



Gunnison County Metropolitan Recreation District
Translator System Operations Policy
July, 2021

Purpose

The purpose of this policy is to guide the Gunnison County Metropolitan Recreation District (Met Rec) in the cost-effective operation of its over-the-air television translator system. It is also intended to provide Met Rec staff, Board Directors and constituents with a transparent process for how and when a translator site's cost-effectiveness will be assessed and the steps taken if a site is deemed appropriate for decommissioning.

Background

Changing Technology-

Met Rec's translator system was designed and developed in the 1970's. Over the years, the system has been maintained to accommodate changing technology and community needs. Continued changes to over-the-air television technology requires Met Rec to plan accordingly. At this time, Met Rec is preparing for a new video transmission standard, ATSC 3.0. The new standard requires upgrades that must be considered from a financial and operations standpoint.

Given the high cost associated with the required upgrades, as well as the need to address deferred maintenance to towers at many sites and the continued effort to build out a more robust and reliable translator system, there is much to consider.

Population and Available Services-

Much has changed with regards to population and available services since Met Rec's translator system was established. The translator system was developed to bring over-the-air television to the Gunnison Valley at a time when far fewer communication services existed (i.e. broadband, television streaming services, etc.). Additionally, the municipalities served by the translator system have grown substantially since Met Rec's inception and over 90% of residential units are served by less than half of the translator sites, while the remaining eight translator sites serve less than 10% of residential units (see Table 1).

Growing Recreation Needs-

Given Gunnison County's steady population growth and continued value of recreation, Met Rec's obligation to support recreation has become increasingly important to the community. In the last three to five years; youth recreation program participation has grown by 200-300%, Nordic season pass sales have increased by 300%, and trailheads and river put-ins have become increasingly crowded. In response, recreation stakeholders have turned to Met Rec for more support. In the last three years, recreation grant requests have increased by more than 300%. To meet this growing community need requires that Met Rec thoughtfully considers the allocation of tax dollars to both

tiers of its mission; over-the-air television *and* recreation. This includes considering the number of people served and the cost-effectiveness of a service or amenity.

Relative Cost Per Residential Unit for Television Service-

The estimated annual relative cost per residential unit varies depending on the number of residential units in an area served by a translator site. For more populated areas, the relative cost per residential unit can range from \$4 (Gunnison) to \$19 (CB South). In rural areas, the relative cost per residential unit is much higher, ranging from \$117 (Powderhorn) to \$234 (Waunita).

Community Input-

For these reasons, Met Rec engaged in a Television Operations Planning and Public Outreach Process to understand how the television service can provide continued value and remain relevant to the community at large. The five-month planning and public outreach process yielded an operations strategy that emphasizes three key considerations: responsible planning, system optimization and cost-effectiveness.

Process

To ensure the translator system is operated in a cost-effective manner, Met Rec will assess the relative cost per household/residential unit of a translator site when a site that serves less than 5% of the total residential units requires an investment in capital upgrades.

Overview

Why will cost-effectiveness only be considered for sites that serve less than 5% of the total residential units?

As part of the Televisions Operations Planning and Public Outreach Process, Met Rec assessed the number of residential units served by the translator system. The assessment found that four of the twelve translator sites are responsible for serving over 90% of the total residential units. The remaining eight translator sites serve less than 10% of total residential units, combined (see Table 1). Despite the number of residential units served, the capital costs associated with operating a translator site are relatively the same. Therefore, to maintain the translator sites beyond those serving the major population hubs (W Mountain, Comstock, CB South, Sunlight Ridge) requires substantially more funding while not significantly increasing the number of people served (see Figures 1&2). For this reason, these sites are *not* considered cost-effectiveness at this time. However, Met Rec is committed to taking a flexible approach to assessing a site's cost-effectiveness overtime and will therefore re-assess a site's cost-effectiveness when an investment in capital upgrades is required to keep it operable.

What is considered an investment in capital upgrades?

Met Rec considers items that cost \$5,000 or more to be a depreciable capital outlay piece of equipment. Therefore, an investment in capital upgrade is considered to be an item that costs \$5,000 or more.

Note: The most significant capital investment at a translator site are translators. One translator can range from \$10,000 to \$15,000 and most translator sites host three to five translators. Given

Met Rec's current effort to buildout a more reliable system, several translators have been replaced with ATSC 3.0-ready translators. This has provided an inventory of old translators that can be used as spares at some sites rather than having to purchase new translators.

How is a translator site's cost-effectiveness assessed?

