

ATTACHMENT A

SUMMARY OF STATE BROADCASTING EXPENDITURES										
FY2002 through FY2008 at 5/31/08										
6/11/2008 14:51	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	Totals
								Thru 5/31/08		
Total Expenditures	24,195.24	215,936.61	179,402.75	37,156.93	516,740.63	164,381.45	355,341.44	168,785.68		1,661,940.73
General Fund, 01100:										
Program 21 LSD, 1999 Carryforward, Subclass 005F3	6,960.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.00
* Program 21 LSD, GF Operating Appropriation, Subclass 005H1	17,235.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,235.24
Program 20 LSD, 2000 Carryforward, Subclass 001F1	0.00	15,886.70	0.00	0.00	0.00	0.00	0.00	13,800.00		29,686.70
Program 20 LSD, 2001 Carryforward, Subclass 001F2	0.00	0.00	30,975.00	0.00	0.00	0.00	0.00	0.00		30,975.00
Program 20 LSD, 2003 Carryforward, Subclass 001F5	0.00	0.00	0.00	0.00	223,304.85	0.00	0.00	0.00		223,304.85
* Program 20 LSD, GF Operating Appropriation, Subclass 001H1	0.00	198,989.02	68.00	10,747.94	209,847.34	114,010.14	194,984.14	89,702.52		818,349.10
Program 22 LSD, Feed Bills, Subclass 010I2, 010I5, 010I1	0.00	0.00	68,000.00	0.00	80,300.00	3,300.00	135,919.00	0.00		287,519.00
Program 20 LSD, HB2 OTO 2007 Session								26,023.00		26,023.00
Special Revenue Fund, 02985:										
Subclass 001I1, State Govt Broadcasting, 02985	0.00	1,060.89	80,359.75	0.00	0.00	0.00	0.00	0.00		81,420.64
Program 20 LSD, State Govt Broadcasting Oper Approp, Subclass 001H1	0.00	0.00	0.00	26,408.99	3,288.44	47,071.31	24,438.30	39,260.16		140,467.20
Total Funding	24,195.24	215,936.61	179,402.75	37,156.93	516,740.63	164,381.45	355,341.44	168,785.68		1,661,940.73
										1,661,940.73

Appropriations and Revenue for 2008 - 2009 Biennium

TVMT specific

Lobbyists charges (SSR)	55,000
HB 2 appropriation (OTO/biennial)	200,000
2007 Feed Bill (production ctr)	105,918
2007 Feed Bill ('09 startup, trans, tapes)	90,000

Subtotal 450,918

Other IT budget items

Bandwidth	20,000
Maintenance sound system	55,000
House sound analysis	8,000

Subtotal 83,000

Total 533,918

ATTACHMENT B

Audio and Video Cost Estimates for the 2010-2011 Biennium

Service Description	Estimated* During Session	Estimated* During Interim	Total
Production Services (1)	\$124,800	\$88,400	\$213,200
Service Maintenance (2)	\$50,700	\$16,900	\$67,600
Equipment Replacement (3)	\$43,250	\$129,750	\$173,000
Internet Streaming (4)	\$12,000	\$10,100	\$22,100
Video Transmission (5)	TBD	TBD	
Totals	\$230,750	\$245,150	\$475,900

* Estimated using inflation of 4% from 08-09 biennium.

- 1) Production Services is the cost of generating video (camera operators and related costs)
- 2) Service Maintenance is the cost for maintenance of the physical A/V infrastructure
- 3) Equipment Replacement is the cost of replacing broken or obsolete infrasture (8% of A/V investment per yr)
- 4) Internet Streaming is the cost for delivering live audio, and limited video, to users via the Internet
- 5) Video transmission costs is based on the depth of service to be funded - see Stephen Maly options sheet

New Proposals	During Session	During Interim	Total
Audio\Visual Management (6)	\$39,132	\$117,380	\$156,512
Archive Preservation (7)	\$30,000	\$60,000	\$90,000
Archive Strategy (8)		\$150,000	\$150,000
Totals	\$69,132	\$327,380	\$396,512

- (6) FTE for management, coordination, and production for Audio and Video Branch-wide
- (7) Equipment and personell for creating long-term digital archives
- (8) Contract for one-time study and plan development for long-term digital archiving strategies

TVMT: a state public affairs network, uniting people and their government through the power of television.

Notes for discussion; Legislative Council meeting, June 24, 2008, submitted by Stephen Maly, HCTV

I. The build-out to/for the 2009 Legislative Session. Our goal is to maximize the geographic reach of the signal and service during the 2009 Session with the funds available. We aim to connect to a broad swathe of cities and towns across the state that are connected to existing video service providers (Bresnan cable, Mid-Rivers cable, 3Rivers IPTV, Montana PBS digital broadcast) who are willing and able to carry TVMT programming now.

