

# City of Los Alamitos

## Agenda Report Discussion Items

July 21, 2015  
Item No: 9F

**To:** Mayor Richard D. Murphy & Members of the City Council  
**Via:** Bret M. Plumlee, City Manager  
**From:** Jason Al-Imam, Administrative Services Director  
**Subject:** Cable Study Report

**Summary:** Skyline Mediacast Productions (Skyline) has completed the Cable Operations Study. Ernie Castello and David Ihrig will present the results of the study to the City Council at the meeting on July 21, 2015.

### Recommendations:

1. Receive and file the Cable Operations Study and presentation by Skyline; and,
2. Discuss the results of the Cable Operations Study; and,
3. Provide direction to Staff regarding the desired business model for Los Alamitos Television.

### Background

On March 23, 2015, the City Council approved the selection of Skyline Mediacast Productions (Skyline) to perform a Cable Operations Study. The goal of the study is to minimize operating costs of Los Alamitos Television (LATV) while at the same time finding revenue offsets that reduce or eliminate the net cost to the City's General Fund.

The Cable Operations Study commenced on April 1<sup>st</sup> and was completed on June 30, 2015. The Cable Operations Study (**Attachment 1**) outlines several key findings and recommendations, which includes a recommended operations model along with a range of alternative options with varying levels of locally-originated content. The study also offers new innovative models that have the potential to create new content that is fiscally self-sustainable.

### Discussion

#### Overview of PEG

When agencies award franchises for the use of public rights of way to offer cable television service, many local jurisdictions have required the cable companies to set aside some of their channel capacity for public access, educational, or governmental

(collectively, PEG) use and to provide financial support for those PEG access channels. PEG channels are not mandated by federal law, rather they are a right given to the franchising authority, which it may choose to exercise.

The City receives approximately \$31,200 in PEG fees from Verizon and Time Warner subscribers annually. Those PEG fees are required to be spent on capital expenditures which are generally defined as those costs incurred in or associated with the construction of PEG access facilities.

Under Section 611 of the Communications Act, a Local Franchise Authority (LFA) can designate how a PEG channel can be used. If the LFA chooses, it can designate a PEG channel strictly for public access, strictly for educational, strictly for government or a combination of public, educational and government use.

The City Attorney has indicated that the City can continue to collect PEG fees without the need to continue providing public access. Public access is traditionally defined as a form of non-commercial media where the general public can create content for television programming with the use of government-owned equipment and facilities. The PEG fees can be used for equipment for “educational” and/or “government” even if the City no longer has a “public” channel.

#### Current State of LATV

The Policies and Procedures for Los Alamitos Television (LATV) (**Attachment 2**) were amended and adopted by the City Council on November 16, 2009, which set forth the goals and mission of LATV. However, the policies and procedures have not been followed. For example, the policies refer to a station manager throughout the document yet the station has not had a station manager for several years.

The station is currently producing very little new content partly due to the fact that there is no formalized process for programming and also due to the fact that there is no Cable Operations Manager to oversee the station operations. Therefore, LATV has been operated in disarray for the past several years.

Based on the current level of operations, the net cost to the General Fund to operate LATV is approximately \$26,800, which covers filming and programming of City Council meetings and Planning Commission meetings and but does not include costs for a station manager.

#### Skyline’s Recommended Business Model

The report encompasses a wide-range of issues. However, it is recommended that the City Council provide direction on the business model that it desires for LATV prior to addressing any other matters since this decision will affect other decisions regarding equipment purchases, role of the Cable Commission, etc.

Skyline has outlined five business models for LATV, which are outlined below. All five business models address the core issue relating to the absence of a Cable Operations Manager. In addition, four of the five models reflect Skyline's overriding recommendation that the City eliminate public access to City-owned equipment and facilities (except for the Fully-Managed Public Access Model). The City could continue to broadcast "bicycled" locally-originated content. A "bicycled" program is a program that is produced without the use of city-owned equipment. The City could also broadcast locally-originated content through a sponsored programming model. Under this model, the City could still enjoy locally-originated content without the financial and administrative burden of providing public access.

**Sponsored Programming with Cable Operations Manager (Skyline's Recommended Model)** – The most innovative and specifically tailored model is a pay-per-project sponsored programming model utilizing a cable operations manager. This model has the potential to create revenue offsets to the General Fund by creating programming that is supported by local sponsors such as businesses and booster clubs. The cost to the City's General Fund to hire a cable operations manager is estimated to be approximately \$10,400. The pay-per-production sponsored programming model has the potential to generate approximately \$13,450 of net income, which would pay for the cable operations manager and would provide for the filming of 4 City events. This model would eliminate public access to City-owned equipment and facilities.

**PCTA (Another Recommended Business Model for Consideration)** – Skyline recommends that the City explore the possibility of the Public Cable Television Authority (PCTA) taking over operations of LATV. PCTA is a joint powers authority that currently serves the cities of Huntington Beach, Stanton, Fountain Valley and Westminster. PCTA would operate LATV in exchange for receiving the City's PEG fees (which are approximately \$30,200 annually) in addition to a portion of the City's cable franchise fees. The City of Los Alamitos receives approximately \$167,000 in cable franchise fees annually. PCTA would provide locally originated content and government programming, which they would produce for the city of Los Alamitos. The amount of the City's cable franchise fees that PCTA would require from the City of Los Alamitos would depend on the scope of services performed. Once the City Council has determined the desired scope of services, the Board of the PCTA would need to determine the fee structure for the requested services. This model would eliminate public access to City-owned equipment and facilities.

**Minimal Government Programming (Alternative Business Model)** – One way to minimize the impact to the General Fund is to minimize the activity level of the station. If the council decides this is the model that best serves the public, then the city could choose to stop all locally originated programming, and simply air city meetings and a "graphic slide show with music, which is called a bulletin board. This would have no additional fiscal impact to the General Fund and would not require any capital purchases of cable equipment. This model would eliminate public access to City-owned equipment and facilities.

**Fully-Managed Government Programming (Alternative Business Model)** – The city could decide to adopt a model in which the city hires a cable operations manager that

reports to the city manager. The cable operations manager would produce a full programming schedule, which includes city event coverage, sporting events, and other public interest programs. The impact to the general fund could remain at \$25,000 if the city were able to follow the suit of other cities that use their capital funds to purchase completed videos as capital assets for the city. In this model the city would purchase \$30,000 worth of video assets. This model would eliminate public access to City-owned equipment and facilities.

**Fully-Managed Public Access (Alternative Business Model)** – Should the city decide they would like to reinstate a full public access programming model, the city could enter into a contract with a Public Access Manager who would be responsible for production of all the city’s content. This would include city meetings and programs produced by local volunteers. In addition, the Public Access Manager would be responsible for all of the duties of the Cable Operations Manager. Skyline has estimated that this model would increase the impact to the City’s General Fund by approximately \$15,000.

The Council could choose any one of the five business models for LATV. Alternatively, the City Council could choose a hybrid model that incorporates elements from two or more business models as desired.

Ernie Castello and David Ihrig will present the results of the study to the City Council and will be available to answer any questions. Skyline has prepared a PowerPoint presentation (**Attachment 3**) to facilitate the discussion.

## Fiscal Impact

On March 23, 2015, the City Council approved a supplemental appropriation to fund the cost of the Cable Operations Study, which is \$18,000. The fiscal impact associated with the recommendations made by Skyline are outlined below, which is based on the Comprehensive Budget (**Attachment 4**) that was prepared by Skyline.

<u>Skyline’s Five Business Models for Los Alamitos Television</u>						
	<u>2015/16 Budget Based on Current Operations</u>	<u>Sponsored Programming with Cable Operations Manager</u>	<u>PCTA</u>	<u>Minimal Government Programming</u>	<u>Fully- Managed Government Programming</u>	<u>Fully- Managed Public Access</u>
<u>Net Income/ (Expense):</u>						
<b>LATV Fund 28</b>	29,266	(50,442)	(2,134)	27,266	(80,442)	(50,442)
<b>General Fund</b>	(26,800)	(22,610)	TBD <sup>1</sup>	(26,100)	(23,200) <sup>2</sup>	(38,200)

<sup>1</sup> – PCTA would operate LATV in exchange for receiving the City’s PEG fees (which are approximately \$30,200 annually) in addition to a portion of the City’s cable franchise fees. The amount of the City’s cable franchise fees that PCTA would require from the City of Los Alamitos would depend on the scope of services performed. Once the City Council has determined the desired scope of services, the Board of the PCTA would need to determine the fee structure for the requested services.

<sup>2</sup> –impact to General Fund would be a net cost of \$53,200 annually if the \$30,000 expenditure associated with the recommended video purchases are not determined to be eligible uses of PEG fees.

With the exception of the PCTA business model, all of Skyline's recommended business models include the hiring of a Cable Operations Manager. The cost to the City's General Fund to hire a Cable Operations Manager is estimated to be approximately \$10,400. The Cable Operations Manager would be responsible for carrying out the following duties:

- Scheduling of programs and bulletin board material
- Managing and monitoring equipment and studio / location
- Reviewing proposals from the community for possible sponsored programs for broadcast on LATV and make decisions whether to accept or deny such proposals. If a proposal is accepted, the Cable Operations Manager would hire talent and crew to produce the program or event
- Supervise Doug Wood
- Implement per-project sponsor programming model

The Sponsored Programming Model has the potential to generate approximately \$13,450 of net income, which would pay for the cable operations manager and would provide for the filming of 4 City events. Therefore, staff concurs with Skyline's recommended Sponsored Programming Model.

Submitted By:



Jason Al-Imam  
Administrative Services Director

Approved By:



Bret M. Plumlee  
City Manager

Attachments:

1. Cable Operations Study
2. 2009 LATV Policies and Procedures
3. PowerPoint Presentation
4. Comprehensive Budget

# LOS ALAMITOS TELEVISION CABLE OPERATIONS STUDY

## Executive Summary

“As a report from the Benton Foundation noted, “Perhaps the most promising trend on the horizon for community media is the emergence of new highly integrated organization structures and collaborative processes.” Enlightened PEG leaders realize that their industry has to innovate to remain relevant, especially given the competition for cable channels and the ability the Internet provides for anyone to speak their mind.”

<https://transition.fcc.gov/osp/inc-report/INoC-7-PEG-Access-Channels.pdf>

## **About this Study**

As dictated in the Scope of Services agreement, “the goal of this study is to minimize operating costs of LATV while at the same time finding revenue offsets that reduce or eliminate the net cost to the City’s General Fund.”

Creating video content requires resources.

As you read the report, keep in mind the study is making recommendations on how to provide some services that are not currently provided. Several options presented in this report are minimizing the costs of *future* services. And therefore, not every option creates a decrease in the current budget.

The recommendations in this report offer a spectrum of options from ‘no new content and no fiscal impact,’ to ‘a lot of new content and an increased fiscal impact.’ This study also offers new innovative models that have the potential to create ‘some new content with no fiscal impact,’ and potentially create ‘a lot of content with no fiscal impact.’

## **The Current State of PEG Programming**

The PEG industry is currently in a state of overhaul. PEG channels cannot operate the way they did years ago, because the circumstances are different. Funding is different. At this point in time, there *is* no standard or best practice. Successful PEG stations have adapted to take advantage of the *unique* resources available to them in their communities.

This study attempts to identify the unique potential that exists in the Los Alamitos/Rossmoor communities as well as capitalize on the strengths of the station’s personnel.

## **Deciding LATV’s Future**

The decision about how to structure and operate LATV will be determined by the value of Locally Originated Programming in relation to the cost to the public.

As we all know, neither value, nor cost, is represented solely by dollar signs.

Cost can be considered in terms of the lost time of city staff attempting to manage tasks that require a specialized field of knowledge. It’s burdensome, but more importantly inefficient, and displaces time from other tasks that are more appropriate to their positions.

Value can be considered in terms of nurturing a sense of community pride and broadcasting the community’s achievements.

