



# Cable Television Communications Plan

## APPROVED FY20 BUDGET

\$16,372,005

## FULL TIME EQUIVALENTS

30.85

☀ H. N. (SONNY) SEGAL, CHIEF INFORMATION OFFICER

## MISSION STATEMENT

The mission of the Office of Broadband Programs is to effectively manage the County's cable television and telecommunications franchise agreements and the Cable Special Revenue Fund to ensure that: broadband 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

The total approved FY20 Operating Budget for the Office of Broadband Programs is \$16,372,005, an increase of \$178,793 or 1.10 percent from the FY19 Approved Budget of \$16,193,212. Personnel Costs comprise 26.15 percent of the budget for 13 full-time position(s) and no part-time position(s), and a total of 30.85 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 73.85 percent of the FY20 budget.

The FY20 Cable Television Communications Plan includes five elements:

- the Office of Broadband Programs appropriation (\$16,372,005);
- transfers to the General Fund for indirect costs (\$879,676);
- transfers to Instructional Television (ITV) programs including Montgomery County Public Schools (\$1,799,775) and Montgomery College (\$1,764,321);
- transfers to the County Capital Improvements Programs including FiberNet (\$3,750,000) and ultraMontgomery (\$680,000); and
- a transfer to M-NCPPC for the Connected Parks initiative (\$100,000).

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

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## COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

- ◆ **Thriving Youth and Families**
- ◆ **Easier Commutes**
- ◆ **A Greener County**
- ◆ **Effective, Sustainable Government**
- ◆ **A Growing Economy**

## 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 FY19 estimates reflect funding based on the FY19 Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Approved Budget and funding for comparable service levels in FY21.

## INITIATIVES

- ★ Implement a marketing plan for the Public, Education, and Government (PEG) channels using the results of the viewership study, which was initiated to better understand viewing habits and preferences.
- ★ Launch additional HD channels with Comcast and RCN.
- ★ Develop marketing plan for FiberNet broadband services and fiber and conduit availability in Montgomery County.
- ★ Apply for Federal funding and continue to support public/private partnerships to bring broadband to undeserved areas of the County's Agricultural Reserve.
- ★ Support small-cell deployment in residential areas that reasonably balances meaningful public input into new deployments with the requirements of Federal and State law to enable provisions of new wireless communications services.
- ★ Expand Senior Planet Montgomery and other public/private partnerships to support more digital economy and digital inclusion training for older adults and affordable access to internet-connected devices.
- ★ Host business focused roundtables and events to improve access to robust and reliable high-speed broadband services in commercial buildings in the County.
- ★ Increase community engagement and social media outreach.

## ACCOMPLISHMENTS

- ☑ Hosted first Broadband Summit to bring together building owners, property managers, broadband network service providers,

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and businesses to discuss how to improve access to robust and reliable high-speed broadband services in commercial buildings in the County.

- ✔ Worked with County Council to enact legislation to enable streamlined deployment of small-cell installations in commercial and commercial/residential areas, where network capacity constraints are greatest.
- ✔ Developed online Transmission Facility Coordinating Group (TFCG) application filing system, to improve public engagement and review of communications antenna mapping, applications, and recommendations.
- ✔ Launched County Conduit Network to facilitate efficient use of scarce room in public rights-of-way to support underground installation of communications, reduce public disruptions from continuous construction, and speed access to broadband service in commercial buildings.
- ✔ In partnership with Comcast, started a pilot project to extend broadband and cable services into the Montgomery County Agricultural Reserve within the community of Sugarland Road. Construction began October 2018.
- ✔ Received multiple awards from the Alliance for Community Media (ACM), National Association of Telecommunications Officers and Advisors (NATOA) and Telly Awards.
- ✔ PEG channels provided live coverage of the 2018 Inauguration of the Montgomery County Executive and Montgomery County Council, the primary and general elections, and coverage of several candidate forums.
- ✔ Increased live social media coverage of Executive and County Council events.
- ✔ Launched Condado TV in December 2017 which aggregates Public, Education, and Government Spanish language programming.
- ✔ Montgomery Community Media (MCM) held the second annual "EPIC Awards" (Excellence in Programming and Innovative Content) to recognize the creators of outstanding and innovative multimedia content distributed on broadcast and/or broadband platforms.

## INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ✦ The efficiencies from the creation of the Office of Broadband Programs include staff synergy in cable and franchise administration, FiberNet, ultraMontgomery, video creation, and social media marketing, as well as resource sharing and co-location of administrative support, all of which will further enhance the initiatives for countywide broadband governance, planning, related economic development efforts, digital equity, and community engagement.

## PROGRAM CONTACTS

Contact Helen Ni of the Department of Technology Services at 240.777.2807 or Jennifer Nordin of the Office of Management and Budget at 240.777.2779 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### ✦ Cable Franchise Administration

The Office of Broadband Programs 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 staff for cable management and enforcement, including cable and broadband complaint investigation, cable inspection and facilities testing, and

office operating expenses. Funds are 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 are also 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 (FCC), analysis of legislative proposals, 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;
- Collecting and administering franchise fees, grants, and other payments to the County and participating municipalities;
- Encouraging entry of competitive providers of telecommunications 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 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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Transmission facilities application process - Average number of days to process applications for siting wireless towers	35	34	35	35	35
Number of transmission facility applications processed	422	242	300	350	350
Percent of customers satisfied with Cable Office complaint handling	94.2	94.3	94	94	94

FY20 Approved Changes	Expenditures	FTEs
<b>FY19 Approved</b>	<b>1,474,985</b>	<b>8.50</b>
Add: Franchise fee negotiation preparation including a technical assessment of infrastructure, fee audit, needs assessment, and outside professional services (legal)	205,000	0.00
Enhance: Outside Professional Services (Legal) to address FCC initiatives and Federal litigation	170,000	0.00
Decrease Cost: Abolish one Manager II (Cable Administrator)	(135,800)	(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.	348,000	1.00
<b>FY20 Approved</b>	<b>2,062,185</b>	<b>8.50</b>

## Community Access to Cable

The Office Broadband Programs administers a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM), through which it 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 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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Hours of first run locally produced, block, and acquired Montgomery Community Media (MCM) programming	4,132	2,231	2,235	2,240	2,245
Hours of Montgomery Community Media (MCM) volunteer effort in creating public access programming	17,500	13,720	13,000	13,000	13,000
<b>FY20 Approved Changes</b>			<b>Expenditures</b>	<b>FTEs</b>	
<b>FY19 Approved</b>			<b>2,643,911</b>	<b>0.00</b>	
Increase Cost: Community Access Labor Costs and Benefit Increase			69,697	0.00	
Increase Cost: Community Access Facility Rent and Utility Increase			33,322	0.00	
Decrease Cost: Operating Expenses			(11,000)	0.00	
<b>FY20 Approved</b>			<b>2,735,930</b>	<b>0.00</b>	

## County Cable Montgomery

The Office of Broadband Programs manages services to support County Cable Montgomery (CCM), the government access channel. CCM programming includes live County Council sessions and committee meetings, press conferences, town hall meetings, special events, and programs highlighting County services and activities. Funding is provided to the Media Services, County Council, Office of Public Information (PIO), and Maryland-National Capital Park and Planning Commission (M-NCPPC) to develop programming. Funding is also provided for engineering staff for the Technical Operations Center which monitors the audio and video signals provided to the cable providers, administering contracts, providing liaison and support services for the PEG channels, and other digital and social media services for the Executive and Legislative Branches. 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 on the County's website.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Hours of first run locally produced, block, and acquired County Cable Montgomery (CCM) programming	2,608	2,731	2,725	2,645	2,645
<b>FY20 Approved Changes</b>			<b>Expenditures</b>	<b>FTEs</b>	
<b>FY19 Approved</b>			<b>2,701,941</b>	<b>16.60</b>	
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.			226,231	1.00	
<b>FY20 Approved</b>			<b>2,928,172</b>	<b>17.60</b>	

## Cable Programming for Public Schools

Montgomery County Public Schools Television (MCPS-TV) is a full-service television and multimedia facility that produces TV programs for students, staff, parents, and the general community; many of which are produced in multiple languages to reach the district's growing multicultural community. MCPS-TV regular programming includes Board of Education meetings, Homework