- **Means and Methods:** 2007 Appropriation of \$200,000, the 2007 and 2009 Feed Bills, and TVMT project revenues (lobbyist registration fees; DVD duplication) supply the means. Our method is to forge and maintain cooperative partnerships, through the Legislative Services Division, with Bresnan Communications, 3 Rivers, Mid-Rivers, Vision Net, Cutthroat Communications, Montana PBS, and the Office of Public Instruction (OPI).
- **Costs:** Transport and Distribution costs include leased telecommunication circuits (month to month), installation charges, and encoding/decoding hardware components. The price of circuits varies by location; as does the installation charge; relative remoteness is an underlying factor. The hardware costs range widely, and are not the same in all video service provider arenas. Tests are underway to determine the best solutions for high quality connectivity across the network; meanwhile, a reliable proxy price is being used for cost estimation purposes.
- **Values and Measures:** Television distribution is complicated, and assessing the benefits and costs of expanding a network involves utilitarian and other economic and social measures of value. For example: ideally, all citizens should have access to TVMT anywhere, anytime, but the costs and methods of delivering a television signal to them are anything but equal. Do we aim to reach the greatest number of *individuals*, or the maximum number of *communities*, irrespective of distance from Helena? We need guidance from the Legislative Council to make firm decisions.
- **Allocation of funds:** In the event there are insufficient funds to meet all costs for maximum distribution to wired, signal-ready locations (Bresnan's 26 head-ends and Mid-Rivers' 19 communities, 7 localities in 3 Rivers' territory, plus transport services from Vision Net and a connection to Montana PBS via Cutthroat Communications, we recommend an equitable sharing of state financial resources; e.g., allocating an equal percentage of each participating partner's total cost estimates for transport, hardware, and related service requirements.

II. TVMT programming Distribution Options for the 2009 Session.

Option 1. Restore the 2007 Session Distribution Tier to include the following communities:

Bresnan: Billings, Missoula, Great Falls, Kalispell, Bozeman, Helena, Butte, Havre.

Mid-Rivers: Baker, Circle, Ekalaka, Fairview, Fallon, Glendive, Harlowton, Hysham, Jordan, Lavina, Lewistown, Miles City, Richey, Roundup, Ryegate, Savage, Sidney, Terry, Wibaux.

The cost of maintaining this same tier for the 2009 Session is **\$208,000**.

Option 2. Expanding TVMT to the maximum possible reach (for now) would entail 26 Bresnan cities and towns as well as the 19 communities in Mid Rivers territory and an additional 7 prospective recipient localities served by 3 Rivers (Fairfield, Choteau, Big Sky, Shelby, Conrad, Twin Bridges, Sheridan, Ennis, Browning). Cutthroat Communications would provide a broadcast quality circuit to connect with Montana PBS in Bozeman.

The estimated cost for this “MAX” build-out ranges from **\$410,500** to [????]*

*Determining the cost and feasibility of reaching small, independent cable operators in Broadus, Lincoln, Hardin, Pablo, Eureka, Libby, and Belgrade requires further research.

Option 3. A tiered expansion approach involves POLICY decisions to determine the scale of an enlarged TVMT network. There are different approaches to the question of which communities beyond the 2007 status quo will be served. Selection criteria can be weighted in favor of **cost containment** (the more remote locations are more expensive to reach); **population** (in most cases measured in relations to “homes passed” by cable operations); or **geographic disadvantage**, (taking into account distance from the state capital). The cost figures below are for transport from Helena to other locations during the 2009 Session (actually a 6-month period, allowing for installation and real-time tests).

- **Tier A**– 16 Bresnan cities with monthly transport costs less than \$1,000; 19 towns in Mid-Rivers territory; 7 potential communities in 3Rivers area; over-the-air (OTA) to Montana PBS in Bozeman and Missoula; OPI video-stream of Floor sessions and education committees. Combined cost approximately **\$253,000**.
- **Tier B**–17 Bresnan communities with greater than 1600 homes passed; same OTA & OPI as in Tier One. Estimated cost **\$288,000**.
- **Tier C**– 17 cities and towns served by Bresnan that are over 150 miles distant from Helena; same OTA, OPI as in Tiers 1 and 2. Estimated cost **\$281,000**.

See sample lists for expansion tier decision-making.

III. Beyond Next Session: the 2010-2011 Biennium

Major Considerations: Content, Cost, and Continuity of Service

1. **Content:** Government proceedings are the paramount product, and they include: Session committees and floor sessions, Legislative Interim Committees; Supreme Court oral arguments; Public Service Commission hearings; State Land Board meetings; Governor's Office and other Executive Branch proceedings. (Other possibilities include Historical Society events; the Alberta Legislative Assembly, and various cultural, educational and distance learning opportunities, including association conventions, university system symposia, and selected sports tournaments.
2. **Cost:** Need to weigh the benefits and costs of full-time maintenance of transport circuits vs. periodic installation charges. The TVMT network is scalable; i.e. it could be purposefully expanded and contracted on a periodic basis to mitigate transport costs. We assume that Legislative Sessions are the most important feature of TVMT coverage. Do we keep the network "up" for the duration of a biennium, or bring parts of it "down" during the 18-month Interims?
3. **Continuity of Service:** TVMT may be the most effective tool available to sustain public interest in and respect for state government, the Legislature in particular. Citizens will welcome the access to TVMT and expect it to continue. People form media habits and often program their TV sets for certain channels. Video service providers are generally keen on maintaining channel identity and allocation. TVMT will require special marketing efforts if it is not available on a full-time basis.

