MINUTES
KEIZER CITY COUNCIL SPECIAL SESSION
Monday, September 8, 1997
Keizer City Hall
Robert L. Simon Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Koho called the special session to order at 5:40 p.m. Roll Call was taken as follows:

Present:
Dennis Koho, Mayor
Carl Beach, Councilor
Jim Keller, Councilor
Jerry McGee Councilor
Al Miller, Councilor
Garry Whalen, Councilor
Dawn Meier, Councilor

Staff:
John Morgan, Co-City Manager
Shannon Johnson, City Attorney
Tracy Davis, City Recorder

Mayor Koho announced that Agenda Item 3.b., City Manager Employment Contract, would be discussed in Executive Session.

ADMINISTRATIVE ACTION

CAPITAL COMMUNITY TELEVISION SERVICE

Co-City Manager Morgan presented the staff report conveying Cable Community Television Service's proposal for services CCTV can provide to the City. By becoming a member of the Cable Regulatory Commission, the City would thereby become full-fledged participants in CCTV. It would continue the broadcast of Council meetings plus make all the other elements of community based television available to Keizer residents.

Mr. Morgan briefly went over costs. He pointed out the high cost for the first year of participation. It would include a one-time capital investment "buy-in" cost of $56,708.22, and the annual operating fee, which this year would amount to $62,882.80 (40% of the franchise fee). He pointed out that although future annual fees can be budgeted, the total first year cost of $119,591.02 is an unbudgeted amount. In his written report, Mr. Morgan had identified various contingency accounts that might be looked to as a funding

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source for year one. He suggested that the Council might want to pursue a phased buy-in.

Mr. Morgan put emphasis on a second issue; insistence on being a full member of the Cable Regulatory Commission, not just an adjunct member. It would give Keizer a seat at the table along with the benefits and responsibilities accorded other full members.

Mr. Morgan deferred to Alan Bushong of CCTV to present their proposal.

Alan Bushong, CCTV Executive Director, commented on CCTV's efforts these past 18 months to give the Keizer community a good look at what community television can be. He noted that the 18-month pilot program of televising Council meetings presented a limited look for a lesser dollar amount. Mr. Bushong explained that full services would allow Keizer community groups, organizations, and individuals to take training to use the equipment, and to use the channel for their purposes. He commented on the successful efforts of one organization currently broadcasting information.

Mr. Bushong talked about promotions CCTV would do in the community to increase awareness of the services. He also commented on the training they would provide. He pointed out upcoming improvements to the system, and explained how they would benefit Keizer. One specific change would be the addition of live capability from Keizer City Hall, allowing for live broadcasting of City Council meetings.

Mr. Bushong thanked Councilor Whalen for the viewership survey recently conducted. He believed the results were very positive.

Mr. Bushong commented on projected costs for full participation in CRC. He agreed with the figures provided by Mr. Morgan, and saw possibility for phasing the buy-in fee. He explained the basis for calculating the one-time buy-in fee, and talked about what the funds from Keizer might be used for. He emphasized that the terms on payment of the one-time fee would be between the FCC and the City of Keizer. He noted that the annual fee will continue at 40% of the franchise fee, and thus the amount will grow as franchise fees grow.

Mayor Koho questioned the composition of the Cable Regulatory Commission. Mr. Bushong answered that it consists of two Salem city councilors and one Marion County commissioner. Although he could not speak for the group, past discussion left him with the impression that if Keizer were to join, it would be as a voting member of the body. He noted their requirement that a member of each participating entity be present for a meeting to be held.

Mr. Bushong confirmed Councilor Beach's understanding that the annual fee would raise in proportion to the franchise fees collected by the City. In response to a question from Councilor Beach as to whether services other than a full membership were possible, Mr. Bushong knew of nothing other than the full package. He explained that the pilot program was in the sense of an introductory offer.

