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Report on Non-Commercial Television in Oregon

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REPORT
ON
**NON-COMMERCIAL TELEVISION
IN OREGON**

The Committee: Robert D. Geddes, Norman L. Lindstedt, John Olin,
Julius J. Ordway, and James E. Maxwell, *Chairman.*

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REPORT
ON
**NON-COMMERCIAL TELEVISION
IN OREGON**

To the Board of Governors,
The City Club of Portland:

I. INTRODUCTION

The Committee assignment for this study of "Non-Commercial Television in Oregon" includes this charge from the Research Board:

"A study committee should be formed to examine and report on non-commercial television in Oregon. It should consider how non-commercial television can realize more of its potentiality for meeting the needs of the community. The Committee's principal efforts should be directed to the public rather than the instructional portion of non-commercial television."

The Scope of the Investigation

Your Committee's investigation was launched with a review of the recommendations of the Carnegie Commission on Educational Television,⁽¹⁾ the proposals of the Ford Foundation⁽²⁾ and the reports of the National Association of Educational Broadcasting.⁽³⁾ The Committee has also had the opportunity to hear from representatives of both the National Citizens Committee for Public Television and National Educational Television (NET). These two organizations have been actively supporting non-commercial television in this country for several years.

Your Committee has also had the cooperation of all representatives of the State System of Higher Education having responsibilities for television stations KOAC (Corvallis) and KOAP (Portland). Representatives of commercial television stations in the Portland Metropolitan area have also given the Committee the benefit of their thinking. A list of witnesses and sources of information is given in Appendix A.

Principal Areas of Concern

Your Committee's review of the charge from the Research Board coupled with testimony from numerous witnesses served as the basis of the following statement of the problem:

Your Committee's task, therefore, appeared to be an evaluation of the proper role of non-commercial television in the State of Oregon and the best course for achieving this role. In order to respond to the charge of the Research Board, your Committee directed its investigation to the following concerns:

1. Whether non-commercial television in Oregon meets its potential as a medium for cultural enrichment and quality entertainment;
2. Whether it offers an effective vehicle for properly airing community problems while serving as a public conscience;
3. Whether non-commercial television is receiving adequate financial support free of unnecessary political or economic controls;
4. Whether the existing administrative system permits modernization of facilities and adoption of advanced techniques and experimentation in programming, and
5. Whether Oregon has developed, and used responsibly, a very valuable resource—two television channels.

(1) Carnegie Commission on Educational Television, *Public Television, A Program for Action*, 1967.

(2) The Ford Foundation, Hearings Before the Federal Communications Commission, Volumes I (Public Interest Issues, April 3, 1967) and Volume II (Supplemental Legal Brief and Comments of the Ford Foundation), April 3, 1967.

(3) National Educational Television, *A Fact Book*, Jan. 1966 and *The Public Television Network*, Dec. 1967.

II. THE OREGON SYSTEM

History

Non-commercial broadcasting had its origin in Oregon in 1922 when the Physics Department of Oregon State University (then Oregon Agricultural College) began radio broadcasts on KOAC-AM, Corvallis. This was followed in 1923 by Radio Station KBPS operated by Portland Public Schools. Educational radio activities in the State were limited to these two radio stations for a period of thirty-five years.

In the late 1950s and early 1960s, however, educational broadcasting entered a phase of substantial growth and diversification in Oregon. The state entered the television field in 1957 when the Ford Fund for the Advancement of Education provided \$245,000 for the State's first venture into television broadcasting. Television Channel 7, Corvallis, was originally conceived as an experimental facility to provide an inter-institutional link between the various campuses of the State System of Higher Education. The limited objective of inter-institutional sharing of instruction was almost immediately expanded, however. Ford Foundation support enabled National Educational Television (NET) to make available to stations such as KOAC-TV, Corvallis, increasing numbers of quality programs for children, and cultural and public affairs programs designed for adult audiences. Almost as soon as KOAC-TV went on the air, its evening programming was aimed beyond the narrow confines and needs of the State System of Higher Education. With the assistance of NET, KOAC's evening programming in particular was expanded to serve the informational education, public affairs and cultural interests of the general viewing audience then being largely ignored by commercial television.

During the early years of KOAC's development in Corvallis, Community Television, Inc., a separate, non-profit corporation, was attempting to bring non-commercial television to the Portland community over Channel 10. For a number of reasons the efforts of this private group were unsuccessful, and the state system applied for and secured the Channel 10 license. Real property, broadcast equipment and funds donated to Community Television, Inc., by commercial broadcasters and other interested citizens were donated to the state system. With legislative appropriations for operating expenses, Channel 10 went on the air in 1961.

In 1962, Westinghouse Broadcast System donated to the State the necessary funds and equipment to place the State's FM broadcasting radio station on the air in Portland, Oregon. This donation completed the present state broadcasting system, consisting of two television stations—one in Corvallis and one in Portland—an AM radio outlet in Corvallis, and the FM station in Portland.

Other Proposed Non-Commercial Television in Oregon

Portland Community College has plans for development of a communications curriculum, including operation of the television station. This would come in the third phase of campus growth, projected for completion in 1971-1973. Courses of study are planned in radio, television and the graphic arts. Portland Community College believes that this facility could possibly be operated jointly with other community colleges in the metropolitan area.

To this end, Mt. Hood and Clackamas Community Colleges are appraising the proposed joint operation of a television station which would use UHF Channel 30. No final decision has yet been made.

Mt. Hood and Portland Community Colleges have cooperated in the preparation of an application to the Federal Communications Commission (FCC) for a permit to construct and operate a television station which would use UHF Channel 30.

Lane Community College (Eugene) filed an application for operation of an educational television station in August, 1967. This application was amended in August, 1970, to request assignment of UHF Channel 28. The legal, engineering, and programming aspects of the application have been approved. Final approval and a construction permit will not be issued until adequate funding is secured. It is anticipated that 65 to 75 percent of the funds will be received from the federal government. The new campus now has the physical plant,

cameras, switches and equipment for operation of closed circuit broadcasting. This equipment and gear are modern and fully compatible for the proposed operation of a UHF station.

Three general arguments are advanced for establishing television facilities in community colleges:

1. Additional open-circuit television stations offer the viewers a wider selection of programs to meet their own interests;
2. Community college stations can offer their own students a more flexible program by alternating practical classroom work with television broadcasts, and
3. Community college stations can offer direct vocational training in television programming and technical operation.

In order to be effective, community college stations will require talented staffing and modern equipment. Programs need to be lively, interesting and innovative. Critics have described with justification the deadly dullness of many instructional television programs.

Technological changes in storage devices, increase in clarity and definition of image, some method of feedback and interaction by the viewer, along with increased selectivity, offer promise for better use of television as an educational tool.

The report of the Carnegie Commission on Educational Television stated that instructional television should be judged on its ability to make a greater contribution to the quality of education.

Portland Public Schools also has a growing interest in television. This is a natural extension of its long-term interest in radio, evidenced by its operation of Radio Station KBPS. This interest is shown by the use of closed circuit television systems in the high schools in School District No. 1 for teaching and training purposes. Their basic instruction program, involving television camera use, lighting techniques, set design, use of microphones and care and maintenance of equipment, teaches skills which are directly transferrable to television operations. The staff of KBPS is also engaged in programming instructional material for broadcast over KOAP-TV. There are no present plans for an open-circuit television system.

