



**COMMUNITY TELECAST, INC.**

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**We broadcast the Community!™**

*Community Telecast, Inc, (CTI22), [IRS 501 (c)(3)] is the only broadcast cable television company in the metro Omaha area and within 18 states to focus on the community. For our general operations we receive NO tax support from the federal government, State of Nebraska, or local government.*

April 21, 2010

Omaha City Council  
Brian T. Grogan, Moss & Barnett  
Bunnie Riedel, Riedel Communications  
Cable Television Advisory Committee  
Citizens of Omaha, Nebraska

Hello:

With regard to assessments made of Community Telecast, Inc. (CTI22), the Executive Summary [Cable-Related Community Needs Assessment for The City of Omaha, Nebraska] compiled by Dr. Barry Orton, which included input from Riedel Communication was particularly erroneous and failed to provide an accurate overview of our current broadcast operations. *Particularly absent in the Executive Summary are summary graphics, charts or exhibits that compare usual-and-customary broadcast elements between all PEG channels.* The summary is not an accurate assessment of CTI22's broadcast operations when the study was conducted in July 2009, or now.

The fact that an *inaccurate and misleading report is posted on the City of Omaha web site for public review* clearly requires our feedback, and we strongly request an updated summary with accurate information be posted immediately. Please note, CTI22's general manager, Trip Reynolds, called and left messages with Brian T. Grogan, Esq. but never received a return call. Notably, CTI22 was not provided a preliminary copy of the Executive Summary in order to validate information prior to it being published. Publishing results without validating the accuracy of information prior to publication is not a *usual-and-customary research practice.*

<b>INACCURATE SUMMARY STATEMENTS</b>	<b>FACT</b>
CTI 22 pays \$1,400 per month for rent to the Omaha Opportunities Industrialization Center.	CTI22 pays \$800.00 per month for rent to the Omaha Opportunities Industrialization Center.
There is no guaranteed funding for CTI 22 (from franchise fees or PEG support) and most of its expenses are personally borne by Dr. Everett S. Reynolds,	There is no guaranteed funding for CTI 22 (from franchise fees or PEG support) and most of its <b>UNBUDGETED</b> expenses ( <b>repair and replacement of CTI22 equipment, and the repair and servicing of the O.I.C. facility</b> ) are personally borne by Dr. Everett S. Reynolds,  <b>COMMENT:</b> <i>CTI22 has always operated with an established budget, and for 16 years CTI22 is the only PEG to consistently report its budget to COX. CTI22's program producers (members) provide the basis for CTI22's operating budget, which, again is provided to Cox. It is misleading to blatantly ignore the role and financial support borne by CTI22's program producers/members.</i>
CTI 22 staff produces an average of thirty-eight and a half hours of new programming each week.	CTI22 staff produces an average of <b>forty-one(41)</b> hours of new programming each week, but given CTI22's commitment to <b>"broadcast the community"</b> this figure increases dramatically on any given week because the station constantly broadcasts numerous special events, typically lasting 90 to 120 minutes:

- Boxing (Golden Gloves at the Mid-America Center in Council Bluffs),
- Community health programs (featuring UNO physicians and pharmacists),
- Religious programs (Church of God In Christ, Exodus Community Choir, “Only A Look” Gospel Benefit for the Charles Drew Health Center),
- Community affairs programs (Omaha Pipes and Drums from St. Andrews Episcopal Church),
- Educational (Open House at UNO’s Peter Kiewitt Institute, Creighton University’s Asian World Center “Afghanistan at a Crossroads,” and “The Benefits of Drinking Tea”);
- Cinco de Mayo;
- Juneteenth;
- Native American Pow Wows;
- Tap Dancing;
- “Decline to Sign” the Petition to end Affirmation Action in Nebraska;
- The Police Auditor;
- An Interview with Thomas Wilkins, Music Director of the Omaha Symphony Orchestra;
- An Interview with Ward Connerly on Affirmation Action; and
- Numerous political debates or forums (more than all TV stations in Omaha combined).

