



Cable Television Communications Plan

Mission Statement

The mission of the Cable Communications Plan is to effectively manage the County's cable television and telecommunications franchise agreements and the Cable Special Revenue Fund to ensure that: cable services in Montgomery County are of high quality; cable and telecommunications providers comply with applicable safety and construction codes; cable customer service requirements and applicable consumer protection provisions are enforced; quality Public, Educational, and Governmental (PEG) cable programming is provided; FiberNet is expanded and operated to provide reliable voice, data, video and public safety communications to County government agencies; and a reliable and expedient process is provided for telecommunication carriers to establish transmission facilities in the County to speed deployment of services for residents while maintaining adequate public protection.

Budget Overview

For FY17, the Cable Communications Plan consists of three elements: the Cable & Broadband Office appropriation (\$15,802,916), transfers to the County General Fund (\$9,181,309), and transfers to the County Capital Improvements Program (\$4,817,000) for a total use of fund resources of \$29,801,225. Within the Cable Office appropriation of \$15,802,916, Personnel Costs comprise 25 percent of the budget for thirteen full-time positions. A total of 31.5 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 75 percent of the FY17 budget.

In FY17, there are several transfers to the General Fund for the following:

Montgomery College (MC): Funds are transferred from the Cable Fund to the General Fund, and then to MC. In FY17, total transfers to MC are \$1,620,732, representing an increase of \$78,432 (or 5.1%) over the FY16 transfer of \$1,542,300.

Montgomery County Public Schools (MCPS): Funds are transferred from the Cable Fund to the General Fund, and then to MCPS. In FY17, total transfers to MCPS are \$1,742,791 representing an increase of \$88,582 (or 5.4%) over the FY16 transfer of \$1,654,209.

Other: Funds are transferred from the Cable Fund to the General Fund to cover the cost of certain administrative services provided by the County to the Cable Fund (\$654,353) and other contributions (\$5,163,433).

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

Linkage to County Result Areas

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ◆ **Children Prepared to Live and Learn**
- ◆ **An Effective and Efficient Transportation Network**
- ◆ **Healthy and Sustainable Neighborhoods**
- ◆ **A Responsive, Accountable County Government**
- ◆ **Strong and Vibrant Economy**
- ◆ **Vital Living for All of Our Residents**

Department Performance Measures

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY16 estimates reflect funding based on the FY16 approved budget. The FY17 and FY18 figures are performance targets based on the FY17 approved budget and funding for comparable service levels in FY18.

Accomplishments

- The Cable Office successfully negotiated a new franchise with Comcast that preserves the 5% franchise fees and includes 3% PEG capital grant fees that can be used for operating expenses. Comcast will continue to provide courtesy cable TV services to all existing accounts. Comcast will provide up to 14 PEG channels-- 5 of which can be HD channels. The County will be allowed to use the Institutional Network through 2030.
- The Cable Office successfully negotiated a new franchise with RCN that preserves the 5% franchise fees and provides 3% PEG capital grant fees that can be used for operating expenses. RCN will provide at least 13 PEG channels in standard definition and 13 channels in HD and will provide a metro Ethernet connection with a minimum of 1 Gbps which can be upgraded to 5 Gbps.
- The Cable Office's Media Services Team worked with the Montgomery County Department of Public Libraries (MCPL) to support Montgomery County Executive Isiah Leggett's Library of the Future Summit. Attendees located at the Gaithersburg Library were able to participate virtually using Google Hangout technology. Social media was used to increase participation and video highlights were posted on YouTube. This program was available on cable TV, online and on mobile devices.
- County Report This Week, the award winning weekly half hour program produced collaboratively by PEG channels staff, continues to highlight decisions and programs that impact County residents. This show airs on six public, education and government access channels, is available on demand, via mobile devices as well on YouTube. This program is also produced in Spanish - Capsula Informativa del Condado de Montgomery.
- The PEG channels produced programming to honor Montgomery County Vietnam Veterans as the 40th anniversary of the end of the Vietnam War was commemorated. This program was available on cable TV, online and mobile devices. There will also be a documentary with interviews of residents who served during Vietnam. It is currently scheduled for airing spring 2016.
- Developed a responsive website that provides access to content produced by the County's PEG channels including information about the programs and services, healthy living, recreation, entertainment and educational opportunities. Features of the website include individual programming schedules, the ability to search content across all the eleven channels and the ability to share content of social media.
- Reconfigured FiberNet to increase Internet and cloud-computing capacity for Montgomery County Public Schools by 300 percent, representing a \$120,000 cost savings. This FiberNet upgrade enabled 40,000 new Chromebooks for MCPS students to be used effectively with WiFi in the classroom to reach the Internet.
- Continued upgrades and expansion of wireless access points in Montgomery County Public Libraries and County Offices, expanding access to mobile devices and business productivity both for library patrons and staff. Other projects include the deployment of Dense Wave Division Multiplexing equipment into FiberNet as the first step toward the next generation of FiberNet.
- The Franchise Administration team began handling service/installation calls for the 800+ complimentary government cable TV and internet accounts. Users call the County's IT Helpdesk and tickets are routed to the technicians in the field on a real time basis.

