



STATE OF NEBRASKA
Nebraska Educational Telecommunications Commission

Television • Radio • Learning Services • Technology Services

CHAIR: Ken Bird, Omaha
VICE-CHAIR: Fred Ohles, Lincoln
SECRETARY: Mark Leonard, Lincoln

COMMISSIONERS: Matt Blomstedt, Lincoln Patricia Kircher, Omaha Randy Schmailzl, Omaha
Stan Carpenter, Lincoln Lisa May, Kearney Clay Smith, Lincoln
Marilyn Hadley, Kearney Jackie Ostrowicki, Lincoln Darlene Starman, Lincoln

August 16, 2016

TO: Nebraska Educational Telecommunications Commissioners

Enclosed for your review are the minutes of Meeting #451, reports and a preliminary agenda for our Thursday, August 25, 2016 Commission public meeting.

The meeting will begin at 9:30 a.m. at NET, 1800 No. 33rd, Lincoln, Nebraska, 1st Floor Board Room. We look forward to meeting with you on the 25th.

Note: The Finance Committee (Ken Bird, Marilyn Hadley, Patty Kircher, Fred Ohles, Clay Smith) will meet at 8:30 p.m. in the Lobby Conference Room.

Sincerely,

Mark Leonard
Secretary

MEETING #452
Nebraska Educational Telecommunications Commission
Nebraska Educational Telecommunications Center
1800 No. 33rd Street-Lincoln, NE
August 25, 2016
9:30 A.M.
AGENDA

CALL TO ORDER
ROLL CALL
PUBLIC COMMENT PERIOD

- I. COMMISSION CONSENT AGENDA
 - 1. Approve Minutes of Meeting #451

- II. COMMISSION ADMINISTRATIVE AGENDA
 - 2. *Approve 4th Quarter Budget Report (Randy Hansen)*
 - 3. *Approve Equipment Lists for FY 2017, TV & Radio (Randy Hansen)*
 - 4. *Biennial Budget (Randy Hansen)*

- III. COMMISSION STRATEGIC AGENDA

- IV. COMMISSION INFORMATION AGENDA
 - 4. NET Education – Gary Targoff
 - 5. NET Engineering – Ling Ling Sun
 - KYNE-TV Relocation Update
 - 6. NET Broadcast Production – Rupert Macnee
 - 7. NET Digital & Multimedia – Chad Davis
 - 8. NET Radio & Television Programming Report – Nancy Finken
 - 9. Secretary’s Report – Mark Leonard

- V. ADDITIONAL BUSINESS
 - Review Proposed 2017 Meeting Dates

ADJOURNMENT

2016 MEETING SCHEDULE

- December 1 – NET

2017 MEETING SCHEDULE (Proposed)

- February 16 (Videoconference Meeting)
- June 30 (NET)
- August 24 (NET)
- December 7 -- NET

Minutes of Meeting #451
Nebraska Educational Telecommunications Commission
Nebraska Educational Telecommunications Center
1800 No. 33rd Street
Lincoln, Nebraska
June 30, 2016

PRESENT: Commissioner Ken Bird
Commissioner Brent Gaswick
Commissioner Stan Carpenter
Commissioner Marilyn Hadley
Commissioner Patty Kircher
Commissioner Lisa May
Commissioner Fred Ohles
Commissioner Jackie Ostrowicki
Commissioner Randy Schmailzl
Commissioner Darlene Starman

ABSENT: Commissioner Clay Smith

Advance notice of the public meeting was sent to Nebraska news media by means of a news release forwarded from the Commission office with Agenda posted in the NET Lobby and on the State and NET web sites. LB 898 (related to Open Meetings Act) is also posted in the NET Board Room on 1st floor.

Chair Ken Bird called meeting #451 to order at 10:30 a.m.

Following the call of the roll, it was determined that a duly constituted quorum of Commissioners to be present.

The Chair called for public comment. There was none. He next introduced the following new Commissioners Lisa May, Jackie Ostrowicki and Randy Schmailzl and welcomed them to the Commission.

The Chair requested approval of the minutes of meeting #450 as held on February 18, 2016. It was moved by Hadley and seconded by Starman to approve minutes of meeting #450 as presented. Roll call vote was recorded as follows: voting aye: Commissioners Bird, Gaswick, Hadley, Kircher, May, Ohles, Ostrowicki, Schmailzl, and Starman; Opposed: None; Absent: Carpenter and Smith.

Commissioner Carpenter joined the meeting in progress at 10:40 a.m.

AGM-Administration & Finance Randy Hansen presented the 3rd quarter budget report for period ending March 31, 2016 for both the Television and Radio Divisions. The Finance Committee met prior to the meeting to review the report in greater detail. It was moved by Starman and seconded by May to approve the 3rd quarter budget reports as presented and attached to the minutes. Roll call vote was recorded as follows: voting aye: Commissioners Bird, Carpenter, Gaswick, Hadley, Kircher, May, Ohles, Ostrowicki, Schmailzl, and Starman: Opposed: None Absent: Smith.

AGM-Administration & Finance Randy Hansen next reviewed the FY 2017 Commissioner Operating Budget including a summary that provided an overview of the proposed budget accounts and categories with comparisons to the FY 2016 budget. It was moved by Commissioner Ohles and seconded by Commissioner Kircher to approve the Commission's FY 2017 budget totaling \$11,100,823 and to approve a July 1, 2016 base salary increase of 2.40% for non-contract, rules covered Commission employees (exempt, salaried employees) and for Commission employees covered by the union contract (non-exempt, hourly rate employees) as recommended by the Governor and approved by the Legislature. Roll call vote was recorded as follows: voting aye: Opposed: None

AGM-Education Gary Targoff gave an update on Ready To Learn, Early Childhood Education and Community Engagement activities.

AGM-Technology Ling-Ling Sun presented a slideshow of pictures prior to and during the installation of KTNE-TV antenna restoration project. KTNE-TV was back to 100% power on June 11 and back to normal operation on June 16. She also reported on progress related to the KYNE-TV relocation project. Contracts have been signed with KETV effective July 1, 2016.

AGM-Broadcast Production Rupert Macnee informed Commissioners of completed production projects, ongoing series and in production projects. He indicated that former UNL coach Tom Osborne gave an extensive interview that incorporated his life, career and values. This footage will be used in a future NET television program with interview excerpts on NET News and NET Sports projects.

NET Digital & Multimedia Chad Davis reported on projects currently in Research & Development, projects in production and projects completed this quarter.

AGM-Development Debbie Hamlet presented a video of NET's western Nebraska road trip. Various NET staff members visited the following towns: North Platte, Scottsbluff, Gering, Alliance, Chadron and Valentine, involving 1200 miles.

Secretary Leonard next presented information regarding Legislative Review of NET structure. This was presented as information to keep Commissioners informed but also considered a non-issue at this point.

The next NETC meeting is scheduled for August 25.

Being no further business, Meeting #451 adjourned at 12:06 p.m.

Respectfully submitted,

Mark Leonard
Secretary

NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
Television Division
December 31, 2015

	YTD Budget	YTD Actual	\$Diff	%Diff	Prior Year YTD Actual	\$Diff	%Diff
TELEVISION DIVISION							
Personnel Expenses	445,000	431,744	(13,256)	-3%	418,031	13,713	3%
Insurance	38,000	37,257	(743)	-2%	37,113	144	0%
TOTAL TELEVISION DIVISION	483,000	469,001	(13,999)	-3%	455,144	13,857	3%
GENERAL MANAGEMENT							
Personnel Expenses	51,350	51,358	8	0%	51,038	320	1%
Other Operational Expense	6,000	5,517	(483)	-8%	8,134	(2,617)	-32%
TOTAL GENERAL MANAGEMENT	57,350	56,875	(475)	-1%	59,172	(2,297)	-4%
ADMIN & FINANCE							
Personnel Expenses	129,500	128,465	(1,035)	-1%	125,601	2,864	2%
Memberships	50,000	50,234	234	0%	46,613	3,621	8%
Utilities	304,000	243,500	(60,500)	-20%	298,361	(54,861)	-18%
Maintenance & Repair & Supplies	21,500	25,804	4,304	20%	19,908	5,896	30%
Communication Expense	33,800	31,602	(2,198)	-7%	35,231	(3,629)	-10%
Professional Fees	21,000	19,892	(1,108)	-5%	13,974	5,918	42%
Insurance	52,500	36,039	(16,461)	-31%	45,406	(9,367)	-21%
Other Operational Expense	5,663	5,494	(169)	-3%	4,108	1,386	34%
Grants to Station/Partner	210,672	210,672	0	0%	210,672	0	0%
UNLT&COMM Contract Serv	90,750	90,850	100	0%	100,402	(9,552)	-10%
TOTAL ADMIN & FINANCE	919,385	842,552	(76,833)	-8%	900,276	(57,724)	-6%
PROGRAMMING							
Personnel Expenses	80,050	33,457	(46,593)	-58%	128,057	(94,600)	-74%
Program Acquisition&Fees	315,000	316,999	1,999	1%	323,242	(6,243)	-2%
Other Operational Expense	5,000	1,929	(3,071)	-61%	31,251	(29,323)	-94%
TOTAL PROGRAMMING	400,050	352,385	(47,665)	-12%	482,551	(130,166)	-27%
PRODUCTION							
Personnel Expenses	113,100	98,723	(14,377)	-13%	122,278	(23,555)	-19%
Maintenance & Repair & Supplies	50,000	35,528	(14,472)	-29%	62,759	(27,231)	-43%
Other Operational Expense	54,550	35,534	(19,016)	-35%	38,363	(2,829)	-7%
UNLT Production Services	240,000	230,170	(9,830)	-4%	236,051	(5,881)	-2%
UNLT&COMM Contract Serv	586,650	596,684	10,034	2%	559,686	36,998	7%
TOTAL PRODUCTION	1,044,300	996,640	(47,660)	-5%	1,019,137	(22,498)	-2%

NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
Television Division
December 31, 2015

	YTD Budget	YTD Actual	\$Diff	%Diff	Prior Year YTD Actual	\$Diff	%Diff
ENGINEERING							
Personnel Expenses	873,700	855,725	(17,975)	-2%	844,293	11,431	1%
Utilities	207,500	220,541	13,041	6%	218,337	2,204	1%
Maintenance & Repair & Supplies	239,150	225,357	(13,793)	-6%	323,142	(97,785)	-30%
Communication Expense	157,750	148,311	(9,439)	-6%	148,126	185	0%
Other Operational Expense	55,000	14,630	(40,370)	-73%	33,146	(18,516)	-56%
Travel & Registrations	75,350	58,388	(16,962)	-23%	58,812	(423)	-1%
TOTAL ENGINEERING	1,608,450	1,522,953	(85,497)	-5%	1,625,856	(102,903)	-6%
COMMUNICATION SRVC							
Personnel Expenses	33,650	33,104	(546)	-2%	0	33,104	100%
Other Operational Expense	35,100	43,023	7,923	23%	5,167	37,856	733%
TOTAL COMMUNICATION SRVC	68,750	76,127	7,377	11%	5,167	70,960	1373%
MNGT INFO SYSTEMS							
Personnel Expenses	29,900	29,404	(496)	-2%	28,016	1,388	5%
Maintenance & Repair & Supplies	79,800	79,564	(236)	0%	45,505	34,059	75%
Other Operational Expense	31,800	11,415	(20,385)	-64%	13,853	(2,438)	-18%
TOTAL MNGT INFO SYSTEMS	141,500	120,383	(21,117)	-15%	87,374	33,009	38%
MEDIA MANAGEMENT							
Personnel Expenses	105,300	103,118	(2,182)	-2%	102,966	152	0%
Maintenance & Repair & Supplies	18,000	14,308	(3,692)	-21%	11,559	2,749	24%
Other Operational Expense	3,550	515	(3,035)	-85%	1,727	(1,212)	-70%
TOTAL MEDIA MANAGEMENT	126,850	117,941	(8,909)	-7%	116,252	1,689	1%
BUILDING MAINTENANCE							
Maintenance & Repair & Supplies	106,150	112,205	6,055	6%	147,223	(35,019)	-24%
Other Operational Expense	18,500	12,810	(5,690)	-31%	15,046	(2,236)	-15%
UNLT&COMM Contract Serv	41,550	40,168	(1,382)	-3%	39,823	345	1%
TOTAL BUILDING MAINTENANCE	166,200	165,183	(1,017)	-1%	202,093	(36,910)	-18%
CAPITAL PURCHASE							
Capital Expense	500,000	527,861	27,861	6%	470,634	57,228	12%
TOTAL CAPITAL PURCHASE	500,000	527,861	27,861	6%	470,634	57,228	12%
TOTAL TELEVISION DIVISION	5,515,835	5,247,899	(267,935)	-5%	5,423,655	(175,756)	-3%

NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
RADIO DIVISION
December 31, 2015

	YTD Budget	YTD Actual	\$DIFF	%DIFF	Prior Year YTD Actual	\$DIFF	%DIFF
RADIO DIVISION							
Personnel Expenses	20,050	16,463	(3,587)	-18%	15,419	1,044	7%
Insurance	3,900	2,070	(1,830)	-47%	3,413	(1,343)	-39%
TOTAL RADIO DIVISION	23,950	18,533	(5,417)	-23%	18,831	(299)	-2%
GENERAL MANAGEMENT							
Personnel Expenses	44,000	45,249	1,249	3%	42,697	2,552	6%
Communication Expense	2,900	2,669	(231)	-8%	2,898	(229)	-8%
Other Operational Expense	-	-	-	0%	15	(15)	-100%
TOTAL GENERAL MANAGEMENT	46,900	47,918	1,018	2%	45,610	2,308	5%
ADMIN & FINANCE							
Other Operational Expense	2,224	1,348	(875)	-39%	1,379	(31)	-2%
TOTAL ADMIN & FINANCE	2,224	1,348	(875)	-39%	1,379	(31)	-2%
PROGRAMMING							
Personnel Expenses	35,500	22,797	(12,704)	-36%	22,475	322	1%
Other Operational Expense	3,000	2,266	(734)	-24%	17,073	(14,807)	-87%
TOTAL PROGRAMMING	38,500	25,063	(13,437)	-35%	39,548	(14,485)	-37%
ENGINEERING							
Utilities	64,000	68,385	4,385	7%	69,364	(980)	-1%
Maintenance & Repair & Supplies	21,200	6,315	(14,885)	-70%	12,022	(5,707)	-47%
Equip/Building/Tower Rent	11,000	10,842	(158)	-1%	10,818	25	0%
Other Operational Expense	900	5,813	4,913	546%	1,170	4,643	397%
TOTAL ENGINEERING	97,100	91,355	(5,745)	-6%	93,374	(2,019)	-2%
COMMUNICATION SERVICE							
Other Operational Expense	750	1,011	261	35%	189	822	435%
TOTAL COMMUNICATION SRVC	750	1,011	261	35%	189	822	435%
CAPITAL PURCHASE							
Capital Expense	22,000	-	(22,000)	-100%	29,697	(29,697)	-100%
TOTAL CAPITAL PURCHASE	22,000	-	(22,000)	-100%	29,697	(29,697)	-100%
TOTAL RADIO DIVISION	231,424	185,227	(46,196)	-20%	228,628	(43,401)	-19%

NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION

Television Division

June 30, 2016

	YTD Budget	YTD Actual	\$Diff	%Diff	Prior Year YTD YTD	PY \$DiffA	PY %Diff
TELEVISION DIVISION							
Personnel Expenses	890,000	816,856	(73,144)	-8%	816,794	63	0%
Insurance	38,000	37,257	(743)	-2%	37,113	144	0%
TOTAL TELEVISION DIVISION	928,000	854,114	(73,886)	-8%	853,907	207	0%

GENERAL MANAGEMENT

Personnel Expenses	102,700	102,717	17	0%	102,077	640	1%
Other Operational Expense	12,000	10,000	(2,000)	-17%	16,098	(6,098)	-38%
TOTAL GENERAL MANAGEMENT	114,700	112,717	(1,983)	-2%	118,175	(5,458)	-5%

TOTAL ADMIN & FINANCE

Personnel Expenses	259,000	260,590	1,590	1%	253,254	7,336	3%
Memberships	50,000	50,234	234	0%	46,613	3,621	8%
Utilities	552,000	472,513	(79,487)	-14%	550,073	(77,560)	-14%
Maintenance & Repair & Supplies	43,000	45,057	2,057	5%	42,312	2,744	6%
Communication Expense	67,600	67,812	212	0%	67,595	216	0%
Professional Fees	30,000	27,266	(2,734)	-9%	17,609	9,658	55%
Insurance	62,500	46,825	(15,675)	-25%	57,590	(10,766)	-19%
Other Operational Expense	11,325	16,084	4,759	42%	8,048	8,036	100%
Grants to Station/Partner	210,672	210,672	0	0%	238,221	(27,549)	-12%
UNLT&COMM Contract Serv	181,500	176,530	(4,970)	-3%	200,945	(24,415)	-12%
TOTAL ADMIN & FINANCE	1,467,597	1,373,582	(94,015)	-6%	1,482,261	(108,679)	-7%

