

INTRODUCTION

At the January 30, 2006 joint meeting of the Gainesville City Commission and the Alachua County Board of County Commissioners' meeting, the Commissions asked staff to do several things:

- 1) Explore PEG alternatives;
- 2) Develop an option for the City and County to jointly provide facilities and technical assistance for a PATV channel under a joint operational oversight committee;
- 3) Limit initial capital investment to \$250,000 and provide studio space within publicly owned facilities or facilities otherwise free to the public; and
- 4) Include options for private sector funding and technical support.

In this introduction we include a brief history of PEG programming in Gainesville. In the following section we include a review and update of staff's previous content study. Next we explore the PEG alternatives of educational, governmental and hybrid models; and we discuss the PATV issues encompassed in items 2-4 of the Commissions' motion. In the final section, we present some concerns regarding funding and implementation.

Brief History of PEG Programming in Gainesville

Under the terms of the 1993 and predecessor cable franchises, the City and County offered access to the public. Cox shared its studio space for public access programming (local origination only); produced and scheduled the programming; and provided programming services for public meetings as well. Both types of programs ran on cable channel 8. The operating cost of the small amount of cable time allocated to local origination programming was approximately \$5,000 per month back in 1993, the only year for which we have the data.

After the City and County established their own production facilities for government meetings, the demand for the public access portion of programming on channel 8 declined significantly. It was difficult to fill the schedule and in approximately 1996 the Commissions relinquished the programming time on channel 8 to Cox, a deal which included the conversion of channel 12 to purely governmental use. Public access demand continued to dwindle and channel 8 eventually became an infomercial channel for Cox.

COMMUNITY ACCESS, PUBLIC ACCESS AND CONTENT

PEG stations around the country identify themselves variously as *public access* and *community access* channels, as well as governmental and educational channels. For the most part, these terms *public access* and *community access* are used interchangeably; the phrase *community access* is not used to restrict content. *Community access* stations, then, are functionally *public access* stations. The use of *community access* is often but not always used to indicate that only residents of the funding jurisdiction and/or viewing area are permitted access. It sometimes connotes scheduling priorities, in that priority is given to locally produced material and/or to presentations about the community. Occasionally a government channel will identify itself as a *community access* channel, and less frequently an educational channel will identify itself that way. Other than these incidental exceptions, most channels identifying themselves as *community access* do actually intend to provide broad public access; that is, a forum for all content not prohibited by federal, state or local law.

Virtually all jurisdictions state in their policies that commercial content is prohibited, which is consistent with the language of the Cable Act of 1992 and the long-standing statutory intent of PEG programming. Some channels also restrict political speech to forums or debates, or restrict it around election time, or require presentation of opposing views. In addition, many public access channels use the FCC's time-of-day broadcast standards to define when material may be shown on television.

Federal and State law, case law and regulations permit content control and classification based upon *community standards*. One means of attempting to control content so it is consistent with *community standards* is to prohibit live shows unless produced under the auspices of the channel's management. This permits prior screening for content permissibility, but enforcement of *community standards* requires that such standards be defined and legislatively adopted by the community.

Updated Content Study

In 2003, staff surveyed the content of 56 stations around the U.S. with schedules available via website. In 2006, we have repeated the same survey in order to update the content information. Of the original 56 stations, content information was only available on 45 of them. This tends to indicate that 19% of stations active in 2003 were defunct three years later. The results of our two content studies are shown in the table below.

content study - 2003 and 2006

Year	2006	2003
Community-Related	25%	23%
Political	5%	8%
Religious	23%	24%
Arts/Education	28%	27%
Self-Help	7%	6%
International	0%	2%
Other	12%	10%

EDUCATIONAL, GOVERNMENTAL AND HYBRID MODELS

Consultants hired by the City and County surveyed cable customers in 2003, using a statistically valid sampling model. One part of the survey was directed to additional local programming. Results are tabulated below.

<i>customer survey results - 2003</i>	
Question - "Would You Like to See More . . .	% Total Respondents Answering "Yes"
Government Meetings/Public Hearings?"	21%
Local Sports?"	28%
Local News?"	33%
Community Events, Arts, Entertainment?"	32%

Survey results; the franchise areas' historical lack of interest in and initiative for promulgating locally originated programming; and the general makeup of channel programming nationwide (which primarily indicates that most channel programming is not of local origin in the surveyed communities) lend credence to the Commissions' exploration of models other than channels devoted strictly to public access.

Educational or governmental channels that are also advertised as community channels often permit public access within the narrower content range of educational or governmental content. These channels are generally not intended to be true *public access* channels, but submissions from the public do comprise a part of the programming schedule. In fact, based on our content review tabulated above, the vast majority of all programming on *public access* channels nationwide could probably fit within the general guidelines of an educational channel (including news).

The one exception is religious programming, but it should be noted that the vast majority of religious programming is not produced in these communities. The net result is that local subscribers are effectively paying for free advertising for national religious organizations and, in many instances, serving as free distributive channels for infomercials from national nonprofits of various types. Thus, the restriction to educational or governmental content meets the needs expressed by local subscribers in the 2003 customer survey while avoiding the

excessive cost and public relations pitfalls sometimes encountered in *public access channels*.

Governmental Channel

The third channel could be operated as a second governmental channel. If so, then Gainesville would operate one government channel and Alachua County would operate a second one. The advantages of this approach include the fact that it would serve to improve citizen awareness of how the two different governmental entities operate and how taxpayers' dollars are used in providing services to citizens.

Economics of a Second Governmental Channel If the third channel is used, then \$250,000 flows to the City and County, approximately one-third to the County and two-thirds to the City. This money would become available no sooner than August 1, 2007 under the existing franchise terms.