Program Contacts

Contact Phil Roter of the Cable and Broadband Office at 240.777.2886 or Dennis Hetman of the Office of Management and Budget at 240.777.2770 for more information regarding this department's operating budget.

Program Descriptions

Cable Franchise Administration

The Cable & Broadband Office in the Department of Technology Services is responsible for administering the cable television agreements for the County and participating municipalities. The budget for franchise administration includes funds for cable management and

enforcement staff, including cable and broadband complaint investigation staff, cable inspection and facilities testing staff, and office operating expenses. Funds will be used for engineering consulting services which require special expertise, such as engineering review of tower and antenna siting applications, IP-based interconnection of public, educational, and government access (PEG) video signals and facilities, transmission facility digital and engineering upgrades, and the implementation of future technology and mobile video applications. Funds will also be used to pay legal and financial consultants for work which requires special expertise, such as preparation of filings on behalf of the County before the Federal Communications Commission, analysis of legislative proposals, and County representation in cable and telecommunications service negotiations, and rate regulation and franchise compliance matters. The responsibilities associated with franchise administration include:

- Ensuring cable operator compliance with franchise financial, technical, and construction requirements and managing the cable franchise renewal and transfer process;
- Investigating and resolving cable and broadband subscriber and residential complaints;
- Administering contracts with and providing liaison and support services for the PEG channels;
- Collecting and administering franchise fees, grants, and other payments to the County and participating municipalities;
- Encouraging entry of competitive providers of telecommunication services and negotiating and reviewing proposed telecommunications franchises for use of the public rights-of-way;
- Directing and coordinating the Transmission Facilities Coordinating Committee;
- Supporting the Cable and Communications Advisory Committee and Cable Compliance Commission;
- Strategic planning for Montgomery County government cable and communications technology;
- Preparing the annual Cable Communications Plan; and
- Monitoring and working with the Office of Intergovernmental Relations to advocate for effective and reasonable State and Federal cable, broadband and telecommunications regulations and legislation.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Transmission facilities application process - Average number of days to process applications for siting wireless towers	35	29.2	30	30	30
Number of transmission facility applications processed	144	175	200	200	200
Percent of customers satisfied with Cable Office complaint handling	97.0	97.3	98.1	95.0	95.0

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	1,616,395	8.90
Decrease Cost: Legal costs	(50,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	22,698	0.00
FY17 Approved	1,589,093	8.90

Community Access to Cable

The Cable & Broadband Office administers a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM), through which MCM operates two community media cable television channels and provides media technology training to County residents and community organizations. MCM produces independent, diverse and informative cable programming for Montgomery County residents. MCM's mission is to provide media, television production and technology training that empowers residents and organizations and provides them with the opportunity to interact, engage and influence the County government and the community by using the powerful media of television and the Internet.

Program Performance Measures	Actual	Actual	Estimated	Target	Target
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	FY14	FY15	FY16	FY17	FY18
Hours of first run locally produced, block, and acquired Montgomery Community Media (MCM) programming	6,862	6,918	6,920	6,930	6,940
Hours of Montgomery Community Media (MCM) volunteer effort in creating public access programming	17,000	17,000	17,500	17,500	17,500

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	2,528,435	0.00
Increase Cost: Montgomery Community Media Salary and Benefit Increases	61,255	0.00
Increase Cost: Community Access Facility Rent Increase	9,276	0.00
Increase Cost: Community Access Facility Utility Cost Increases	5,234	0.00
FY17 Approved	2,604,200	0.00

County Cable Montgomery

The Cable Office manages CCM (County Cable Montgomery), the government access channel. CCM programming includes live Council general and committee meetings, press conferences, town hall meetings, special events, and programs highlighting County services and activities. Funding is provided to the Cable Office, County Council, Office of Public Information (PIO), and Maryland National Capital Park and Planning Commission (M-NCPPC) to develop programming for CCM. Funding to provide engineering personnel for the Mobile Production Vehicle for the PEG Network and other digital media services for the Executive and Legislative Branches is also included in the allocation to the Cable Office. Over 99 percent of all CCM programming is presented with closed captions. Highlights of programs are available on the County's YouTube channel. Spanish language programming is produced and all programming is available via web-streaming from the County's website.