PROGRAMMING

Personnel Expenses	174,700	51,944	(122,756)	-70%	257,354	(205,411)	-80%
PBS Member Dues & Fees	235,000	235,000	0	0%	245,000	(10,000)	-4%
Program Acquisition&Fees	135,000	130,398	(4,602)	-3%	175,351	(44,953)	-26%
Other Operational Expense	10,000	4,534	(5,466)	-55%	55,645	(51,110)	-92%
TOTAL PROGRAMMING	554,700	421,876	(132,824)	-24%	733,350	(311,474)	-42%

PRODUCTION

Personnel Expenses	226,200	256,196	29,996	13%	242,035	14,161	6%
Maintenance & Repair & Supplies	72,000	55,939	(16,061)	-22%	78,193	(22,254)	-28%
Other Operational Expense	109,100	104,066	(5,034)	-5%	118,470	(14,404)	-12%
UNLT Production Services	460,000	460,000	0	0%	460,000	0	0%
UNLT&COMM Contract Serv	1,173,300	1,165,546	(7,754)	-1%	1,130,629	34,917	3%
TOTAL PRODUCTION	2,040,600	2,041,747	1,147	0%	2,029,327	12,420	1%

NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION

Television Division

June 30, 2016

	YTD Budget	YTD Actual	\$Diff	%Diff	Prior Year YTD	PY \$DiffA	PY %Diff
ENGINEERING							
Personnel Expenses	1,733,200	1,750,667	17,467	1%	1,711,581	39,086	2%
Utilities	415,000	425,498	10,498	3%	424,205	1,293	0%
Maintenance & Repair & Supplies	373,300	359,466	(13,834)	-4%	482,395	(122,929)	-25%
Communication Expense	319,500	303,417	(16,083)	-5%	302,755	663	0%
Other Operational Expense	122,000	41,155	(80,845)	-66%	67,327	(26,173)	-39%
Travel & Registrations	150,700	132,315	(18,385)	-12%	133,132	(817)	-1%
TOTAL ENGINEERING	3,113,700	3,012,518	(101,182)	-3%	3,121,396	(108,878)	-3%
COMMUNICATION SRV							
Personnel Expenses	67,300	65,764	(1,536)	-2%	0	65,764	100%
Other Operational Expense	70,200	54,592	(15,608)	-22%	7,357	47,235	642%
TOTAL COMMUNICATION SRV	137,500	120,356	(17,144)	-12%	7,357	113,000	1536%
MNGT INFO SYSTEMS							
Personnel Expenses	59,800	60,198	398	1%	57,688	2,510	4%
Maintenance & Repair & Supplies	159,600	104,614	(54,986)	-34%	117,491	(12,877)	-11%
Other Operational Expense	59,600	36,640	(22,960)	-39%	33,993	2,647	8%
TOTAL MNGT INFO SYSTEMS	279,000	201,453	(77,547)	-28%	209,172	(7,719)	-4%
MEDIA MANAGEMENT							
Personnel Expenses	210,600	211,983	1,383	1%	208,967	3,016	1%
Maintenance & Repair & Supplies	28,000	14,308	(13,692)	-49%	13,808	500	4%
Other Operational Expense	7,100	4,872	(2,228)	-31%	4,975	(102)	-2%
TOTAL MEDIA MANAGEMENT	245,700	231,163	(14,537)	-6%	227,750	3,414	1%
BUILDING MAINTENANCE							
Maintenance & Repair & Supplies	212,300	271,991	59,691	28%	267,265	4,727	2%
Other Operational Supplies	23,000	23,244	244	1%	22,202	1,042	5%
UNLT&COMM Contract Serv	83,100	78,322	(4,778)	-6%	81,071	(2,749)	-3%
TOTAL BUILDING MAINTENANCE	318,400	373,558	55,158	17%	370,538	3,019	1%
CAPITAL PURCHASE							
Capital Expense	800,000	943,518	143,518	18%	836,045	107,473	13%
TOTAL CAPITAL PURCHASE	800,000	943,518	143,518	18%	836,045	107,473	13%
TOTAL TELEVISION DIVISION	9,999,897	9,686,602	(313,295)	-3%	9,989,277	(302,675)	-3%

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
RADIO DIVISION**

June 30, 2016

	YTD Budget	YTD Actual	\$DIFF	%DIFF	Prior Year YTD Actual	\$DIFF	%DIFF
RADIO DIVISION							
Personnel Expenses	44,100	31,680	(12,420)	-28%	30,164	1,516	5%
Insurance	3,900	2,070	(1,830)	-47%	3,413	(1,343)	-39%
TOTAL RADIO DIVISION	48,000	33,750	(14,250)	-30%	33,576	173	1%
GENERAL MANAGEMENT							
Personnel Expenses	88,000	92,869	4,869	6%	86,396	6,472	7%
Communication Expense	5,800	5,310	(490)	-8%	5,681	(372)	-7%
Other Operational Expense	0	0	0	0%	915	(915)	-100%
TOTAL GENERAL MANAGEMENT	93,800	98,178	4,378	5%	92,993	5,185	6%
ADMIN & FINANCE							
Other Operational Expense	6,147	1,348	(4,799)	-78%	4,002	(2,654)	-66%
TOTAL ADMIN & FINANCE	6,147	1,348	(4,799)	-78%	4,002	(2,654)	-66%
PROGRAMMING							
Personnel Expenses	86,000	46,670	(39,330)	-46%	45,479	1,191	3%
Program Acquisition&Fees	24,000	58,364	34,364	143%	33,100	25,264	76%
Other Operational Expense	6,000	10,441	4,441	74%	2,956	7,486	253%
UNL&COMM Contract Serv	0	394	394	100%	32,736	(32,342)	-99%
TOTAL PROGRAMMING	116,000	115,870	(130)	0%	114,271	1,599	1%
ENGINEERING							
Utilities	128,000	135,235	7,235	6%	138,482	(3,247)	-2%
Maintenance & Repair & Supplies	42,400	17,294	(25,106)	-59%	36,673	(19,379)	-53%
Equip/Building/Tower Rent	22,000	21,829	(171)	-1%	21,635	194	1%
Other Operational Supplies	1,800	6,159	4,359	242%	4,292	1,867	43%
TOTAL ENGINEERING	194,200	180,518	(13,682)	-7%	201,083	(20,565)	-10%
COMMUNICATIONS							
Other Operational Expense	1,500	1,011	(489)	-33%	522	490	94%
TOTAL COMMUNICATIONS	1,500	1,011	(489)	-33%	522	490	94%
CAPITAL PURCHASE							
Capital Expense	52,000	41,311	(10,689)	-21%	100,370	(59,059)	-59%
TOTAL CAPITAL PURCHASE	52,000	41,311	(10,689)	-21%	100,370	(59,059)	-59%
Total Radio Division	511,647	471,985	(39,662)	-8%	546,816	(74,831)	-14%

PROPOSED COMMISSION ACTION

DATE: August 25, 2016

SUBJECT: Approval of FY 2017 Television Capital Equipment List

EXPLANATION:

Within the television operational budget is a line item for \$800,000. This line item is for capital purchases of systems required to either maintain or enhance the capabilities of the television infrastructure and equipment. The list is decided on by a committee consisting of the Assistant Directors of Engineering (Transmissions/Network Operations, Government Services, Information Technology and Information Systems), a representative from the TV Production Department, Director of Media Services, Assistant GM of Operations, Assistant GM of Admin & Finance and the Assistant GM for Technology. It is based on agreed upon prioritized needs in the system. This year the priority for item selection was as follows:

1. Items that need immediate replacement to keep the current level of service;
2. Items that effect the enterprise as a whole;
3. Items that will have a long term impact on operations within a specific Department; and
4. All other items

RECOMMENDED ACTION:

It is recommended that the Commission approve the FY2017 Television Capital Equipment List, as attached.

