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

AGENDA

KEIZER CITY COUNCIL
SPECIAL SESSION
Wednesday, September 3, 1997
5:00 p.m.
Robert L. Simon Council Chambers
Keizer City Hall
Keizer, Oregon 97303

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **EXECUTIVE SESSION**

   a. **Pursuant to ORS 192.660 (1)(d) - Discussion of City Manager Candidates**

4. **ADMINISTRATIVE ACTION**

5. **OTHER BUSINESS**

   This time is provided to allow the Mayor, Council Members or staff an opportunity to bring new or old matters before the Council which are not listed on the agenda.

6. **ADJOURN**

[redacted]

The Oregon Public Meeting Law authorizes governing bodies to meet in executive session in certain limited situations. An executive session is defined as any meeting or part of a meeting of a governing body which is closed to certain persons for deliberations on certain matters as defined by ORS 192.660. These sessions are closed to the public and under certain circumstances the media also. The governing body is not allowed to take any final action or make any final decisions during the executive sessions. Any final action or decision must be made after returning or at the next regularly scheduled meeting.

CITY OF KEIZER MISSION STATEMENT

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AGENDA

KEIZER CITY COUNCIL
SPECIAL SESSION
Monday, September 8, 1997
5:30 p.m.
Robert L. Simon Council Chambers
Keizer, Oregon 97303

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **ADMINISTRATIVE ACTION**

   a. **Capital Community Television Service**

   b. **City Manager Employment Contract**

4. **OTHER BUSINESS**

   This time is provided to allow the City Council or Staff an opportunity to bring matters before the Council which are not on the agenda.

5. **ADJOURN**

Upon request, auxiliary aids and/or special services will be provided to participants with disabilities. To request services, please contact us at 390-3700 at least two working days (48 hours) in advance.

CITY COUNCIL MEETING: Sept. 8, 1997

AGENDA ITEM NUMBER: 3a

TO: MAYOR AND CITY COUNCIL

FROM: JOHN N. MORGAN, AICP
CO-CITY MANAGER
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: CAPITAL COMMUNITY TELEVISION (CCTV) SERVICE

DISCUSSION:

Tonight's workshop will be on the concept of Keizer becoming a member of the Cable Regulatory Commission and thereby becoming full-fledged participants in CCTV. If this course is followed, it will continue the broadcast of Council meetings plus make all the other elements of community based television available to Keizer residents. But, this action is not without substantial cost.

Alan Bushong of CCTV has prepared the attached detailed description of the program that is being proposed to Keizer. He will be at the workshop to summarize the proposal, answer questions, and participate in the Council's discussion.

Participation in CCTV brings two costs to Keizer. The first is the "buy-in." This is the charge to become a member of the system which represents a one-time capital investment. The proposed buy-in cost is $56,708.22.

The second cost is the annual operating fund, which is proposed to be 40% of the TCI franchise fee. This is the same percentage amount paid by Salem and Marion County into the system. Based on this year's budgeted revenue of $157,207.00, the fee would be $62,882.80. These two fees, therefore, mean that the first year cost will be $119,591.02, which is an unbudgeted amount. In subsequent years the annual cost of approximately $63,000 can be budgeted.

While the $119,591.02 cost is within the projected franchise fee revenue, that revenue currently supports the general fund. Using these funds for CCTV means that other funds must be tapped to make up the loss to the general fund.

The first place to look for this amount is in the various appropriate contingencies found within the budget. These include the following:

Fund	Contingency
General	$175,000.00
Revenue Sharing	$45,009.00
City Hall Facility	$31,600.00
Water	$50,000.00
Streets	$50,000.00
Urban Renewal	$600,000.00
TOTAL	$951,609.00

Staff suggests that two financial actions may be appropriate. First, the Cable Regulatory Commission can be asked to allow the original buy-in cost to be paid over three years. Since this is a totally unbudgeted amount this year, it is not unreasonable to allow the City to work to absorb approximately $18,900 this year and then budget for that amount in two subsequent years.

The second action is to take the funds from contingency, but to share those costs between several funds. Since CCTV is a universal service to be provided to the citizens, which provides information on the vast array of city services, Staff believes it appropriate to use multiple funds for this purpose. Out of the funds listed above, Staff suggests all except City Hall Facility be used, with a split of 35% for Revenue Sharing, 35% for General, and 10% each for Water, Streets and Urban Renewal. Based on a three year buy-in, this formula yields a cost of $28,624 for Revenue Sharing, $28,624 for General, and $8,178 each for the other three funds.