Program Performance Measures	Actual	Actual	Estimated	Target	Target
	FY14	FY15	FY16	FY17	FY18
Hours of first run locally produced, block, and acquired County Cable Montgomery (CCM) programming	2,790	2,950	2,942	2,967	2,992
Hours of first run locally produced, block, and acquired Montgomery County Public Schools (MCPS) ITV programming	662	392	400	408	416
Hours of first run locally produced and acquired Montgomery College MC-ITV programming	229	248	210	210	210
Hours of Montgomery College student-assisted original programming	137	142	140	140	140

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	2,577,920	15.90
Increase Cost: Webstreaming and Video on Demand	20,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	35,411	1.00
FY17 Approved	2,633,331	16.90

Cable Programming for Public Schools

The Montgomery County Public Schools (MCPS) Office of Communications is responsible for producing television programming for its educational cable channel. Funds are used for production of instructional, community-based, staff development, and training television programs; for programs viewed via the Internet; as well as for engineering, channel management, and program acquisition. MCPS regular programming includes Board of Education meetings, Homework Hotline Live!, staff training and development, live call-in and interactive programs, in-class student programs, student-produced programs, technology training, and televised instruction in a variety of academic content areas. Many programs are translated and cablecast in multiple languages. Additional funds are requested and provided through the Public Schools' operating budget.

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	0	0.00
FY17 Approved	0	0.00

Cable Programming for Montgomery College

The Instructional Television (ITV) and Media Production Services Unit of Montgomery College is responsible for creating cable programming available on the Montgomery College educational cable channel as well as video programming and learning materials available as on-line content. Funds are used for staff, equipment, and operating expenses to provide digital media services to support student success (i.e., course completion, retention, graduation, and academic excellence), produce Spanish language programming, and to advance the mission of the entire College community. The cable and video programming features acquired and originally produced educational, informational and instructional programming which directly supports the College's distance learning and instructional programs, and to provide professional and workforce development and self-enrichment opportunities for the community. Additional funds are provided through the Montgomery College operating budget.

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	0	0.00
FY17 Approved	0	0.00

Municipal Support

Franchise and PEG fees owed by cable operators to participating municipalities within Montgomery County are paid by cable operators to the County for administrative convenience and then redistributed by the County to the City of Rockville, the City of Takoma Park, and the Montgomery County Chapter of the Maryland Municipal League (MML). The County has a contractual obligation to pass through fees owed to municipalities and no discretion to alter these payments. Municipalities may use franchise fees for any purpose. Under the terms of the franchise agreements, participating municipalities must use Public, Education, and Government (PEG) Access Operating Support funding to support PEG programming operations and PEG capital support must be used for PEG and institutional network equipment, facilities and related capital expenditures.

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	4,285,084	0.00
Increase Cost: Municipal Franchise Fees	51,939	0.00
Decrease Cost: Municipal PEG fees	(488,278)	0.00
FY17 Approved	3,848,745	0.00

Public Education Government Access (PEG) Operations

The mission of the Public, Education, and Government (PEG) Governance Board is to facilitate collaboration among the local television access operators in providing and promoting the most effective public access, educational and government programming and media services to the Montgomery County community using current and emerging technologies. PEG is collaboratively working to expand community engagement programming, programming in languages other than English, and youth media programming. The budget for PEG includes funds for the purchase of equipment; engineering support; promotion and outreach support to increase channel awareness and viewership; operational and maintenance support for the mobile production vehicle; closed captioning and Spanish language support; and general operating and administrative expenses. Federal law and cable franchise agreements restrict use of some funds to PEG and Institutional Network capital expenditures. These funds may be used to purchase PEG equipment and renovate or construct PEG studio and mobile facilities.

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	1,303,345	0.00
Increase Cost: PEG Capital	64,862	0.00
Technical Adj: Convert a Multi-Lingual Cultural Production Contractor to a Permanent Position	0	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(25,000)	(1.00)
FY17 Approved	1,343,207	0.00

Funding from the Cable Special Revenue Fund are used to support Montgomery County's private communications network - FiberNet. FiberNet is a critical infrastructure asset that provides carrier class voice, video, Internet access and data network services for Montgomery County Government and Public Schools, Montgomery College, Housing Opportunities Commission (HOC), the Maryland-National Park and Planning Commission (M-NCPPC) and the Washington Suburban Sanitary Commission (WSSC). The County's public safety communications are also provided via FiberNet infrastructure. Additionally, FiberNet provides private network access to the State of Maryland and all of the local counties, municipalities and the District of Columbia. Expenditures cover the cost of network expansion, monitoring, management, and maintenance services. FiberNet is a countywide multi-million dollar investment that is crucial to the daily operation of local government within Montgomery County and with its citizens, neighboring governments and business partners.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
New sites added to FiberNet	42	20	50	25	15