TV Capital Equipment List - FY2017 Budget
August 25, 2016

<u>Description</u>	<u>N / R</u>	<u>Qty</u>	<u>Cost</u>	<u>Extended Cost</u>	<u>Running Total</u>
N = New, R = Replacement					
ASI & 8VSB Remod, PSIP Update/Rebrand	R	1	\$7,800	\$7,800	\$7,800
IP/8VSB to ASI Converter	R	1	\$3,500	\$3,500	\$11,300
IP/8VSB to ASI Converter	R	1	\$3,500	\$3,500	\$14,800
Vector Reflectometer Analyzer	N	3	\$3,000	\$9,000	\$23,800
Antenna, Downlead, Sencore MRD 4400 Tower Crew	N	1	\$50,000	\$50,000	\$73,800
Air Conditioner, supplemental unit	R	1	\$22,000	\$22,000	\$95,800
Air Conditioner, main unit	R	1	\$42,000	\$42,000	\$137,800
Air Conditioner, supplemental unit	R	1	\$20,000	\$20,000	\$157,800
Total - Transmission					
<hr/>					
EMC/Isilon X410 Storage Node for existing Cluster	N	1	\$78,000	\$78,000	\$78,000
Imagine Nexio Farrad Storage SAN	R	1	\$35,000	\$35,000	\$113,000
Dell R 720 Rackmount Servers (Gateway Engines)	N	3	\$12,000	\$36,000	\$149,000
Aspera Shares - File Transfer Accelerator	N	1	\$30,000	\$30,000	\$179,000
Cinegy Multiviewer Software	N	1	\$3,500	\$3,500	\$182,500
Harmonic Encoder Cards for Electra 9300 (Radio)	N	2	\$9,800	\$19,600	\$202,100
Imagine Versio Integrated Playout System	N	1	\$60,000	\$60,000	\$262,100
Meyers/Pro Track Additional Channel	N	1	\$7,000	\$7,000	\$269,100
Total - NOC					
<hr/>					
Replace Network Firewalls	R	2	\$50,000	\$100,000	\$100,000
vRanger Backup Storage Expansion	N	1	\$65,000	\$65,000	\$165,000
Microsoft Surface Pro 4 Tablet	N	1	\$1,200	\$1,200	\$166,200
Compellent Storage Expansion	N	1	\$68,000	\$68,000	\$234,200
Total IS					
<hr/>					
Blackmagic Design, ATEM1 4K Prod Sw, 8 Input 4K Production Switcher	N	1	\$2,500	\$2,500	\$5,500
Marshall, V-MD173, 17.3" LED LCD Monitor - Rack-Mounted	R	1	\$3,000	\$3,000	\$3,000
Sony, BRC-Z330, 1080i/720p HD Camera	N	1	\$4,000	\$4,000	\$9,500
Sony, BRBKHSD2	N	1	\$1,800	\$1,800	\$11,300
Panasonic, PT-DZ780WU Projector (standard lens)	R	1	\$4,300	\$4,300	\$15,600
Panasonic, PT-DZ780WU Projector (standard lens)	R	1	\$4,300	\$4,300	\$19,900
Total - Gov Svcs					

TV Capital Equipment List - FY2017 Budget

<u>Description</u>	<u>N / R</u>	<u>Qty</u>	<u>Cost</u>	<u>Extended Cost</u>	<u>Running Total</u>
Canon C300 - 4K cinema camera	N	1	\$22,000	\$22,000	\$22,000
RTS System	R	1	\$17,000	\$17,000	\$39,000
Evaluation monitor	N	1	\$6,000	\$6,000	\$45,000
Evertz Master Clock and Sync Generator	R	1	\$31,000	\$31,000	\$76,000
Panasonic AJ-PG50 P2 recorder	N	1	\$5,000	\$5,000	\$81,000
5 frame synchronizers & dedicated panel to paint sources with	R	1	\$10,500	\$10,500	\$91,500
Cisco Switch for ISIS	R	1	\$12,000	\$12,000	\$103,500
Evaluation monitor	R	1	\$6,000	\$6,000	\$109,500
Waveform Monitor	N	1	\$9,500	\$9,500	\$119,000

Total - Production

Grand Total Capital Equipment Request

TOTAL \$800,000

Waiting List:

Avid Archive	N	1	\$150,000	\$150,000
Redo NET sign at the entrance	R	1	\$35,000	\$35,000

PROPOSED COMMISSION ACTION

DATE: August 25, 2016

SUBJECT: Approval of FY 2017 Radio Capital Equipment List

EXPLANATION:

Within the Radio operational budget is a line item for \$52,000. This line item is for capital purchases of systems required to either maintain or enhance the capabilities of the Radio infrastructure and equipment. The list is decided on by a committee consisting of the Assistant Directors of Engineering (Transmissions/Network Operations, Information Technology and Information Systems), several representatives from the Radio Department, Assistant GM of Operations, Assistant GM – Admin & Finance and the Assistant GM for Technology. It is based on agreed upon prioritized needs in the system. This year the priority for item selection was as follows:

1. Items that need immediate replacement to keep the current level of service;
2. Items that effect the enterprise as a whole;
3. Items that will have a long term impact on operations within a specific Department; and
4. All other items

RECOMMENDED ACTION:

It is recommended that the Commission approve the FY2017 Radio Capital Equipment List, as attached.

NET Radio Capital Equipment List - FY2017 Budget
 August 25, 2016

<u>Item</u>	<u>Description</u>			
Cisco Ethernet switch	Larger switch for Radio Audio over IP (AoIP) systems	Replace	1	\$8,000
Digital Audio Recorders	Replace older field recorders for News department	Replace	3	\$3,000
Audio test equipment	Replace old audio test equipment	Replace	1	\$7,000
Telos ZIP/One	Ready spare for KVNO-NET link	New	1	\$2,200
UPS replacements	Replace UPS units in central equipment room, studios, offices	Replace	7	\$7,700
Web Remote Control/Status	Replace old remote control equipment	Replace	1	\$1,600
Automation host workstation	Replace old AudioVault workstation running HD-2 automation	Replace	1	\$2,500
Wireless ENG mics for News/Radio	Replace old wireless units for News/Radio	Replace	2	\$4,000
Ethernet Remote, Friday Live	Network Camera controller for Friday Live production	New	1	\$1,500
Digital Music Library	Digital music library system	New	1	\$14,500
	Total			\$52,000

PROPOSED COMMISSION ACTION

DATE: August 25, 2016

SUBJECT: Biennial Budget Submission – Operating Budget

EXPLANATION:

The Commission's Biennial Budget Operating Request for the FY2018 & FY2019 Biennium is due September 15, 2016. The attached worksheets outline the proposed operating requests.

The Commission's Biennial Budget Capital Construction New Request for the FY2018 & 2019 Biennium is due September 15, 2016. The attached worksheets outline the proposed capital construction requests.

RECOMMENDED ACTION:

Approve the FY2018 & FY2019 Biennial Budget operating request of \$10,853,080 for FY2018 and \$11,012,099 for FY2019, including New Request Issues totaling \$186,257 for FY2018 and \$159,019 in FY2019.

Approve the FY2018 & FY2019 Biennial Budget 8% Modification List totaling \$826,325 for our current base budget, plus \$33,844 for FY2018 New General Fund Request Issues.

Approve the Capital Construction New Project Requests totaling \$715,000 for FY2018 and \$475,000 for FY2019.

Date: August 15, 2016
TO: NET Commissioners
FROM: Randy Hansen
Assistant General Manager – Admin & Finance
RE: FY2018 & FY2019 Biennial Budget Submission Information

Attached are the following worksheets outlining the budget request to be submitted on behalf of the Commission no later than September 15, 2016:

OPERATING BUDGET

- 1: Operating Request Summary - the total request for each of the two fiscal years.
- 2: NETC New Request Issues - a listing of the various NETC funding requests.
- 3: Biennial Budget Operating New Requests narratives

BUDGET MODIFICATIONS

- 4: Modifications - the prioritized listing of proposed reductions to the Commission's operating budget to reduce the FY2018 total request back to 92% of the FY2017 operating budget.

CAPITAL CONSTRUCTION

- 5: Capital Construction New Requests - listing of new Capital projects we are seeking funding for.