**COMMENT:** As consistently reported to CTAC via, “Total number of hours of first run, local origination programming” CTI22 consistently produces more original, first-run programming than any other PEG channel. For example, note the following information reported to CTAC for the second quarter of 2009:

The Knowledge Network Channel 17	The Knowledge Network Channel 18	Community Telecast, Inc. Channel 22	Cox Public Access Channel 109
56 Hours	119 Hours	275 Hours	85 Hours

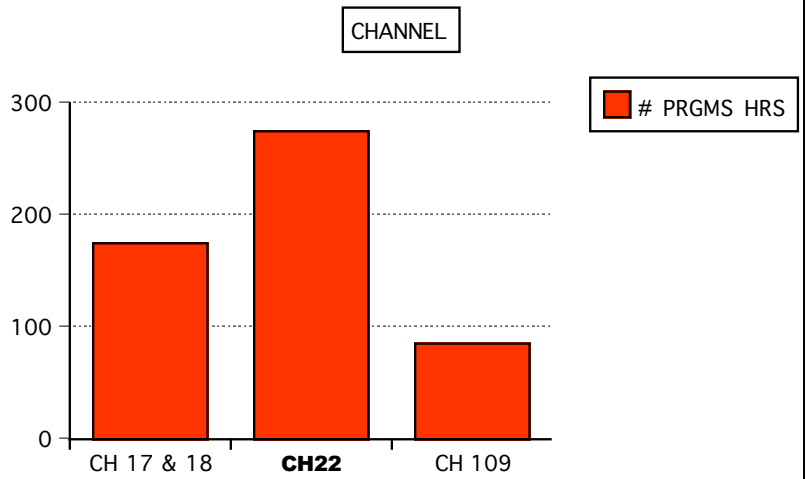
Plus, the aforementioned **41 hours of “base” programming does NOT include original programming specifically created for broadcast on the Community Calendar**, which runs from 12:00 a.m. to 4:30 p.m. Monday through Saturday, and from 12:00 a.m. to 8:00 a.m. on Sundays – and Community Calendar announcements are also used as “content” between programs during our regular “prime time” broadcast schedule.