## **Key Findings**

Recommendations are based on the following key findings of this study:

1. LATV currently has no operations manager responsible for making decisions.
2. LATV's currently stated operation's model is not currently practiced.
3. The Los Alamitos community would enjoy and support Locally Originated Programming.
4. LATV's equipment captures and broadcasts in Standard Definition, which is an outdated format.
5. LATV currently has no live streaming capabilities and very little online presence.

## **Funding**

The LATV Fund 28 holds approximately \$140,000. This account is currently slated for Capital Needs. The balance has built up as no new equipment has been purchased in the past three years.

According to city staff, the annual budget for LATV operations, which currently consists of capturing city meetings, as well as choosing and scheduling programming the channel is currently \$25,000, which is paid from the city's general fund.

## **Overview of Equipment Recommendations**

LATV has the resources to purchase equipment. It does not currently have budgeted resources to pay for labor. Therefore, it is recommended to purchase production equipment that reduces the labor-intensive aspects of production.

If LATV is to continue to produce video content, it needs to be able to function in many different environments. Therefore, the recommended equipment is mobile and can be set up at sporting events, in a studio, or in a local business.

## Options for Operations Models

**Minimal Government Programming** - One way to minimize the impact to the general fund is to minimize the activity level of the station. If the council decides this is the model that best serves the public, then the city could choose to stop all Locally Originated Programming, and simply air city meetings and a graphic slide show with music, which is called a bulletin board. This would have no additional impact to the general fund and no reason to purchase equipment at this juncture.

**Public Cable Television Authority** - Another option is to allow the Public Cable Television Authority (PCTA) to take over operations at LATV. An agreement would have to be reached with their Board. PCTA would collect the annual PEG fees, plus a TBD portion of the franchise fees. PCTA would provide some Locally Originated Content, which they would produce for the city of Los Alamitos. It is recommended that the city get more information on the specifics of this arrangement by asking the Station Manager to propose an agreement to their Board of Directors.

**Fully Managed Public Access Manager** - Should the city decide they would like to reinstate a Full Public Access programming model, the city could enter into a contract with a Public Access Manager who would be responsible for production of all the city's content. This would include city meetings and programs produced by local volunteers. Neither the manager, nor the city would have any control over the content that is produced. The manager's salary would likely cost \$40,000, paid from the general fund, which would increase the impact to the city fund by \$15,000.

Should the city decide that they would like to implement a full Public Access model, the city would have the option to choose to invest in less professional equipment, which would lessen the impact on the Fund 28, but not the General Fund.

**Fully Managed Government Programming** - The city could decide to adopt a model in which the city hires a cable operations manager that reports to the city manager. The cable operations manager would produce a full programming schedule, which includes city event coverage, sporting events, and other public interest programs. The impact to the general fund could remain at \$25,000 if the city were able to follow the suit of other cities that use their capital funds to purchase completed videos as capital assets for the city. In this model the city would purchase \$30,000 worth of video assets.

**Sponsored Pay-Per-Project Model** - The most innovative and specifically tailored model is a pay-per-project sponsored programming model utilizing a cable operations manager. This model has the potential to create revenue offsets to the general fund by creating programming that is supported by local sponsors such as businesses and booster clubs. The manager is paid 10,400 annually from the general fund, but using a pro forma model, which assumes a modest production schedule, the general fund is offset by \$3,050.

	Minimum Government Programming	PCTA	Fully-managed Public Access (Full Upgrade)	Fully-managed Government Programming	Sponsored With Cable Operations Manager
Impact to LATV Fund 28	27,266	(2,134)	(50,442)	(80,442)	(50,442)
Impact to General Fund	(26,100)	TBD	(38,200)	(23,200)	(22,610)

**LOS ALAMITOS TELEVISION  
CABLE OPERATIONS STUDY  
Submitted: June 30, 2015**

“As a report from the Benton Foundation noted, “Perhaps the most promising trend on the horizon for community media is the emergence of new highly integrated organization structures and collaborative processes.” Enlightened PEG leaders realize that their industry has to innovate to remain relevant, especially given the competition for cable channels and the ability the Internet provides for anyone to speak their mind.”

<https://transition.fcc.gov/osp/inc-report/INoC-7-PEG-Access-Channels.pdf>



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## 1. Why We Did the Study?

On March 23, 2015, the City of Los Alamitos engaged Skyline Mediacast Productions to perform a Cable Operations Study of Los Alamitos Television. The goal of the study is to minimize operating costs of Los Alamitos Television while at the same time finding revenue offsets that reduce or eliminate the net cost to the City's General Fund. The scope of the study encompassed public access programming, government programming, sponsored programming and a capital needs assessment.

### A. Current State of LATV

The station currently has no Cable Operations Manager even though the current LATV Policies and Procedures refer to one. The station is currently producing very little new content. The current LATV schedule includes live broadcasts and replays of City Council meetings and other public city meetings, locally originated programs by residents, bicycled programs, archived programs, a local sports highlight show and special programs featuring city and community events. Programming decisions are said to be made by the recommendations of the Cable Commission to Doug Wood. However, there is currently not a formalized process implemented. Doug Wood currently makes the programming choices each week.

The City contracts occasionally with local producers to cover city and community events.

The station broadcasts to Channel 3 in standard definition and has a limited online presence. A YouTube channel hosts the City Council meetings and is linked to the city council's *Meetings and Agenda's* page of the city website. There is also a link to LATV3.org, which is a website not owned or maintained by the city, but hosts a sample of shows that have run on LATV.

LATV has adopted the policies and procedures of a Public Access television station, but does not operate as a public access station.

Lastly, the station operates without a current planned production schedule or budget.

The fiscal impact of capturing the City Council and other public meetings is \$25,000 per year paid to an independent contractor, Doug Wood, from the general fund.

### B. Background of Report

"On August 18, 2014, the City Council held a budget workshop to discuss the future of Los Alamitos Television (LATV). This discussion led to the Council providing direction to staff to seek proposals from consultants to provide their vision of the future of LATV. The City Council is looking for ideas from experts in the industry, and the scope of services which is included in the Section IV of the Request for Qualifications (RFQ) is intentionally kept general and broad enough to encourage consultants to bring their ideas to the City. City Council also directed

staff to ask for feedback from the Cable Commission, which resulted in the Request for Proposals being changed to a Request for Qualifications and other comments that were received and included as an attachment to this RFQ.” (Attachment 1)

The invite read, “The City of Los Alamitos invites qualified parties to submit Qualifications for the attached Scope of Services.” However the city also asked for programming ideas and the associated costs.

Skyline Mediacast was called in for second and third interviews to discuss our original proposal. The proposal (Attachment 2) is a fairly standard programming model for a city with a PEG channel, as are the costs associated with producing that programming. During these interviews, it became apparent that the highest priority for the city of Los Alamitos is to minimize the impact of LATV’s operation costs to the general fund.

In response, Skyline Mediacast proposed to do a study in order to explore non-traditional, and innovative solutions to the economic challenges faced by the city of Los Alamitos as a franchise authority who operates a PEG channel.

The council voted to move forward with a three-month study, the findings of which would be included in a vision study to be submitted to the city on June 30, 2015 and presented to the city council on July 20, 2015.

### C. Overview of Study

Extensive research was conducted in April, May and June 2015, which included meetings with the Parks, Recreation, and Cultural Arts Commission, the Cable Commission and the City Council. Each member of the above-referenced commissions and city council were interviewed individually to determine their programming preferences and vision for LATV.

On April 1, 2015, Skyline Mediacast attended the Parks, Recreation and Cultural Arts Commission meeting to make a presentation on the study. Prior to the meeting, each commissioner was interviewed individually to determine their programming preferences and to assess the feasibility of moving LATV to their department as well as the possibility of the department managing LATV equipment. As far as LATV programming, individual commissioners revealed that LATV should showcase community events, high school events, sports activities, and children’s programs. On the issue of LATV equipment management, the commission supported the idea of administering equipment to public access producers with the understanding that city staff would have to be adequately trained to efficiently carry out this function.

On April 7, 2015, Skyline Mediacast attended the Cable Commission meeting to discuss the study and get input from the Commission. Each commissioner was questioned on their thoughts and ideas concerning LATV. The feedback from the commissioners included more community programming, continuing public access, and restoring LATV to pre-2007 activity

levels. Some of the issues brought up among commissioners included a strong goal and vision for LATV and a volunteer training program.

Meetings were conducted with the Los Alamitos Chamber of Commerce and the Los Alamitos Unified School District.

On April 9, 2015, Skyline Mediacast had a discussion concerning LATV with the Los Alamitos Chamber of Commerce during its board meeting. Individual board members suggested more programs produced in the field and broadcasting Little League games as well as the Pony League World Series. A majority of board members indicated an interest in sponsored programming. The Chamber Board invited Skyline Mediacast to its breakfast meeting on May 1, 2015 to make a presentation on sponsorship levels. Skyline Mediacast attended the May 1 breakfast meeting and a number of members showed interest in various sponsorship packages.

On April 29, 2015, Skyline Mediacast met with officials from the Los Alamitos Unified School District. In attendance were Superintendent Sherry Kropp, Joshua Arnold (Los Alamitos High School Principal), Melissa Miller (High School Activities and Athletics), and Jan Gilbertson (Vice President, High School Baseball Boosters). Superintendent Kropp revealed that the school district is interested in rekindling a working relationship with LATV where their advanced media students would be involved in providing programming as well as working as crew members on LATV productions. Mr. Gilbertson expressed interest in the Baseball Boosters financially supporting the broadcast of some high school baseball games throughout the season. Mr. Arnold invited Skyline Mediacast to visit their advanced students to seek their interest level in volunteering or doing contract work at LATV.

Skyline Mediacast Productions also researched laws, regulations, court cases and papers relating to PEG channels and public access to determine the city's legal requirements in managing and operating a PEG channel.

Skyline Mediacast met with the General Manager and Production Coordinator of the Public Cable Television Authority (PCTA) to inquire about the possibility of joining their organization, the process of gaining membership, the financial and operational obligations of a new member, and the timeline in which a city can join the organization, as well as PCTA's obligations to a member city.

SMP also hired an equipment expert to examine all equipment and assess the needs of the station based on the assumption that the station continues to produce council meetings and produce original content.

In addition, this report looked at cities with similar populations throughout California to see how they organize their PEG channels, and what models they implement. Population is important because the franchise fee is based on the number of subscribers. A city that has 200,000 residents receives a much larger franchise fee to use towards their operating costs.

Out of the 10 cities with similar populations, 5 have government programming, and 3 have public access programming.

## **2. Recent History of LATV**

Los Alamitos has a rich history as a producer of public access content and locally originated shows. Before the changes in legislation, many local programs were created under the LATV umbrella as can be seen by the library of archived material.

In recent history, very little new local content has been created.

Current programming consists of mostly of archived television programming shot long ago, along with city council meetings, and some planning meetings. Capturing and broadcasting these meetings are financed through the city's general fund. There is also currently a sports highlight show, the cost of which is covered by sponsorship from the city's waste removal vendor.

To the best of our knowledge, there has recently been very little programming shot in the LATV studio itself, and only a handful of programs shot outside of the studio. Most of this inactivity is due to outdated equipment.

While Los Alamitos is a unique community, the challenge of funding a PEG station in 2015 is not unique. Changes in legislation enacted in 2006 lowered the funding for PEG stations throughout the state. Los Alamitos may have been hit harder than other cities due to a timing issue. The city entered into a new contract with Verizon, which changed the terms of the existing contract with Time Warner. The revenue from the cable fees was reduced from 7.5 percent down to 5 percent. In addition cable subscription is declining. Like many other PEG channels, the city of Los Alamitos was left with some equipment and a channel, but no means to fund the creation of content, or the management of operations.

In addition to a sudden and significant decrease in funding in recent years, there was administrative turn-over in the city manager's position, increasing the challenge of establishing the city's communication platforms.

