



TO: Mayor Leffingwell and City Council Members

FROM: Chip Rosenthal, Chair  
Austin Community Technology and Telecommunications Commission

DATE: April 19, 2010

SUBJECT: Findings and Recommendations related to a Request for Proposal for the public access television management services contract

At the April 14, 2010 regular meeting of the Austin Community Technology and Telecommunications Commission, the Commission adopted a collection of "Findings and Recommendations" related to an RFP for public access television management services. The purpose of this memorandum is to share that information with you.

### **Background**

The current public access television management contract, held by Public Access Community Television (PACT) operating as channelAustin, is due to expire on September 30, 2011. The City is planning to issue an RFP later this year for a new term of services.

There have been significant changes to the media and regulatory environment since we last contracted for these services. The most significant concerns result from the anticipated transition of Time Warner Cable from a municipal franchise to a state-issued franchise.

In February 2009, the Austin Community Technology and Telecommunications Commission created a task force to explore viable funding and operating models for future public access television. That task force has completed its assignment, and the issue will now be addressed by the commission as a whole.

The "Findings and Recommendations" reported here are the consensus positions of the three commission members of the task force (Randall Kolb, Melvin White, and myself). We have communicated with others in the preparation of our points (TARA staff, Channel 6 staff, ChannelAustin), but we do not presume to speak for those entities. These points should be considered to be the adopted commission position.

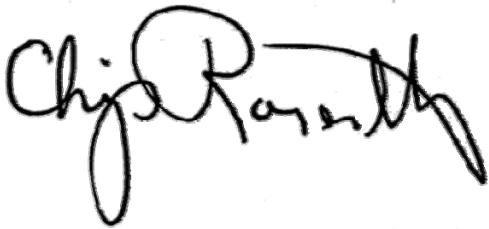
## **Findings**

1. Public access television continues to be a strong and valued asset to our community, and is successfully transforming itself to a broad-based digital community media facility to better serve the community.
2. The transition from a municipal to state-issued video franchise is expected to have a highly detrimental impact on access television funding. While funding levels are likely to be sufficient, restrictions placed on the uses of those funds are problematic. The state franchise provides no funding mechanism for operational expenses, just capital expenses, due to a conflict with federal Cable Act.
3. When the municipal franchise with Time Warner Cable concludes in August of 2011, they will likely choose to continue operations in the Austin area under a state-issued franchise. If they do, this will trigger the funding issue above. If that happens, the impact would occur in the 2012 budget cycle.
4. We have identified some promising new approaches to public access being undertaken. These include the Open Media Foundation in Denver and the Bay Area Video Coalition in San Francisco. These models should be considered when developing the new model for Austin. These approaches would somewhat reduce – but not eliminate – the need for municipal funding for operations.
5. We were unable to identify a single successful and sustainable model for public access television that involved no municipal funding for operations.
6. The funding problem could be resolved by action that removes unnecessary restrictions on access funds. This would not increase costs to anybody – cable providers, municipalities, cable viewers, or taxpayers. Federal legislation has been introduced to remedy the problem (HR 3745 - The CAP Act), but currently is moving slowly.
7. The current public access management contract ends on September 30, 2011. The City expects to issue an RFP for a new management contract in November 2010. If the Commission wishes to offer recommendations for the RFP, it would need to adopt them at or before its September regular commission meeting.
8. The regulatory and media landscape have changed significantly since the City last went out for bid on public access management services. The City should be open to new ideas in the scope of services and revenue generation in the RFP.

**Recommendations**

1. The Commission holds a work session in August to draft recommendations for the new access management RFP, with final passage in September.
2. The Commission conducts a public forum to gather input for the RFP.
3. The Commission invites presentations from various experts and community leaders to gather input for the RFP.
4. The Commission explores other opportunities to gather input for the RFP.
5. The City engages its resources to effect policy change to resolve the problem of unnecessary limits on access television operating funds.
6. The City ensures funding for continued operation of the public access television component of the broad-based digital community media facility, for the period of a new management contract.

Please do not hesitate to contact me if you have any questions or comments on this.

A handwritten signature in black ink, appearing to read "Chip Rowland". The signature is fluid and cursive, with a large initial "C" and "R".

cc: Rondella Hawkins  
Leslie Browder  
Doug Matthews  
Keith Reeves