Organization

All standard broadcast radio and television facilities of the State of Oregon are operated by Oregon Educational Broadcasting (OEB) which operates under the Director of Administration who, in turn, reports to the Director of the Division of Continuing Education (DCE). DCE reports to the Vice Chancellor for Academic Affairs under the Chancellor of the State Board of Higher Education who acts for the State System of Higher Education. These administrative relationships are shown on the accompanying chart (Figure 1) supplied by Oregon Educational Broadcasting.

OEB, in turn, is split into two segments: KOAC-AM and TV located in Corvallis, and KOAP-FM and TV, headquartered in Portland. Television activities are primarily handled from Portland. Corvallis serves as the headquarters for AM and FM radio activities.

Administrative Relationship of Oregon Educational Broadcasting to the Oregon State System of Higher Education (1969-1970)

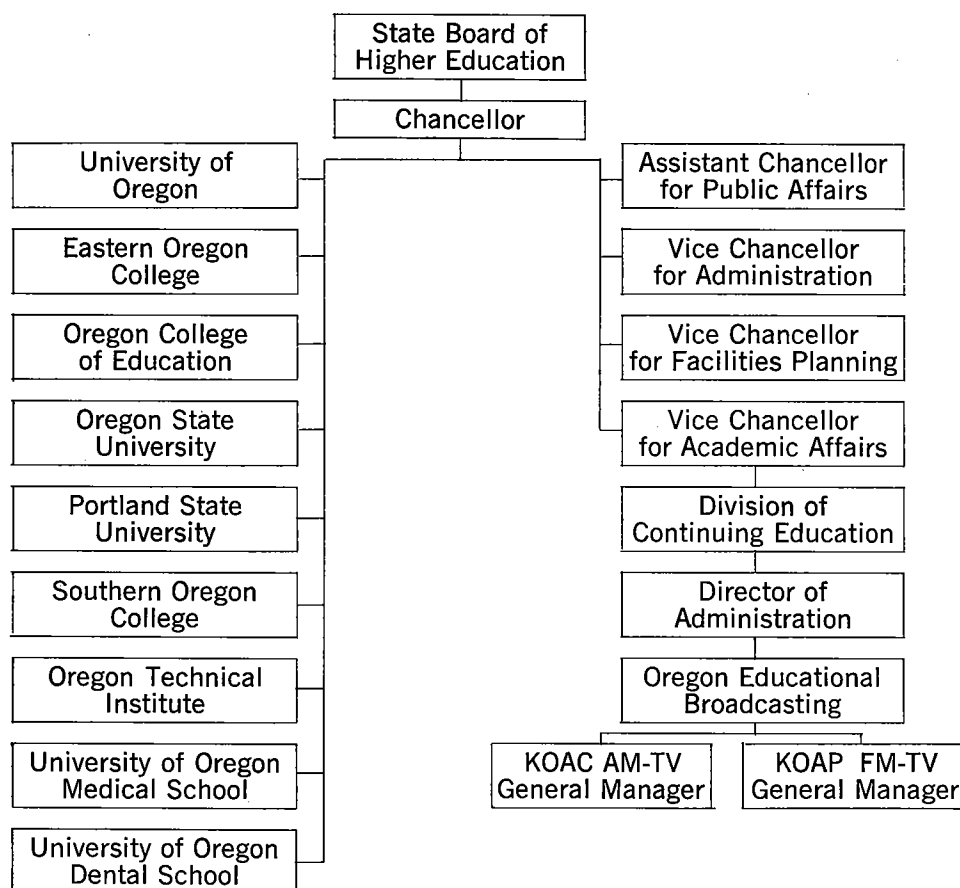


Figure 1

Physical Equipment

1. Description

Television towers and antennae are located on Healy Heights in Southwest Portland (Channel 10) and on Vineyard Hill six miles North of Corvallis (Channel 7). There is a connecting microwave relay at Prospect Hill, located near Salem, which receives, amplifies and relays signals between these two locations. University studios in Eugene or Corvallis can originate programs for broadcast. However, most Oregon network programs originate from master control in Portland.

Channel 7 in Corvallis broadcasts at 263 kilowatts (KW) visual and 26.3 KW aural power from its transmitter located at a 1,203-foot elevation, with a 267-foot tower. Channel 10 in Portland sends out its signal at 60.3 KW visual and 12 KW aural from its transmitter on a 203-foot tower located at the 950-foot elevation. A comparison of KOAP (Channel 10) with the four commercial stations in Portland shows that KOAP's antenna is only 43 percent as high, and that its aural and visual power are one-third that of the commercial stations.

The studio cameras, lighting and related equipment have only black-and-white capability. Color transmissions can be broadcast from signals originated elsewhere and communicated to the Portland station over long-lines. Because of time differences, most Oregon broadcasts originate from the network relay center in Los Angeles, California. For instance, the popular program, "Sesame Street", was available in color at 11:30 a.m. The repeat at 3:30 p.m. could only be done in black and white. Present long-lines are leased on a pre-emptible basis. This causes program cancellations whenever the telephone company desires to use the lines for another purpose.

There is no mobile equipment for television coverage. The lack of such equipment makes it nearly prohibitive to originate programs outside the studio.

Except for the transmitters, which were new in 1966, the other equipment, such as cameras, film chains and video recorders are obsolete. (See Appendix B for description.) While the equipment has been maintained in fair condition, it does not have color capability and is 10 to 15 years old.

2. Comparison with representative systems.

The 1967 report of Carnegie Commission on Educational Television⁽⁴⁾ presented a model system to provide coverage for approximately 95 percent of the United States' population. Its proposed model called for 380 stations, 60 of which would be "flag" stations capable of major productions and programming. Of the 60 "flag" stations, 40 would be regular stations, and the remaining 20 would, by 1980, qualify as "key" stations with regional responsibilities. Portland, Oregon, had viewing audiences which ranked fourteenth nationally in March, 1966. From this ranking, Portland might well develop "key" station status.

Equipment required for a "key" station would include three color-equipped studios, and a fully-equipped color mobile unit. Such a station could then produce an hour a week of national programming and ten hours a week of local and exchange programming. The tabulation below compares the proposed requirements of key, regular, standard and basic stations:

	Key	Flag Regular	Standard	Basic
Metropolitan Center, population in excess of:	1,000,000	1,000,000	300,000	140,000
Studios, large, well-equipped	3	2	1	1
Square-footage (thousands)	10.0	8.8	2.8	1.2
Mobile Unit	Yes	Yes	—	—
Hours of weekly programming for exchange or local use	10	10	5	1-1½
Hours of national programming	1	0	0	0
Color capability from NET, film, or tape	Yes	Yes	Yes	Yes
Capital cost in millions of dollars	6.5	3.5	2.0	1.5
Camera chains, number	9	7	3	2

Source: Carnegie Commission on Education Television, *Public Television, A Program for Action*, 1967, p. 142.