<p>There are nineteen hours of programming that is produced in a remote location, most of which is religious programming produced by churches.</p>	<p>CTI22's programming is categorized into three distinct groups:</p> <p><b>Tier 1:</b> Legacy Programming [5.5 Hours] – Programs which originated under the original franchise agreement where <u>all</u> programs were supposedly broadcast “free,” with no cost to the program producer. <u>This broadcast paradigm created by Cox and the City of Omaha continues to be problematic to CTI22</u>, because our financial resources are extremely limited. Nevertheless, if not for CTI22, there would be absolutely no significant and regularly scheduled broadcast exposure for the “general community” in metro Omaha, and in particular, African-American, Latino, Native American, Asian, and other ethnic groups or sexual orientation; and persons who seek PEG broadcast exposure but without the bureaucracy of Cox or the Knowledge Network.</p> <p><b>Tier 2:</b> Revenue Based Programming [31.5 Hours] – Programs subject to CTI22's current broadcast rate card, as reconciled to CTI22's operating budget. Notably, religious programming does not consume the bulk of CTI22 programming, since it represents only one sixteen-(16) hour block of time on one day of seven. Seventy-eight-(78) programs are currently in broadcast rotation, which includes thirteen-(13) religious programs broadcast on Sundays. Notably, despite the fact that CTI22 was previously a (100%) dedicated religious station (Religious Telecast, Inc.), <b>the station has evolved to broadcast programming in which 73.07% is NOT of a religious nature</b>, with the bulk of religious programming (16.67%) confined to Sundays.</p> <p>Plus, CTI22's mix of “live” programs (50%) and taped (i.e., remote) programs (50%) is appropriate given our commitment to represent the “current” thinking of the metro Omaha community on any given subject - at any given time. CTI22 uniquely provides call-in programs to empower our broadcast audience with an opportunity to engage each other and our community!</p> <p><b>Tier 3:</b> Program Development [Currently, 15 Hours in pre-production] – As referenced previously, these programs are either (a) “special event” broadcasts - typically pursued as revenue streams; and (b) original “new business” broadcasts targeted to become regularly scheduled programs.</p> <p><i>Notably, the “Community Calendar” could be included as Tier 1, but the Calendar functions as a hybrid because it is also used to (a) provide additional broadcast exposure to Tier 2 current programming, and (b) as a source to “mine” content for Tier 3 programming.</i></p>				
<p>A bulletin board (community calendar) is operated from midnight until 4:30 p.m., Monday through Saturday, and can include from 100 to 200 community notices.</p>	<p>A <b>community</b> bulletin board (community calendar) is operated from midnight until 4:30 p.m., Monday through Saturday, <b>and from midnight to 8:00 a.m. on Sundays</b>, and can include from <b>300 to 465</b> community notices.</p>				
<p>Considering its resources, CTI 22 is providing a considerable and highly cost-effective service.</p>	<p>Considering its <b>limited staff and financial</b> resources, CTI22 is providing a considerable and highly cost-effective service. Note the following comparisons of budget source, station management, and paid staff:</p> <table border="1" data-bbox="683 1835 1484 1969"> <tr> <td data-bbox="683 1835 883 1969">The Knowledge Network</td> <td data-bbox="883 1835 1083 1969">Omaha Public Schools</td> <td data-bbox="1083 1835 1282 1969">Cox Public Access</td> <td data-bbox="1282 1835 1484 1969">CTI22</td> </tr> </table>	The Knowledge Network	Omaha Public Schools	Cox Public Access	CTI22
The Knowledge Network	Omaha Public Schools	Cox Public Access	CTI22		

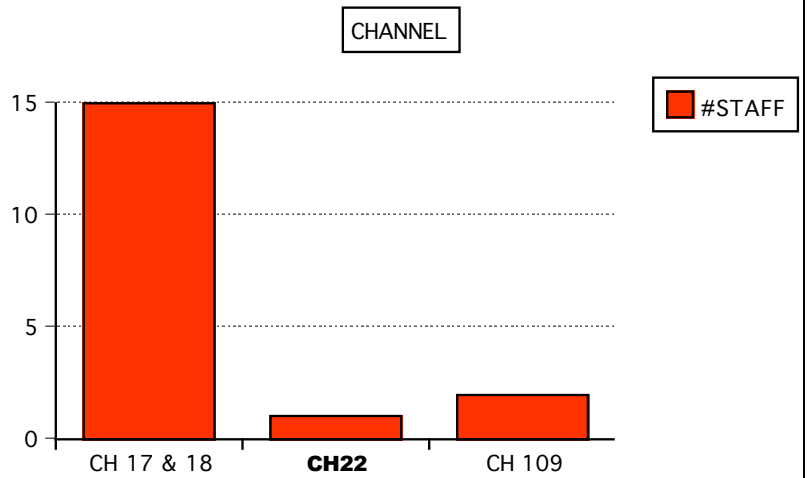
BUDGET SOURCE	BUDGET SOURCE	BUDGET SOURCE	BUDGET SOURCE
TAX BASE UNO with 14% from members: Omaha Public Schools; Westside Community Schools; Metro Community College; and Creighton University	TAX BASE Omaha Public Schools	PROFIT Cox	UNFUNDED Program Producer/ Memberships
STATION MANAGEMENT	STATION MANAGEMENT	STATION MANAGEMENT	STATION MANAGEMENT
WESTSIDE, METRO, CREIGHTON, (HEALTH & WELLNESS) DO NOT MANAGE THE CHANNEL, BUT ONLY PROVIDE CONTENT FOR PROGRAMMING.	OPS DOES NOT MANAGE THE CHANNEL, BUT ONLY PROVIDES CONTENT FOR PROGRAMMING.	INDEPENDENT TELEVISION OMAHA DOES NOT MANAGE THE CHANNEL, BUT ONLY PROVIDES CONTENT FOR PROGRAMMING.	CTI22 MANAGES <u>ALL</u> CHANNEL OPERATIONS AND PROVIDES CONTENT FOR PROGRAMMING
PAID STAFF * (7)	PAID STAFF * (3)	PAID STAFF * (2) ?	PAID STAFF (1)
General Manager	Broadcasting Teacher	** Public Access Staff Person(s)	Station Engineer
Editor	Television Broadcast Manager		
Marketing Manager	Television Production Specialist		
Engineering Manager			
Business Manager			
Programming Manager			
Business Assistant			