Like many other cities with PEG stations, Los Alamitos sought a third party to operate the station. A non-profit by the name of CSMP entered into an agreement to provide sports programming and other programming as well. However, there was a separate manager of the LATV studio at the time, dividing operations decisions and seemingly creating conflict in terms of the use of LATV resources. CSMP opted not to renew their contract leaving LATV operations without a definitive managing entity.

To fill that void, a commission was formed. In 2009, the commission created policies and procedures, which were adopted by the city council of that time. In the absence of a station manager, the committee assumed some of the responsibilities and a private vendor, Doug Wood, carried out the wishes of the commission in exchange for an hourly rate paid by the city's general fund.

Several proposals have been submitted over the last five years, but nothing has been adopted since the 2009 policies and procedures (Attachment 3) in an attempt to put a system in place. Contracts were awarded to renovate the LATV3 studio in 2010 and to manage aspects of production. Equipment was purchased on a few occasions. Sparse and intermittent city events have been captured and funded by the general fund. However, there has not been a consistent system in place designed to satisfy the overall video communication needs of the community.

Part of the culture of indecision surrounding the future of the station is related to an event that occurred in 2007. The city was cited for disallowing the first amendment right of free speech after a city official publicly admitted to removing a show from the LATV3 programming schedule. This violated LATV3's guidelines because the station is identified as a public access channel and therefore must operate under certain laws.

Responsibly, subsequent city councils and city managers have been concerned with limiting the city's liability in relation to the channel.

### **3. Key Findings of the Study**

The following findings are of primary importance in considering the future of LATV.

#### **A. Key Legal Findings**

##### **i. Current Legal Obligations**

The station's policies and procedures identify the station as a Cable Access Station, but includes language in the operations procedures that require it to operate as a Public Access Station.

##### **ii. PEG Legal Requirements**

Under the 1984 Cable Franchise Policy and Communications Act, PEG channels are not mandated by federal law. Local Franchise Authorities (LFA) such as the City of Los Alamitos can require cable operators to provide channels for public, educational or government use. Whether an LFA has a PEG channel or not, it is still entitled to franchise fees per its cable franchise agreement. The franchise fee paid to the LFA is for cable operators to use public rights-of-ways.

Under Section 611 of the Communications Act, an LFA can designate how a PEG channel can be used. If the LFA chooses, it can designate a PEG channel strictly for public access, strictly for educational, strictly for government or a combination of public, educational and government use.

The City Attorney indicated in his research that the City can continue to collect PEG fees without the need to continue providing a public access channel. The PEG fees can be used for equipment for "Educational" and/or "Government" even if the City no

longer has a "Public" channel. As long as an LFA has a PEG channel, it can continue to collect PEG fees.

The Cable Franchise Agreements with Time Warner Cable LLC that was passed in 2007 and Verizon California Inc. signed on October 16, 2006 grants the City one dedicated PEG channel. The City may request two additional dedicated PEG channels from each of the cable providers.

iii. Recommendation

The recommendation is to remove the language requiring the station to operate under the laws of a Public Access station, assigning the choice to air programs that are submitted to a designated individual, such as a station manager that derives no personal benefit from the programming choices. The 2009 policies and procedures would have to be amended to reflect a government access channel that incorporates municipal, bicycled and sponsored programming (Attachment 4 and 5).

iv. Fiscal Impact

There is no impact to the General fund to change the designation of LATV.

**B. Key Community Findings**

i. Current State

Los Alamitos Community members want to see more locally-originated programming. They have requested such programming as sports, children's programs, community events and more.

Currently, LATV airs live broadcasts and replays of City Council and other public meetings, archived programs, city/community events, and bicycled programs, which does not meet the full scope of programming desired by people interviewed during this study.

Community members have expressed a satisfaction with the sports highlights show, but have also requested full game coverage in addition to the highlights show.

ii. How Other PEG Stations Serve Their Communities

Partnering with the high school and the local businesses can provide resources that subsidize the production burden on the city. Several small stations work with local colleges and local high schools and exchange instruction for labor.

iii. Recommendations

Sponsored Programming - LATV can implement a sponsored programming model in order to produce locally originated programming. A sponsored program model is detailed later in this report.

iv. Fiscal Impact

There would be no fiscal impact on the General Fund.

**C. Key Equipment Findings**

i. How LATV Currently Captures Content

LATV broadcasts in standard definition as most PEG stations do. However, LATV still captures its media in standard definition, as well, which most stations do not.

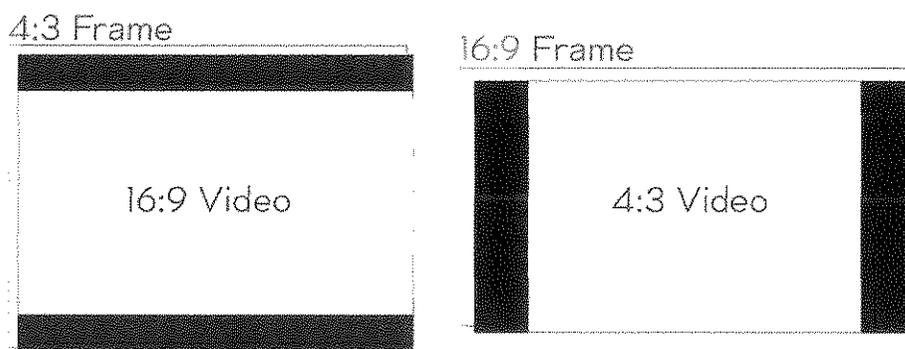
The station currently has a small online presence in social and news media. The city council meetings are hosted on YouTube and linked to the appropriate page on the city's website.

The camera equipment and video monitors are standard definition, and as such are quite outdated. At minimum, these items need to be replaced.

The City Council meetings are broadcast live on the channel, but they are not currently streamed live on the internet.

ii. How Other Stations Are Capturing Their Video Content

Most stations capture their content in a high definition format, letterbox the content (makes the wider picture fit on the smaller screen size by adding black space on the top and bottom of the picture – see example below) and broadcast in standard definition on their channels because cable providers have not yet changed their channels to High Definition capabilities.



Most stations currently capture their content in HD in order to be able to use it in the future and also to maximize their ability to use their content on the internet. This allows stations to extend their reach to a larger audience. People's viewing habits are now moving from broadcast to internet. And some stations already produce a portion of their programming exclusively for distribution on their websites.

iii. Recommendations

It is recommended that LATV upgrade the station's facilities to be able to produce HD content.

It is also recommended that LATV create a web presence, which includes a live streaming of the channel, as well as an on-demand library where residents can view archived meetings and shows.

iv. Fiscal Impact

The cost to upgrade all the equipment is estimated at \$72,708 plus \$5,000 for accessories which would be paid for from LATV Fund 28.

The cost to create a web presence would be estimated by the city's IT department and would likely include the cost for a web host, website design/administrator and typical website maintenance costs. From the cable operations perspective, a live streaming subscription service with Leightronix would have an annual recurring cost of \$3,600 a year.

It is recommended to upload videos to the city's YouTube channel and provide a link to each video on a designated web page in order to provide "video on demand" services. Leightronix offers a service where viewers can have a more integrated and branded experience by hosting the videos on a cloud server and providing the city with a web page to display the video choices. However, an annual recurring charge is created. For example the cost for 1,000 hours of video storage costs an additional \$3,000 a year.

## D. Key Operations Findings

i. Current Role of LATV Cable Commission

The current role of the Los Alamitos Cable Commission is to oversee and make decisions about the stations operations, programming, and scheduling of programs for LATV. According to the Los Alamitos Municipal Code, Title 2, Chapter 2.50, the City Council may empower the Cable Commission to: (1) to make recommendations regarding Los Alamitos community cable television programming, scheduling of programming, and broadcast standards; (2) to approve grants for community access producers; (3) to develop and recommend a promotions plan to enhance channel

usage and viewership; (4) to review effectiveness of outreach efforts; (5) to create maximum interest in local events, people, places and issues via community cable access television; (6) to provide Los Alamitos residents, businesses, and organizations the opportunity to produce and participate in community television; (7) to encourage the education of Los Alamitos students in community television programming and production; and (8) to assess, review and make recommendations regarding the adequacy of community access equipment and facilities.

ii. What Current Industry Models Work

The FCC instructs consumers on their website as follows; *“Complaints about rates or service should be directed to your local franchise authority. A franchising authority is the local municipal, county or other government organization that regulates certain aspects of the cable television industry at the state or local level.”* As such cities create cable commissions to oversee complaints and unsolved disputes that arise between residents and the cable providers.

However cable commissions perform other functions in bigger cities including operations oversight. Out of the cities that are comparable to Los Alamitos, only one station Pinole, had a Cable Commission, but it was temporarily suspended and never reinstated once a station manager was hired.

iii. Recommendation on the Cable Commission

If a station manager is hired, there is no need for a cable commission’s role in influencing operations in Los Alamitos. Cable operations is best managed by a cable operations manager. Many cities that have cable operations managers operate without a cable commission.

The commission could be dissolved. However, if the city desired to have a cable commission, it could reassign the Commission’s functions to act as community liaisons and promote the channel as follows: (1) to develop and recommend a promotions plan to enhance channel usage and viewership; (2) to review effectiveness of outreach efforts; (3) to create maximum interest in local events, people, places and issues via community cable access television; (4) to encourage the education of Los Alamitos students in community television programming and production; and (5) to act as Ambassadors of Los Alamitos Cable Television.

In addition, it is recommended that a policy be put in place in order to ensure impartiality in decision-making. When members of the commission have a direct or indirect financial interest in the outcome of the commission’s decisions, it can create a conflict of interest or the appearance of a conflict of interest. Therefore, we further recommend a policy that establishes that commissioners should not be allowed to be involved in commission decisions that could create a conflict of interest or could give the appearance of a conflict of interest. (e.g., cannot receive any compensation or personal gain).

iv. Fiscal Impact

The estimated cost for a Cable Operations Manager is dependent upon the operations model that is chosen. This cost would be paid for from the general fund.

**4. Recommended Operations Model**

The first recommendation is a two-phased approach based on prioritizing the goal of minimizing the impact to the City's General Fund. Exploring Recommendation #1 while implementing Recommendation #2, which after a 6 month to 1 year period, provides the opportunity to compare the results.

**A. Recommendation #1**

- i. Public Cable Television Authority (PCTA) - The recommendation is to pursue the possibility of the Public Cable Television Authority (PCTA) taking over LATV operations. Assuming the primary goal of the city is to reduce or eliminate the cost of Public Access programming to LATV, this is likely to be the most cost effective option.

PCTA is a joint powers agency that currently runs operations for the cities of Huntington Beach, Stanton, Fountain Valley, and Westminster. PCTA provides coverage and broadcast of meetings as well as a few local origination shows that cover the cities under contract.

Skyline Mediacast had a preliminary discussion with PCTA's Executive Director and Production Coordinator in order to understand the conditions under which PCTA might take over operations of LATV.

The arrangement with PCTA requires a city liaison to be appointed who is charged with approving programming choices for the City of Los Alamitos. Through the liaison, the city may request that certain events or shows be produced and PCTA will attempt to cover events that fall within their budget. In addition, two members from Los Alamitos would serve on the Board of Directors of PCTA, one of which must be a council member.

The PCTA Board would first have to approve a proposal and subsequently an agreement in order for the PCTA to provide services for the city of Los Alamitos.

The amount of Los Alamitos specific programming that would be produced is something that would need to be quantified. We informally discussed covering sports. In a non-binding discussion, they said they have the ability to cover sports with their production truck. They estimated that sending their crew into the current Los Alamitos High School football game configuration and plugging into the commentator's equipment (which is how the event has been produced in the past) would cost them around \$2,000 per game. They would need to calculate the number of games they would be able to cover based on the increased (although leveraged by scale) dollar amount Los Alamitos would bring into their organization.

Common sense economics indicates they would not be able to cover very many.

PCTA stated they provide no public access services as far as training individuals or lending equipment. They would, however, work out a programming block that could be devoted to airing bicycled programs (shows that have already been produced).