To assess a translator site's cost-effectiveness*, the **relative cost per household** is determined for the translator site. This includes assessing a site's operating cost against the number of residential units it serves as well as the number of household respondents to Met Rec's most recent Viewership Survey Outreach**.

The following operating costs will be included as part of the cost-effective assessment: capital outlay costs, site lease cost, utilities, contract labor, and subscriber fees.

**We do not feel it is reasonable to attach a specific value to what would be considered a cost-effective relative cost per household. Instead, at the time of the assessment, the Board of Directors should have the ability to decide if a site's relative cost per household is cost-effective.*

***When a translator site is determined ready for a cost-effective assessment, Met Rec will perform outreach to the population served by the translator site in an effort to re-assess the number of households that utilize the service (household respondents). Updated viewership and residential unit numbers will be used in a current cost-effective assessment.*

What will public outreach consist of as part of this process?

Two phases of public outreach will occur as part of the cost-effective assessment:

- **Phase 1:** To ensure Met Rec utilizes current information and data to determine the relative cost per household, it will re-assess the number of household users served by the translator site at the time of the assessment. To do this, Met Rec will conduct a thorough outreach initiative to residents served by the translator site. Outreach methods will consist of; a certified letter mailed to all property owners within the area served by the translator site, publish a notice on the Met Rec channel guide, in applicable newspapers and on appropriate social media platforms. Responses to the outreach initiative will be used to update the number of household viewers as part of the cost-effective assessment for the translator site.
- **Phase 2:** A second outreach initiative will be completed following the translator site's cost-effective assessment. Using the same outreach methods as outlined in Phase 1, residents within the area served by the translator site will be notified about the site's status (identified as appropriate for decommissioning *or* to remain active).

What outreach will be made to applicable partners?

Applicable partners may include multi-users present at a translator site and site lease holders. If a translator site is deemed appropriate for decommissioning, Met Rec will make contact with site lease holder to determine a process for identifying parties interested in having the communication site lease re-assigned to them.

Translator Site	Number of Residential Units Served by a Translator Site (approximate)	% of Total Residential Units Served	# of Household Respondents to 2020 Viewership Survey	% of Total Household Respondents to 2020 Viewership Survey
W Mountain	4,051	42.5%	207	63.5%
Sunlight Ridge	3,271	35%	37	11%
CB South	1,096	12%	38	12%
Jack's Cabin	313	3%	5	1.5%
Pitkin Townsite	210	2%	20	6%
Powderhorn	202	2%	2	1%
Sapinero	143	1.5%	6	2%
Sargents	66	1%	3	1%
Parlin	58	0.5%	3	1%
Waunita	57	0.5%	4	1%
Monarch	N/A	N/A	N/A	N/A
Gateview	N/A	N/A	N/A	N/A
TOTAL	9,467	100%	325	100%

Table 1. Residential units served by translator site and household respondents to 2020 Viewership Survey. *Note: The first four translator sites listed (W Mountain, Sunlight Ridge, CB South and Jack's Cabin) serve over 90% of the total residential units and over 85% of total household respondents to the 2020 Viewership Survey. The remaining eight translator sites serve less than 10% of the total residential units and 12% of the total household respondents to the 2020 Viewership Survey.*