\* All paid staff receives market-based salaries and benefits. \*\* Cox internalizes the actual costs of providing Public Access to include facilities, salaries, and benefits, etc. **CTI22 does not provide a market-based salary, and CTI22 does not provide benefits.**

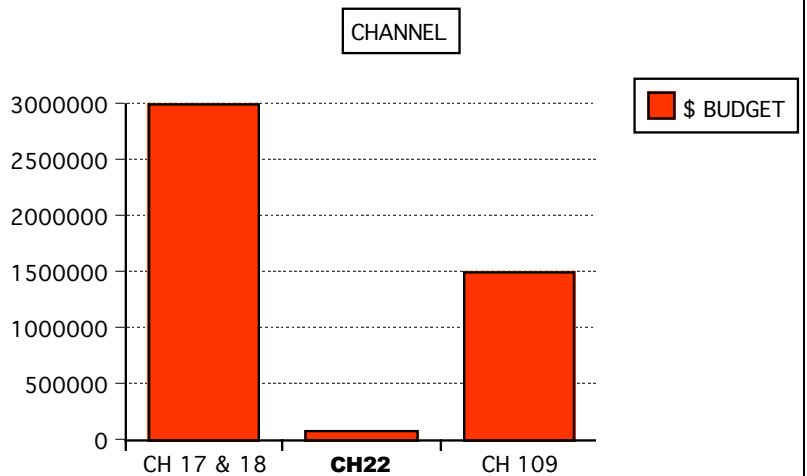
**CTI22 broadcasts more original first-run programming hours and more diverse programming (both “live” and remote) than any other metro Omaha PEG channel.**



**CTI22 has the smallest staff of all metro Omaha PEG channels:**



**CTI22 has the lowest operating budget\*\*\* of all metro Omaha PEG channels:**



\*\*\* Budget estimate for Channel 109 and Channels 17 and 18 is based on salaries for staff and equipment.