FY2017 – FY2018 PERFORMANCE MEASURES AND GOALS

- 6: Copy of the Performance Measures and Goals narrative to be included in the Biennial Budget submission

In addition, as part of the Biennial Budget submission, we will submit:

-The NITC Agency Technology Plan for the NETC

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
SUMMARY OF OPERATING REQUEST
FY 2018 & FY 2019 BIENNIUM BUDGET REQUEST - August 25, 2016**

	PROGRAM 533		PROGRAM 566		TOTAL AGENCY		TOTAL FUNDING
	GEN FUND	CASH	GEN FUND	CASH	GEN FUND	CASH	
FY 2017 Base Appropriation	\$9,839,311	\$310,206	\$489,757	\$27,549	\$10,329,068	\$337,755	\$10,666,823
Add 2018 NETC Issues:	\$33,844	\$0	\$0	\$0	\$33,844	\$0	\$33,844
Add 2018 Enterprise Issues:	\$146,374	\$0	\$6,038	\$0	\$152,413	\$0	\$152,413
TOTALS FOR 2018	\$10,019,529	\$310,206	\$495,795	\$27,549	\$10,515,325	\$337,755	\$10,853,080
FY 2018 Subtotal:	\$10,019,529	\$310,206	\$495,795	\$27,549	\$10,515,325	\$337,755	\$10,853,080
Add 2019 NETC Issues:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Add 2019 Enterprise Issues:	\$152,755	\$0	\$6,264	\$0	\$159,019	\$0	\$159,019
TOTALS FOR 2019	\$10,172,285	\$310,206	\$502,059	\$27,549	\$10,674,344	\$337,755	\$11,012,099
FY2018 Total Funding Increase					<u>1.8%</u>		<u>1.7%</u>
FY2019 Total Funding Increase					<u>1.5%</u>		<u>1.5%</u>

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
NETC ISSUES REQUESTED
FY 2018 & FY 2019 BIENNIUM BUDGET REQUEST - August 25, 2016**

<u>Project #</u>	<u>Description</u>	<u>(cumulative)</u>		<u>FY 2019 Increase</u>
		<u>FY 2018</u>	<u>FY 2019</u>	
TV-1	TV Network Fiber Costs	\$30,000	\$30,000	\$0
TV-2	DAS Purchasing Assessment	\$3,844	\$3,844	\$0
Enterprise	Employee Salary Increases (estimate)	\$95,166	\$192,616	\$97,450
Enterprise	Employee Health Insurance (estimate)	\$51,209	\$106,514	\$55,305
TOTAL TELEVISION:		\$180,218	\$332,974	\$152,755
Enterprise	Employee Salary Increases (estimate)	\$4,598	\$9,307	\$4,709
Enterprise	Employee Health Insurance (estimate)	\$1,440	\$2,995	\$1,555
TOTAL RADIO:		\$6,038	\$12,302	\$6,264
TOTAL NETC ISSUES REQUESTED		\$186,257	\$345,276	\$159,019
FUNDING SOURCES:				
Program 533 - TV				
	GENERAL FUND	\$180,218	\$332,974	\$152,755
	CASH FUND	\$0	\$0	\$0
	TOTAL PROGRAM 533 - TV	\$180,218	\$332,974	\$152,755
Program 566 - Radio				
	GENERAL FUND	\$6,038	\$12,302	\$6,264
	CASH FUND	\$0	\$0	\$0
	TOTAL PROGRAM 566 - Radio	\$6,038	\$12,302	\$6,264
TOTAL FUNDING		\$186,257	\$345,276	\$159,019

Note: Year 2, FY 2019 column is the total additional funding over the base year, FY 2017. Thus it is a 2 year cumulative total for both FY 2018 and FY 2019 requests combined.

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
FY 2018 & FY 2019 BIENNIAL BUDGET NARRATIVES
AUGUST 25, 2016**

NETC Issues Requested:

TV-1 TV Network Fiber Costs

NET is seeking to complete the terrestrial fiber circuit to KMNE (Bassett). The current last six miles of the KMNE circuit is a microwave transmitter/receiver system. This microwave system is subject to weather related outages such as rain fade and atmosphere interferences. The current provider is expanding their fiber infrastructure and have offered NET the option for a direct and dedicated fiber circuit to the KMNE tower site. NET is also seeking a diverse terrestrial circuit for Western Nebraska at KTNE (Alliance). The current terrestrial fiber circuit is single path with no backup system. The rest of the NET Broadcast fiber system has an 'Over the Air' backup system that is used when the fiber circuits fail. The KTNE system is not able to receive an 'Over the Air' signal for our KPNE Sutherland transmitter. Consequently, when the fiber circuit fails KTNE DTV and KTNE FM transmitters are off the air. Therefore, NET requests \$30,000 in FY2018 and in FY2019 to cover these increased annual data circuit cost.

TV-2 DAS Purchasing Assessment

Per the Biennial Budget Instructions Projected Rates sheet, the NETC will be assessed additional an additional Purchasing Assessment fees of \$3,844 for FY2018 & FY2019.

TV Enterprise Issue Employee Salary Increase

Per the Biennial Budget Instructions, the NETC requests \$95,166 in FY2018 and \$192,616 in FY2019 to cover estimated salary increases of 2.4% for TV Commission State employees, along with UNTV Contracted Services employees.

TV Enterprise Issue Employee Health Insurance

Per the Biennial Budget Instructions, the NETC requests \$51,209 in FY2018 and \$106,514 in FY2019 to cover estimated health insurance cost increases of 8% for TV Commission State employees, along with UNTV Contracted Services employees.

Radio Enterprise Issue Employee Salary Increase

Per the Biennial Budget Instructions, the NETC requests \$4,598 in FY2018 and \$9,307 in FY2019 to cover estimated salary increases of 2.4% for Radio Commission State employees.

Radio Enterprise Issue Employee Health Insurance

Per the Biennial Budget Instructions, the NETC requests \$1,440 in FY2018 and \$2,995 in FY2019 to cover estimated health insurance cost increases of 8% for Radio Commission State employees.

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
BUDGET MODIFICATIONS
FY 2018 - FY 2019 BIENNIUM BUDGET REQUEST - August 25, 2016**

Base appropriation modification required of 8%:

Existing:	TV	Base = \$9,839,311	\$787,145	
	Radio	Base = \$489,757	\$39,181	
		Needed from Existing Activities:		<u>\$826,325</u>

Issues modifications:	TV		\$33,844	
	Radio		\$0	
		Needed for FY 2018 Issues requested:		<u>\$33,844</u>
		MODIFICATIONS TO BE MADE FOR FY 2018:		<u><u>\$860,169</u></u>

Issues modifications:	TV		\$0	
	Radio		\$0	
		Needed for FY 2019 Issues requested:		<u>\$0</u>
		MODIFICATIONS TO BE MADE FOR FY 2019:		<u><u>\$860,169</u></u>

Proposed Priorities: #1 is highest priority to keep; last item we would give up first.

Priority	Program		FY 2018	FY 2019
1	533	Existing UNTV Contracted Services - 1 FTE	\$84,500	\$84,500
2	533	Existing Engineering Transmission position - 1 FTE	\$68,300	\$68,300
3	533	Existing Engineering NOC position - 1 FTE	\$87,000	\$87,000
4	566	Existing Radio Operating Expenses	\$25,181	\$25,181
5	533	Existing UNTV Contracted Services - 1 FTE	\$94,300	\$94,300
6	533	Existing Technology & Engineering - 1 FTE	\$109,500	\$109,500
7	533	Existing Technology & Engineering - 1 FTE	\$50,000	\$50,000
8	533	Existing TV Program Acquisitions	\$25,000	\$25,000
9	566	Existing Radio Program Acquisitions	\$14,000	\$14,000
10	533	Existing UNTV Contracted Services - 1 FTE	\$59,200	\$59,200
11	533	Existing DL Help Desk Support - 1 FTE	\$59,700	\$59,700
12	533	Existing TV Operating Expenses	\$40,244	\$40,244
13	533	Existing Research & Communications - 1 FTE	\$50,000	\$50,000
14	533	Existing UNTV Contracted Services - 1 FTE	\$59,400	\$59,400
15	533	Issues TV Network Fiber Costs	\$30,000	\$30,000
16	533	Issues DAS Purchasing Assessment	\$3,844	\$3,844
			<u>\$860,169</u>	<u>\$860,169</u>

TV:	\$820,988	\$820,988	Existing Total:	\$826,325	\$826,325
Radio:	\$39,181	\$39,181	Issues Total:	\$33,844	\$33,844
	<u>\$860,169</u>	<u>\$860,169</u>		<u>\$860,169</u>	<u>\$860,169</u>

#15 & #16 are new General Fund requests, thus not part of our current base budget.
This prioritizes these new funding requests.