Costs to the County would be approximately \$70,000 to duplicate equipment, plus any additional wiring costs to get to a Cox node or headend. The County's costs would be reduced by the fair market value of its share of currently owned and shared equipment, which has yet to be determined. In addition, both the City and the County would need at least one more position in order to produce adequate material to fill both channels, plus annual operating expenses of approximately \$20,000 annually to cover incidental and materials expenses.

Educational Channel

An educational channel could be run jointly by the City and the County and would likely require two more FTE's as ongoing operating expenses, but non-personnel expenditures are likely to be minimal. The capital costs of this option are approximately the same. We estimate \$60,000 for satellite and setup costs and other services.

Hybrid Channels

Either channel type could accomplish the Commissions' goals of free debate and public access to the channel so long as the operators of the channel left available some portion of the time each day. "Citizen comments" could be recognized during a specialized hour, during which citizens could use a packaged set-up to record the comments or could do a live broadcast using widely available satellite programming sites or other identified transmission space.

Both City and County staffs have reviewed potential spaces for such operations and have reviewed potential access to School Board and other spaces. Both City and County facilities are being utilized at nearly 100% of capacity, but it is possible that some space might be set aside for these operations. The School Board does not believe its available space can feasibly be made available for a third channel, and Santa Fe's space is currently fully utilized.

PUBLIC ACCESS TELEVISION STATION

We have identified three possible options in response to the Commissions' charge to examine bare-bones public access channel operation.

- 1) The County and City lease a space and hire a coordinator and assistant to operate the station during a one-year pilot program;
- 2) The County and City find space in their existing inventory and hire a coordinator and assistant to operate the station during a one-year pilot program; or
- 3) The County and City sub-contract an existing television operation to run a one-year pilot program.

Option #1

Option #1 would require the hiring of staff and the setup and operational cost of the office. The PATV staff would be responsible for the operations of the channel and would report to the County's Communications Coordinator and/or the City's Communications and Marketing Manager. PATV staff would schedule the channel, train the public in the use of the equipment, create a system for equipment lending, create a volunteer network, and report to the PATV advisory board. The following are rough estimates of the cost of a one-year pilot project:

• Staffing costs	\$80,000
• Leased space	10,000
• Video and office equipment (see App. I)	129,000
• Office supplies	7,000
• Miscellaneous	<u>10,000</u>
Total	<u>\$236,000</u>

Option #2

Option #2 includes all the costs of Option #1 except the lease expense.

Total	<u>\$226,000</u>
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Option #3

Option #3 would involve negotiating with an existing television station to operate a one-year, PATV pilot program. Exploring this option, we located only one local station willing to explore a hybrid, public/private partnership. The County and City would lease space in the station's existing office area and staff the PATV operations. The station would provide typical office support and the use of its studio for a limited number of hours per week to produce interview or talking-head programming. We estimate the cost of this option as follows:

• Office space and support	\$24,000
• Staffing costs	80,000
• Video equipment	122,500
• Miscellaneous	<u>10,000</u>
Total	<u>\$236,500</u>

ISSUES IN FUNDING AND IMPLEMENTATION

PATV station funding is a point of disagreement between County and City staffs. The County's position is that 36.3% of both the capital and operational costs should come from the County and 63.7% from the City. This formula is based on the estimated shares of capital grant funds to be distributed to the County and City under the terms of their franchise agreements with CoxCom, Inc. If the Commission decides to go forward with any PATV implementation, City suggest a 50/50 cost share, which is consistent with the current 50/50 time split on Channel 12. An additional and major concern regarding funding, however, is that if the cable franchises are invalidated by either federal or state legislative action prior to our drawing down the additional \$250,000, then those funds are unlikely to ever become available to the City and the County, regardless of the utilization of a third channel.

Both City and County staffs are concerned about whether a third channel would be a County or City operation. Although both the County's and City's Communications Offices have the expertise to operate another channel, both staffs are quite concerned about diluting their primary missions, i.e. to communicate the activities of their respective governments.

A very significant issue in considering the operation of a PATV station in-house is the absence of a buffer between the Commissioners and the programming shown on a PATV channel. The vast majority of counties and cities contract with a non-profit organization to avoid implied or perceived endorsement of programming by the elected officials. Except for certain very broad guidelines, control of content is prohibited in the operation of a public access station (but not in the operation of a governmental or educational station). If an in-house operation is selected, Commissioners would have to accept the possibility that programming that might be offensive to some in our community would run on a government-operated channel. The Commissions would bear responsibility regardless of the use of any oversight panel.

Appendix One

Cost Projections for PATV Equipment

Character Generator	Cablecast with Carousel, PCI card and 2 year extension	\$10,000
Production	Cameras, tripods, microphones, lighting, audio/video switchers, Presentation and title computers, distribution, and modulation Equipment, set design and furniture	\$50,000
Hardware	Routing switcher, DVD players, DVCAM decks, VHS Decks, rack, and rack hardware, TBC and frame syncs	\$20,000
Processors	AGC leveler, Video Proc. Amp., Logo insertion, monitors	\$20,000
Editing	Workstation with dual processor computer, DVCAM deck, Furniture and TV monitor	\$7,500
Admin.	Computer plus office equipment and furniture with One-year internet and telephone service	\$6,500
Installation		<u>\$15,000.</u>
Total		<u>\$129,000</u>

These prices are estimates and do not include annual maintenance. Based on two-camera setup, prices will ultimately be determined by final design. This does not include property lease cost. The presumption is that Cox Communications will provide the infrastructure necessary for the delivery of the PATV signal to the Cox head-end from wherever the studio is located.