developed by the FCC to identify the country's spectrum need and an auction was suggested as a way to make more room for those wireless needs.



February
2012

Congress authorized the auction process and decided that after the auction concludes and before spectrum is cleared for use by mobile providers, television stations' signals will need to be rearranged, or "repacked," to consolidate channel assignments within each market.

Spectrum Auction & Repack Timeline

September
2014

SCETV sent a Proviso to request for permission to participate in the upcoming spectrum auction.



June
2015

The SC general assembly approved the submitted Proviso to allow SCETV to participate in the spectrum auction.

Spectrum Auction & Repack Timeline

March
2016

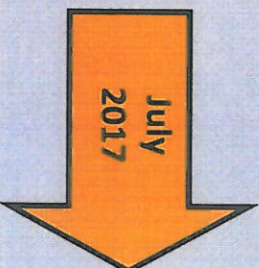


SCETV participated in the FCC auction which gave broadcasters the chance to sell some or all of their stations' spectrum.

\$8,162,610 was allocated to Dept. of Ed.
\$5,000,000 was allocated to 44 school districts and \$3,162,610 was allocated for 39 School Buses



July
2017

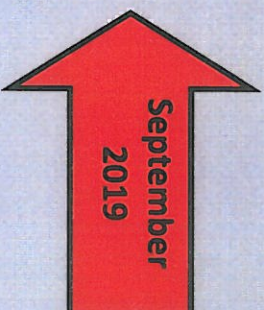


SCETV received a total of \$43,162,610 from the spectrum auction and retained \$35 million to pay for the FCC mandated repack initiative and support infrastructure including 600 towers across the state. Towers support education, public safety, emergency communications and broadcasting.

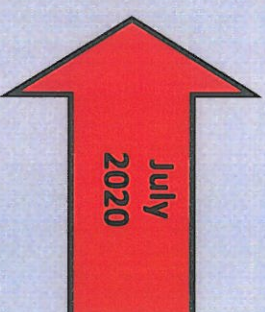
Auction Total	\$43,162,610
Dept. of Ed.	(\$8,162,610)
SCETV Total	\$35,000,000

Spectrum Auction & Repack Timeline

Phase 5 deadline for WNSC WRLLK WEBA,
WRJA, WJPM, WNEH is Sept. 6th 2019



Phase 7 deadline for WJWJ is Jan 17 2020
Phase 9 deadline for WHMC is May 1 2020
Phase 10 deadline for WNTV and WITV is
July 3 2020



Spectrum Auction Proceeds

Fiscal Year	Description	Amount
FY 17-18 Begin Balance	Spectrum Funds	\$ 35,000,000
FY 18-19	Actual	(\$4,802,750)
FY 19-20	Actual	(\$5,064,538)
FY 19-20	Estimate	(\$10,103,147)
FY 20-21	Estimate	(\$11,637,299)
FY 21-22		
Remaining Balance	Spectrum Funds	\$ 3,392,266

Repack Reimbursements

- We have received a total of \$631,631 from FCC reimbursements
- We expect to receive reimbursements through FY20-21 from the FCC for allowable repack expenditures