If the buy-in is accomplished in one year, the costs based on this formula would be $41,857 for Revenue Sharing, $41,857 for General, and $11,959 each for the other three funds.

If Council wishes to proceed, it is suggested a letter be sent from the Council to the CRC affirming this proposal, making whatever specific adjustments the Council wishes, and requesting its approval.

Services CCTV Can Provide to the City of Keizer
as a Participant in the Cable Regulatory Commission (CRC)
prepared by CCTV Executive Director Alan Bushong

CCTV's Services

Full participation in the CRC bring a local member government and its community the full services of Capital Community Television (CCTV) and a presence on the powerful medium of television. CCTV would provide to the Keizer community the same services now provided to Salem and to the portion of Marion County served by TCI CableVision. Specific services to the City of Keizer would include

1. Coverage of regularly scheduled Keizer City Council meetings, tape-delayed now, soon to be live (see below)
2. Additional limited government programming. Examples could include:
   - Budget Committee meetings
   - Election forum programs
   - The community forum program
   - 30 second information spots
   - Public safety programs
3. TV production and media literacy training for Keizer residents/representatives of Keizer organizations
4. Collaborative on-the-job training with students at McNary High School and Whiteaker Middle School media classes
5. Keizer community use of production studio and location equipment
6. Keizer community use of community channels, one now, soon to be three (see below)
7. Outreach and promotional events in Keizer, like the Iris Festival

Last year, Channel 25 carried more than 1200 hours of television programs produced in this community. To date, CCTV has trained more than 400 people in studio production and over 400 in location production and editing. Members of the Keizer community could join in this work.

Work in the schools

After years of training individual students, CCTV is designing a training project for high school and potentially for middle school media classes that will provide a wide range of production experiences, including high school sports and arts, local government meetings, studio performance and talk shows and location production with portable equipment. Students will be trained to use CCTV's production van, studio, camcorders and editing equipment. CCTV is prepared to work with Media Teacher Mike Markee at McNary High School as a part of this project.

Upcoming changes and improvements

1994 Franchise resources are improving community TV

CCTV will make several improvements this fall and winter, thanks to resources negotiated in the 1994 Cable Franchise with TCI CableVision. Those improvements are:

- addition of two new community channels (increasing from one to three)
- purchase of $300,000 of modern digital-to-tape production equipment
- addition of live capability from several sites, including the Marion County Courthouse and Keizer City Hall

How the improvements can benefit Keizer

1. Live Keizer City Council meetings: estimated January, 1998
As TCI completes the last installation of fiber optic cables to Keizer public facilities and completes a series of links throughout the system, CCTV will be able to televise Keizer City Council meetings live. CCTV is currently bidding fiber optic transmission equipment which will send the signal from the production van through the fiber optic cables to CCTV's channel Master Control, where CCTV switches live programs onto the channel.

With current equipment, CCTV can televise live programming from only three sites (and adjacent areas which can be reached with a 400 foot cable):
1. CCTV's studio
2. Salem City Council Chambers
3. Al Louck's Lecture Hall in the Salem Public Library

New sites include:

Marion County Courthouse : commission meetings have been shown tape-delayed since the December 12, 1990 meeting
Keizer City Hall: council meetings have been shown tape-delayed since the February 5, 1996 meeting
Salem-Keizer Schools Support Services Building: school board meetings have been shown tape-delayed since the July 8, 1997 meeting

2. Eliminating the bumping of programs, including Keizer City Council meetings: estimated January 1998
Bumping programs will practically disappear when CCTV expands to three cable channels, planned for January of 1998. Bumping currently happens when a live program becomes available at the same time a tape-delayed or repeated program is scheduled, or when holidays shift government meetings to Tuesday. Additional channel capacity and new transmission equipment will allow CCTV to *televise three programs simultaneously*.