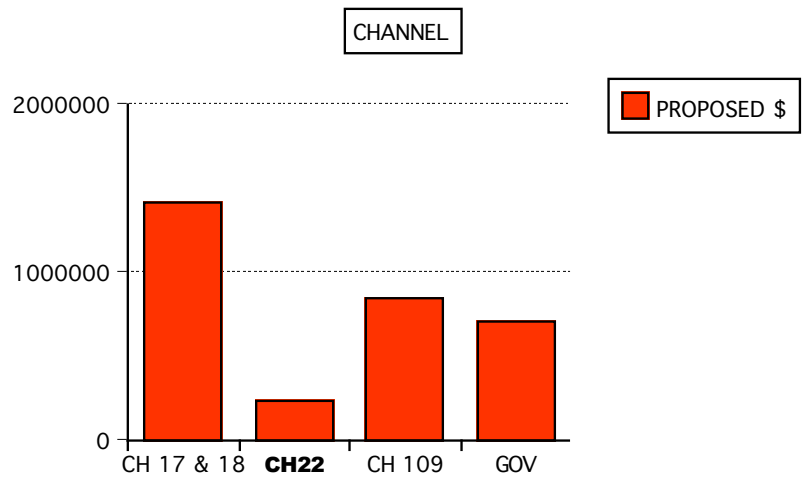
	<p>Given that CTI22's broadcast scope is not limited to a narrowly defined consortium of broadcasters, but to the entire <u>greater Omaha community</u>, which includes the routine broadcast of programs featuring members of the Knowledge Network and Independent Television Omaha, shouldn't the proposed budget for CTI22 accurately reflect the financial commitment necessary to meet the broadcast interests and requirements of the greater Omaha community?</p>
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(UNSOLICITED) RECOMMENDATIONS		CTI22 ASSESSMENT
1.	A new facility for CTI 22 with, at a minimum: separate reception area; separate and sufficient storage for equipment and sets, small training room, separate editing room, adequate office space, a separate studio space, a sound booth, a green room.	Agreed.
2.	Find surplus property that can be leased to CTI 22 at a nominal rate, on public transportation, centrally located and handicapped accessible.	Find surplus property that can be <b>purchased by</b> (block grant) CTI22 at a nominal rate, on public transportation, centrally located and handicapped accessible.
3.	Ensuring that CTI 22 facilities have adequate soundproofing, including the HVAC system.	Agreed.
4.	Resources need to be made available to pay current and additional CTI 22 staff and provide standard marketplace benefits. Once more staff is hired, extend operating hours to better accommodate working adults.	Agreed. <b>However, current operating hours are 24/7/365. Staff is ALWAYS ON CALL. CTI22 staff (one employee and one volunteer) typically work over 100 hours or more each week to acquire, produce and ensure continuous broadcast of programming.</b>
5.	The budget of over \$13,000 per year is not sufficient because much of CTI 22's equipment is aging. CTI 22 will need a PEG equipment grant in order to stay current with technology and fully transition to digital. Staff estimates that amount to be \$65,152.	<p><b>FACT 1:</b> CTI22's operating budget (independently validated) for the year ending 31 December 2009 had revenue of \$78,350. Again, CTI22 budget is routinely provided to Cox, and this data was previously provided to Riedel Communications.</p> <p><b>FACT 2:</b> Much of CTI22's <b>primary production</b> equipment is NOT aging, which can be validated against in-studio equipment provided to CTI22 from Cox Communications (within the last 36 months) and two grants received from CTAC (within the past twenty-four months). The aforementioned and an Enterprise Zone grant constitute the only grants ever received by CTI22 in its 16-year history. To suggest CTI22 did not receive the equipment provided by these grants clearly suggests malfeasance or negligence, and neither of which is true. The statement is blatantly misleading and inaccurate.</p> <p>In summary, all of CTI22's primary production equipment for the purpose of broadcast and production are less than three-(3) years of</p>