HotlineLive!, 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.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Hours of first run locally produced, block, and acquired Montgomery County Public Schools (MCPS) ITV programming	426	421	429	438	446
<b>FY20 Approved Changes</b>			<b>Expenditures</b>		<b>FTEs</b>
<b>FY19 Approved</b>				<b>0</b>	<b>0.00</b>
<b>FY20 Approved</b>				<b>0</b>	<b>0.00</b>

## ☀ 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.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Hours of first run locally produced and acquired Montgomery College MC-ITV programming	253	290	285	300	300
Hours of Montgomery College student-assisted original programming	139	175	150	150	150
<b>FY20 Approved Changes</b>			<b>Expenditures</b>		<b>FTEs</b>
<b>FY19 Approved</b>				<b>0</b>	<b>0.00</b>
<b>FY20 Approved</b>				<b>0</b>	<b>0.00</b>

## ☀ Municipal Support

Franchise and Public, Education, and Government (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 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.

<b>FY20 Approved Changes</b>			<b>Expenditures</b>		<b>FTEs</b>
<b>FY19 Approved</b>			<b>3,848,745</b>		<b>0.00</b>

FY20 Approved Changes	Expenditures	FTEs
Decrease Cost: Municipal Pass Throughs including Capital Support, Franchise Fee Distribution, and PEG Operating Support	(285,145)	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.	300	0.00
<b>FY20 Approved</b>	<b>3,563,900</b>	<b>0.00</b>

## 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 PEG programming and media services to the Montgomery County community using current and emerging technologies. The PGB collaboratively works to expand community engagement, programming in languages other than English content produced by and for youth. The budget for PEG includes funds for the purchase of equipment; engineering support; promotion and outreach support to increase channel awareness and viewership; strategic planning; 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 build PEG facilities.

FY20 Approved Changes	Expenditures	FTEs
<b>FY19 Approved</b>	<b>1,263,149</b>	<b>0.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	40,000	0.00
<b>FY20 Approved</b>	<b>1,303,149</b>	<b>0.00</b>

## FiberNet

Funding from the Cable Special Revenue Fund is 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, Montgomery County Public Schools (MCPS), 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 the County and with its citizens, neighboring governments, and business partners.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
New sites added to FiberNet	12	11	15	10	8

FY20 Approved Changes	Expenditures	FTEs
<b>FY19 Approved</b>	<b>4,260,481</b>	<b>6.75</b>
Increase Cost: Dense Wave Division Multiplexing (DWDM) network equipment maintenance	70,000	0.00
Decrease Cost: Lapse one Sr. IT Specialist (six months)	(58,485)	0.00



FY20 Approved Changes	Expenditures	FTEs
Decrease Cost: Operating Expenses	(254,635)	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.	(238,692)	(2.00)
<b>FY20 Approved</b>	<b>3,778,669</b>	<b>4.75</b>

## BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Approved FY20	%Chg Bud/App
<b>CABLE TELEVISION</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,592,793	3,174,111	3,003,141	3,265,049	2.9 %
Employee Benefits	861,515	975,473	931,556	1,016,089	4.2 %
<b>Cable Television Personnel Costs</b>	<b>3,454,308</b>	<b>4,149,584</b>	<b>3,934,697</b>	<b>4,281,138</b>	<b>3.2 %</b>
Operating Expenses	10,985,189	12,043,628	11,982,133	12,090,867	0.4 %
<b>Cable Television Expenditures</b>	<b>14,439,497</b>	<b>16,193,212</b>	<b>15,916,830</b>	<b>16,372,005</b>	<b>1.1 %</b>
<b>PERSONNEL</b>					
Full-Time	14	14	14	13	-7.1 %
Part-Time	0	0	0	0	—
FTEs	32.50	31.85	31.85	30.85	-3.1 %
<b>REVENUES</b>					
Franchise Fees	16,999,371	17,867,623	16,631,000	16,235,000	-9.1 %
Gaithersburg PEG Contribution	158,996	165,301	151,000	144,000	-12.9 %
Investment Income	125,012	106,720	107,000	263,000	146.4 %
PEG Capital Revenue	6,272,943	6,644,000	6,018,000	5,932,000	-10.7 %
PEG Operating Revenue	3,967,041	4,013,296	3,946,000	3,848,000	-4.1 %
Tower Application Fees	139,000	150,000	150,000	150,000	—
<b>Cable Television Revenues</b>	<b>27,662,363</b>	<b>28,946,940</b>	<b>27,003,000</b>	<b>26,572,000</b>	<b>-8.2 %</b>