The next step in moving forward with PCTA is to give them a list of LATV's current equipment and a list of programming desired by the city.

An agreement would have to be approved by the PCTA Board. At this very preliminary juncture, the Board has yet to be presented with the proposal in any way.

PCTA estimated the timeline for their organization to approve the management of LATV to be at least six months.

The upside of this contract is the city could count on a reliable source of programming for what seems at this point to be a low impact on the general fund. The arrangement would also remove the administrative burden from the City of Los Alamitos.

The current equipment inventory is included in this study. PCTA wants to determine the compatibility of the equipment with their current system, and if they will be required to replace equipment in the near future. It is our belief that the equipment currently used by LATV for council meetings is compatible and will not need upgrading or replacement in the near future.

#### 1. Fiscal Impact

Actual dollar amounts will be determined if the city negotiates with PCTA.

PCTA would operate LATV in exchange for receiving the city's PEG fees in addition to a calculated percentage of the second quarter's cable franchise fees.

The percentage of quarterly franchise fees is determined by adding the number of cable subscribers in Los Alamitos to the sum total of cable subscribers in all five cities that would be serviced under the new agreement. PCTA is unable to share subscriber numbers with us at this juncture.

The quarterly percentage is likely to be small due to the comparatively small size of Los Alamitos' subscriber base and is likely to be a negotiation point as PCTA officials stated they would not accept a contract that caused them to lose money.

Assumptively, applying the current model provided by PCTA in initial conversations, the cost to Los Alamitos would be the annual PEG fees,

which equate to \$31,200, as well as the additional yet to be determined percentage of the second quarter franchise fees. Since the PEG fees are separate from the general fund and the second quarter franchise fees are yet to be determined, the impact to the general fund is not known at this time.

PCTA also stated they would likely require an initial buy-in fee to cover any additional equipment needs they feel would be required to service the account.

- ii. Pay-Per-Production Sponsored Programming Model - During the estimated 6 to 12 month period required to explore the potential with PCTA, LATV should enact a pay-per-production sponsored programming model in order to test the model's effectiveness as a solution to produce more programming with little impact to the general fund.

The recommendation is that the City of Los Alamitos immediately hire a Cable Operations Manager, reporting to the City Manager, to carry out the following duties:

- Scheduling of programs and bulletin board material
- Managing and monitoring equipment and studio / location
- Reviewing proposals from the community for possible sponsored programs for broadcast on LATV and make decisions whether to accept or deny such proposals. If a proposal is accepted, the Cable Operations Manager would hire talent and crew to produce the program or event
- Supervise Doug Wood
- Implement '*per-project sponsor programming model*' as described below

The cost to the General Fund to hire a Cable Operations Manager would be \$200 a week to implement this model.

In this model, new programming will only be produced when an entity/producer proposes a project to the LATV station manager in which production costs are covered. This model allows local producers to submit proposals.

An entity/producer can collaborate with the LATV station manager to identify and agree upon the costs of the production through the station. These costs will be subsidized as LATV will be providing use of the equipment at no charge and LATV production crew will be paid \$10 per hour.

The project costs will include an administrative fee that will go directly to the cable station manager. This fee is charged in lieu of a manager's salary. The administrative fee will pay for the cable operations manager's services in scheduling, budgeting, and executing the production schedule. The fee motivates the station manager to facilitate projects and the amount of the fee will be assigned based on the scope of the project. The fee can also be waived at the station manager's discretion, if the manager's

services are not required, such as may be the case for shows produced by Senior LATV producers.

Once presented with the project costs, the entity/producer may then choose to underwrite the production, or upon approval from the station manager, engage a business or community sponsor to cover the costs of their production.

In this model, each production is self-funded, eliminating any impact to the general fund.

The upside of this model is it cost very little to institute. The downside is a degree of uncertainty over the amount of programming that gets produced as it is totally based on real market demand.

Based on our research in Los Alamitos, sponsored programming will come from three sources: City Events, High School Events, and Third Party Producers.

#### Locally Originated Sponsored Programming

1. City Events
2. High School Activities
3. Third Party Producers

Each of these sources provides an opportunity to create programming that can be sponsored by entities that will benefit from the production.

#### City Events

City-sponsored programming includes those programs that cover events the city organizes. The station manager will present budgets for these events. Sponsorships for a half hour television special will be offered possibly through Parks & Recreation as a value-added service offering the event's title sponsors first right of refusal.

#### High School Activities

Los Alamitos High School sporting events and arts programs have been identified as desired programming by parents and instructors/coaches. Booster clubs have shown interest in helping to sponsor programs. Combining the waste removal sponsorship awarded to the city for \$6,500 makes programming even more affordable for Booster club sponsorship.

#### Third Party Producers Submittals

LATV would accept proposals from Third Party Producers and Senior LATV producers that fit within the scope of LATV's programming requirements. An assessment will be performed by the station manager.

As an example of how this programming model works, we will create a pro forma budget for a production schedule based on our interactions with the Los Alamitos Chamber of Commerce. Following are the real responses from a survey we used to gauge interest in sponsored programming amongst the chamber members.

“12 out of 18 businesses surveyed asked for more information about video services the city could provide. 10 out of 18 said they would pay \$500 for a two-minute business video produced by SMP through the city. Three businesses said they would pay \$1,000 for a seven-minute segment on a business show. Four businesses said they would pay between \$3,000 and \$10,000 for a title sponsorship of a half-hour program covering Race on the Base or other major city events. And six businesses said they would pay between \$500 and \$1,500 dollars to be a title sponsor of a sporting event.” (Attachment 6)

Our assumptions are based on actual responses from businesses in the above survey and are as follows:

The gross annual revenue is \$31,200 to produce (4) major city events, (6) sporting events and (3) seven-minute business shows to be aired on LATV, plus (10) two-minute business videos.

The cost to produce this content is \$17,750 (see below breakdown), which includes an administrative fee of \$9,250 paid directly to the Cable Operations Manager, which is in addition to the \$10,400 for managing the day to day cable operations.

<u>Major City Event</u>	Unit Cost	Revenue	Qty	Annual Cost	Annual Revenue
3 cameras	\$240				
1 producer	\$500				
Graphics package (reusable)	\$200				
20 hours of postproduction	\$200				
Administration fee	\$750				
<b>Total Event Cost</b>	<b><u>\$1,890</u></b>	<b><u>\$4,000</u></b>	<b><u>4</u></b>	<b><u>\$7,560</u></b>	<b><u>\$16,000</u></b>
<u>Sporting Event</u>					
3 cameras	\$150				
1 director	\$125				
Administration fee	\$500				
<b>Total Event Costs</b>	<b><u>\$775</u></b>	<b><u>\$1,200</u></b>	<b><u>6</u></b>	<b><u>\$4,650</u></b>	<b><u>\$7,200</u></b>
<u>Business Video (2 min)</u>					
1 camera	\$50				
5 hours of editing	\$50				
Administration fee/producer	\$250				
<b>Total Production Costs</b>	<b><u>\$350</u></b>	<b><u>\$500</u></b>	<b><u>10</u></b>	<b><u>\$3,500</u></b>	<b><u>\$5,000</u></b>
<u>Business Segment Show (7 min)</u>					
1 camera	\$50				
editing 10 hours	\$100				
scripting 3 hours	\$30				
Producer	\$250				
Administration fee	\$250				
<b>Total Production Costs</b>	<b><u>\$680</u></b>	<b><u>\$1,000</u></b>	<b><u>3</u></b>	<b><u>\$2,040</u></b>	<b><u>\$3,000</u></b>
<b>Total</b>				<b>\$17,750</b>	<b>\$31,200</b>
<b>Gross Annual Revenue to City</b>				<b>\$13,450</b>	
<b>Cable Operations Manager Expense</b>				<b>\$10,400</b>	
<b>Net Annual Revenue to City</b>				<b><u>\$3,050</u></b>	

1. Fiscal Impact

In the above model, the impact to the general fund is the cost of the Cable Operations Manager's annual pay of \$10,400, based on \$200 per week, plus annual revenue of \$13,450, for a net impact of \$3,050 in annual revenue.

**B. Recommendation #2**

- i. Fully-managed Cable Operations Model - The recommendation is that the city attorney explore the possibility of using the LATV Fund 28 to pay for the acquisition of completed video programs, which become capital assets. This is a concept being used today and deemed legally defensible.

LATV has historically used Fund 28 to fund studio improvements as well as production and labor costs.

Furthermore, we were unable to find any instance of a cable company challenging a franchising authority in regards to the use of fees, which may be perceived as a deliberate negative action.

If a challenge was considered, audits would likely be necessary for both entities, which is mutually disagreeable. After all, an audit of cable providers could potentially result in an increase of PEG fees and cable franchise fees. It seems a very unlikely occurrence.

The city's current resources would allow the city to upgrade their equipment as well as hire a full-time manager/management company to produce a full programming schedule (using a fiscally conservative programming model).

#### 1. Fiscal Impact

The cost for a full service solution could be covered by allocating the \$25,000 budget currently used to produce city meetings, along with the \$6,500 sports grant (which would continue to be used for sports) and allocating another \$30,000 from the LATV fund 28 for the acquisition of video programming assets.

If the city could allocate the above total amount of \$61,500 annually, the city could enjoy a full-service management solution for all of the city's communication needs.

### 5. Alternate Options for Each Type of Programming

Our recommendation is meant to be implemented as a whole solution. However, this section provides a list of alternate options that could address the individual needs of each type of programming. Although, it is not recommended, the section provides the opportunity for an 'a la carte' approach to solving the respective programming issues of Public Access, Government Access, and Sponsored Programming.

#### A. Public Access Programming

##### i. Current LATV Practices

LATV does not operate as a true Public Access channel.

True public access utilizes volunteers that must be trained on equipment in order to volunteer their time in productions. Los Alamitos does not currently have a volunteer pool and does not have a system to discover or train volunteers. Two years ago, members of the commission made a concerted effort utilizing Parks and Recreation to find volunteers for the station and as far as we can tell, no one was identified.

The only aspect of a public access station currently in place at LATV is the programming model. The city's current policies dictate the station will air public access programs that are submitted by residents and local producers. There are only a handful of

producers using that service today. One producer routinely submits a Long Beach church service program. Another producer routinely submits his shows as he produces them. It is unclear as to whether city resources such as equipment or use of the studio are used when producing either of these shows.

ii. Current Industry Practices

Out of the 14 PEG station in the state of California that serve a population of approximately 20,000 residents or less, only two offer full public access services and three others offer public access on a limited basis. The city of Albany bicycles programming (accepts finished programs to air) from city residents. Auburn offers residents the ability to produce public access programming by offering a fee-based membership program. Both station managers reported very little public access activity.

Truckee's PEG station provides a separate channel for public access. It operates under a joint agreement with the school district under the district's 501(c)(3). They offer a fee-based membership model as well. They have two paid employees, a station manager and an executive director. Truckee also reports very little activity in new public access production.

In essence, no city of comparable size in the state of California is currently providing true or active public access services.

One city in a very similar situation as Los Alamitos is Fort Bragg, which has been without public access television for two years. Fort Bragg is in the process of starting a public access channel in a public private/partnership with Mendocino TV. They are currently in the phase of seeking volunteers. Their first meeting was in May and the only three people in attendance were the three people starting the channel.

iii. Alternate Options for LATV's Public Access Model

1. Discontinue Public Access Services - The city of Los Alamitos discontinues the public access programming model and the responsibility for public access altogether. However, this leaves the door open for a third party to approach them with a proposal and self-contained plan to start a channel of its own. If the city saw value in this option, the city might agree to provide some resources. And the city could consider a public/private partnership of terms of allowing the third party the ability to share the Leightronix equipment (the equipment that schedules and airs programs). The city is entitled to a second PEG channel at no additional cost to the city.

a. Fiscal Impact – This arrangement would potentially have no fiscal impact to the city unless the city decided to provide assistance to the third party entity.