3. Proposed Additions to the System

Oregon Educational Broadcasting's capital construction requests include the design, purchase and installation of color television capability, \$1,210,000, and the construction of an office and studio building on the Portland State University campus, \$871,800. The color modification request includes both modification and additions to camera chains, studios and master control, to produce or broadcast from videotapes and film. There is also provision for a mobile color television unit. Present Portland studio facilities at 2828 S.W. Front Avenue are leased in quarters not designed for studio use. (See Appendix C for OEB's Budget Request Summary for the 1971-1973 Biennium.)

Financing the Oregon System

The original capital facilities of both Oregon television stations were gifts to the State. KOAC-TV facilities at Corvallis were financed by a \$215,000 grant from the Ford Foundation Fund for the Advancement of Education. KOAP-TV facilities in Portland came largely from gifts to Community Television, Inc., a non-profit corporation which was unsuccessful in its attempt to secure and operate Channel 10 as a community-owned station. These gifts of real property and equip-

⁽⁴⁾Carnegie Commission on Educational Television, *Public Television, A Program for Action*, 1967, p. 142.

ment from commercial stations and individuals were transferred to the State of Oregon, acting by and through the State Board of Higher Education. These contributions, plus a legislative appropriation for operating funds, gave the State of Oregon two operating television stations by 1961.

During the 11-year period from 1957 through 1967, Oregon Educational Broadcasting received \$5,471,027 to finance its radio and television operations.⁽⁵⁾

The sources of all funds (capital expenditures and operating revenues) during this period were:

Local government	\$ 3,000.00
State Government	4,780,347.00
Federal Government	301,680.00
Foundations	215,000.00
Contracts	14,000.00
Underwriting	4,900.00
Other	152,000.00
Total	\$5,471,027.00

No estimate of the value of gifts of real property or equipment is available.

Appropriations for the support of OEB television and radio activities are made in lump sums. The division of this sum during the past few years by management has been on the basis of 70 percent for television and 30 percent for radio. Table I shows the OEB annual budget for the 1967-1971 period, actual expenditures for 1967-68 and 1968-69, and anticipated expenditures for the 1969-70 and 1970-71 years. Table I also gives a breakdown of actual and budgeted expenditures for the same four years.

TABLE I.

Oregon Educational Broadcasting Budgets and Expenditures 1967-1971

BUDGET:	1967-68	1968-69	1969-70	1970-71
Radio	\$166,757	\$169,916	\$181,355	\$185,030
TV	389,101	396,469	423,163	431,736
Total	\$555,858	\$566,385	\$604,518	\$616,766
EXPENDITURES:				
Radio	\$165,993	\$170,788	\$181,356	\$185,030
TV	387,316	398,506	423,162	431,736
Total	\$553,309	\$569,294	\$604,518	\$616,766
EXPENDITURES - TV:				
Personnel	\$309,631	\$306,285	\$332,412	\$345,044
Operating	72,147	86,148	87,810	83,752
Capital Investment	5,538	6,073	2,940	2,940
Total	\$387,316	\$398,506	\$423,162	\$431,736

Source: Office of Continuing Education, Oregon State System of Higher Education, Letter from K. A. Ahlberg, Assistant Director for Business Affairs.

Four-fifths of the expenditures of OEB for television operations from 1967 to the present time have been for personnel. Capital investment accounted for only 1.4 percent of expenditures in 1967-68, 1.5 percent of 1968-69 and 0.7 percent in 1969-70, with the same dollar amount budgeted for 1970-71.

Table II compares OEB television expenditures from 1963 through July, 1971, with the total expenditures of the Oregon State System of Higher Education. Total expenditures by the state system increased by 118 percent over the eight year period. OEB's television budget for the same period showed a 48 percent increase.

⁽⁵⁾Correspondence, Oregon Educational Broadcasting.

TABLE II.
Oregon Educational Broadcasting and Oregon State System of Higher Education
Unrestricted Budget Comparisons

Year	Oregon Educational Broadcasting-TV*	Percent Increase	Oregon State System of Higher Education	Percent Increase
63-64	\$291,260	—	\$40,378,171	—
64-65	307,164	5	42,542,857	5
65-66	345,958	13	48,445,496	14
66-67	373,346	8	56,433,499	16
67-68	389,101	4	65,229,920	16
68-69	396,470	2	69,407,647	6
69-70	423,163	7	82,209,870	18
70-71	431,736	2	88,112,855	7
63-71	—————	48	—————	118

*Seventy percent of budget of Oregon Educational Broadcasting.

Source: Letter from K. A. Ahlberg, Assistant Director of Business Affairs, Division of Continuing Education, Oregon State System of Higher Education, and supplemental phone calls.

OEB TV has received the following supplemental (non-state) funds since July 1, 1967.

Special Purpose Grants

Biennium	Amount	Purpose	Source
1967-69	\$11,355	Smoking and Health	Educational Television System
	5,998	Theater Ten	Educational Television System
	1,884	Extended hours	Miscellaneous Sources
1969-70	\$ 4,350	Misterogers Neighborhood	Corp. for Public Broadcasting
	2,500	Oregon Review	Corp. for Public Broadcasting
	2,500	Albina Mosaic	Corp. for Public Broadcasting
	650	Promotion	Corp. for Public Broadcasting
	2,901	Material and Child Health	Corp. for Public Broadcasting

General Purpose Grants

Biennium	Amount	Purpose	Source
1969-70	\$11,000	Program Promotion	Corp. for Public Broadcasting
	6,500	Sunday Operation	Corp. for Public Broadcasting
	500	Audience Research	Corp. for Public Broadcasting
	4,500	Local Production	Public Affairs Broadcasting

Source: Correspondence, Oregon Educational Broadcasting

These grants were received and expended for the specific purposes cited. Grants from the Corporation for Public Broadcasting may not be used for capital expenditures and “. . . in no case should the grant supplement funds already committed by the licensee for current operations. . . .”

Some indication of the needs of OEB TV can be found by examining the budget request submitted by OEB management to the State System of Higher Education. OEB's budget request for the 1969-71 biennium totalled \$2,950,960. This included \$668,185 for annual operating costs and \$82,775 for annual non-recurring costs to be divided 70% — 30% television and radio. They also requested capital funds to give them color broadcast capability, a mobile recording unit and a third television station utilizing an unused UHF channel at Medford. A general breakdown of this package is summarized below:

- | | |
|---|------------|
| 1. Operating costs 1968-1969 operative base (current — 30% radio, 70% TV) | \$ 566,385 |
| Restoration of Special Session Cut (OEB share of DCE) | 1,800 |
| To correct deficiencies and provide needed operating cost increase | 100,000 |
| | \$ 668,185 |
| | |
| 2. Non-recurring Costs for Minor Equipment Items (30% radio, 70% TV) | \$ 82,775 |
| These items would normally have been purchased through the recurring equipment budget. This equipment budget was eliminated to help meet rising operating costs. The suggested increase in operating funds for the biennium would be for restoration of the equipment budget, a non-recurring item. | |
| | |
| 3. Major Capital Expenditures Non-Recurring 1969-71 | |
| A. Mobile Television Recording Unit | 400,000 |
| This unit should be a color system. It would allow for covering "location" activities providing more "immediacy" in programming. Color equipment could be used in studio, when not on remote location, until color studio equipment is acquired. | |
| B. Television Station at Medford | 300,000 |
| This would be the third station in the OEB Network. It would increase the total portion of Oregon's population who would be able to view OEB programs to approximately 92%. Cost figure shown is based on estimate for activating the UHF Channel reserved for educational use. | |
| C. Color Film and Tape Modification at Master Control — Television | 425,000 |
| This will provide capability of broadcasting color film and tape over existing OEB TV network. | |
| D. Color Television Studio Modification | 1,075,000 |
| This will provide for local color production at Eugene, Corvallis and Portland. Current black and white equipment is 11 years old. Heavy color set saturation in Oregon makes it unrealistic to replace existing equipment with anything except color. | |

While the OEB budget request for the 1969-71 biennium was \$2,950,960, the appropriations of \$604,518 for 1969-70 and \$616,766 for 1970-71, only totalled \$1,221,284. When divided 70 percent for television and 30 percent for radio, the \$431,736 for the 1970-71 year only exceeded actual expenditures for 1969-70 by \$8,573. No funds were received for color broadcasting or for the Medford station.