Sample Policy Options

Prefatory note: The 2007-08 Interim status quo is Live and Re-telecast of governmental proceedings to Bresnan cable channels in Helena, Billings, Bozeman, and Missoula.

Option 1. (TVMT Lite) Shrink the network to the 4-city Bresnan fiber ring plus the feed to Montana PBS during the subsequent Interim. Estimated cost \$37,800. The network could be rebuilt (incurring another round of installation charges) to the *TVMT Large* Expansion Tier selected to be the 2009 status quo for 2011 Session. This would mean a loss of rural community access during the Interim. Estimated cost ranges from \$253,000 to \$288,000. **Total cost is approximately \$300,000 to \$325,000.**

Option 2. (TVMT Large) Shrink the network during the Interim to the 2007 status (8 Bresnan cities and 19 Mid-Rivers communities); rebuild to 2009 status for 2011 Session. **Estimated cost ranges from \$461,000 to \$496,000.**

Option 3. (TVMT X-Large) Maintain the network at the selected 2009 Expansion Tier to deliver Live and delayed telecasts of TVMT programming on a full-time basis. **Estimated cost \$636,000.**

Option 4. (TVMT Max) Grow the full-time network to TVMT "Max" to include all Bresnan, Mid-Rivers, and 3 Rivers localities, with new transport connections to small, independent cable operators, providing access to new video service providers. **Estimated cost exceeds \$800,000.**

ATTACHMENT D

SAMPLE LISTS FOR EXPANSION TIER DECISION-MAKING – T/I/D costs for 6 months

Cities & Towns with Monthly Transport charges less than \$1k <i>Bresnan 16</i>	Cities and Towns w/ greater than 1,600 homes passed by cable <i>Bresnan 17</i>	Communities other than those served in 2007 which are more than 150 miles from Helena (bold face) <i>Bresnan 17</i>
Billings	Billings	Billings
Missoula	Missoula	Missoula
Great Falls	Great Falls	Great Falls
Kalispell	Kalispell	Kalispell
Bozeman	Bozeman	Bozeman
Helena (zero transport cost)	Helena	Helena
Butte	Butte	Butte
Havre	Havre	Havre
Polson	Polson	Chinook
Livingston	Livingston	Cut Bank
Anaconda	<i>Hamilton</i>	Glasgow
Deer Lodge	Anaconda	Hamilton
Glasgow	<i>Dillon</i>	Malta
Choteau	Cut Bank	Polson
Fort Benton	Deer Lodge	Shelby
Townsend	Glasgow	Superior
	Wolf Point	Wolf Point
Transport costs: \$56,800 Installation \$ 6,498 Dist. Hardware \$10,800 10% contingency \$ 7,410 \$81,508	Transport costs: \$88,236 Installation \$ 7,043 Dist. Hardware \$10,800 10% contingency \$10,608 \$116,687	Transport costs: \$ 82,308 Installation \$ 6,282 Dist. Hardware \$10,800 10% contingency \$ 9,939 \$109,329

ATTACHMENT E

Upgrade press feeds spreadsheet June 2008.xls

Room	Capacity	Current	Proposed	Cost	Subtotal	
Senate	264	6	16	\$6,274	\$6,274	
317B combined	116	3	11	\$2,888	\$9,162	
Purchase 3 splitters that could be used in any room. These would not be isolated feeds but have been successfully used in past.						
			3	\$300	\$9,462	
102	84	3	8	\$1,602	\$11,064	
405	37	3	8	\$1,602	\$12,666	
137	92	3	8	\$1,602	\$14,268	
152	78	3	8	\$1,602	\$15,870	
172	77	3	8	\$1,602	\$17,472	
303	215	6	6	\$1,026	\$18,498	move jacks to better location away from secretary's feet/desk
317A/B/C individual	38 each	2	8	\$5,525	\$24,023	
335	33	2	8	\$2,777	\$26,800 *	
350	27	2	8	\$2,777	\$29,577 *	
422	36	2	8	\$2,777	\$32,354 *	
455	53	2	8	\$2,777	\$35,131 *	*We could add 5 feeds instead of 8 for \$2,351.00 per room
472	55	2	8	\$2,777	\$37,908 *	and that would reduce the total to \$35,778.00
Total				\$37,908		
House is gaining 2 press feeds through sound system upgrade bid currently proposed.						
These rooms are ranked in the order that Lenore Adams and Steve Eller think are highest to lowest priority. We have considered the input from press currently assigned to the building and the wish list from the first meeting on March 6, 2008.						