2. Hybrid Model - The city of Los Alamitos could also continue the hybrid model of programming, and follow the lead of other small stations by offering blocks of time in the LATV's schedule set aside for submittals. As long as the submission meets the requirements set forth in the procedures, the city would be required to run each program one time only. The city would further require the time block would be available to new content only.
  - a. Fiscal Impact – The fiscal impact of offering bicycled programming would be the labor cost of uploading the video into the LATV server. These costs could be recovered by charging a nominal fee to producers submitting material.
3. Full Public Access - The city of Los Alamitos could also fully embrace a public access programming model. This would require hiring a full time Public Access Manager. However, the public access manager would be required to produce all programming for LATV, including the city meetings as a condition of their employment.
  - a. Fiscal Impact – The salary for a full time Public Access Manager would likely start at \$40,000 a year, but offset the current costs of production bringing the fiscal impact on the general fund to \$15,000.

#### B. Government Access Programming

##### i. Current LATV Practices

A vendor, Doug Wood, currently captures council and planning meetings. The consensus is his work is good, and his work flow is good as well. The current fiscal impact of his services is approximately \$25,000 to the general fund.

##### ii. Current Industry Practices

One model that several smaller stations have adopted is to create revenue to offset their own costs by producing city meetings for other small cities, school districts, and planning commissions at a cost.

##### iii. Options for LATV's Government Access Programming

1. Typical Government Access Model - LATV implements a typical Government Access channel business model. A standard production model for Government Programming would be to provide television coverage of events and programs using industry professionals at an average rate of \$20 per hour.
  - a. Fiscal Impact – Assuming a \$40,000 salary for a full-time station manager and a typical production schedule, which includes several city events, sports programming and city meetings, the cost to the general

fund would be \$89,000. This is too expensive for a station in a city of this size.

2. Skeleton Programming Model - Implement a skeleton programming model, which includes only city meetings and a community bulletin board. Hire a cable operations manager that reports to the city manager whose duties include capturing and broadcasting city programming and maintaining the city's bulletin board.
  - a. Fiscal Impact – SMP could assume the management of a skeleton programming of the channel for \$25,000 annually, which keeps the impact on the general fund the same.

### C. Sponsored Programming

#### i. Current LATV Practices

Los Alamitos already has a successful track record of acquiring programming underwriters. Two LATV producers in recent years have successfully produced shows that were paid for by sponsors on their own volition. In an interview with Larry Strawther, who successfully organized sporting productions that were sponsored by local community businesses and business members for LATV, he said when he needed to, he was routinely able to raise \$1,200 to cover production costs of football games. He would offer smaller sponsorships to community members, asking for \$100 or \$200 apiece.

A sponsored programming model offers great potential to offset the costs of PEG operations to the general fund.

#### ii. Current Industry Practices

In response to the current economic challenges facing the PEG industry, most PEG channels in California today, especially the smaller stations, are currently exploring Sponsored Programming. A look at the websites of PEG channels serving communities with a population of 20,000 or less turns up sponsorship models of all sorts. PEG channels are soliciting underwriting for all of their programming (except for council meetings). Sponsorship models such as annual memberships, title sponsorships for programs, commercials, media player sponsorships, and bulletin board ads are all being offered.

#### iii. Options For LATV's Sponsored Programming

1. One – By converting to high definition capabilities and by instituting an active online presence, LATV has the ability to increase its digital distribution platforms and raise revenues on those platforms. Digital sponsorships can take the form of banner ads and video player sponsorships, and offer additional opportunities that are not regulated by the FCC.

- a. Fiscal Impact – The cost of this conversion is covered in the capital needs assessment in the next section.

## 6. Capital Equipment Recommendations

### A. How to Determine Equipment Needs

To determine the equipment needs of the station, a desired programming model must first be developed. In other words, how many shows will be produced and what methods will be employed in order to produce them.

Budget is the primary determinant when considering how to shoot a show. There are many different ways you can produce a piece of video content and different costs associated with different methods of production.

#### i. Understanding Different Production Methods Which Can Be Used at LATV

1. Live Event Coverage - A Tricaster is a switcher that merges live video switching, broadcast graphics, virtual sets, special effects, audio mixing, recording, social media publishing and web streaming into an integrated, portable and compact appliance. A Tricaster is currently used at LATV to capture council meetings. The council chamber has three cameras plugged into the Tricaster. The operator can then look at each individual camera feed on a series of three monitors and choose which camera (or cameras in a split-screen configuration) will be captured and broadcast in real time. The advantage of working with a Tricaster is that the event is captured in real time and at the end of the meeting, there is a finished video product.

If the station didn't have access to a Tricaster and wanted to cover the meetings using three cameras, the station would have to employ three camera operators for the duration of the meeting at an average market rate of \$20 per hour for a PEG channel camera operator. The largest cost, however, is in post-production, because footage from all three cameras would be imported into a software program specially designed to edit three cameras at the same time. An editor would have to watch the entire meeting back in real time making choices about which camera shots should be used. In addition an editor would have to add names and titles that appear on the bottom of the screen (called lower thirds). Post production is labor intensive and requires skilled labor. LATV should expect to pay \$25 an hour for an editor with the appropriate skill set, and should expect 10 hours or more to edit a 5-hour meeting. This would bring the cost of a finished video product to \$550 in labor costs before uploading costs. Using a Tricaster, LATV's current vendor is providing a finished video product for \$275 a meeting, which includes uploading and broadcasting.

LATV *does* currently have funds available to invest in equipment.

LATV does *not* currently have funds budgeted for additional labor costs.

For a live stationary event like a council meeting, a Tricaster is the most efficient production method. A Tricaster is also ideal for other live stationary events such as musical performances and sporting events.

2. Documentary Style Coverage - Public interest pieces such as have been produced in Los Alamitos typically use a documentary method. Because these pieces tell a story, they are rarely captured in real time. Documentary-style productions typically only require one camera for each shoot, but most stories require multiple locations. Documentary-styled pieces require extensive pre-production and post-production investments.

Comparatively, the equipment needs for this type of production are minimal. It requires only one camera, sound capturing equipment, and an editing station (an adequate computer with editing software).

The labor costs for documentary style add up quickly. However, many PEG producers will accept a flat rate far under market value in order to produce this type of programming because they have a passion for the work.

3. Dynamic Event Coverage (such as Multiple Location Events) - Another production method to be used at LATV is required to cover large events such as Race at the Base. Covering an event like this would typically require two cameras packages equipped with sound equipment to capture interviews and soundbites from the community members and a third roving camera to capture B-roll (footage without sound).

This type of production requires a great deal of post-production work.

However, if the production team were to implement the use of the Tricaster to capture specific live segments during the event, such as one camera capturing interviews at the starting line while a second camera captures visuals of runners let's say, then segments could be captured in real time which would require little additional editing.

4. Studio Production - Studio production is the most efficient way to capture footage and create inexpensive television programming. This is also an ideal environment to use the Tricaster. The advantage of a studio setting is producers enjoy a controlled environment where sound and lighting are easy to manage. And because guests are invited into this environment, producers can schedule several guests in one day allowing multiple shows to be shot on the same day.
- ii. Conclusion - In short, time is money. LATV should seek to capture as much live programming as possible in order to keep post-production costs to a bare minimum whenever possible. The mobile Tricaster package outlined in the next section of this report entitled, Capital Needs Assessment, offers the ability to capture footage in different locations.

## B. High Definition Equipment vs. Standard Definition

All content currently captured by LATV is captured in standard definition. This format is a dinosaur and is incompatible with currently used software and hardware such as video monitors.

Standard Definition (SD) video content uses less information on a screen and therefore offers a less crisp picture. It also displays a different screen aspect ratio than the current standard. Previous versions of televisions used a screen that is almost square, the ratio being 4 x 3. Wide Screen High Definition televisions have now become standard and have a screen aspect ratio of 16 x 9.

While only two PEG stations in the whole country are currently broadcast in High Definition, eventually, it is likely that every channel including PEGs will be changed to High Definition in the future.

Most PEG stations with budgets have upgraded or are upgrading to High Definition cameras, monitors, editing software, and output devices.

There are several advantages to upgrading. Today's viewers expect an HD viewing experience, especially on digital platforms such as YouTube and websites. Secondly, workflow is dramatically improved. The current cameras stored in the LATV required a three-step process in order to ready the raw footage for editing. HD cameras capture footage on a flash memory card called a Secure Digital Card, which offers a one-step plug and play process. HD content can be plugged directly into the computer and copied immediately.

In short, Standard Definition is going away and considered unprofessional.

Lastly, creating an online presence is an imperative component to attract new sponsors, increase the number of ways in which sponsors can benefit, and to extend the reach of the station to additional viewers. Producing High Definition content is in alignment with serving all of those purposes.

## 7. **Professional Assessment of Equipment**

An experienced equipment purchasing specialist was consulted to provide expertise in assessing LATV's current equipment and making subsequent recommendations.

### A. Control Room

#### i. Control Room - Assessment

The control room (broadcast booth) located in City Hall has adequate equipment to properly program a standard definition government access cable station. Updated approximately three years ago, the main function of this space is solely to provide scheduling, switching and broadcast distribution to Time Warner and Verizon television providers.

LATV currently uses a Leightronix Ultra Nexus 2+2, which is a piece of equipment that records high-quality digital media files for television rebroadcast while simultaneously creating files optimized for internet video-on-demand streaming.

Los Alamitos TV provides programming, live council meetings and informational bulletin board on-air. Both the Time Warner and Verizon video feeds are distributed using modern fiber optic wiring technology. Various DVD players are used for dubbing and playback. There is no use of new media currently provided.

ii. Control Room - Recommendations

LATV has only a small presence on any social or new media technologies. It is recommended that Los Alamitos TV bolster its online presence to provide programming to residents who do not subscribe to the local cable TV providers. This includes live web streaming, a stronger video-on-demand library and creation of a social media outlet. LATV has positioned itself to live stream at a low cost, while most new media outlets are free.

To further bolster this programming, it is recommended that LATV upgrade to high definition programming. This programming will need to be letterboxed for cable TV broadcast. See Capital Equipment Recommendations for further detail.

**B. Studio**

i. Studio – Assessment

LATV studio is in need of repair, but still provides space that most community television stations lack. While small, the configuration provides space for live programming, editing, management, a green room and restroom facility.

Both the equipment and structure are in need of upgrading. The equipment for television production is standard definition, the set needs to be improved and a great deal of space is wasted with archived programs. The lighting provided in the studio appears to be functioning and adequate for most programs.

ii. Studio – Recommendations

Upgrade the studio and equipment to full high definition programming. Digitize archive programs and create space for an office. It would be ideal to move the Control Room equipment to this space. Invest in a backdrop system that can be converted quickly. Use existing lighting infrastructure to create a general studio lighting set-up that can be used quickly with little to no preparation.

Repair broken legacy broadcast decks to aid in archive digitizing. Add at least two editing stations with a possible third in the office area. Convert the third room into an office/green room for LATV staff and guests. See Capital Equipment Recommendations for fiscal impact.

Although the LATV studio is in a state of disrepair, it can still be utilized for productions and the storage of equipment until such time that a new location or locations are secured. We are not recommending that any structural repairs or permanent fixtures be made since LATV shares the building with the Public Works Department. It is understood that the City will eventually move Public Works to another location and dispose of the building. In the meantime, the studio facility is adequate enough for productions and post-productions. The recommendation is to continue to use the studio and furnish it with mobile equipment until such time that a new adequate studio location is identified.

### **C. Truck**

#### **i. Truck - Assessment**

The production truck is in good shape with an excellent communication system. It is properly set for production set-up and execution. However, it is an aging standard definition system.

#### **ii. Truck – Recommendations**

Upgrade the truck for high definition programming. Purchase SDI cabling to enable remote camera locations. SDI stands for serial digital interface. SDI is a family of digital video interfaces. These standards are used for transmission of uncompressed, unencrypted digital video signals (optionally including embedded audio and time code) within television facilities. See Capital Equipment Recommendations for further detail.