OEB's budget request for the 1971-1973 biennium was submitted to the Division of Continuing Education in two parts in June, 1970. (See Appendix C.) The first part totalling \$1,424,937 included \$812,190 for operating costs, \$80,357 for non-recurring costs and \$532,390 for new operating costs, the "new operating cost" to cover the operation of color television equipment, extended air time and Saturday and Sunday operation. The second part included \$1,210,000 for the design, purchase and installation of color television equipment and \$871,300 for a new office and television studios.

It is of particular interest to note that the request for a Medford station, shown for the 1969-71 biennium, was dropped from the 1971-1973 budget request. During the interim period, this channel was assigned to a private commercial operator and is no longer available to OEB. The current budget does, however, include \$330,000 for a study of ways to improve OEB-TV coverage and cover increased costs involved in providing such service.

All of the items listed as major capital expenditures have the potential to qualify for partial federal funding under the "Public Broadcasting Act of 1967". This law provides for federal matching of up to 75 percent of projects, but present indications are that funds will not be authorized.

Oregon's budget for the operation of its OEB television system, Fiscal Year 1969-1970, ranked 23rd among the 26 states reporting to the Corporation for

Public Broadcasting.⁽⁶⁾ It must be noted, however, that the budget is unrestricted and all funds may be used for operations or capital expenditures. Over 99 percent was actually used for operations in the year 1969-70. (See Table I above.)

Appendix D shows the operating and capital budgets of 26 reporting state television systems. The budgets for six states operating two transmitters have been underlined showing Oregon as the lowest of the six. Other comparisons are virtually meaningless. Oregon's operating budget exceeds that of Indiana, Oklahoma and South Dakota, but its capital budget is nonexistent. Any capital expenditures in Oregon would have to be made from operating funds.

Alternative Systems for the Support of Non-Commercial TV

Up until the latter part of 1966, the time at which the Carnegie Commission Report was completed, financial support of educational television came primarily from state and local governments acting through school systems or state boards of education or other state instrumentalities. There was some direct support from the federal government, but the largest single source was at the state level. The federal support was made available on a matching basis for acquisition of tower, transmitter and transmission facilities, to a maximum of \$1,000,000 per state. The Ford Foundation also is a contributor to educational television. Its grants are also on a matching basis. Some stations gathered a small portion of their income from subscriptions, fund-raising activities and industrial grants from commercial organizations.

The Carnegie Commission proposed that Congress authorize a federally-chartered governmental corporation with power to receive and disburse governmental and private funds for the extension and improvement of public television programming. The Commission also recommended that the Corporation be authorized to make contributions to local stations for production and broadcasting of programs, to make contributions to selected stations for capital facilities, to make arrangements with companies to finance the distribution of programs to local stations, to make grants or contracts for the programming of training of technical and artistic personnel and to support a library of programs. While the Corporation would look for its funds primarily from the federal government, it would also be authorized to solicit funds from private sources, such as industry and major foundations.

The Commission recommended that Congress secure the federal funds required by the Corporation through an excise tax on television sets, starting at two percent and increasing to five percent by 1980. Revenues would be transferred to the Corporation through a trust fund. "This combination of a private, non-governmental corporate structure and a federally-financed trust fund permits the Corporation to be free of governmental procedural and administrative regulations."⁽⁷⁾

The proposed tax of two percent would meet the cost of the first year of operation, and the successive three years at three percent would cover the costs incurred in those years, with the program peaking out in equilibrium at five percent. The tax would amount to an estimated 75 cents a year over the lifetime of a black-and-white set, and approximately \$2.50 a year for color. The Commission reasoned that the tax is only mildly regressive, as high-income families tend to buy more television sets and replace them more often than families of lesser means.

The Corporation would also receive funds from private sources and from foundations. It should actively seek to accumulate such endowments to give it independence from governmental funds. It was expected that the Corporation would invoke matching provisions in making grants to local stations whenever such provisions seem appropriate.

The Ford Foundation had proposed a satellite system and an independent corporation to manage it, to provide free interconnection for educational television out of the profits of commercial activities.⁽⁸⁾ Other proposals for financing public television included:

(6) Frymire, Dr. Lawrence T., Study of State Public TV Systems for the Corporation for Public Broadcasting, Dec., 1969, processed, p. 20.

(7) Carnegie Commission on Educational Television, *Public Television, A Program for Action*, 1967, p. 69.

(8) The Ford Foundation, Hearings Before the Federal Communications Commission, Volume I (Public Interest Issues, April 3, 1967) and Volume II (Supplemental Legal Brief and Comments of the Ford Foundation, April 3, 1967).

1. The imposition of a license fee for the use of television sets,
2. The removal of restrictions preventing educational television from accepting advertising,
3. Pay-as-you-go educational television,
4. Gross revenue or franchise taxes upon commercial television, and
5. An income tax on commercial television earmarked for the support of educational television.

The Carnegie Commission pointed out that "the Corporation for Public Television is to be designed explicitly to act in those parts of educational television which are sensitive to the dangers of political involvement and control."⁽⁹⁾ It should not seek to assist in providing basic facilities or the operating costs required in basic operation which is primarily instructional, nor to support the creation of such stations. For this purpose the Report recommends new legislation to enable the Department of Health, Education and Welfare to bridge this gap, funds for which would come from customary procedures of the government, such as taxation.

In summary, by the year 1980, the Carnegie Commission estimated \$270 million of the annual costs would be borne \$104 million by the Corporation, \$91 million by the Department of Health, Education and Welfare, and \$75 million from other sources such as local and state governments, private and foundation contributions, and perhaps such governmental agencies as the Foundation for the Arts and Humanities.

The Commission employed Arthur D. Little, Inc., Industrial Consultants, to prepare an extensive study of model cost of system structures, a review of which is included in the text as a supplementary paper prepared by Sidney S. Alexander, Professor of Management and Economics at the Massachusetts Institute of Technology, entitled, "Costs of a Nationwide Educational Television System." This report goes into great detail. The reader's attention is invited to it.

In November, 1967, Congress authorized the establishment of a non-profit corporation to be known as Corporation for Public Broadcasting. Congress did not fully implement the Carnegie Commission's recommendations. No provisions were made for an excise tax on television sets to support the Corporation. At the present time the Corporation for Public Broadcasting is dependent on direct appropriations. Only \$20 million was appropriated for the current year. It expects to receive an additional \$3 million in gifts. This sum is being disbursed for the following purposes:

1. Programs for television including Sesame Street, Boston Pops, and World Week.
2. Programs for radio, for interconnection and programming costs.
3. Public Broadcast service for NET origination and taping costs of television programs.
4. Direct grants to stations for local programming, staffing and promotion.