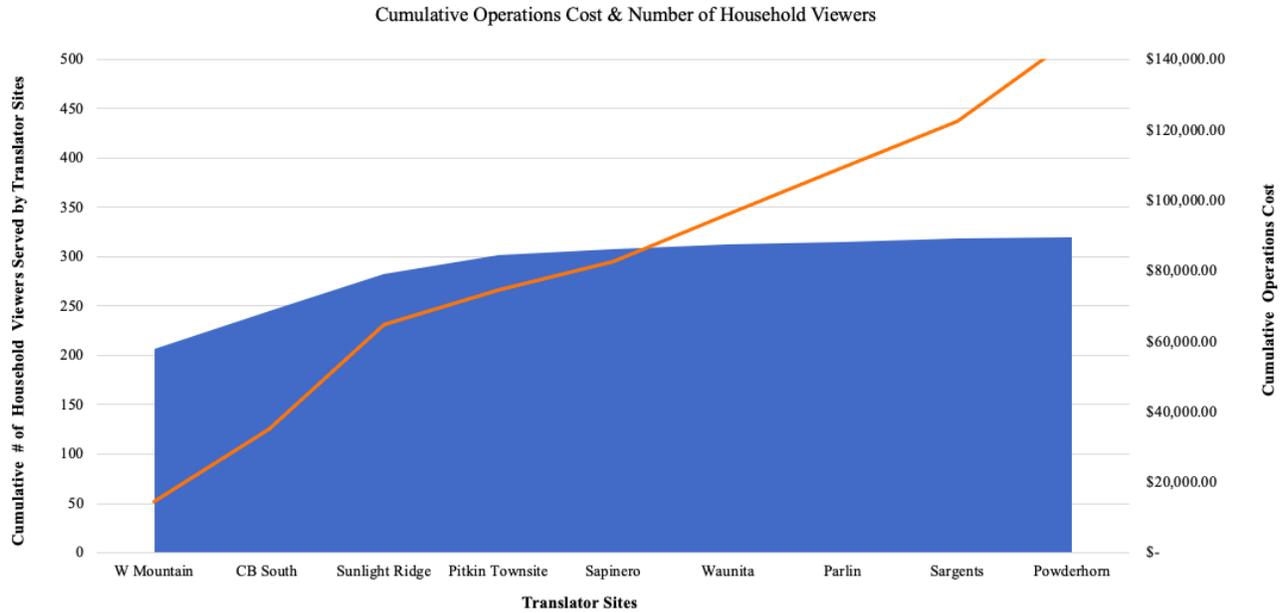


Figure 1. Shown in this figure is the cumulative operations cost (orange) to maintain a translator system that includes all or some of the existing translator sites. It also depicts the cumulative number of household viewers (respondents to 2020 Viewership Survey) served by translator sites (blue). *Note: The operations cost (orange) increases significantly with each additional translator site, while the number of household viewers served does not (blue).*

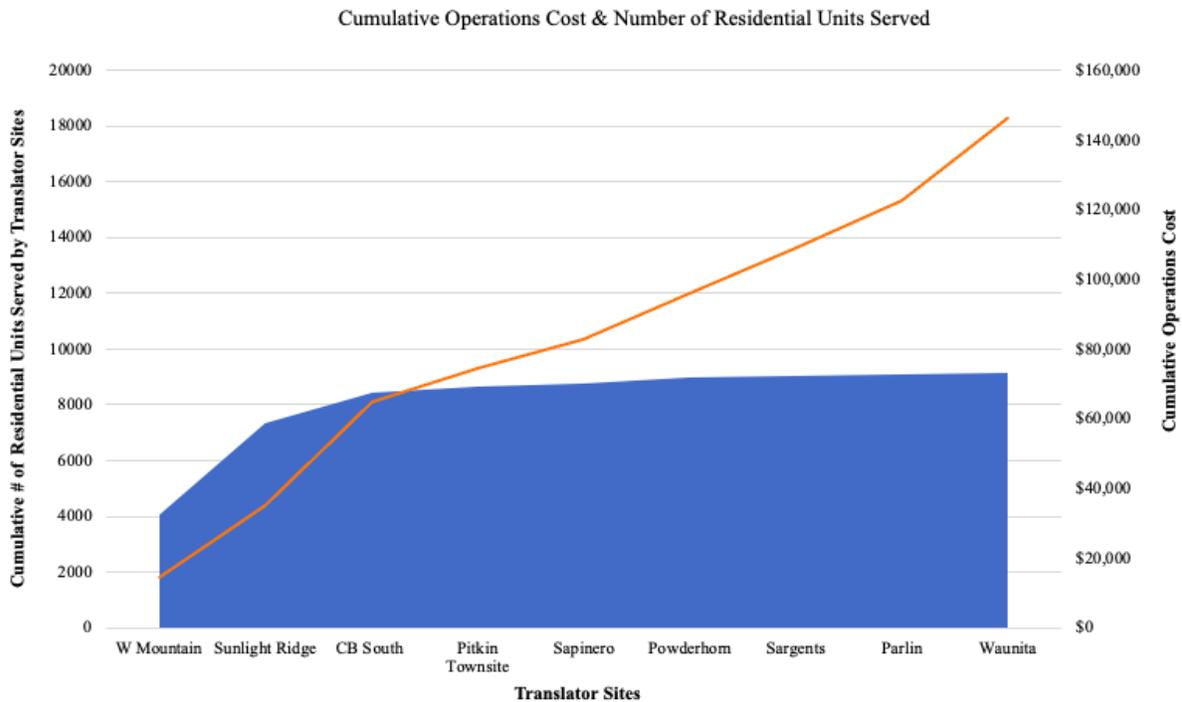


Figure 2. Shown in this figure is the cumulative operations cost (orange) to maintain a translator system that includes all or some of the existing translator sites. It also depicts the cumulative number of residential units served by translator sites (blue).