### **D. Capital Equipment**

#### **i. Capital Equipment – Recommendations**

##### **1. Move to HD Recording**

LATV has multiple locations that lack modern capabilities for high definition programming. It would be cost prohibitive to upgrade each of these areas. LATV has already had success moving one Tricaster (a video switching device) to multiple areas. Therefore, it is recommended that LATV invest in one 3-camera high definition mobile studio. This new mobile studio could be wheeled into the truck, into the studio and any other location for mobile live-recorded programming. The current Tricaster would be left in the council chambers.

## 2. Improve the Studio

Improve the look of broadcasts in the LATV studio. Purchase backdrops and infrastructure for a more appealing television aesthetic. Also purchase a table chairs to be used in studio television production.

## 3. Editing Stations

The studio has three desk locations. Purchase computers and editing software to provide space and equipment for editing.

## 4. Archive Storage

It is important for every TV station to properly archive video content. Servers with redundancy are considered the best way to do this. Purchase an archive video server. This could also be used to store historic City content/documents.

## 5. Sports Programming

Americans are used to consuming sports content that includes instant replay. If sports programming is considered a priority, the purchase of an instant replay/slow motion controller is suggested.

## 8. Professional Purchase Recommendations

An experienced equipment purchasing specialist was consulted to provide expertise in identifying equipment purchase recommendations to meet LATV needs.

### A. Capital Equipment Recommendation Items

#### i. HD Recording

1. Cameras - A minimum of 3 HD capable recording devices is recommended. It is important to consider the following when purchasing recording devices:
  - a. Manufacturer consistency
  - b. Convenience of repair facilities
  - c. Operational consistency
  - d. Accessory compatibility
  - e. Recording formats
  - f. Quality of the product

For the above reasons, a JVC camera workflow is recommended. JVC will benefit LATV because their main repair facility is located in Long Beach. They can be configured for a range of recording format and the cameras are well respected among professionals.

Camera Recommendations:

Quantity	Camera	Cost
2	JVC GYHM850C14 ProHD Shoulder Mount Camcorder with Canon14x ENG Zoom Lens	\$5995.00
1	JVC GY-HM650 ProHD Mobile News Camera	\$4995.00
2 (optional public access)	JVC GY-HM600 ProHD Camera	\$2995.00

JVC offers any broadcast television station discounts to all of their professional video equipment. The City of Irvine and other local municipalities have been able to piggyback off the existing co-op pricing schedule. To learn more, contact:

**Alicia Reed**

District Sales Manager | JVC Professional Video Products  
 JVCKENWOOD USA Corporation  
 2201 E. Dominguez Street | Long Beach, CA 90810  
 areed@us.jvckenwood.com  
 Phone: 818-399-5835

JVC recently released the GYHM850 series cameras. The late model GYHM750 can still be found at great savings.

2. Live Switcher - Just as important to be able to record quality content is to be able to switch and record that content efficiently and effectively. There are several high quality HD mobile live switching systems available on the market today. It is recommended that one of such systems be purchased for use in multiple settings at LATV. The system will be fully encompassed in a box on wheels with monitors, cables, etc. This system could be used in the studio, wheeled into the truck and used at a sporting event or any other mobile production setting. Since LATV producers are already familiar with Tricaster switchers, the recommendation is to stay with that workflow.

Recommendations:

Quantity	Product	Cost
1	Tricaster 460 and Portacast Classic	\$25,000

ii. Improve the Studio

To improve the look, feel and individuality of each broadcast, it is imperative to have a simple and easily convertible studio configuration. Therefore it is recommended that a Muslin Mover

rail system with multiple backgrounds be purchased, including a green screen for virtual set integration. It is also recommended that a high quality assortment of chairs and tables be purchased to compliment the various sets.

Recommendations:

Quantity	Product	Cost
1	Delta 1 Muslin Mover Three-Wall 58' System Includes (2) Curved Track Sections	\$350
4	Muslin Backgrounds (1) Black, (1) Green, (2) Multi-color of end-users preference	\$80/ea. \$320 total
Misc.	Various Furniture Pieces (1) Cocktail Table with 3 to 4 Chairs, (1) High Table with 3 Chairs	TBD

### iii. Editing Stations

There are three main professionally recognized professional editing software programs. They include Avid, Adobe Premiere and Apple Final Cut Pro. Apple's Final Cut Pro is recommended for the following reasons:

- a. Price
- b. Ease of Use
- c. Longevity

Final Cut Pro is a non-linear video editing software developed by Apple and is the cheapest editing software on the market. The only downfall is that you have to buy a Macintosh computer. This cost easily offsets itself when you consider:

- a. Macintosh computers come with photo editing software, DVD authoring software, graphics cards, and more.
- b. Final Cut Pro is bought once and done. Premiere is a monthly cloud cost.
- c. Macintosh computers typically need less technical support
- d. It will take users less time to learn how to edit with Final Cut Pro

Recommendations:

Quantity	Product	Cost
2	27" iMac 3.2GHz quad-core Intel Core i5, 8GB (two 4GB) memory, 1TB hard drive	\$1,799/ea. \$3598 total
2	Blackmagic Design UltraStudio Mini Monitor Playback Device	\$137.75/ea. \$275.50 total
2	JVC DT-V9L5U 8.2" Broadcast Studio Monitor	\$1,495/ea. \$2,990 total
2	Final Cut Pro Software with Motion and Compressor	\$400/ea. \$800 total

iv. Archive Storage

No matter what type of production is involved, proper archiving and redundancy to ensure you do not lose your stored information is essential. LTO storage devices are the new industry standard to archive large video libraries onto small tapes that are easy to access and extract data. At the very least it is recommended that LATV archive their expansive video library onto DVD to save space.

Recommendation:

Quantity	Product	Cost
1	For.A LTS-60 LTO Tape Media Archiving Server	\$12,000
10	LTO Tape stores 2.5 TB of uncompressed data	\$389.90

v. Sports Programming

The programming of quality sports videos requires the use of playback, slow motion and other effects. Therefore, it requires a higher end video switcher that encompasses that technology. If sports programming is desired, the Tricaster 460 and Portacast Classic bundle recommended above should be replaced with the following.

Recommendation:

Quantity	Product	Cost
1	3 Play 4800 and Portacast Classic	\$35,000

- The 3 Play system is made by the same company that makes Tricaster
- This system will greatly increase the capability of the switcher for future growth

Note:

The above prices are typical retail. Most retailers including Adorama and B&H Photo Video offer government pricing discounts.

It is also necessary to plan for workflow accessories, peripherals and other requirements for individual productions that are deemed necessary by the Station Manager. \$5,000 is recommended. These funds can also be used for set furniture mentioned in Item 2.

**Totals:**

Plan	Cost
Government access TV without enhanced sports	\$62,708.40
Government access TV with enhanced sporting capabilities	\$72,708.40

\*Totals do not include cameras for public access or \$5,000 budget for accessories

## Equipment Pictures



JVC GYHM850C14 ProHD Shoulder Mount Camcorder with Canon 14x ENG Lens



JVC GY-HM650 ProHD Mobile News Camera



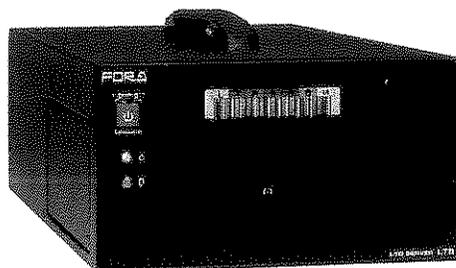
JVC GY-HM600 ProHD Camera



Tricaster and Portacast System



Muslin movers and Muslin drapes



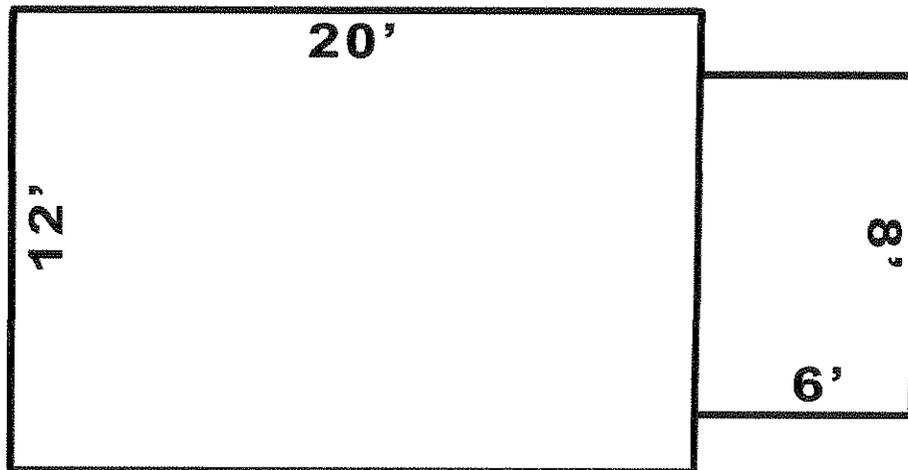
For.A LTS-60 LTO Tape Media Archiving Server

## 9. Future Studio Specifications

A studio is the space used to create video content and programming in a controlled environment. Availability of adequate space is the most typical obstacle for government and public access stations. Many highly programmed cable stations exist without the availability of such space. However, it is widely recognized that a studio greatly influences the quantity of programming a station can disseminate.

The larger the studio, the greater functionality the space will provide for a variety of programming. Smaller studios are more limited in scope. It is important to note that the studio must have room for not only the actors, but the cameras and camera operators as well. No matter the size, a small equipment room adjacent to the studio for the switcher, director and other video staff is a necessity.

Recommendation:



The recommendation is based on a best-case scenario. It is possible to work with less space, while more space would create more possibilities.

The small room adjacent to the studio can be on any side of the studio. A small window to see between the control room and studio is preferred. Ceiling height should also be considered. True studios have ceilings 15 feet or higher. Higher ceilings are advantageous to camera angles and lighting.

LATV Cable Operations - Estimated Annual Budget

	2015/16 Budget Based on Current Operations	Sponsored Programming With Cable Operations Manager	PCTA	Minimal Government Programming	Fully- Managed Government Programming	Fully- Managed Public Access
<b>LATV Capital Funds</b>						
<b>Projected Balance at 7/1/15:</b>						
LATV Fund 28 - Current Balance	144,575	144,575	144,575	144,575	144,575	144,575
<b>Revenues:</b>						
LATV Fund 28 - Annual PEG Fees	31,200	31,200	0	31,200	31,200	31,200
Investment Earnings	200	200	0	200	200	200
<b>Total Revenues</b>	<b>31,400</b>	<b>31,400</b>	<b>0</b>	<b>31,400</b>	<b>31,400</b>	<b>31,400</b>
<b>Expenditures:</b>						
Garage Vehicle Charges	2,134	2,134	2,134	2,134	2,134	2,134
Capital Expenditures (Equipment)	0	77,708	0	0	77,708	77,708
Capital Expenditures (Video)	0	0	0	0	30,000	0
PCTA Buy-in Fee	0	0	TBD	0	0	0
Equipment Maintenance	0	2,000	0	2,000	2,000	2,000
<b>Total Expenditures</b>	<b>2,134</b>	<b>81,842</b>	<b>2,134</b>	<b>4,134</b>	<b>111,842</b>	<b>81,842</b>
<b>Net Income/(Expense)</b>	<b><u>29,266</u></b>	<b><u>(50,442)</u></b>	<b><u>(2,134)</u></b>	<b><u>27,266</u></b>	<b><u>(80,442)</u></b>	<b><u>(50,442)</u></b>
<b>LATV Fund 28 Net Balance</b>	<b><u>173,841</u></b>	<b><u>94,133</u></b>	<b><u>142,441</u></b>	<b><u>171,841</u></b>	<b><u>64,133</u></b>	<b><u>94,133</u></b>
<b>LATV Operating Funds</b>						
<b>Revenues:</b>						
Sponsorship Revenue	6,500	37,700	0	0	6,500	6,500
<b>Total Revenues</b>	<b>6,500</b>	<b>37,700</b>	<b>0</b>	<b>0</b>	<b>6,500</b>	<b>6,500</b>
<b>Expenditures:</b>						
Supplies	100	100	0	100	100	100
Leightronix Subscription	1,000	4,600	0	1,000	4,600	4,600
Cable Franchise Fees	0	0	TBD	0	0	0
<b>Contractual Services:</b>						
Filming	15,000	15,000	0	0	0	0
Programming	10,000	10,000	0	0	0	0
Cable Operations Manager	0	10,400	0	25,000	25,000	0
Public Access Manager	0	0	0	0	0	40,000
Public Access Trainer	0	0	0	0	0	0
<b>Special Event Filming:</b>						
City Events	700	7,560	0	0	0	0
Sporting Events	6,500	4,650	0	0	0	0
Locally Originated Programming	0	8,000	0	0	0	0
<b>Total Expenditures</b>	<b>33,300</b>	<b>60,310</b>	<b>0</b>	<b>26,100</b>	<b>29,700</b>	<b>44,700</b>
<b>Net Income/(Expense)</b>	<b>(26,800)</b>	<b>(22,610)</b>	<b>TBD</b>	<b>(26,100)</b>	<b>(23,200)</b>	<b>(38,200)</b>