The Corporation for Public Broadcasting no longer makes matching grants for equipment or facilities. Some funds are available for educational television facilities through the Department of Health, Education and Welfare.

Programming

It is estimated that Oregon Educational Television's programming is available to approximately 70 percent of Oregon's households, either by direct broadcast or community television antenna systems.¹⁰⁾ Accurate viewers' surveys are unavailable but the most recent information would indicate that something less than 60 percent of the state's population views any of the programs offered by the system. Only 30 percent of those questioned had viewed a program during the preceding week, and less than 20 percent was able to give the name of any one of the system's programs. The most recent survey of OEB viewers disclosed:

⁽⁹⁾Carnegie Commission on Educational Television, *Public Television, a Program for Action*, 1967, p. 74.

1. Forty-five percent of heads of viewer households are 50 years of age or older.
2. Three in ten heads of viewer households hold Masters or Doctorate degrees; five in ten viewer household heads attended or graduated from college.
3. Six in ten viewer household heads are engaged in professional or managerial occupations; two in ten heads of Oregon Network households are retired.
4. Two in ten viewer households reported a total family income of \$15,000 or more. Five in ten viewers indicated their homes were located in urban areas.

During its regular season coinciding with the school year, OEB schedules approximately 67½ hours of television programs per week, operating approximately 13½ hours per day on a five- or six-day basis. Approximately 25 hours of the week's programming schedule is devoted to in-school broadcasting, leaving 35-40 hours per week for general educational and public general interest programming. During the summer months, programming is cut to approximately 4½ hours per day on an evening schedule, with primary emphasis upon public affairs, performing arts, children's programs and general educational material. Clearly, the emphasis in non-commercial television in Oregon remains upon the classroom and general education uses of the medium. The station's two broadcast facilities both present identical program material, and for the past several years, programming has been divided in the following proportions:

(10)Mock, Lester G., An Oregon Educational Broadcast Report, June, 1970.

Categories of Programming

<u>Instructional</u>	<u>General Education</u>	<u>Performing Arts</u>	<u>Public Affairs</u>
38.4%	46.4%	3.5%	11.7%

In general, it must also be noted that Oregon stations depend heavily upon outside sources for their broadcast materials.

Source of Programs

<u>National Educational Television</u>	<u>Educational Television Stations</u>	<u>Local Origination (new)</u>	<u>Local Origination (Previously recorded)</u>	<u>Other (Exchange of Programs, etc.)</u>
35%	11%	17%	11%	26%

Although the table indicates that 28 percent of the stations' programming originates locally, a high percentage of that local programming is for classroom and special interest educational purposes. Local programming for the so-called general public interest audience is substantially lower.

III. DISCUSSION

Organization

The administration of non-commercial television in Oregon leaves something to be desired. As an operating unit of the Oregon State Board of Higher Education, its budget and operating policies must pass through five administrative levels, all of whose major responsibilities relate more to educational matters than to the operation of a television station. On budget matters, all proposals must also secure the approval of the Governor and the State Legislature. This gauntlet is formidable, and the opportunity for trade-offs in favor of education are many.

Witnesses before your Committee have stressed the desirability of independence of action for the administration of non-commercial television stations. The present administrative set-up and financial dependence on legislative appropriations potentially limits freedom to editorialize or cover controversial issues in depth. It is the Committee's opinion that OEB must now avoid antagonizing State legislators in order not to suffer punishment through the pocketbook.

Witnesses before your Committee have also emphasized need for public support of non-commercial television operations.

The achievement of these two goals has elicited a number of suggestions including the creation of a public corporation for the operation of non-commercial television in Oregon, supported by a dedicated tax on television sets. Inasmuch as Oregon law does not now permit creation of state-owned corporations, this suggestion does not at this time appear as a reasonable device to assure freedom of action for state-owned TV. It has also been proposed that a public Advisory Board be appointed to oversee non-commercial television operations under the legislative support system now in effect. Such a Board would serve as a buffer between operations and Legislature. It would make sure that the needs of OEB were supported before the budget committees and the Legislature and would direct OEB operations into more desirable fields. Operating under the State System of Higher Education, an Advisory Board on non-commercial television could become a eunuch. An alternative proposal, to assure a degree of independence and more direct access to public support, is the creation of a state-owned radio and television agency appointed by the Governor. An Advisory Board should also be appointed to consult with the Director on policy matters, help assure independence of operation, and secure an increased measure of public support.

The non-commercial television picture in Oregon may be clouded in the future by proposals for the establishment of television outlets in the Portland and Eugene metropolitan areas by Portland Community College and Lane Community College. In the Portland area, the proposed facility, hopefully, would be a cooperative endeavor with other community colleges in the metropolitan area. These two stations would serve their areas as training facilities for technicians and programmers and offer outlets for the dissemination of music, drama and related college educational programs.

Your Committee views the proposals of the community colleges with some concern. Public funds for the existing non-commercial television system are now severely restricted and the establishment of one or more additional stations would further limit funds available for quality programming. It would seem imperative that some arrangement be made to channel the legitimate needs of community colleges through OEB to avoid the proliferation of underfunded facilities.

Physical Equipment

A high proportion of present TV equipment is old and outdated and lacks color broadcast capability. The Carnegie Commission reports that the useful life of studio equipment is seven years. Much of KOAP's studio equipment was used when acquired and has served beyond its normal retirement date.

KOAP-TV has only one-third the visual and aural power of other Portland stations. Its antenna height is only 43 percent of other stations.

OEB lacks a mobile unit. Without such a unit, it cannot program live coverage of community affairs and encourage public participation.

Financing

Support for non-commercial television in Oregon has come largely from state government. As indicated above, 87 percent of all the funds expended during the 1957-1967 period came from this source. There was some direct, capital support from the federal government under the provisions of the Educational Television Act of 1962. Some federal support can be expected to continue, but will probably not contribute significantly to OEB's future operating budget. Matching funds for facilities seem to be the method the federal grants will continue to take.

A review of the report of the Carnegie Commission on Educational Television, entitled "Public Television — a Program for Action," completed and published in January of 1967, indicates that OEB is far below the norm or average of other state systems in current year expenditures, number of employees, salary levels and capital expenditure or investment.

The present financial structure and sources of funds for public television in Oregon are too narrow. Reliance upon the State System of Higher Education and its various divisions and departments in budgeting tends to limit the potentials for improved technology and programming. Also, once the ETV budget has survived the State System, it must then be reviewed by the Legislature. It is mandatory

that public television in Oregon be provided a broader financial base. The allocation for ETV has remained stable over the years. With inadequate financing at the start, inflation has made it more difficult for OEB to keep up with advancing technology and desired programming, especially at the local level. What is required is a long-range funding program which would limit biennial reliance on the Legislature.

