

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ERIC MCHENRY, CHIEF INFORMATION OFFICER
INFORMATION TECHNOLOGY DEPARTMENT
SUBJECT: AGREEMENT WITH SONOMA COUNTY LIBRARY FOR
FUNDING TO ASSIST IN THE CREATION OF VIDEO PUBLIC
ACCESS FACILITIES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Information Technology Department that the Council, by resolution, approve an Agreement Between the City of Santa Rosa and the Sonoma County Library, for (5) five years, and public, educational, and government (PEG) funding provided by the City to the Library up to a maximum amount of \$150,000 per fiscal year to assist in the creation of video public access facilities, in a cumulative amount not to exceed \$750,000.

EXECUTIVE SUMMARY

The City desires to approve an agreement with Sonoma County Library for five (5) years, under which City assists in the creation of new video public access facilities in library branches within the territorial limits of the City of Santa Rosa through the provision of Public, Educational and Government Access programming (PEG) fees to Sonoma County Library up to a maximum amount of \$150,000 per fiscal year. This extends the City's prior agreement with the library for an additional five (5) years.

BACKGROUND

- On August 26, 2008, City enacted title 3 Chapter 3-50 of the Santa Rosa City Code, entitled "DIVCA Ordinance", for the purpose of implementing relevant provisions of the Digital Infrastructure Video Competition Act ("DIVCA") and the rules of the California Public Utilities Commission promulgated thereunder. AT&T, Comcast, and Sonic.net ("Companies") each hold State franchises to provide video services in the City of Santa Rosa ("DIVCA Franchisees") pursuant to DIVCA.

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- Under DIVCA, the DIVCA Franchisees must provide public, educational, and government ("PEG") access channels, and City may establish a fee to support PEG channel facilities consistent with federal law. City has established a PEG support fee of 1% of gross revenues, payable to City. Under federal law, PEG fees may be used for capital expenses associated with the construction of PEG access facilities, which may include equipment, but not training, staff time or other operations costs. (*Alliance for Community Media v. FCC*, 529 F.3d 763 (6th Cir. 2008)).

PRIOR CITY COUNCIL REVIEW

On February 14, 2017, via Resolution No. RES-2017-023, City Council approved a five-year agreement with the Library where at City's sole discretion, PEG support fee funding would be provided to Library up to a maximum amount of \$150,000 per fiscal year (July 1st through June 30th) for the purchase of capital equipment by Library, provided that such purchases have been approved by the City Manager or the City Manager's designee in writing in advance.

ANALYSIS

Through an agreement between the Library and the City, the Library will use a portion of the PEG capital project funds to continue to create new video access and education areas within Santa Rosa-based library branches. These new video access and education areas:

- Provide easy public access to current-generation technology used in video creation.
- Generate an environment conducive to video and media-based public education.
- Create areas where the public can get hands-on experience with video editing and distribution.

The agreement includes, without limitation, the following terms:

1. The City agrees to transfer up to a maximum of \$150,000 in PEG funds each fiscal year to the Library for a minimum of five (5) years for the purpose of the Agreement objectives. While expected to be stable, the funding level is subject to changes in federal or state law and/or other unforeseen actions that may impact the level of PEG capital funds received by the City.
2. City funds would be based on proposed estimated capital project expenses. The Library agrees to provide documentation of actual capital project purchases.

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3. The Library agrees to use these funds from the City for PEG capital projects, consistent with general accounting practices and any other relevant FCC restrictions.
4. The Library agrees funds associated with the agreement are intended for library PEG operations within the City limits. Nothing in the agreement precludes similar agreements with other local agencies.
5. The Library agrees to annual reports to the City on the progress of the program.

FISCAL IMPACT

PEG fees received by the City have historically been used for video access facility capital projects both within the City, and through CMedia Labs.

- In FY2014/15, the City received \$421,170.51 in PEG fees.
- In FY2015/16, the City received \$452,302.90 in PEG fees.
- In FY2016/17, the City received \$421,170.51 in PEG fees
- In FY2017/18, the City received \$425,729.91 in PEG fees.
- In FY2018/19, the City received \$498,840.08 in PEG fees.
- In FY2019/20, the City received \$399,120.30 in PEG fees
- In FY2020/21, the City received \$388,678.16 in PEG fees

Approval of this item will allocate \$150,000 from PEG fee revenue annually to the Library and will not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A

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CONTACT

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