Councilor McGee pointed out that the survey statistics quoted in CCTV's proposal could lead one to mistakenly believe that viewership of Keizer Council meetings is greater than that for a top-rated network TV show. Mr. Bushong confirmed with Councilor Whalen that the 22% percent viewership of Council meetings quoted from the survey represented all viewers questioned, not just cable subscribers. Regardless of other factors, Mr. Bushong believed this to be a very good number.

In light of the explanation in the proposal that Keizer's buy-in fee would likely go for new equipment, Councilor Beach was concerned that once Keizer became a full member of CRC, additional upgrades might require Keizer to pay a proportionate share of the costs in addition to the on-going fee. Mr. Bushong explained that a portion of the annual operating fee collected by the cable operator would be passed on to take care of future capital needs. He saw no risk to the City for additional costs.

Councilor Whalen asked if the proposed agreement came from CCTV and CRC as one body, or if there would be individual agreements. Mr. Bushong explained that CCTV contracts with CRC. Keizer would work with CRC to join, and as such, would become one of CCTV's bosses. CCTV is the service provider only. Mr. Bushong was unsure of any specified duration for CRC membership. He believed that participation would be on a year-by-year basis, as budgeted for. He noted Salem and Marion County's nine year participation. When asked by Councilor Whalen about the basis for a seat at CRC's table, Mr. Bushong pointed out

that Salem is paying annual fees three times greater than Marion County but has only two seats at the table. He had not heard any talk of proportionate representation, and was unsure what basis was originally used. Mr. Bushong reaffirmed for Councilor Whalen the existence of a fund to cover long-term capital needs.

Councilor Whalen asked if Keizer would always be on the same channel when three live channels are operational in January of next year. Mr. Bushong noted that not all details have been worked out at this point, but that the plan would be for minimum disruption. The idea is to put all the live public affairs programming on Channel 25. He acknowledged that there is potential for scheduling conflicts with live broadcasts. With regard to the use of equipment by groups other than the Council, Mr. Bushong noted that equipment use is on a first-come, first-served basis.

Councilor Meier noted the lack of opportunity to obtain local information during the recent floods. She wondered if CCTV might play a part in getting information to the local community in any future emergency event. Mr. Bushong recalled CCTV's participation in emergency discussions following the floods. He noted that CCTV cannot transform into a news channel. He, however, saw opportunity for a link with the emergency operations center to send out a live signal to the community.

Councilor Keller recalled CCTV's broadcast of the candidate's forum during the last election. He wondered if in addition to regular Council meetings, there would be opportunity for broadcast of Council work sessions on issues having an impact on the community. Mr. Bushong noted that Salem and Marion County were asked to be judicious in their requests for broadcasting. Keizer, as well, would have opportunity to pick what it wishes to broadcast.

Council discussed whether or not to proceed with the discussion, or to place the issue on the next regular meeting agenda. It was pointed out that since this was not a regular meeting, any final decision would require suspending the rules.

With regard to the funding issue, Councilor McGee disagreed with using the specific contingency funds identified by Mr. Morgan. He believed that the City's Charter would prohibit use of the Water Fund contingency, and he seriously questioned using the Streets and Urban

Renewal contingencies. Although the City Hall Facility contingency might be acceptable, he believed the more appropriate contingency funds would be the Revenue Sharing and General Fund. He noted, however, that with the $119,000 expenditure, those two funds would be depleted by almost 50%.

Councilor Miller agreed with Councilor McGee as to the three more appropriate contingency funds. He, however, had based his calculations on a three-year, phased buy-in. The annual cost for each of the three years would be $80,782.80. Councilor Miller believed that CCTV had provided a good service for the City, but, that it wouldn't be fiscally prudent to take on such an expense. He pointed out the likelihood of other demands on the recently passed new tax base, such as large increases in the Police budget. He indicated that he would hate to see the City having to go out for another levy.

Mr. Morgan clarified for Councilor Meier the appropriate uses for Revenue Sharing. He noted that this year's Revenue Sharing contingency is the largest ever set aside. He confirmed that all of the City Hall Facility funds were placed in contingency since no capital outlay was proposed.