Programming

The idea of non-commercial television programming is well expressed in a letter from E. B. White to the Carnegie Commission:

"Noncommercial television should address itself to the ideal of excellence, not the idea of acceptability—which is what keeps commercial television from climbing the staircase. I think television should be the visual counterpart of the literary essay, should arouse our dreams, satisfy our hunger for beauty, take us on journeys, enable us to participate in events, present great drama and music, explore the sea and the sky and the woods and the hills. It should be our Lyceum, our Chautauqua, our Minsky's, and our Camelot. It should restate and clarify the social dilemma and the political pickle. Once in a while it does, and you get a quick glimpse of its potential."

There was evident agreement in your Committee and among the witnesses assisting the Committee that we see only "glimpses" of the medium's potential. Public television in Oregon and local programming in particular, like commercial television, is most uneven in quality. Episodes of *Civilisation*, *Sesame Street*, the *Early Churchills*, *NET Journal*, *Time for Johnny*, *Great American Dream Machine*, *Julia Child*, and numerous specials stand out in the minds of the Committee members as examples of the potential of the medium. Just as frequently, however, educational television is a wasteland of its own special type. Local programming in particular is often flat and uninspiring. Certainly, it is sad that a medium which has the ability to bring a small part of the visual and oral world into the viewer's living room depends so heavily on the interview and lecture approach. Frequently it seems that the transition from radio was too easy and the only change lies in transmittal of the announcer's image. It is quite clear to your Committee that the full creative potential of the medium both as a separate art form and as a vehicle for transmittal and explanation of community life, values and problems in all their manifestations, is not being realized. Single or limited numbers of performers, limited use of props, absence of special effects or multiple camera work, inability to originate color programming or to easily originate programs outside of the studio all contribute to the unsatisfactory and uneven quality of local programming by the Oregon stations. Local news events, illustrative material for interviews, the offerings of local museums, opera, symphonies, theaters and colleges are virtually closed to OEB stations.

The foregoing comments certainly will not come as a surprise to those who have watched public TV's community-oriented programs, nor will they surprise those who work in the field. So far as your Committee can ascertain, the problems of public television programming do not lie in lack of awareness of the potential of the medium, inadequacies of personnel, inertia or arbitrary program restraints imposed by the State System of Higher Education. As will appear throughout this report, your Committee is convinced that the major problem of the Oregon system lies in the consistent failure of the State to provide anything approaching adequate financial support for the proper development of the medium.

The Oregon television broadcasting system operates two stations with three production facilities and serves a population of approximately 1,750,000 people. It operates more than 50 hours per week through a major portion of the year, and has a minimum staff of 38 persons. The financial problems and the concomitant difficulties of producing quality programs in a system of this size are clarified by comparative figures published by the Carnegie Commission. The Oregon operation was funded for the 1967-68 year with a budget of \$356,259. No allowance was made for capital expenditure. For the same year, median annual expenses for all educational television stations in the U. S., was \$401,525, with median capital budgets of approximately \$82,000. State system stations across the country had median annual budgets of \$1,181,383, including capital budgets of \$629,745. The average state station has in excess of \$150,000 annually for expenditure on outside program acquisition. OEB has proposed the budgeting of only \$15,000 for

the coming biennium for outside program acquisition. When present budgets are compared with adequate budget figures, as projected by the Carnegie Commission, the problem of underfunding is even more dramatic.

A system serving a community the size of that served by Oregon Educational Broadcasting should have a staff of 97, should originate ten hours per week of new programs, have two fully-equipped studios, seven camera chains, an operating budget in excess of \$1,200,000 and a capital budget of approximately \$300,000. In the context of the Oregon stations' budgets, it is indeed difficult to find fault with the quality of existing programs. It is in some ways amazing that the local stations have been able to maintain the existing quality of production and service in terms of broadcast hours and local program origination.

IV. RECOMMENDATIONS

1. The television facilities operated by OEB should be separated from the Oregon State System of Higher Education and operated as an independent agency with a director appointed by the Governor. To assure its public support and independence we further recommend that the Governor appoint an Advisory Board to advise on policy matters and serve as a sounding board between the public and the operating staff. This Advisory Board should include representatives of the Oregon State Board of Higher Education, the Oregon Board of Education and commercial television interests. A majority of the Advisory Board, however, should represent the public.
2. The Oregon Legislature should appropriate funds to modernize the television facilities now operated by OEB. Such new facilities should include color broadcast capabilities, mobile units, greater statewide coverage and modern studio facilities and equipment.
3. The Legislature should levy a tax on television sets sold in the state to support the new state television agency. This tax should be sufficient to maintain the state TV agency following the modernization program recommended in 2 above.
4. The new state television agency should join with community colleges in the development of a program which will recognize their need for training facilities but avoid the proliferation of underfunded television stations.

Respectfully submitted,
Robert D. Geddes
Norman L. Lindstedt
John Olin
Julius J. Ordway, and
James E. Maxwell, *Chairman*

Approved April 1, 1971, by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors April 8, 1971 and ordered printed and distributed to the membership for discussion and action.

APPENDIX A

PERSONS INTERVIEWED

Blake Byrne, National Sales Manager, KPTV Television
 Amo DeBernardis, President, Portland Community College
 George Diel, Director of Communications, Oregon State System of Higher Education
 Lee Frischnecht, Director of Field Services, National Educational Television
 Ben Kubasik, Executive Director, National Citizens Committee for Public Television
 (Mr. Kubasik was accompanied by his assistant, Omar Lerman)
 Luke Lamb, Director of Educational Media, Oregon State System of Higher Education
 C. Howard Lane, President, Mt. Hood Radio and Television Broadcasting Corporation
 (KOIN Radio and TV)
 Lester G. Mock, Acting Director, Educational Media, Division of Continuing Education,
 Oregon State System of Higher Education
 Mrs. George L. Munger, President, Oregon Council for Public Broadcasting
 Francis S. Murphy, Radio and Television Editor, *The Oregonian*
 Ancil Payne, then General Manager, KGW Radio and Television and now General
 Manager, King Broadcasting Company, Seattle
 John Rude, Oregon Education Coordinating Council
 George Sanders, General Manager, Radio Station KWJJ
 Ralph Steetle, Director of Program Coordination, Division of Continuing Education,
 Oregon State System of Higher Education
 Patricia L. Swenson, Supervisor, Radio Station KBPS
 Dennis Todd, attorney and original proposer of a City Club study on non-commercial
 television

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APPENDIX B
SELECTED LIST OF TELEVISION EQUIPMENT
KOAP TV — PORTLAND

<u>Major Items</u>	<u>Date Acquired</u>	<u>Cost</u>	<u>Present Condition</u>
RCA TK31B TV Camera Chain	November 1960	\$19,625	Good
RCA TK30 TV Camera Chain	January 1961	Used Donated	Very Poor
RCA TK11 TV Camera Chain	September 1966	7,749	Fair
RCA Film Chain Film Chain	November 1960	21,586	Fair
Composite, New, Used VTR* Ampex VR1001A	September 1965 June 1962	11,649 NET Donated Ford Foundation	Fair Fair B & W only
VTR 2 Playback only Ampex VR1100	February 1966	26,060	Good B & W only
VTR 3 Ampex VR1100	September 1966	36,965	Good B & W only
Studio Lighting System	January 1961 Additions made over the years	10,000 (approx.)	Good B & W only
Master Control System	March 1966	2,500 (approx.)	Fair
GE Model 510 TV Transmitter	June 1966	70,107	Near New
GE TV Transmitting Antenna GE4TY70F1	June 1966	19,184	Near New
Studio Control	January 1961, Added to Periodically	8,000 (approx.)	Good
Audio Control	January 1961, Added to Periodically	8,000 (approx.)	Good
*Video Tape Recorder		\$241,425	