MODIFICATIONS: Proposed reductions in priority order, with #1 being highest priority to keep. The modifications below would reduce or eliminate any funding for the following:

1. UNTV Contracted Services FTE – Existing: Eliminate funding for 1 full-time UNTV Producer position. Would negatively impact our remote production capacity. Continued funding for this position is imperative in maintaining our existing Production services and personnel.
2. Engineering Transmission FTE – Existing: Eliminate funding for 1 full-time Engineering transmission position. Would put our remote transmission services at further risk of problems and risk longer off-air periods. Continued funding for this position is imperative in maintaining our existing transmission services.
3. Engineering NOC FTE – Existing: Eliminate funding for 1 full-time Engineering NOC position. Would have a negative impact on continuing with the strategic priority of merging NOC & all our digital Media Management and streaming services. Continued funding for this position is imperative in maintaining and improving our existing Network Operations and Traffic services.
4. Radio Operating Expenses – Existing: Reduce funding for Radio general operating expenses. Continuing the current level of overall Radio operating expenses is imperative to maintaining our existing services.
5. UNTV Contracted Services FTE – Existing: Eliminate funding for 1 full-time TV Remote Production technical support position. Would negatively impact our remote production capacity. Continued funding for this position is imperative in maintaining our existing Production support services and personnel.
6. Technology & Engineering FTE – Existing: Eliminate funding for 1 FT Engineering management position. Would reduce NET's overall technology support and the Network's ability to stay current with the ever-changing technology environment. Continued funding for this position is imperative in maintaining our existing technology and engineering services.
7. Technology & Engineering FTE – Existing: Eliminate funding for 1 full-time Engineering position. Would reduce support dedicated to maintaining our new digital equipment and the streaming services at the Capitol, along with general overall maintenance support. Continued funding for this position is imperative in maintaining our existing Government Services technology support, maintenance services and personnel.
8. TV Program Acquisitions – Existing: Reduce funding from the TV program acquisition budget. Continuing the current level of TV Program Acquisition funding is imperative in maintaining our existing services.

MODIFICATIONS, continued:

9. Radio Program Acquisitions – Existing: Reduce funding from the Radio program acquisition budget. Continuing the current level of Radio Program Acquisition funding is imperative in maintaining our existing services.
10. UNTV Contracted Services FTE – Existing: Eliminate funding for 1 full-time UNTV Producer position. Would negatively impact our remote production capacity. Continued funding for this position is imperative in maintaining our existing Production services and personnel.
11. Distance Learning Help Desk support FTE – Existing: Eliminate funding for 1 full-time DL Help Desk support position. Continued funding for this position is imperative to maintaining our existing Customer/Media Services Center, Distance Learning & NVCN services.
12. TV Operating Expenses – Existing: Reduce funding for TV general operating expenses. Continuing the current level of overall TV operating expenses is imperative to maintaining our existing services.
13. Research & Communications FTE – Existing: Eliminate funding for 1 full-time Research & Communications position. Continued funding for this position is imperative to maintaining our existing research capabilities within our Communications group.
14. UNTV Contracted Services FTE – Existing: Eliminate funding for 1 full-time TV Remote Production technical support position. Would negatively impact our remote production capacity. Continued funding for this position is imperative in maintaining our existing Production support services and personnel.
15. TV Network Fiber Costs – FY2018 Issue: Eliminate funding for this new request. Not funding this request would impair our continued efforts of improving the quality and reliability of NET's terrestrial network and our ability to provide universal service Statewide.
16. DAS Purchasing Assessment – FY2018 Issue: Eliminate funding for this new request. This increase will be charged to the NETC per the Department of Administrative Services published rates.

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
CAPITAL CONSTRUCTION PROJECTS
FY 2018 & FY 2019 BIENNIUM BUDGET REQUEST - August 25, 2016**

CAPITAL CONSTRUCTION NEW REQUESTS - Commission

Priority	Project Title	Program #	TOTAL	FY 2017 Reappropriation	FY 2018 Request	FY 2019 Request	Future Request
CC-1	Television Transmission - KHNE (Hastings)		\$365,000	\$0	\$365,000	\$0	\$0
	Funding Source: General Funds		\$365,000	\$0	\$365,000	\$0	\$0
CC-2	Radio Transmission - KUCV, KTNE, KRNE and KXNE		\$700,000	\$0	\$350,000	\$350,000	\$0
	Funding Source: General Funds		\$700,000	\$0	\$350,000	\$350,000	\$0
CC-3	KHNE (Hastings) Tower Lighting System		\$125,000	\$0	\$0	\$125,000	\$0
	Funding Source: General Funds		\$125,000	\$0	\$0	\$125,000	\$0
	Total Capital Construction New Requests		\$1,190,000	\$0	\$715,000	\$475,000	\$0
	General Fund Appropriation		\$1,190,000	\$0	\$715,000	\$475,000	\$0

KUCV is Lincoln; KTNE is Alliance; KRNE is Merriman; KXNE is Norfolk

NEW CAPITAL CONSTRUCTION PROJECTS:

Capital Construction Request-1 KHNE Transmitter Replacement

NET seeks funding to replace the television transmitter at KHNE (Hastings). The present transmitter is a 21-year old Inductive Output Tube (IOT) liquid cooled model that was modified for DTV transmission in 2003. IOT transmitters are no longer manufactured and the tubes are very difficult to acquire. The IOT at KHNE was last replaced in 2014 with a spare tube that was shipped from France. The new transmitter will be a much more energy efficient solid state transmitter which will be upgradeable to the impending ATSC 3.0 broadcast standard. Delaying the replacement risks significant broadcast television service outages if repairs are required due to the scarcity of parts. Any outage would also effect satellite and central Nebraska cable subscribers. The plan is to purchase and install the new transmitter in late summer and fall of 2017. Total estimated costs are \$365,000 and funding would be needed in FY2018.

Capital Construction Request-2 Radio Transmission Replacement Project

NET is requesting an appropriation to replace aging FM antenna and feed line at FM sites KUCV (Lincoln), KTNE (Alliance), KRNE (Merriman), and KXNE (Norfolk). The antennas at KTNE, KRNE and KXNE are 26 years old and KUCV's is 15 years old. Replacing this equipment and older components would be done to reduce rising maintenance costs and to eliminate downtime. Also, the NET FM system is the State of Nebraska's primary relay system for the Emergency Alert System. This is the final phase of updating the statewide NET Radio Network. Delaying the completion of this final phase any further would just continue to increase off-air, downtime at these sites and increase annual operating expenses for repairs, maintenance and supplies. The project would begin the summer of 2017 and proceed through the fall (weather and tower crews permitting) at KUCV and KTNE. Work on the KRNE and KXNE sites would begin summer of 2018 and run thru the fall of 2018. Delaying the work heightens the risk that tower crews will be difficult to schedule and may be more expensive due to anticipated demand related to spectrum repacking adjustments on television towers and a nationwide shortage of tower crews. Total costs for this project are estimated at \$700,000, split \$350,000 in FY2018 with the remaining \$350,000 in FY2019.

Capital Construction Request-3 KHNE Tower Lighting System

Federal Aviation Administration guidelines require structures that exceed 200 feet above ground level or are sufficiently close to an airport runway must be lit to set specifications. The KHNE (Hastings) tower is 1240 feet, which requires it to be lit at night and during inclement weather. The existing incandescent lighting system is 48 years old. NET intends to purchase a new LED tower lighting system which meets the requirements set forth by the Federal Communications Commission and Federal Airline Authority. The LED system is energy efficient, is more reliable, has better visibility, and does not require NET to paint towers as part of required maintenance. This is a priority capital construction project related to complying with federal regulations that needs to start in early FY2019, if possible. Total estimated costs are \$125,000. Delaying the work heightens the risk that tower crews will be difficult to schedule and may be more expensive due to anticipated demand related to spectrum repacking adjustments on television towers and a nationwide shortage of tower crews.

**NEBRASKA EDUCATIONAL TELECOMMUNICATIONS COMMISSION
FY 2017 & FY 2018 PERFORMANCE MEASURES & GOALS
August 15, 2016**

PROGRAM 533 (Television)

**NET ENGINEERING & INFORMATION TECHNOLOGY PERFORMANCE MEASURES
AND STRATEGIC GOALS**

Technology Innovation and Design/Implementation – Broadcast File Management:

Integration of asset management for broadcast services to more efficiently seamlessly manage files across the Scheduling and Digital Asset Management systems is ongoing. This will ensure data used for on-air services is of the highest quality, accurate, correct and reducing the need for numerous manual check throughout systems. We have expanded the project to automate distribution of non-broadcast media, including educational, legislative, web, mobile & social media. Ubiquitous multiplatform distribution including mobile and online usage of digital media also brought rights management into the project scope.

