

**ENGINEERING STATEMENT
SECTION 307(b) SHOWING
CITY OF LICENSE CHANGE
ROY. E. HENDERSON**

KNRG – FM (222A)
FACILITY ID# 15113
NEW ULM, TX
MOVE TO: SMITHVILLE, TX

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I BACKGROUND

KNRG was first licensed to New Ulm, Texas in January 1996. New Ulm is an unincorporated settlement in Austin County Texas with a history dating back to 1841. The settlement has a US Post Office and a Volunteer Fire Department. Because this is an unincorporated area, there are no City offices or City Government, The boundaries are undefined and law enforcement protection and services are provided by the Austin County Sheriff's Office. New Ulm has one branch bank location, one café, and five other businesses.

Settlement population is only an estimate by unofficial sources and the demographics of the estimated 650 people that makeup the area are said to be 96% white. A check of the US Census, <http://factfinder.census.gov>, returns no information on New Ulm, Texas. Public Education is supplied by the Columbus Independent School District with schools located in Columbus, Texas. Roy E. Henderson owns KULM licensed to Columbus and it is KULM that covers local and area news, weather, sports and official Columbus school system information. KULM's 60 DBu signal contour covers the settlement of New Ulm and parents and students are informed with news relating to their school by KULM.

In addition to KULM, Mr. Henderson also owns KLTR which is licensed to Brenham, Texas. KLTR also serves the New Ulm area by the 60 DBu coverage contour. (Exhibit A)

II INTRODUCTION TO SMITHVILLE, TEXAS

Smithville is an incorporated City located in Bastrop County Texas near the Colorado River. In the 2000 US Census, the population was 3,901 and in 2004 the estimated population grew to 4,339. The founding of Smithville dates back to 1827. In the 2000 census, the cities demographic racial makeup was: white 78.01%, African American 14.53%, Native American 0.31%, Asian 0.41%, and other races 1.64%. Hispanic and Latino made up 15.43% of the population from any race.

The City is served by the Smithville Independent School District which has four school campuses located within the City Limits of Smithville. The City Government is a full time city service operation with a full time City Manager, City Secretary, and Police Department. The City Council meets on a regular basis at City Hall. The City Government provides all basic City Services to its citizens. In addition to the basic services, the City of Smithville also has a Public Library and a City owned and operated Airport. Smithville has a well equipped modern Volunteer Fire Department with 42 active members and 8 reserve members.

The Smithville Chamber of Commerce is very active and open to the Public Monday – Saturday 9 AM to 5 PM. The Chamber has one full time employee and one part-time employee. There are 15 board members and the Chamber Office is located in the Railroad Museum. The Chamber web site is: Chamber@Smithvilletx.org. Smithville has six banks, four motels, many restaurants and businesses.

III PUBLIC INTEREST BENEFITS

Having ten years of experience operating KNRG as the first local to New Ulm; listener habits and preferences, as well as advertiser preferences, have shown a solid trend as to the most listened to station of New Ulm area residents. This information has been gained by informal means such as caller request, public service request, and by input to issues programming. KULM, also owned by this licensee, is the station which is most listened too by the residents encompassing the settlement of New Ulm. We believe this is the case, in part, by the fact that KULM is the station covering Columbus Schools, sporting activities, news, and commercial advertisement of interest to the New Ulm area. As mentioned in previous sections of this showing, KULM has a contour coverage signal of more than 60 DBu over 85% of the New Ulm area. KULM's dominance in listeners goes back in years before KULM was owned by Roy E. Henderson and before KNRG was licensed by the Commission.

We have a ten year history of KULM serving the Public Interest of New Ulm, despite the fact that KNRG is licensed to New Ulm. These facts are conclusive that the Public Interest would not be affected or weakened by a Grant to move the City of License of KNRG. New Ulm has not proven to have a remarkable growth in population and it does not offer commercial possibilities needed to sustain the broadcaster's expense.

Through investigation, one on one interviews, and general feedback from City Officials, business representatives, and the general Public; we have found that there is a significant Public Interest and justification for a First Local station. Smithville City and Chamber officials have told us that one station has some coverage of local issues and needs. However, this station, KBUK La Grange, is a distant station whose signal does not fully cover Smithville. (Exhibit D) KGSR, licensed to Bastrop, but actually markets and serves the greater Austin, Texas area, has the best FM signal coverage area of Smithville. (See Exhibit C) However, KGSR does not serve as a local station to the City of Smithville. Using Radio-Locator as a source, there are 51 possible radio signals that can be heard in Smithville. The same source list 54 for New Ulm.

Due to the larger population and continued growth, and the commercial opportunities, the move for KNRG is economically sound. Smithville has a diverse make-up of many cultures opening the opportunity of good issues and special programming that is not now available.

IV Request for Waiver

As shown in the Engineering Section of this Application, KNRG moves to Smithville with no interference or short spacing issues and meets the Commission Rules. KNRG provides the City Grade Signal Contour over 100 percent of the City of Smithville. “White and Gray” areas identified on the south and southwest areas of the city are resolved by this move.

Careful review and study of the Commissions **Report and Order RM10960 (FCC 06-163)** has given insight to the Commissions purpose and commitment to Grant a wavier under rare circumstances. In Section II (30) & (31) of the R&O, the Commission cited two examples in which a waiver was appropriate. Those examples are shown for reference below and it is our position, that the request being made for waiver meets the test of the examples given.

Section II (30)

In fact, at that time the Commission stated by way of example that waiver was appropriate under the “rare circumstances” in which removal of local service might serve the public interest, for example, if the removal would result in providing first reception service to a significantly sized population.¹¹⁶ In other words, while the bar for removal of sole local service is high, and purposely so, it is not insurmountable.

Section II (31)

For example, a showing that circumstances have changed to the extent that the current community of license is no longer a licensable community (due, perhaps, to a precipitous decline in population or significant loss of industry), or is no longer independent of a larger urban area, in the appropriate case might support a waiver to allow move of the station to serve a larger or more independent community.

Consideration of the Waiver requested by Roy E. Henderson is supported by the following elements as shown in this Section 307(B) showing and the exhibits contained.

1. A removal of KNRG from New Ulm would not impact on the historic service of the Public Interest that has been established by Henderson station KULM.
2. New Ulm, Texas is not an incorporated city and has not shown any added population or business growth.
3. Granting the move of KNRG to Smithville will not impact on the interference or short spacing contours.
4. KNRG would provide a 70 DBu City Grade Contour over 100% of Smithville with the Grant.
5. Smithville Texas does not have a First Local Station.
6. Smithville has maintained a growth in population and business since the 2000 US Census.

7. A very real and significant need exist for a first local station to be located in Smithville as supported by the attached exhibits.

Certification

I have been retained by Roy E. Henderson to prepare this Section 307(b) showing and the statements made herein, are true and correct to the best of my knowledge.

/s/ Gary L. Graham
Gary Graham Broadcast Engineering