KOAC TV — CORVALLIS

<u>Major Items</u>	<u>Date Acquired</u>	<u>Cost</u>	<u>Present Condition</u>
Tape Recorder Ampex 351C	October 1961	\$ 1,800	Good
Camera RCA Ped. Type TV Antenna	October 1965	2,223	Good
12 Bay GE 4TX70HI TV Transmitter	September 1966	35,543	Near New
GE 4TT5330B1 Analyzer Sideband	September 1966 January 1958	108,847 1,983	Near New Good
Oscilloscope 5219	December 1957	1,169	Rebuilt 1969
Camera Film Vidicon	May 1957	8,154	Fair
Camera Studio TK-11A	May 1957	14,900	Good
Generator Signal 1486	May 1957	3,950	Good
Lens 15 In.	May 1957	415	Good
Cable Cameras	May 1957	1,000	Poor
Conrac Monitor 17 in. W/MTL CAB	July 1961	335	Fair

**APPENDIX C
ANNUAL OPERATING BUDGET REQUEST
OREGON EDUCATIONAL BROADCASTING
1971 - 1973**

Biennial Budget Request Summary

I. Operating Costs	KOAC	KOAP	TOTAL
1970 - 1971 Base	\$300,012	\$361,117	\$661,129
Technical Increase	8,000	17,000	25,000
TV Program Acquisition		15,000	15,000
KOAP Lease		22,000	22,000
Radio-TV Technician		7,920	7,920
Production Services and Supplies	3,000	5,000	8,000
Information Representative		9,000	9,000
Itinerant Wage Increase	2,400	7,500	9,900
Production Secretary		4,700	4,700
Fund Raiser		12,000	12,000
Promotion Services and Supplies	1,000	5,000	6,000
Researcher-Writer		10,000	10,000
Cinematographer		7,200	7,200
Administrative Services	2,241	2,100	4,341
Salary Upgrading	3,000	7,000	10,000
	\$319,653	\$492,537	\$812,190
II. Non-Recurring Costs			
Equipment Purchase (see attached list)	13,652	64,705	78,357
Healy Heights Cleanup		2,000	2,000
	\$ 13,652	\$ 66,705	\$ 80,357
III. New Operating Costs			
Full Color Mobile Unit Operation*		\$ 31,800	\$ 31,800
Color Studio-Master Control Operation	\$ 4,000	8,000	12,000
State Coverage (including study)	300,000	30,000	330,000
Program Duplication	3,000	2,000	5,000
Extended Hours TV	7,000	18,000	25,000
Extended Hours AM	25,590		25,590
Extended Hours FM		13,000	13,000
Third Color VTR Master Control		90,000	90,000
	\$339,590	\$192,800	\$532,390

*Equipment in 1971-1973 Capital Construction Budget

Summary Recap		
Operating Costs		\$ 812,190
Non-Recurring Costs		80,357
New Operating Costs		532,390
	Grand Total	\$1,424,937

OEB CAPITAL CONSTRUCTION REQUEST 1971-1973

Priority 1

\$1,210,000 to Provide

DESIGN, PURCHASE AND INSTALLATION OF COLOR TELEVISION CAPABILITY

Installation of the requested color television equipment will provide for production and broadcast of color television programs by the Oregon Educational Television Service. The request includes modification and addition of equipment at the Portland master control which efficiently coordinates all broadcast activity for the Network. This equipment will provide the machinery to broadcast color programs from videotapes and films which are available from throughout the U. S. as well as broadcast of locally produced color programs.

The second item in the total color package is modification and addition of equipment to provide color television production capability in the studios at Portland and Corvallis including color cameras and associated gear. With color production facilities it will be possible to produce color programs within Oregon, about Oregon concerns and interests with immediate broadcast to Oregon citizens. An additional anticipated benefit which has great potential will be receipt of grants from the Corporation for Public Broadcasting and other organizations for production of locally oriented color television programs not otherwise financially feasible.

The final item is a mobile color television unit which will provide the potential of a "studio" wherever the current need may be throughout the State. The necessarily capsulated news presentations on commercial television are all too often abbreviated to the extent that really understanding causes and effects of events is difficult. With availability of a mobile

television unit, presentation of local current events not presently possible would become available to Oregon viewers with the additional benefit of in-depth coverage.

Color television is now the standard of the industry in Oregon as well as the nation. Color set saturation statistics indicate that over 50% of the homes in Oregon are viewing color television. Sales of color television sets comprise an increasing share of the total sold. Current Oregon Educational Television equipment is limited to production and broadcast of a black and white picture and broadcast of color programs only when fed live into Oregon by telephone company lines from elements of the Nationwide Public Broadcasting Services. We believe the installation of color production and re-broadcast capability for Oregon Educational Television will result in a significant increase in viewers and viewer-time and provide a substantial improvement in service to the citizens of the State of Oregon.

Institution: Division of Continuing Education

Project Title: Office and Studio Building, Second Addition, Portland

Inst. Priority No. 3 (Ed & Genl.) — (Aux. Ent.) during 1971 - 1973. Tentative Bid Opening Date October 1972; 22% Increase over July 1, 1970*. Tentative Completion Date October 1973.

Site:	Price Level as of Nov.-Dec. 1969	Latest Revision, if any, to Reflect Price Level as of _____ 19____	(Add 5%) Est. Price Level as of July 1/19	Est. Price Level at Bid Opening Date or Jan. 1/1973 Whichever is earlier
A. Purchase	\$	\$	\$	\$
B. Preparation (surveys)	5,500		5,700	6,900
C. Services				
D. Boards, walks, etc.	4,000		4,200	5,100
E. Landscaping	2,500		2,600	3,200
Structure:				
A. Construction	564,000		592,200	722,500
B. Contingencies (5%) #	28,200		29,600	36,100
C. Professional services (6%) #....	33,840		35,500	43,300
D. Supervision (..mo. @ \$....)	5,000		5,200	6,300
E. Furnishings and equipment Group I				
F. Furnishings and equipment Group II	30,000		32,000	39,000
G. Interest during construction.....				
H. Miscellaneous (physical plant, legal, administrative, etc.)....	6,960		7,300	8,900
Total project cost	\$ 680,000	\$	\$ 714,300	\$ 871,300
Less-Force account carried in operating budget				
Total authorization requested	\$ 680,000	\$	\$ 714,300	\$ 871,300
Sources of funds:				
General Fund and/or XI G bonding	\$ 680,000	\$	\$ 714,300	\$ 871,300
Federal funds				
Other funds:				
Gifts and grants (other than federal)				
Bonding under Article XI F (1) and/or balances available for auxiliary enterprises				
Total (same as total authorization requested)	\$ 680,000	\$	\$ 714,300	\$ 871,300

*To give effect to probable increases in price level of direct construction costs subsequent to July 1, 1970 add:

10% for projects expected to be bid prior to July 1, 1971.