Councilor Meier believed that the funding source was available since the Revenue Sharing contingency was far greater than usual, and the $175,000 in the General Fund contingency was probably far more than the necessary amount. She favored the three-year buy-in approach. Although she had some concerns about the yearly fee, she felt that the City's participation would be worthwhile for the community.

Councilor Keller questioned the amount spent annually to get information out to the public. He cited the City's newsletter as an example. Mr. Morgan believed about $17,000 yearly was spent. He acknowledged that those funds were now being used to buy the Council broadcast.

Councilor Keller agreed with staff that Water, Streets, and Urban Renewal contingency funds would be appropriate funding sources. He wished to see the City Hall Facility contingency remain intact. He indicated support for the buy-in and the annual fee.

Councilor Whalen indicated strong support. He favored using the three-year buy-in. He believed that using the

Water contingency would be inconsistent with its dedicated use, but supported using General Fund and Revenue Sharing contingencies. He felt that the broadcasting opportunity offered a good tool to keep the tax payers informed.

Mayor Koho supported the proposal. He believed the capital buy-in should be done on a two or three-year basis, and taken entirely from Revenue Sharing. He was undecided as to which funds to draw from for the annual expenses. He pointed out that the specific funding source would not have to be decided tonight. Should Council agree to participate, after approval by the Cable Regulatory Commission, funding would come back as a budget amendment for Council's consideration.

Mayor Koho questioned whether action could be taken by the Council since the meeting was noticed as a "Special Session." It was City Attorney Johnson's opinion that anything other than a "Regular Meeting" would require a consensus of the Council to suspend the rules.

Councilor McGee indicated that although he would be voting against the proposal, he would vote in favor of suspending the rules.

Mayor Koho moved to suspend the rules and thereby allow the Council to consider the matter for action at this meeting. Councilor Meier seconded the motion.

The motion passed unanimously as follows:

AYES: Beach, Keller, Koho, McGee, Meier, Miller and Whalen (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Mayor Koho moved that the City of Keizer express to the Cable Regulatory Commission Keizer's interest in joining the Commission and paying over a yet-to-be-determined two or three years the buy-in for capitalization, thereby joining in and being a full partner at the regular rate, and in return Keizer expects one or two seats on the Cable Regulatory Commission. Councilor Meier seconded the motion.

Councilor McGee anticipated that by becoming a member

of the CRC, the City would pay annually a figure equal to 40% of its franchise fees. He, however, indicated his preference that any communication with the CRC fall short of saying that the City will pay 40% of its franchise.

Mayor Koho clarified for Councilor Miller that the City is receiving the full 5% from Keizer cable billings that is allowed by law. He noted that all those funds are going into the General Account. The anticipated 40% of franchise fees would amount to 2% of what Keizer receives.

The motion passed as follows:

AYES: Keller, Koho, Meier and Whalen (4)
NAYS: Beach, Miller and McGee (3)
ABSTENTIONS: None (0)
ABSENT: None (0

Mayor Koho expressed his appreciation to CCTV for the work done for the City. He indicated that Keizer would be waiting for a response from CRC.

EXECUTIVE SESSION

The City Council recessed at 6:30 p.m. to executive session pursuant to ORS 192.660(1)(d) - City Manager Employment Contract.

CITY MANAGER EMPLOYMENT CONTRACT

The Executive Session was adjourned at 7:48 p.m.

The Special Session reconvened at 7:48 p.m. . Mayor Koho announced that no action was taken in executive session.

OTHER BUSINESS

There was no other business to come before the Council.

ADJOURNMENT

The meeting was adjourned at 7:49 p.m.

Tracy L. Davis
City Recorder

APPROVED:
MAYOR:

Dennis Koho

COUNCIL MEMBERS:

Councilor #1 - Garry Whalen

Councilor #2 - Dawn Meier

Councilor #3 - Jim Keller

Councilor #4 - Carl Beach

Councilor #5 - Al Miller

Councilor #6 - Jerry McGee

Minutes approved:

December 1, 1997