

RP00
Maryland Public Broadcasting Commission

Capital Budget Summary

State-owned Capital Improvement Program
(\$ in Millions)

Projects	Prior Auth.	2018 Request	2019 Est.	2020 Est.	2021 Est.	2022 Est.	Beyond CIP
MPT Transmission Systems Replacement	\$0.950	\$0.550	\$1.950	\$1.150	\$0.000	\$0.000	\$4.600
Studio A Renovation and Addition	0.000	0.690	3.345	4.590	0.000	0.000	8.625
Total	\$0.950	\$1.240	\$5.295	\$5.740	\$0.000	\$0.000	\$13.225

Fund Source	Prior Auth.	2018 Request	2019 Est.	2020 Est.	2021 Est.	2022 Est.	Beyond CIP
GO Bonds	\$0.950	\$1.240	\$5.295	\$5.740	\$0.000	\$0.000	\$13.225
Total	\$0.950	\$1.240	\$5.295	\$5.740	\$0.000	\$0.000	\$13.225

CIP: *Capital Improvement Program*
GO: general obligation
MPT: Maryland Public Television

Summary of Recommended Bond Actions

1. Maryland Public Television Transmission Systems Replacement

Approve the \$550,000 in general obligation bond funding for the Maryland Public Broadcasting Commission Transmission Systems Replacement.

2. Studio A Renovation and Addition

Approve the \$690,000 in general obligation bond funding for the Maryland Public Broadcasting Commission renovations and expansion for Studio A.

Budget Overview

Transmission Systems Replacement

The Maryland Public Broadcasting (MPBC) has six digital transmitter sites for its Maryland Public Television (MPT) broadcasting. The equipment is located in Owings Mills, Annapolis, Salisbury, Frederick, Hagerstown, and Oakland.

MPBC replaced much of its transmission equipment as part of the digital conversion project, which started in calendar 2000. That equipment is now nearing the end of its useful life, and replacement components do not exist and must be custom built. For other components, original manufacturers do not provide technical support. These factors mean that it is more effective to replace rather than repair the transmission systems.

Without replacing the transmitters, MPT risks going off air for the estimated 20% of viewers who obtain the station via the over-the-air signal and for cable and satellite customers. An outage leading to an unplanned replacement could result in a lengthy period without a broadcast signal, which in turn, could lead to a loss of the rights to the channel under the Federal Communication Commission (FCC) regulations.

The fiscal 2015 budget included \$400,000 to begin replacing equipment at the MPT sites in Owings Mills and Annapolis. The agency has purchased radio parts, interconnection equipment, and an uninterruptible power supply. The fiscal 2016 budget included another \$400,000 to continue with purchases for larger transmission replacement in Owings Mills and Annapolis and to begin replacing equipment connecting various transmitter sites and the interruptible power supply at the Hagerstown location. The fiscal 2017 budget included \$150,000 to replace exciters at the Hagerstown location. The cost for this piece of equipment is \$50,000, and the remainder of the funds was used to replace outdated equipment such as fiber cables, waveguide, receivers, and broadcast dishes.

RP00 – Maryland Public Broadcasting Commission

The request for fiscal 2018 will be used to replace exciters at Salisbury, Frederick, and Oakland and replace the generator and transfer switch at Frederick. There is also \$175,000 to upgrade various radio broadcast locations to ensure reliable signals in the outlying regions of the State.

In October 2016, there was an auction of \$88 billion in television channels by FCC, but only \$30 billion worth of buyers attended to purchase. There will be another attempt to auction channels in March 2017, and this has a direct effect on the amount of federal funds available to replace antennae and other transmission equipment. All MPT stations will be repacked, but the federal reimbursement has not been determined. There has also been a change in federal administration, which could change what funding opportunities are available for federal funding.

Exhibit 1 outlines the work that has been completed, the work left to be done on the transmitters, and the cost.

Exhibit 1
Breakdown of Annual Costs for Transmitter Project
Fiscal 2015-2020

Fiscal 2015

Owings Mills Exciter	\$35,000
Annapolis Exciter	50,000
Annapolis UPS	170,000
Microwave	60,000

Fiscal 2016

Annapolis HVAC	\$85,000
Hagerstown UPS	200,000
Microwave	200,000

Fiscal 2017

Hagerstown Exciter	\$80,000
Microwave	70,000

Fiscal 2018

Salisbury Exciter	\$85,000
Frederick Exciter	55,000
Frederick Generator and Transfer Switch	150,000
Oakland Exciter	85,000
Microwave	175,000

Fiscal 2019

Owings Mills Transmitter	\$450,000
Annapolis Transmitter	710,000
Hagerstown Transmitter	710,000
Microwave	80,000

RP00 – Maryland Public Broadcasting Commission

Fiscal 2020

Salisbury Transmitter	\$450,000
Frederick Transmitter	250,000
Oakland Antenna	450,000

Total **\$4,600,000**

HVAC: heating, ventilating, and air conditioning

UPS: uninterruptible power source

Source: Department of Budget and Management

Studio A Project

There is an additional project to expand Studio A, which is the largest MPT Studio. There is aging and deteriorating infrastructure, insufficient space, and a lack of Americans with Disabilities Act (ADA) accessibility in the studio. The studio has not been renovated since it was constructed in the 1960s. As a result, there is no green screen, which is an essential piece of broadcasting equipment, and the heating, ventilation, and air conditioning unit cannot be run at the same time that filming occurs which causes extreme temperatures in the studio.

The fiscal 2018 allowance is the initial allocation for this project. The original recommendation for fiscal 2018 was \$600,000 but the allowance has increased \$690,000 because of the current cost estimate prepared by the Department of General Services. There has also been a \$95,000 increase in the construction costs as a result of the updated cost estimate. While the construction of this project is expected to begin in fiscal 2019 and the current *Capital Improvement Program* forecasts a roughly equal split in funding between fiscal 2019 and 2020, the actual construction is not expected to begin until June 2019, which is the very end of the fiscal year. This may result in a decrease in requested funding for construction in fiscal 2019 and an increase in funding for fiscal 2020.

While the main goal of this project is the renovation of Studio A to better accommodate the uses of the studio, because of its age, there is also an expansion that is necessary to accommodate studio equipment, and updated electrical and mechanical systems that did not exist when the studio was built. The expansion of the studio will increase the net square footage by 44% from 7,480 square feet (sq. ft.) to 12,980 sq. ft.

Currently, because of the size and configuration of the space, there is no formal seating and the members of the very limited studio audience sit on folding chairs. The ceiling in the studio is only 10 feet high, which creates complications in moving props and equipment in and out of the studio. It also limits the types of performances that can be held in the studio and MPT is often required to rent space to accommodate larger audiences, or more complicated events. MPT estimates that they will increase live shows from 4 to 12 live shows after the completion of the project.

RP00 – Maryland Public Broadcasting Commission

Another issue that requires the expansion, in addition to the renovations, is that the restrooms adjacent to Studio A do not comply with the ADA standards. Because of its location, the bathrooms will need to be updated and expanded to comply with current regulations.

GO Bond Recommended Actions

1. Approve the \$550,000 in general obligation bond funding for the Maryland Public Broadcasting Commission Transmission Systems Replacement.
2. Approve the \$690,000 in general obligation bond funding for the Maryland Public Broadcasting Commission renovations and expansion for Studio A.