FY17 Approved Changes	Expenditures	FTEs
FY16 Approved	3,453,768	5.70
Enhance: Network Operations Center	181,100	0.00
Increase Cost: Miss Utility Compliance	111,160	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	38,312	0.00
FY17 Approved	3,784,340	5.70

Budget Summary

	Actual FY15	Budget FY16	Estimate FY16	Approved FY17	%Chg Bud/App
CABLE TELEVISION					
EXPENDITURES					
Salaries and Wages	2,518,712	2,813,670	2,810,483	3,009,388	7.0 %
Employee Benefits	909,294	1,029,200	959,967	1,024,694	-0.4 %
Cable Television Personnel Costs	3,428,006	3,842,870	3,770,450	4,034,082	5.0 %
Operating Expenses	11,125,031	11,922,077	11,911,040	11,768,834	-1.3 %
Cable Television Expenditures	14,553,037	15,764,947	15,681,490	15,802,916	0.2 %
PERSONNEL					
Full-Time	16	13	13	13	---
Part-Time	0	0	0	0	---
FTEs	30.50	30.50	30.50	31.50	3.3 %
REVENUES					
Franchise Fees	17,329,690	17,281,070	17,538,632	17,661,404	2.2 %
Gaithersburg PEG Contribution	176,503	168,127	172,972	169,513	0.8 %
I-Net Operating Revenue	1,792,092	0	902,946	0	---
Investment Income	8,355	11,240	18,890	26,990	140.1 %
Other Charges/Fees	10,000	0	0	0	---
PEG Capital Revenue	6,558,848	6,298,151	6,563,168	6,516,834	3.5 %
PEG Operating Revenue	2,278,196	4,110,091	3,251,014	4,119,609	0.2 %
Tower Application Fees	139,710	150,000	150,000	150,000	---
Cable Television Revenues	28,293,394	28,018,679	28,597,622	28,644,350	2.2 %

FY17 Approved Changes

Expenditures FTEs

CABLE TELEVISION

FY16 ORIGINAL APPROPRIATION **15,764,947 30.50**

Changes (with service impacts)

Enhance: Network Operations Center [FiberNet] 181,100 0.00

Other Adjustments (with no service impacts)

Increase Cost: Miss Utility Compliance [FiberNet] 111,160 0.00

Increase Cost: Annualization of FY16 Personnel Costs 82,384 0.00

Increase Cost: PEG Capital [Public Education Government Access (PEG) Operations] 64,862 0.00

Increase Cost: Montgomery Community Media Salary and Benefit Increases [Community Access to Cable] 61,255 0.00

Increase Cost: FY17 Compensation Adjustment 55,810 0.00

Increase Cost: Municipal Franchise Fees [Municipal Support] 51,939 0.00

Increase Cost: Webstreaming and Video on Demand [County Cable Montgomery] 20,000 0.00

Increase Cost: Group Insurance Adjustment 19,063 0.00

Increase Cost: Community Access Facility Rent Increase [Community Access to Cable] 9,276 0.00

Increase Cost: Community Access Facility Utility Cost Increases [Community Access to Cable] 5,234 0.00

Increase Cost: Printing and Mail 209 0.00

Technical Adj: Convert a Multi-Lingual Cultural Production Contractor to a Permanent Position [Public Education Government Access (PEG) Operations] 0 1.00

Shift: Telecommunications to the Telecommunications Non-Departmental Account (4,000) 0.00

Decrease Cost: Elimination of One-Time Items Approved in FY16 (25,000) 0.00

Decrease Cost: Legal costs [Cable Franchise Administration] (50,000) 0.00

Decrease Cost: Retirement Adjustment (57,045) 0.00

Decrease Cost: Municipal PEG fees [Municipal Support] (488,278) 0.00

FY17 APPROVED **15,802,916 31.50**

Program Summary

Program Name	FY16 APPR		FY17 APPR	
	Expenditures	FTEs	Expenditures	FTEs
Cable Franchise Administration	1,616,395	8.90	1,589,093	8.90
Community Access to Cable	2,528,435	0.00	2,604,200	0.00
County Cable Montgomery	2,577,920	15.90	2,633,331	16.90
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	4,285,084	0.00	3,848,745	0.00
Public Education Government Access (PEG) Operations	1,303,345	0.00	1,343,207	0.00
FiberNet	3,453,768	5.70	3,784,340	5.70
Total	15,764,947	30.50	15,802,916	31.50

Future Fiscal Impacts

Title	CC APPROVED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
CABLE TELEVISION						
EXPENDITURES						
FY17 Approved	15,803	15,803	15,803	15,803	15,803	15,803
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	19	19	19	19	19
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	15,803	15,822	15,822	15,822	15,822	15,822