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A G E N D A

KEIZER CITY COUNCIL WORK SESSION

Monday, November 8, 2021

6:00 p.m.

Robert L. Simon Council Chambers

930 Chemawa Road NE

Keizer, Oregon 97303

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION**
 - a. **Staff Presentation**
 - **Overview of PEG Funds**
 - **Financial Projection and Impact from New Comcast Franchise Agreement**
 - **Current Service Level**
 - **Technological Options**
 - b. **City Council Discussion**
 - **Level of Service for Public, Education, and Government Programming**
 - **Funding for Desired Service**
4. **ADJOURN**

City of Keizer Mission Statement

Keep City Government Costs And Services To A Minimum By Providing City Services To The Community In A Coordinated, Efficient, And Least Cost Fashion

COUNCIL MEETING: October 18, 2021

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: R. WES HARE, CITY MANAGER

FROM: TIM WOOD, FINANCE DIRECTOR

SUBJECT: Public Education Government (PEG) Fund Update

ISSUE:

The PEG Fund is a special revenue fund set up to account for the resources and costs associated with televising public, education and governmental programming. The fund's primary source of revenue is PEG fees assessed on cable television bills. Historically the City received approximately \$130,000 in PEG fees annually. Those fees provided for the management and administration of the television production studio and the equipment used in the production of video programs played on K23.

As noted during the budget committee meetings the City is in the process of negotiating a new agreement with Comcast that as the result of legislative changes will limit future fees to only provide for the equipment used in the production of video programs.

The new agreement will have a significant impact on the City's ability to provide PEG related programming as the management and administration of the television production studio are no longer provided for. The City spends approximately \$115,000 annually for the management and administration of the television production studio, with the majority of that being paid to KeizerTV.

KeizerTV

The City is party to a Production Studio Administration Agreement with KeizerTV, which expires January 31, 2022. The agreement has a base fee of \$8,000 per month with additional services billed at \$45 per hour.

Along with maintaining the production equipment KeizerTV is responsible for recording, producing and televising:

- all City Council meetings,
- all Planning Commission meetings
- all Parks Board meetings
- all Budget Committee meetings,
- up to 10 community events per year as directed.

KeizerTV is also required to develop and maintain an on-line format for viewing of K23 content (www.keizertv.com).

With the changes to the Comcast agreement the City will not have sufficient resources to enter into a new Production Studio Administration Agreement when the existing agreement expires.

OPTIONS:

Additional Resources

If the intent is to maintain the existing service level the City could consider enacting an additional fee that could be collected either on the existing city services bill or the Comcast bill to offset the loss of PEG resources. If enacted on the City services bill the additional fee would be approximately \$0.90 per month for each account. If enacted on the Comcast bill it would be approximately \$1.25 per month for each Comcast subscriber. If there is interest in a new fee, a legal review would be necessary to determine the validity of such fee.

An alternative to creating an additional fee would be to transfer resources from the General Fund to offset the loss of PEG resources. This would likely require a reduction in the service level of departments supported by the General Fund.

Cost Reductions

In order to reduce costs, the City could utilize PEG fees to upgrade equipment to automate the recording, producing and televising of meetings reducing the need to pay for operating costs. Some possible upgrades are:

- Voice activated cameras – voice activated cameras would reduce the need for someone to manually change cameras and zoom to the active speaker. This is similar to what is used in a court setting. The downside would be that the camera would change every time someone speaks or there is a noise in the room. The City's third-party equipment consultant advises against this option as it would significantly reduce the viewability (see attachment one).
- Limited preset camera positions – the existing cameras could be setup to a preset camera position such as stage left, stage right and center. This could be combined with voice activated cameras or having someone manually changing cameras during the meeting.
- One wide camera angle – one camera could pan the entire council chambers and not zoom in on individual speakers.

In addition to reducing costs through automation the City could also consider reducing the number of meetings and events captured. Limiting the level of service to only City Council meetings would significantly reduce the overall cost. For example, the typical two to three-hour Traffic Safety Bikeways Pedestrian Committee meeting (not covered by the base fee) costs approximately \$300 (\$700 if translated) to record, produce and televise.

RECOMMENDATION:

Additional Resources/Cost Reductions

Staff recommends the council discuss the additional resource/cost reduction strategies in light of the desired level of service and provide consensus as to preferred direction.

Production Studio Administration Agreement

The 2021-22 City of Keizer Adopted Budget includes enough appropriations to provide the existing PEG Fund level of service through the end of the fiscal year however the Production Studio Administration Agreement expires January 31, 2022.

Once a strategy is determined the City will need to solicit proposals for a new Studio Production Administration Agreement.

Public Education Government Fund

The Public Education Government Fund (PEG) is a Special Revenue Fund set up to account for PEG fees assessed on cable television bills. The fees are to be used exclusively for providing governmental cable programming.