Technology Innovation and Design/Implementation – Broadcast Router Digital Baseband Video/Audio to IP TV and 4K Ultra-High Definition:

The plan is to upgrade this facility with a new main broadcast router and processing equipment which has been delayed for several years. The industry is in a transition from Digital baseband to IP TV and 4K Ultra-High Definition. We are evaluating equipment choices that will be compatible with changes NET needs to make pertaining to its router and production network. We will also be increasing our capacity of connecting to the Internet with additional circuits and links.

Technology Innovation and Design/Implementation – Enterprise Disaster Recovery:

We are researching and developing a comprehensive disaster recovery plan, will look to implement the plan in FY2018. This will insure our digital assets are protected if a disaster were ever to occur. We will be evaluating off-site replication sites which may include 3rd party vendors, the State of Nebraska OCIO's office, as well as the University of Nebraska. Cloud solutions such as Amazon and Microsoft Azure will also be taken into consideration. This is vital to reduce the time needed to get our services up and accessible for the citizens of Nebraska that rely on them. Our local backup solution will also be assessed to ensure its effectiveness and to be sure it fits our needs into the future.

Technology Innovation and Design/Implementation – Enterprise Storage Needs

As storage needs continue to grow and multiple systems have different support structures, it is important to plan for the future of storage. The file automation system, video editing system, enterprise storage, and long term archiving all utilize different types of storage. The lifespans and costs involved with systems need to be addressed to continue support and avoid storage failures. Alternative solutions to long term archiving include cloud storage to alleviate issues with on premises tape archives. Video content demands not only large amounts of storage, but also high speed storage for editing and transcoding. Current plans are moving forward with this project in FY2018, in tandem with facility routing and the enterprise network.

Technology Innovation and Design/Implementation – Enterprise Facility Routing

NET needs to design a high speed internal network for extremely large content file transfers, storage, and distribution. The network routing needs to be structured in a manner to be reliable and redundant in the event of maintenance or failover issues. Security to protect digital assets is highly important to protect copyrighted material and the rest of the network. Firewalls, encryption, and access lists need to be implemented with the process. The first phase of this project will occur in FY2018 with the upgrade of NET's firewall and continue into the following years, in tandem with enterprise storage project.

Technology Innovation and Design/Implementation – Omaha Tower:

Relocating KYNE TV Omaha Tower project is ongoing. KYNE TV tower resides in the middle of the UNO campus, inhibiting campus renovation plans. NET has identified KETV tower site for relocating the KYNE TV antenna and transmitter. Works are in progress with projected completion date in FY2017.

Technology Innovation and Design/Implementation –Tower Lights:

The Federal Aviation Administration guidelines require structures that exceed 200 feet above ground level or (b) if they are sufficiently close to an airport runway so as to exceed a “slope test” must be lit to set specifications. Currently there are plans to replace the current incandescent lighting on three towers with LED lighting technology over the course of the next two biennial cycles. All of these towers are over 200 feet above ground and will be required to be lit during the night and inclement weather. Funds will be requested for tower at KHNE lighting system replacement for FY2019. Funds will be requested for Towers at KRNE and KUON lighting systems replacement in the following biennium with KRNE being replaced in FY2020 and KUON in FY2021. All of these lighting system replacements will meet all current requirements of both the Federal Communications commission and the Federal Aviation Administration.

Technology Innovation and Design/Implementation – Replacement of IOT Transmitters:

The replacement of lesser efficient transmitter technology has been an ongoing process at NET. We currently only have 3 remaining TV transmitters that are of the IOT (Inductive Output Tube) type and are slated to replace these within the next two biennial cycles. Funds will be requested for KHNE replacement in FY2018 and funds for KXNE and KLNE will be requested for replacement in FY2021. The KHNE transmitter will be installed to be upgradeable to the impending ATSC 3.0 (Advanced Television Standards Commission) standard, and we expect the KXNE and KLNE transmitters will be fully ATSC 3.0 capable upon installation. Solid state transmitters are much more efficient, and do not typically require complete downtime to replace amplifier modules that have failed. With pending FCC spectrum auction results and its followed spectrum repacking proceedings, NET engineering will manage the replacement projects accordingly to adapt repacking impacts and the transmitter quality and life expectancy.

Technology Innovation and Design/Implementation – Radio Transmission:

The replacement of aging FM antenna and feed line at four separate FM sites (KUCV-Lincoln, KTNE-Alliance, KXNE-Norfolk, KRNE-Merriman) should be done reduce rising maintenance costs and to eliminate downtime. The NET FM system is the State Primary and the state relay for the Emergency Alert System. Funds will be requested for KUCV and KTNE being completed in FY2018 and KXNE and KRNE to be completed in 2019.

Technology Innovation and Design/Implementation – Terrestrial signal delivery quality and reliability:

NET Television and Radio signals reach Nebraska statewide. Market research indicates Nebraska markets have a higher reliance on over the air TV than the national average. It is imperative that we maintain signal delivery quality and reliability to serve Nebraskans. Working with the State of Nebraska OCIO’s office, NET engineering will continue our effort on improving the quality and reliability of NET signal delivery thru such as building terrestrial diversity path and over the air backup system.

Technology Innovation and Design/Implementation – Legislature equipment refresh

A large portion of the audio and video collection system at the Nebraska State Capital building as well as live & on demand streaming encoding system at NET are currently scheduled for replacement starting in FY2017 with additional funding required in the next biennium. The equipment was installed in 2008 and has worked very well and therefore greatly enhanced the delivery of Legislature sessions, both Supreme Court and Appellant Court hearings to Nebraskans. In an effort to avoid significant down time and maintain good standing, as well as increase the quality of the video coming from the capital and to end users, we are looking to replace many components as they begin to lose reliability. The funding for this project is presently scheduled to come from the State of Nebraska Legislature, the Governor’s Office and The Office of the Nebraska Supreme Court. Captioning service will also need to be implemented in order to compliant with FCC mandates.

NET TELEVISION PERFORMANCE MEASURES AND STRATEGIC GOALS

A critical element of continued success for NET is for individual Nebraskans to understand and appreciate the value of NET's core services. With NET's digital conversion, NET gained greater capabilities in offering viewers more variety through multi-casting. NET Television's three broadcast channels, NET, NET 2 (World) and NET 3 (Create) allow Nebraskans to enjoy the best national and international programs along with NET-produced news and public affairs programs, high school and collegiate sports, and documentaries that help connect Nebraskans with the world and with each other.

NET continues a tradition of quality for broadcast, home video and on-line use. An exciting new season of the PBS national offerings will be complemented by Nebraskan-themed documentaries, slice-of-life, performance, and educational programming that reflect the diverse and loyal community of our state. The one-hour programs *Medicine Woman*, *Paleo Sleuths*, and *Jun Kaneko: A Monumental Risk* will premiere on NET in late of 2016, with subsequent national distribution throughout the PBS system. The long-running *Nebraska Stories*, is now in production for its eighth season, creating 13 new uplifting stories of individuals from across the state who have made a difference and who define the experience of being Nebraskan. *Backyard Farmer*, the longest running local program in America, continues to provide timely support and advice to gardeners from across Nebraska. The projects we are developing include: *Growing Old Gambling* - compulsive and problem gambling in our aging population (in production) and *Tom Osborne: Life & Time* - a one-hour special based on an extensive interview with the legendary coach of the Huskers football team. NET's future broadcast production plan will feature new programming strands that herald the growing importance of science and technology, and will salute the remarkable entrepreneurial achievements of inspired Nebraskans whose unbounded optimism and energy are leading the way for a new generation. The arts, performance, and culture will be celebrated with innovative approaches to presentation.

Sports programming, presenting over 200 hours of collegiate and high school sports, dominated by coverage of the University of Nebraska Huskers including basketball, volleyball, swimming, wrestling and baseball as well as UNO hockey. *Big Red Wrap-up* - the 18 show series begins in late August through the end of the NCAA football season. Weekly shows include pre-produced highlights, athlete profiles, and behind the scenes content. NET News engages listeners with daily radio signature stories integrated into national morning and afternoon NPR programs. NET News *Signature Stories* are featured daily on NET Radio and the NET News web page, as well as NET's social media platforms. NET News also focuses its resources on long-form reporting projects for all platforms. Continuing an ongoing series of thirty-minute news specials, programs on *Sex Trafficking* and *Pandemic Preparedness* will be broadcast in early 2017. NET News strives to address topics important to Nebraskans, particularly agriculture, as well as issues that may not be covered by other media outlets in the state. The Nebraska Legislature is an important focus as well for NET News. NET legislative reporter Fred Knapp covers the Legislature each day it's in session. His reports feature the highlights of that day's debate and look at important upcoming legislation. NET continues to develop a relationship with both **PBS Newshour** and **NPR**, as a supplier of stories from Nebraska to national public affairs audiences.