## LOS ALAMITOS ACCESS TELEVISION

### POLICIES AND PROCEDURES

(Adopted: November 16, 2009)

#### 1.0 Goals of LATV

1.1 Los Alamitos Access Television ("LATV") exists to provide public, educational, and governmental (hereafter "PEG") programming to the communities of Los Alamitos and Rossmoor, and the community served by the Los Alamitos Unified School District. LATV's mission is to broadcast programming of local interest and/or benefit, and which will most likely not air anywhere else. Our goal is also to provide individuals, schools and non-profit organizations in the community the opportunity to produce and broadcast their own quality programming to the community.

#### 2.0 Distribution

Los Alamitos Access Television programming will be distributed primarily on Channel 3 (hereafter "cablecast") as carried by the local cable television franchisees, currently Time-Warner and Verizon Communications. It will also be distributed via internet technologies (hereafter "webcast").

#### 3.0 Program Content

3.1 LATV will not broadcast Public Access, Educational or Governmental (PEG) programming that it has determined to violate federal or state requirements.

3.2 **No Commercial or Offensive Programming.** LATV shall be used only for noncommercial purposes. However, advertising, underwriting, or sponsorship recognition expressly authorized in advance by the City may be carried for the purpose of funding PEG-related activities. Members of the public shall not include any advertising, underwriting or sponsorship in any programming.

LATV will not be obligated to air programming which contains any of the following:

- a. Programming which constitutes or promotes any lottery or gambling enterprise in a manner which is in violation of any applicable local, state, or federal law.
- b. Programming which solicits funds in a manner prohibited by applicable law.
- c. Material which is obscene as defined by applicable law.

- d. Material which constitutes libel, slander, invasion of privacy or publicity rights, unfair competition, violation of trademark or copyright, or which might violate any local, state or federal law.
- e. Programming which advocates incitement to unlawful action (as addressed under *Brandenburg v. Ohio*, 395 U.S. 444 (1969) or other applicable federal or state law. Unlawful incitement is currently generally defined under *Brandenburg v. Ohio*, 395 U.S. 444 (1969) as follows:

Advocacy of the use of force or of law violation where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.
- f. Material which has a reasonable probability of creating an immediate danger of damage to property or injury to persons.
- g. Advertisements or sponsorship programming, which in the determination of the station General Manager, does not have a primary purpose of supporting the station's PEG-related activities.

#### **4.0 Non Discrimination Policy**

LATV shall not discriminate against potential users of its channel space on the basis of race, color, creed, national origin, sex, sexual preference, age, religious belief, social philosophy, economic status, or physical ability.

#### **5.0 Programming & Scheduling**

**5.1 City to Foster Educational Programming and Create Governmental Programming.** In addition to encouraging public access programming, the City should take steps to ensure, via its own actions, that the following programming will be produced for use by LATV:

**Educational Programming.** The station manager shall work with the Los Alamitos Unified School District and the local colleges (CSU Long Beach, Long Beach Community College, Cypress College, Golden West College) and local schools to provide quality education access programming.

**Governmental Meetings.** LATV shall broadcast live coverage of all meetings of the Los Alamitos City Council. The station manager shall work with the City of Los Alamitos, the Rossmoor Community Services District, and the Los Alamitos Unified School District to provide coverage for government access programming.

**Additional City Controlled Programming.** LATV shall provide guaranteed time slots for additional programming produced under the direction of the City. LATV shall be solely responsible for the creation and scheduling of programming in these time slots. The duration and exact time of said time slots shall be established in agreements with the contracted operator of LATV. Such programming may include, but is not required to include, coverage of local community or sporting events, and local news. When determining which types of additional such programming to produce, the following shall be considered beneficial:

- The ability of the program to build regular viewership
- High production quality
- Programming which can raise funds for the operation of PEG-related activities

**5.2 Scheduling of Programming.** All guaranteed time slots shall be allocated according to the following systematic, non-discriminatory basis, to programming that meets all requirements of this policy:

- a. Live meetings of the Los Alamitos City Council.
- b. Live meetings of the Rossmoor Community Services District, and the Los Unified School District
- c. Rebroadcasts of City Council meetings.
- d. Rebroadcasts of meetings of the Rossmoor Community Services District and the Los Alamitos Unified School District.
- e. Programs produced by LATV (which may include bulletin board messages).
- f. Programs produced by another public agency
- g. Live series programs produced by a Los Alamitos Producer 1
- h. Live single programs produced by Los Alamitos Producers
- i. Taped series programs produced by Los Alamitos Producers
- j. Taped single programs produced by Los Alamitos Producers

- k. Live series programs produced by Non-Los Alamitos Producers using LATV facilities
- l. Live single programs produced by Non-Los Alamitos Producers using LATV facilities
- m. Taped series programs produced by Non-Los Alamitos Producers using LATV facilities
- n. Taped single programs produced by Non-Los Alamitos Producers using LATV facilities
- o. Bicycled series programs<sup>2</sup>
- p. Bicycled single programs

First run programs will be favored over repeat programs. If time slots remain available, then they shall also be allocated according in the following order of priority (from highest priority to lowest). Playback times and dates requested or suggested by program producers will be considered to the extent they are consistent with these requirements. If a programming slot was awarded to any particular producer pursuant to priorities g through p, then the same producer shall not be provided an additional time slot unless no other submitting would otherwise qualify for a programming slot. In order to ensure that access to LATV is available to the entire community, no group of shows produced by the same non-public agency producer may occupy more than five hours of total available airtime per week. If City has determined that a producer has knowingly violated the provisions of this policy, the City shall not broadcast any programming from that producer for a period of six months.

**5.3** Los Alamitos Access Television will make every reasonable, good-faith effort to notify all access producers of the broadcast date or dates of their respective programs. However, LATV reserves the right to preempt scheduled programs to present special or time sensitive programming.

## **6.0 Delivery Technical Requirements**

All video programs submitted for cablecast must comply with the technical requirements specified below:

**6.1** Only the following formats will be accepted for playback on the community use portion of channels managed by LATV, in current order of preference:

**6.1.1** Digital files (AVI, MOV, MP4, etc.) on a portable hard drive storage device. Because of the dynamic and rapidly changing advancements in digital formats, producer shall confirm the preferred format with LATV before submitting.

**6.1.2.** DVD (DVD-R preferred)

**6.1.3** Videotape (DV, Mini-DV formats preferred, followed by S-VHS and VHS), but only if they will deliver a clear and unbroken picture to cable subscribers.

**6.2** Audio must be clearly understandable and at audible levels without distortion.

**6.3** The following technical information must be recorded on the submitted DVD or tape:

a. 30 seconds of color bars and "zero level" tone as a separate chapter on the DVD, or at the head of a tape.

b. Color bars should be followed by five (5) seconds of black.

c. The black section should be followed by a 10 second slate with program title, exact length, name of producer, and production date.

d. The slate should be followed by a 10 second countdown which includes two (2) seconds of black before the program begins.

e. The program title should be shown near the beginning and at the end of the program.

f. Program credits must appear at the end of the program.

g. Any disclaimers required must be included at the beginning and end of the program material to be cable cast.

h. At least 60 seconds of black must be recorded after the end of the program.

**6.4** The following minimum information must be included on labels affixed to the videocassette and the videocassette box:

a. Producer's/provider's name and phone number

b. Program title

c. Exact length of program

d. Production date

e. Episode number and program description (series programs only)

**6.5 Length of Programs.** Programs submitted for cable casting are encouraged to conform to the time frames of 12 minutes, 26 minutes, or 52 minutes, as applicable, to allow for end of program announcements, sponsorship recognition, etc.

**6.5.1** Programs over 60 minutes in length will be allowed only for special events or for coverage of lengthy meetings, or similar events.

**6.5.2** Programs shorter than 15 minutes in length may be grouped together in a video "shorts" format.

## **7.0 City Responsibilities**

The City intends to do the following:

a. Provide and maintain a studio facility that can be used to conduct workshops to train qualified public access producers and to create, produce and edit public access programming.

b. Schedule day-to-day operation of the studio facility.

c. Schedule all programming to appear on LATV.

d. Ensure that all public access producers are made aware of and comply with all procedures and policies regarding user eligibility, producer privileges and responsibilities, program content, funding procedures, equipment and studio use, the responsibilities of a producer, appropriate commercial and non-commercial information, required copyright information and clearances for music or appearances on camera, scheduling of qualified crew, technical delivery requirements, and required acknowledgements and disclaimers, all content submission and appeals procedures, and any and all other procedures as may be legally required for public access programming submitted to the City of Los Alamitos.

## **8.0 Mobile Production Truck Access**

a. Access to the production van can only be granted by the City Manager to qualified LATV equipment operators.

- b. At least two (2) qualified LATV equipment operators must accompany the production van at all times.
- c. A current inventory of production van equipment must be maintained at all times. Broken or misplaced equipment must be reported immediately to the City Manager.
- d. It is generally understood that equipment is transferrable between the LATV studio and the production van. If equipment is taken from the studio and used in the van, it needs to be signed out and returned to the studio.
- e. The production van, as a general rule, is not to be used for rental purposes. If an occasion does arise when renting the van makes economic sense, the following guidelines apply:
  - The van can only be rented by the City Manager to an organization or municipality that can provide full insurance coverage.
  - Rental of the van must include two qualified LATV equipment operators.
  - Equipment from the van cannot be rented or loaned separately from the van.
  - Rental rates:
    - Van - \$75.00 per hour
    - Qualified equipment operators – minimum two (2) - \$25.00 each per hour.
    - Additional Camera Tech - \$15.00 per hour
    - Gas – just like a rental car, the van must be filled with gas upon return.
- f. The van and all equipment must be returned in the condition in which it was found. Broken and/or misplaced equipment will be billed to the rental party at cost.

## **9.0 Complaints Regarding Program Content**

- A. Prior to airing a program, LATV shall review a show for the purposes of reviewing the subject matter, unless it has received a tip that the programming may one of the following: (1) commercial advertising or programming (including any program the primary purpose of which is to sell a product or service, such as “infomercials”); (2) a program which contains lottery information prohibited by applicable law; (3) a program which solicits funds in a manner prohibited by applicable law; (4) unprotected obscenity (as defined in Miller v. California, 13 U.S. 15 (1973) or then applicable federal or state law); (5) unprotected incitement to unlawful action (as addressed under Brandenburg v. Ohio, 395 U.S. 444 (1969) or then applicable federal or state law); or (6) a program which contains indecent content. In no event shall a program be removed from air or

moved to a time slot between 10:00 pm and 6:00 am (in the case of indecent content) unless and until the initial review has been conducted.

The City Manager or his designee shall make a determination regarding such potentially inappropriate content. LATV shall make reasonable attempts to notify the producer of the show that such a review is taking place.