	ACTUAL			PROJECTED				
	2018-2019	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1 RESOURCES:								
2 Beginning Balance:	\$ 328,295	\$ 355,023	\$ 325,573	\$ 320,225	\$ 245,625	\$ 128,825	\$ 9,925	\$ (111,075)
3 Revenues:								
4 Licenses & Fees:								
5 PEG Fees - Old	135,706	133,476	137,767	46,500	-	-	-	-
6 PEG Fees - New	-	-	-	45,600	68,400	68,400	68,400	68,400
7 Total Licenses & Fees	135,706	133,476	137,767	92,100	68,400	68,400	68,400	68,400
8 Miscellaneous:								
9 Interest Earnings/Miscellaneous	4,681	6,264	1,599	1,500	1,600	1,700	1,800	1,900
10 TOTAL RESOURCES	468,682	494,763	464,939	413,825	315,625	198,925	80,125	(40,775)
11 REQUIREMENTS:								
12 Expenditures:								
13 Materials & Services:								
14 Administrative Costs	8,927	6,109	4,332	4,200	4,400	4,600	4,800	5,000
15 Production and Broadcasting	98,960	102,079	111,688	114,000	114,000	116,000	118,000	120,000
16 Total Materials & Services	107,887	108,188	116,020	118,200	118,400	120,600	122,800	125,000
17 Capital Outlay:								
18 Television Equipment	5,772	61,002	28,694	50,000	68,400	68,400	68,400	68,400
19 Total Expenditures	113,659	169,190	144,714	168,200	186,800	189,000	191,200	193,400
20 Other Requirements:								
21 Restricted for Equipment	-	-	-	-	-	-	-	-
22 Restricted for Operations	355,023	325,573	320,225	245,625	128,825	9,925	(111,075)	(234,175)
23 Total Other Requirements	355,023	325,573	320,225	245,625	128,825	9,925	(111,075)	(234,175)
24 TOTAL REQUIREMENTS	\$ 468,682	\$ 494,763	\$ 464,939	\$ 413,825	\$ 315,625	\$ 198,925	\$ 80,125	\$ (40,775)

Budget Notes:

Revenues:

- 5 PEG Fees are fees assessed on Comcast cable television bills. The new agreement with Comcast entered into in November 2021 limits PEG revenues to only be used for television related equipment.

	2022-23	2023-24	2024-25	2025-26
If the City were to add an additional fee to the Comcast bill to provide for operations it would require the following monthly amounts per account:	\$ 1.25	\$ 1.27	\$ 1.30	\$ 1.32
If the City were to add an additional fee to the City Services bill to provide for operations it would require the following monthly amount per account:	\$ 0.90	\$ 0.91	\$ 0.93	\$ 0.95
If the City were to maintain existing services without considering an additional fee it would require the following transfer of resources from the General Fund.	\$ 118,400	\$ 120,600	\$ 122,800	\$ 125,000

Expenditures:

- 14 The Administrative Fee pays PEGs share of the City's network costs and general administration.
- 15 Costs include broadcasting and language interpretation services associated with City Council meetings and select work session and committee meetings. Currently the Parks Board, Planning Commission, Traffic Safety Bikeways, Long Range Planning and Budget Committees are being broadcast. The existing broadcasting agreement with KeizerTV expires January 31, 2022.

	2018-19	2019-20	2020-21	2021-22
Base KeizerTV Expense	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000
Additional KeizerTV services				
Traffic Safety Bikeways	2,668	2,554	2,363	2,600
Council Work Sessions	-	765	2,115	1,500
Long Range Planning	-	-	225	300
Coffee with Cathy	-	360	68	600
Tech Assistance	293	540	79	1,000
Language Interpretation				
Interpreters	-	825	4,243	5,000
KeizerTV	-	1,035	5,198	5,400
Other (ZOOM)	-	-	1,399	1,600
	\$ 98,960	\$ 102,079	\$ 111,688	\$ 114,000

- 18 Capital Outlay expenditures are for ongoing video and television upgrades.

Keizer Channel 23 Duties

Filming:

- City Council Meetings - English (2x month)
- City Council Meetings - Spanish (2x month)
- Special City Council Sessions (varies)
- City Council Work Sessions (Rarely)
- Budget Committee meetings (3x annually)
- Parks Board (1x month)
- Planning Commission (1x month)
- Traffic Safety-Bikeways Pedestrian Committee (1x month)
- KeizerFEST (1x Annually)
- Keizer Festival of Lights (1x Annually)
- Keizer Oral History (varies)

Other Duties:

- Post announcements on channel
- Post community videos on channel (i.e. Coffee with Cathy)
- Edit/trim videos
- Post videos to YouTube channel and Facebook
- Publish videos to KeizerTV.com
- Maintain production equipment
- Update production software
- Periodically test production equipment
- Maintain theme and CMS for KeizerTV.com
- Maintain hosting platform for KeizerTV.com
- Maintain social media platforms
- Assist meeting presenters with presentation files
- Burn DVDs upon request