14% for projects expected to be bid between July 1, 1971 and Dec. 31, 1971

18% for projects expected to be bid between Jan. 1, 1972 and June 30, 1972

22% for projects expected to be bid between July 1, 1972 and Dec. 31, 1972

26% for projects expected to be bid after Jan. 1, 1973 (Inc. those in 2nd and 3rd biennia)

Estimated gross sq. ft. 18,644. Estimated net assignable sq. ft. 18,644

Prepared by K. A. Ahlberg

(Form OFP 11.6) # Includes B.C.D. and E of site.

OEB CAPITAL CONSTRUCTION REQUEST 1971-1973**Priority 2****\$871,300 to Provide****DCE OFFICE AND STUDIO BUILDING, SECOND ADDITION, PORTLAND**

Construction of this building would provide space designed for educational television studios and related technical facilities. The program plan includes provision for a complete television programming facility consisting of studios, announcing and control rooms, work-room, offices, shops, storage, tape, and recording library, and auditioning rooms.

The building would be located immediately to the west of the present DCE building on the Portland State University Campus.

The Oregon Educational Television Network provides high quality coverage throughout the Willamette Valley population center and via cable connection to coastal, inland, and Southern Oregon communities. This coverage is an increasingly important educational tool for public school students and teachers; and as the needs and demands for continuing education multiply, Oregon's educational TV and radio are undertaking and accomplishing an increasingly important role in our state.

In addition, Oregon Educational Broadcasting is organized on a "master control" basis. Under this concept of operation, all programs broadcast by the two-station educational television network originate from network master control facilities at KOAP-TV in Portland for most efficient use of staff and facilities. In 1968, OEB was able to lease an old property in Portland which serves this consolidation of personnel and equipment.

The present leased quarters have limited utility for production of television programs as they are not designed for such use and DCE is reluctant to invest in needed improvements and permanent installations in rented space which is obviously available on a temporary basis. The annual rental is quite reasonable as given in the initial five-year lease which expires April 1971. However, it is in total a considerable amount and when renewal of the lease is negotiated, which may be on an annual basis for an additional five years, the cost will likely increase. The leased facilities are located at 2828 S. W. Front Avenue, which is a considerable distance from Portland State University. It is considered highly desirable to locate closer to the University to provide accessibility and participation in the broader program objectives of the State System of Higher Education. Construction of the Office and Studio Building, Second Addition, would provide for permanent, efficient facilities and would conserve considerable rental expense over the years.

Preliminary plans, which were prepared in 1962 by Architects Stewart and Richardson of Portland, have been approved by the State Board of Higher Education.

Institution: Division of Continuing Education

Project Title: Design, Purchase and Install Color Television Capability

Inst. Priority No. 2 (Ed. and Genl.) — (Aux. Ent.) during 1971-1973. Tentative Bid Opening Date July 1972; — % Increase over July 1, 1970*. Tentative Completion Date December, 1972.

	Price Level as of Nov.- Dec. 1969	Latest Revision, if any, to Reflect Price Level as of 19.....	(Add 5%) Est. Price Level as July 1/79	Est. Price Level at Bid Opening Date or Jan. 1/1973 Whichever is earlier
Site:				
A. Purchase	\$	\$	\$	\$
B. Preparation (surveys)				
C. Services				
D. Boards, walks, etc.				
E. Landscaping				
Structure:				
A. Construction				
B. Contingencies (%) #				
C. Professional services (%) #				
D. Supervision (... mo. @ \$.....)				
E. Furnishings and equipment Group I				
F. Furnishings and equipment Group II	1,210,000	1,210,000	1,210,000
G. Interest during construction				
H. Miscellaneous (physical plant, legal, administrative, etc.)				
Total project cost	1,210,000	1,210,000	1,210,000
Less-Force account carried in operating budget				
Total authorization requested	<u>1,210,000</u>	<u>.....</u>	<u>1,210,000</u>	<u>1,210,000</u>
Sources of funds:				
General Fund and/or XI G bonding				
Federal funds				
Other funds:				
Gifts and grants (other than federal)				
Bonding under Article XI F (1) and/or balances available for auxiliary enterprises				
Total (same as total authorization requested)	<u>1,210,000</u>	<u>.....</u>	<u>1,210,000</u>	<u>1,210,000</u>

Sources of funds:

General Fund and/or
XI G bonding

Federal funds

Other funds:

Gifts and grants
(other than federal)

Bonding under Article XI
F (1) and/or balances
available for auxiliary
enterprises

Total (same as total authorization
requested)

*To give effect to probable increases in price level of direct construction costs subsequent to July 1, 1970 add:

10% for projects expected to be bid prior to July 1, 1971.

14% for projects expected to be bid between July 1, 1971 and Dec. 31, 1971

18% for projects expected to be bid between Jan. 1, 1972 and June 30, 1972

22% for projects expected to be bid between July 1, 1972 and Dec. 31, 1972

26% for projects expected to be bid after Jan. 1, 1973 (Inc. those in 2nd and 3rd biennia)

Estimated gross sq. ft. Estimated net assignable sq. ft.

Prepared by K. A. Ahlberg

(Form OFP 11.6) # Includes B.C.D. and E of site.

APPENDIX D

STATE ETV SYSTEMS BUDGETS

(Fiscal 1969-70)

STATE SYSTEMS REPORTING	OPERATING BUDGET	CAPITAL BUDGET	TOTAL BUDGET
Alabama	\$ 1,500,000	\$ 500,000	\$ 2,000,000
Arkansas	355,875	0	355,875
#Connecticut	661,000	67,000	728,000
Georgia	2,884,086	1,800,000	4,684,086
Hawaii	552,481	11,345	563,826
Indiana	283,605	829,265	1,112,870
*Iowa	1,021,545	625,000	1,646,545
Kentucky	2,400,000	0	2,400,000
Maine	515,596	0	515,596
Maryland	2,480,000	360,000	2,840,000
#Minnesota	not reported	not reported	not reported
*Mississippi	390,000	0	390,000
Nebraska	1,985,303	487,495	2,472,798
New Hampshire	489,000	80,000	569,000
*New Jersey	150,000	3,400,000	3,550,000
New York	939,578	0	939,578
North Carolina	1,017,715	1,120,000	2,137,715
*Ohio (biennium)	2,300,922	5,575,800	7,876,722
Oklahoma	225,530	250,000	475,530
Oregon	426,000	0	426,000
Pennsylvania	1,721,000	0	1,721,000
Rhode Island	329,000	25,000	354,000
South Carolina	3,761,440	400,000	4,161,440
South Dakota	218,800	295,000	513,800
Tennessee	1,239,252	900,871	2,140,123
Utah	831,539	9,292	840,831
Vermont	446,624	0	446,624
TOTAL	\$29,124,891	\$16,736,068	\$45,860,959

(The underlined states operate two transmitters each)

#Private non-profit corporation

*Under Construction

SUMMARY

Range of Budgets	High Range	Low Range
Operating Budget	\$3,761,440	\$150,000
Capital Budget	\$5,575,800	\$ 9,292
Total Budget	\$7,876,722	\$354,000

Source: Frymire, Dr. Lawrence T., Study of State Public TV Systems for the Corporation for Public Broadcasting, December, 1969, p. 20.