## FY20 APPROVED CHANGES

	Expenditures	FTEs
<b>CABLE TELEVISION</b>		
<b>FY19 ORIGINAL APPROPRIATION</b>	<b>16,193,212</b>	<b>31.85</b>
<b><u>Changes (with service impacts)</u></b>		
Add: Franchise fee negotiation preparation including a technical assessment of infrastructure, fee audit, needs assessment, and outside professional services (legal) [Cable Franchise Administration]	205,000	0.00
Enhance: Outside Professional Services (Legal) to address FCC initiatives and Federal litigation [Cable Franchise Administration]	170,000	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Restore One-Time Lapse Increase	135,008	0.00
Increase Cost: FY20 Compensation Adjustment	115,222	0.00



## FY20 APPROVED CHANGES

	Expenditures	FTEs
Increase Cost: Dense Wave Division Multiplexing (DWDM) network equipment maintenance [FiberNet]	70,000	0.00
Increase Cost: Community Access Labor Costs and Benefit Increase [Community Access to Cable]	69,697	0.00
Increase Cost: Annualization of FY19 Personnel Costs	65,965	0.00
Increase Cost: Community Access Facility Rent and Utility Increase [Community Access to Cable]	33,322	0.00
Increase Cost: Passive Optical Network (PON) maintenance in facilities shared by County Agencies	30,000	0.00
Increase Cost: PEG Operating - Warranties and Maintenance Contracts	20,000	0.00
Increase Cost: Retirement Adjustment	9,644	0.00
Decrease Cost: Operating Expenses [Community Access to Cable]	(11,000)	0.00
Decrease Cost: Lapse one Sr. IT Specialist (six months) [FiberNet]	(58,485)	0.00
Decrease Cost: Abolish one Manager II (Cable Administrator) [Cable Franchise Administration]	(135,800)	(1.00)
Decrease Cost: Operating Expenses [FiberNet]	(254,635)	0.00
Decrease Cost: Municipal Pass Throughs including Capital Support, Franchise Fee Distribution, and PEG Operating Support [Municipal Support]	(285,145)	0.00
<b>FY20 APPROVED</b>	<b>16,372,005</b>	<b>30.85</b>

## PROGRAM SUMMARY

Program Name	FY19 APPR Expenditures	FY19 APPR FTEs	FY20 APPR Expenditures	FY20 APPR FTEs
Cable Franchise Administration	1,474,985	8.50	2,062,185	8.50
Community Access to Cable	2,643,911	0.00	2,735,930	0.00
County Cable Montgomery	2,701,941	16.60	2,928,172	17.60
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	3,848,745	0.00	3,563,900	0.00
Public Education Government Access (PEG) Operations	1,263,149	0.00	1,303,149	0.00
FiberNet	4,260,481	6.75	3,778,669	4.75
<b>Total</b>	<b>16,193,212</b>	<b>31.85</b>	<b>16,372,005</b>	<b>30.85</b>

## FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
<b>CABLE TELEVISION</b>						
<b>EXPENDITURES</b>						
<b>FY20 Approved</b>	<b>16,372</b>	<b>16,372</b>	<b>16,372</b>	<b>16,372</b>	<b>16,372</b>	<b>16,372</b>
No inflation or compensation change is included in outyear projections.						
<b>Restore One-Time Lapse Increase</b>	<b>0</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>58</b>
Restoration of one-time lapse adjustment in the budget development year						

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## FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
<b>Labor Contracts</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>16,372</b>	<b>16,480</b>	<b>16,480</b>	<b>16,480</b>	<b>16,480</b>	<b>16,480</b>