NET will refine programming strategies that provide greater consistency to help viewers find the content they are looking for, as part of our multi-channel strategy.

Working closely with the PBS programming plan, NET will create a more dependable prime time schedule for both PBS programming and locally generated series including *Backyard Farmer*, *Nebraska Stories*, and *Big Red Wrap Up*. Thursday nights will be NET series night on NET. Similarly, Friday evenings and Sunday afternoons will be a place to find arts and cultural programming from PBS and NET. Weekdays will remain children's programming. Nebraska live sporting events and NET documentaries will continue to be part of the core program offerings on NET. NET 2 (World) will be further developed as a channel for important national and Nebraska content, including coverage of the Nebraska Legislature, sports, and documentaries. NET 3 (Create) will continue to provide informative and entertaining "how-to" programs. Success will be measured in part by the size of the audience as reported by Nielsen Research.

NET will continue to seek new collaborations. NET will align with independent Nebraska filmmakers, University of Nebraska producers, and other strategic partners to create and distribute content produced by and for Nebraskans in order to diversify content, mentor next generation producers, and create awareness of NET in new communities. Success will be measured in part by the diversity of high quality content that is produced and distributed as a result of these efforts.

NET will continue to work with the University of Nebraska-Omaha as the primary distributor of UNO-TV produced content.

NET airs weekly broadcasts of the UNO-TV produced “Consider This” on NET and “Omaha News,” “Required Reading,” and “ICU Learning English” on NET 2. NET will continue to broadcast additional UNO-TV produced programs as they are produced.

NET will strengthen its commitments in several key content areas to serve its diverse audience, by creating content and services about Nebraska science, humanities, sports and arts and performance. New funding resources and partnerships will be developed to assure continuing multi-media delivery of these services.

Nebraskans continue to express the need to be informed and enlightened by the humanities, science, arts and performance, athletics, current affairs, and local/national news they can trust. They expect NET to lead the way in communicating Nebraska’s story to the nation and beyond. NET will continue to engage viewers in locally produced series including *Nebraska Stories*, *Backyard Farmer*, *Big Red Wrap-up*, *NSAA High School Championships*, and *Nebraska Volleyball*. As well as online initiatives focused on food, music and the new innovations that are increasingly driving Nebraska’s economy (e.g., the Silicon Prairie). NET produced original programs will continue to be distributed to national audiences via PBS and NETA, such as *Emery Blagdon & His Healing Machine*; *District Drvng*; *Growing Up Gambling*, *Devil Clouds: the 1913 Easter Tornadoes*; *Marijuana Crossroads*, ... *Until he is dead, a history of Nebraska’s death penalty*; and *Great Plains: American’s Lingerin Wilderness*. Nebraskans depend on NET to play a central role in creating local content that inspires, educates, and connects people, organizations, and institutions. NET will track progress in the number and breadth of new partnerships and measure the audiences for the content services that grow from the collaborations.

NET will continue its use of social media to provide diverse channels of content and new ways to interact with Nebraskans. Currently, NET provides 8 Facebook pages, 4 Twitter accounts, 2 Instagram accounts, a Tumblr site and one blog. NET’s combined social media channels reach over 35,000 subscribers.

Traditional broadcasting is a passive experience for the viewer. Feedback from viewers takes place through e-mail, land mail, or phone, and is often greatly delayed. The growing focus on social media allows NET to interact with its audience, before, during, and after a broadcast event; to provide information to tens of thousands of Nebraskans in a matter of minutes; and to create alternative and customized “channels” for NET videos, combined with interactivity in near real time with users and potential users. In addition, users of social media represent a growing number of Nebraskans who will benefit from public media content. Various “web metrics” will be used to track usage of these services and platforms.

NET will continue the development of alternative delivery channels on new media, focusing on live and video on demand from the NET website, video on demand through national portals like YouTube and PBS COVE, delivery of video through social media, and delivery of video through the Nebraska Legislature and NET Nebraska apps. In 2016, NET’s Videos were watched online, either live or on-demand, over 1.5M times. The combined Capitol streaming was watched over 175,000 times totaling over five million minutes.

While over-the-air broadcasting will continue to serve the largest number of viewers and households in Nebraska, the reach and diversity of traditional audiences is limited. Multimedia content delivered via the internet offers NET the best opportunity to serve new Nebraskan audiences, especially those in younger demographics. To reach these audiences, NET is developing content initiatives like the Platte Basin Timelapse project that are focused primarily on internet distribution. Additionally NET’s mobile apps allows users to access NET live and on-demand content as well as live streams of the Nebraska Legislature and Legislative Conference rooms. This service can be tracked through statistics on how many videos are watched, average length of viewing and how often they are watched.

NET Radio and NET Television's merged news department will continue to create content for distribution over the air, on the web, through social media including Facebook, Twitter, Tumblr, and our NET Radio and NET mobile apps. NET will use web metrics to monitor and measure the usage of content on our web sites and on social media sites. NET will work to increase the total number of people accessing content, interaction with those users, the interaction users have with each other, the re-posting of NET content by users to other sites and the time users spend using the NET content.

NET EDUCATION PERFORMANCE MEASURES AND STRATEGIC GOALS

NET has as one of its strategic priorities the deployment of the next generation education service. This service comes at a time when school districts are under increasing financial pressures while at the same time being pressed to show evidence of student achievement through statewide standardized tests. NET's digital capabilities, including the production and delivery of educational content, can assist every school district in the State with valuable supplemental materials to improve education and lower the cost of delivery.

NET has entered into a number of partnerships within the educational community that have positioned NET as a valued partner in support of quality education for traditional and non-traditional Nebraska learners. NET intends to invest in the ability to produce and deliver digital educational content to support on-line learning. We will engage the educational community to develop and deliver co-created content aimed at raising awareness of issues and initiatives relevant to education in Nebraska. NET will continue to promote access to a Virtual Learning Library that provides access to digital learning media to all teaching professionals. We will also utilize resources available through public media to enhance early learning among Pre-K children, educators, parents and caregivers.

PROGRAM 566 (Radio)

NET RADIO PERFORMANCE MEASURES AND STRATEGIC GOALS

NET measures success by a variety of factors including independent ratings information provided by the Radio Research Consortium, AudiGraphics, Nielson (formerly Arbitron), and internal research of the reach and impact of our local outreach initiatives.

NET Radio will improve key current trends in strategic audience development.

Arbitron surveys reveal that the five-year average for total weekly audience is now over 100,000 listeners. Nearly half of the total audience is considered "core"—people who listen to NET Radio exclusively or most often. The other half of the audience is considered fringe audience. NET Radio has been successful in turning fringe listeners into core listeners and will continue to work on strategies to support that objective. Audience loyalty is also very high. Loyalty is the measure of the amount of quarter hours of listening to a specific station compared to all other listening. NET Radio's total audience loyalty is 41 percent with core audience loyalty at 71 percent. These levels are strong compared to other public radio stations nationwide.

NET Radio will support and expand the delivery of content through multiple distribution channels.

NET Radio's NPR News, entertainment and classical music channel is broadcast as a traditional FM station and digitally by HD Radio. NET Radio's HD2 features news/talk programming and jazz music. All of the station's nine transmitters multi-cast, which means that a single transmitter is broadcasting both traditional FM and two HD radio channels. Additionally, a growing number of listeners access NET Radio (live streams and on-demand content) via smart phones and tablets. Research indicates that more than 11,000 users listen monthly to NET Radio via the web and mobile apps. NET radio's locally-produced content is available on demand as podcasts, through the NET Radio website and the mobile app.

NET Radio will create meaningful high-impact projects and services with key partners

KVNO (Omaha public radio station licensed to UNO) and NET Radio continue a partnership to share classical music programming. NET Radio's weekday afternoon classical programming is simulcast in Omaha on KVNO and KVNO's overnight programming is simulcast on NET Radio. Additionally, NET regularly provides radio news content to KVNO to help serve the news and public affairs information needs of the Omaha community.

In partnership with several Midwest public radio stations (Kansas, Missouri, Iowa, Colorado, and Illinois) NET is part of a "local journalism center" focused on agri-business. This multi-media news project, "Harvest Public Media", is a trusted source for news reporting on significant issues related to agriculture.

NET Radio will continue to work with existing community partners including Nebraska Chamber Players, Humanities Nebraska, and Lincoln's Symphony Orchestra, and seek new partnerships to expand our impact across Nebraska potentially in areas of civic engagement.