- B. The City of Los Alamitos, the Los Alamitos Television Corporation, LATV-3 and anyone connected with those entities shall not be responsible for any libelous or slanderous content in any program.
- C. Obscenity is currently generally defined under Miller v. California, 413 U.S. 15 (1973) as follows: (1) when an average person, applying contemporary community standards, would find that the show, taken as a whole, appeals to the prurient interest; and (2) when the show depicts or describes, in a patently offensive way, sexual conduct as defined by state law; and (3) when the show, taken as a whole, lacks serious literary, artistic, political or scientific value.
- D. Unlawful incitement is currently generally defined under Brandenburg v. Ohio, 395 U.S. 444 (1969) as follows: advocacy of the use of force or of law violation where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.
- E. If the designated City employee reviews the program and concludes that it constitutes programming described in (A) above ("Challenged Program"), LATV may pull the show from the air or, in the case of indecent content, move it to a time slot between 10:00 pm and 6:00 am while at the same time making reasonable attempts to notify the producer before taking such action. In all cases, within twelve (12) hours of taking such action, LATV shall provide written notice to the producer that his or her show has been removed from the air or moved to a 10:00 pm to 6:00 am time slot and the reason under (A) for such action. Such written notice shall be delivered to the most current electronic mail or postal address on file with LATV. All producers shall be responsible for maintaining current information with LATV.
- F. The producer of the Challenged Program shall have the right, but not the obligation, within forty-eight (48) hours of receiving notice that his or her program has been removed from the air or moved to a 10:00 pm to 6:00 am time slot, to submit a request to LATV for a binding hearing before a neutral third party hearing officer selected through the Office of Administrative Hearings (OAH) ("Hearing Officer")<sup>3</sup>. If the producer does not elect to utilize this administrative process, he or she shall have the right to pursue other legal remedies, as provided for by law.

- G. LATV will submit the Challenged Program at issue to the Hearing Officer promptly (within one (1) business day of the producer's request for an appeal). Within two (2) business days of submission of the Challenged Program, both the producer and LATV shall be permitted to file a written brief of no more than ten (10) pages to the Hearing Officer, unless the Hearing Officer determines, in his or her sole discretion, to allow more or less written argument. In addition, there shall be no hearing scheduled before the Hearing Officer, unless requested by the producer or LATV, or unless the Hearing Officer determines, in his or her sole discretion, that a hearing is needed. If a hearing is requested or determined to be necessary by the Hearing Officer, such hearing shall be scheduled within two (2) business days of submission of the Challenged Program. The Hearing Officer shall use all reasonable efforts to limit the hearing time, in the interests of prompt appeal regarding first amendment rights and in the interests of cost. The hearing shall be held in or nearby Los Alamitos, if possible, but in no event further away from Los Alamitos than the cities of Irvine or Los Angeles. The hearing shall be video or audio recorded, but need not be transcribed by a court reporter unless the producer and/or LATV request and pay for such transcription. The video or audio recording need not be certified. Utilizing the OAH shall be the default process, due to its experience and cost effectiveness. If deemed necessary, however, LATV and the producer may mutually agree to utilize another neutral hearing organization, firm or individual. If an alternative is mutually agreed upon, all remaining hearing procedures and requirements provided for here shall still apply.
- H. This administrative appeals process shall not be subject to the Administrative Procedures Act or any other formal arbitration or appeals process; rather, it shall be limited to the process provided for herein, as well as any other procedures determined to be necessary by the Hearing Officer in his or her sole and absolute discretion. Formal rules of evidence shall not apply, but the Hearing Officer may admit, in his or her sole discretion, evidence which he or she finds to be relevant, probative and supported by sufficient indicia of reliability.
- I. The Hearing Officer's sole jurisdiction shall be to determine whether the designated City employee properly concluded that the Challenged Program constitutes programming described in (A) above. Review by the Hearing Officer must be completed within three (3) business days of submission of the Challenged Program, unless the Hearing Officer determines, in his or her sole discretion, that additional time is needed. The Hearing Officer's decision shall be in writing, shall include findings of fact and conclusions of law, shall be provided to all parties at the same time, and shall be final and not subject to appeal to any person or administrative or judicial entity. All documents making up the administrative record shall be provided to and maintained by the City Clerk of the

City of Los Alamitos, and shall be retained and disclosed to any person pursuant to the terms of the California Public Records Act.

- J. If the Hearing Officer determines that LATV was within its rights to remove the Challenged Program from the air or to move it to a 10:00 pm to 6:00 am time slot, LATV and the producer shall each pay fifty percent (50%) of the costs of the Hearing Officer. If the Hearing Officer determines that LATV was not within its rights to remove the Challenged Program from the air or to move it to a 10:00 pm to 6:00 am time slot, LATV shall pay one hundred (100%) of the costs of the Hearing Officer. In no event shall either LATV, the City of Los Alamitos, LATV-3, or anyone connected with those entities be responsible or liable for any other costs, fees (including, but not limited to, attorney or expert fees), or expenses incurred or claimed by the producer for the Challenged Program. Similarly, in no event shall the producer be responsible or liable for any other costs, fees (including, but not limited to, attorney or expert fees), or expenses incurred or claimed by LATV, the City of Los Alamitos, LATV-3, or anyone connected with those entities for the Challenged Program.
- K. If the Hearing Officer concludes that LATV was not within its rights to remove the Challenged Program from the air or to move it to a 10:00 pm to 6:00 am time slot, LATV will make all reasonable efforts to find a time slot(s) for the program to air to make up for the time(s) that the program did not air.
- L. If the Producer opts to use the administrative appeals process provided for herein, it shall be the sole and exclusive remedy available to LATV, the City of Los Alamitos and the producer, and no party shall have the right to judicial review or appeal.

#### **10.0 Further Revisions to Policy**

It is requested that, within 120 days of the effective date of this policy, any Consultant or other party operating LATV priced the City Manager a list of recommended revisions to this policy. The city interns to consider all recommended revisions to the policy received within that time frame.

# LATV CABLE VISION STUDY

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Presented by:

Skyline Mediacast Productions

David Ihrig

Ernie Castelo

July 21, 2015

# LOS ALAMITOS CABLE STUDY DECISION TREE

- City Communication Tool

Channel is used to inform residents

OR

- City Amenity

Channel is used as an amenity for residents

## LOS ALAMITOS CABLE STUDY DECISION TREE

- City Controlled Programming

Programming is chosen by a station manager

OR

- Public Access Controlled Programming

Programming is determined free market style

# LOS ALAMITOS CABLE STUDY DECISION TREE TYPES OF PROGRAMMING

- Government Access Programming
  - Programming is selected to inform the community. Programming choices would include the promotion and preservation of community events, documentation of public meetings, and to inform citizens of local issues and local amenities provided for the community in exchange for their tax dollars.

# LOS ALAMITOS CABLE STUDY DECISION TREE TYPES OF PROGRAMMING

- Public Access Programming

- Services are provided like an amenity. The city provides equipment and staff services, in order to provide the community use of city resources for their own benefit and pleasure. Residents and non-residents can produce whatever they like, and can choose to broadcast their content on a cable channel provided by the city.

## LOS ALAMITOS CABLE STUDY OPTIONS

- Sponsored Programming
- Public Cable Television Authority (PCTA)
- Minimal Government Programming
- Fully Managed Government Programming
- Fully Managed Public Access

## LOS ALAMITOS CABLE STUDY

- Sponsored Programming
  - Hire Cable Operations Manager
  - Programming is sponsored or underwritten
  - Creates revenue to offset general fund expenditures
  - Projected Fiscal Impact is \$22,610

## LOS ALAMITOS CABLE STUDY

- Public Cable Television Authority (PCTA)
  - PCTA manages LATV
  - City Council and other public meetings are covered
  - Some locally originated programming
  - PCTA collects PEG fees and a % of 2<sup>nd</sup> quarter cable franchise fees

## LOS ALAMITOS CABLE STUDY

- Minimal Government Programming
  - City Council and other public meetings are covered
  - Bulletin Board
  - No locally originated programming
  - Fiscal Impact is \$26,100 to the General Fund

## LOS ALAMITOS CABLE STUDY

- Fully Managed Government Programming
  - Hire cable operations manager
  - Programming consists of city meeting, public interest programs, sporting events, and community events
  - Fiscal Impact is \$23,200 to General Fund, and \$30,000 to Fund 28 for video assets

## LOS ALAMITOS CABLE STUDY

- Fully Managed Public Access
  - Public Access Manager to manage LATV operations
  - Programming consists of city meetings, programs created by volunteer producers, which mean no control over content
  - Net impact on General Fund is \$38,200

## COMPREHENSIVE BUDGET – LATV CABLE OPERATIONS

	2015/16 Budget Based on Current Operations	Sponsored Programming With Cable Operations Manager	PCTA	Minimal Government Programming	Fully- Managed Government Programming	Fully- Managed Public Access
<b><u>LATV Capital Funds</u></b>						
<b>Projected Balance at 7/1/15:</b>						
LATV Fund 28 - Current Balance	144,575	144,575	144,575	144,575	144,575	144,575
<b>Revenues:</b>						
LATV Fund 28 - Annual PEG Fees	31,200	31,200	0	31,200	31,200	31,200
Investment Earnings	200	200	0	200	200	200
<b>Total Revenues</b>	<b>31,400</b>	<b>31,400</b>	<b>0</b>	<b>31,400</b>	<b>31,400</b>	<b>31,400</b>
<b>Expenditures:</b>						
Garage Vehicle Charges	2,134	2,134	2,134	2,134	2,134	2,134
Capital Expenditures (Equipment)	0	77,708	0	0	77,708	77,708
Capital Expenditures (Video)	0	0	0	0	30,000	0
PCTA Buy-in Fee	0	0	TBD	0	0	0
Equipment Maintenance	0	2,000	0	2,000	2,000	2,000
<b>Total Expenditures</b>	<b>2,134</b>	<b>81,842</b>	<b>2,134</b>	<b>4,134</b>	<b>111,842</b>	<b>81,842</b>
<b>Net Income/(Expense)</b>	<b><u>29,266</u></b>	<b><u>(50,442)</u></b>	<b><u>(2,134)</u></b>	<b><u>27,266</u></b>	<b><u>(80,442)</u></b>	<b><u>(50,442)</u></b>
<b>LATV Fund 28 Net Balance</b>	<b><u>173,841</u></b>	<b><u>94,133</u></b>	<b><u>142,441</u></b>	<b><u>171,841</u></b>	<b><u>64,133</u></b>	<b><u>94,133</u></b>
<b><u>LATV Operating Funds</u></b>						
<b>Revenues:</b>						
Sponsorship Revenue	6,500	37,700	0	0	6,500	6,500
<b>Total Revenues</b>	<b>6,500</b>	<b>37,700</b>	<b>0</b>	<b>0</b>	<b>6,500</b>	<b>6,500</b>
<b>Expenditures:</b>						
Supplies	100	100	0	100	100	100
Leightronix Subscription	1,000	4,600	0	1,000	4,600	4,600
Cable Franchise Fees	0	0	TBD	0	0	0
<b>Contractual Services:</b>						
Filming	15,000	15,000	0	0	0	0
Programming	10,000	10,000	0	0	0	0
Cable Operations Manager	0	10,400	0	25,000	25,000	0
Public Access Manager	0	0	0	0	0	40,000
Public Access Trainer	0	0	0	0	0	0
<b>Special Event Filming:</b>						
City Events	700	7,560	0	0	0	0
Sporting Events	6,500	4,650	0	0	0	0
Locally Originated Programming	0	8,000	0	0	0	0
<b>Total Expenditures</b>	<b>33,300</b>	<b>60,310</b>	<b>0</b>	<b>26,100</b>	<b>29,700</b>	<b>44,700</b>
<b>Net Income/(Expense)</b>	<b>(26,800)</b>	<b>(22,610)</b>	<b>TBD</b>	<b>(26,100)</b>	<b>(23,200)</b>	<b>(38,200)</b>