		<p>age, which is compliant with the usual-and-customary waiting cycle for technology upgrades. However, CTI22 has limited back-up equipment and although this legacy equipment is functional, it does not provide the robust performance characteristics required for contemporary broadcast.</p> <p><b>To secure an effective upgrade of legacy equipment,</b> staff estimates that amount to be \$65,152.</p>
6.	The estimate for the grant amount does not contemplate a mobile van unit. We recommend that additional funds be secured to purchase a mobile van unit.	Agreed.
7.	Investigate how other access centers provide training and what resources/staff would be necessary.	Agreed.
8.	Consider development of “youth camps” that will not only train youth, but also provide an additional revenue source, community publicity and community engagement.	<p><b>CTI22 does not support this recommendation.</b></p> <p>On numerous occasions over the past sixteen-(16) years, CTI22 has pursued “youth” or student interns from UNO, Metro Community College, Omaha Public Schools and other organization to no avail. For whatever reason, the senior administrators for these organizations have not elected to establish any agreement.</p>
9.	Given that CTI22 is the “diversity channel,” consider expanding training to more second language groups in the community.	<p><b>CTI22 is <u>not</u> the diversity channel</b> (which is a common misunderstanding). <b>However, CTI22 does broadcast diversity.</b></p> <p>CTI22’s previous reference to diversity was not based solely on ethnicity or language, but that our programming is not confined to any particular element or group within our broadcast audience. Consequently, a more accurate assessment of CTI22 is that, <b>“We Broadcast the Community!”</b></p> <p>Notably, this recommendation does not identify the recipient of the training. However, in addition to Spanish, and with funding and an adequate staff, CTI22 will look into adding the following languages to our in-house language skills directory: Mandarin, Twa, and Vietnamese.</p> <p>Language is not a barrier to CTI22’s broadcast communications as demonstrated by the fact that CTI22 has consistently broadcast a greater variety of native language programs than other PEGs. It is a routine occurrence for CTI22’s program producers and guest to be multilingual.</p>
10.	CTI22 should not rely as heavily on in-studio talk format programs; given their limited resources, budget and staff, CTI22 will need funding to increase remote capabilities.	<p><b>CTI22 does not “rely” on any particular kind of programming.</b></p> <p>It’s called “community and public access” for a reason. Again, our mix of “live” and “remote” or taped programs continues to reflect the demand for such we receive from our broadcast audience. <b>We Broadcast the Community!</b>™ However, we agree additional funding is necessary to expand our remote capabilities.</p>
11.	Establish remote “return line” locations for originating programming. These could not only be used by CTI22, but by the other access operations in Omaha.	<p><b>CTI22 does not support this recommendation.</b></p> <p>This recommendation is not similarly mirrored with recommendations for any other PEG channel, and as stated, the potential for inconsistently and conflict does exist.</p>

12. Exhibit M of the Needs Assessment Report specifies the following costs for CTI22 – Studio \$187,392.92; Other \$49,778.16; Contingency \$5,000.00. Total = \$242,171.08.

Given that CTI22’s broadcast scope is not limited to a narrowly defined consortium of broadcasters, but to the entire greater Omaha community, which includes the routine broadcast of programs featuring members of the Knowledge Network and Independent Television Omaha, shouldn’t the proposed budget for CTI22 accurately reflect the financial commitment necessary to meet the broadcast interests and requirements of the greater Omaha community?



CTI22 recommends the following:

1. An operating budget of \$650,000 which includes market-based salaries and benefits for a staff of seven-(7) employees: two FLSA exempt managers (broadcast management operations, and broadcast engineering; two FLSA exempt professional positions (marketing, and budget); and three FLSA non-exempt positions (audio/video/production).
2. A capital budget of \$100,000 which includes equipment upgrade, and if funding is not available to build a new facility, financial resources to upgrade the existing facility to provide for a separate reception area; separate and sufficient storage for equipment and sets, small training room, separate editing room, adequate office space, a separate studio space, a sound booth, a green room.

**Total = \$750,000.00**

Sincerely,

Dr. Everett Reynolds  
President/CEO

**CTI22 is public-accessible to all of Omaha!**

- We proudly recognize the diverse achievements of and broadcast more original, community-based programming for African-American, Latino, Native American, Asian, non-minority, and other ethnic groups. Plus, CTI22 broadcasts more original, community-based, religious programming than all other metro area TV stations combined. We broadcast more original programming involving elected officials than all other metro area TV stations combined. No other print or broadcast media companies in metro Omaha or Nebraska duplicate our services, or our scope of operations, or our immediate access to as great or as diverse an audience.
- CTI22 uniquely provides instant information to and from the diverse communities we serve through numerous “live” talk-back programs – programs broadcast throughout metro Omaha, including the Community Calendar that’s **public-accessible** to all of Omaha!
- We believe it’s a good thing to inform and educate persons who ultimately wield ownership or control of every facet of American society - that all people share a commitment to success!