3. Viewership
Several factors indicate that viewership can and will increase:

1. Live City Council meetings are more useful to viewers and generally draw an audience that will not watch tape-delayed meetings
2. Greater CCTV promotion will increase awareness in Keizer
3. Participation by Keizer groups and individuals in training and program production will involve more people in community TV, including production of Keizer City Council meetings
4. The presence of programs generated by the Keizer residents draw more Keizer viewers to community TV channels

Keizer Survey
CCTV thanks Councilor Garry Whalen and his family for the survey he conducted. CCTV points to several factors typical of community TV:

1. 65% of people pay for cable and receive Channel 25, very close to the nationwide average of 63%
2. 22% watch Keizer City Council meetings, a number higher than June Neilsen ratings for broadcast programs--Seinfeldt, the #1 program, drew 13.7% of voters; people like seeing

local people and local government on TV, and City Council meetings are the most widely viewed community TV program nationwide
3. two-thirds of the 36% aware that Keizer City Council meetings are on TV are viewers; people involved in local community affairs tend to watch community TV
4. more people (48%) favor spending property taxes for community TV than view or are aware of Keizer City Council meetings on Channel 25. This *is a typical finding in community TV surveys. People like the idea, even if they are not currently watching.*

In addition, nationwide, generally about two-thirds of cable subscribers watch community TV channels. Obviously, there are a lot of viewing choices. TCI currently offers 70 channels and not even the commercial broadcast networks are getting numbers in the 30% range, outside special events like the Olympics and the Super Bowl.

Community TV viewing numbers increase over time. In 1994, then Salem Mayoral candidate Roger Gertenrich conducted a survey that showed 44% of Salem residents watching Council meetings. That fall of 1994 survey followed four years of live coverage of Salem City Council meetings.

Costs for full participation in the CRC

These costs will be identified by the Cable Regulatory Commission. CCTV can provide the numbers under discussion:

How much will this cost?

1. A **one-time** "buy-in" fee to cover Keizer's share of costs in the equity of a successful community TV operation with an eight year history: the figure **$56,708.22** has been approved by the CRC for consideration by the City of Salem and Marion County as an equitable figure

2. **each year 40%** of cable television franchise fees on a monthly basis, or approximately **$55,000** in 1997-98. This is the percentage of franchise fees the City of Salem and Marion County have paid since late 1988.

What do these numbers represent?

The one-time buy-in represents a calculation of the Keizer share (19.4%) for three types of expenses fully funded at the time by Salem and Marion County:
1. CCTV's start-up year. CCTV put policies into place, designed and purchased equipment, hired staff and trained volunteers; no direct services were provided.
2. Equipment purchased from franchise fees. Cable franchise capital funds were inadequate for all purchases. Over $200,000 of equipment was purchased with franchise fees provided by Salem and Marion County.
3. Cable franchise negotiation and management. None of the community TV resources would exist except for the work of Salem and Marion County to secure and provide channels, equipment funds, and fiber connection from Viacom and now TCI through cable franchise negotiation and management.

Where will Keizer funds go?

This is a decision of the Cable Regulatory Commission; discussion to date has been as follows:

1. Spend the one-time buy-in fee on modern digital cameras and recorders for the production van . The cameras are more than seven years old, and have been used in the production of more than 1,000 programs, many of these outdoors. A one-time fee is best used on capital, versus ongoing operating expenses. The purchase would directly benefit Keizer since the production van is used to cover Keizer City Council meetings.

2. Spend the franchise fee money on CCTV staff working in Keizer. CCTV has a staff of 7.5 FTE. The Producer position held by Gary Williams has been funded from the Keizer pilot project funds from the City of Keizer and a variety of job training program funds, the latter a temporary source. The operating funds would allow CCTV to keep the Producer position and to add paid training and outreach and to handle an anticipated increase in programming on community channels.

A note on franchise fees:
Local governments can collect a 5% (from cable providers) gross receipts payment called a franchise fee. Community TV is usually funded from these fees, with 2% (40% of the 5%) being the most common amount; part of the rationale is that only cable subscribers pay this fee, and in turn deserve some unique benefits derived from the fees. The remainder of franchise fees are used to benefit the community at large.

What are the terms on payment of the one-time fee?

This is an issue for the CRC and Keizer. Two ideas have been discussed: a lump sum at the time of entry; spreading the payment over a two or three year period.

What other costs are involved?

To CCTV's knowledge, none. Franchise fee payments would be based on fees collected by the City of Keizer from TCI CableVision. As subscribers and rates increase, franchise fees and both the portion paid to the CRC and retained would increase accordingly.

If you have questions in advance, feel free to contact me at CCTV, 588-2288. I look forward to meeting with you on Monday.

Alan Bushong, CCTV Executive Director