



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** June 28, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Finance Department

**SUBJECT:** Grant Agreement With South Coast Community Media Access Center

### RECOMMENDATION:

That Council authorize the Finance Director to execute a grant agreement, in a form of agreement acceptable to the City Attorney, with the South Coast Community Media Access Center for management of the public and educational access television channels in an amount of \$288,800, plus an amount not to exceed \$32,659 for PEG capital equipment, covering the period from July 1, 2011 to June 30, 2012.

### DISCUSSION:

Since January 1, 2003, upon its formation, the South Coast Community Media Access Center (CMAC) has been designated by the County of Santa Barbara under its franchise with Cox as the nonprofit entity to manage the public and educational access channels in the south Santa Barbara County region. The City has maintained annual grant agreements with CMAC since that time.

The Fiscal Year 2012 budget includes \$288,800 in base funding for management of the public and educational access television channels in the Community Promotions program. The Community Promotions budget also includes an additional amount not to exceed \$32,659 for PEG capital equipment purposes generated from PEG fees levied on the local video provider, Cox Communications.

The following is a summary of the major provisions of the proposed grant agreement with CMAC for fiscal year 2012:

1. Term: July 1, 2011 – June 30, 2012.
2. Base Funding: The City will grant CMAC quarterly advance payments of \$68,450 for public and educational access support. Additionally, the City will grant an additional \$15,000 to be paid in January 2012 dedicated for support of educational access. The total annual base funding of \$288,800 is the same amount appropriated in the current fiscal year 2011.

3. PEG Capital Equipment Funding: Under the current state video franchising law (DIVCA), PEG fees may be levied on video service providers and are limited exclusively for PEG capital purposes. The City will grant CMAC an additional amount not to exceed \$32,659 to be used solely for capital equipment replacement based on the actual PEG fees received by the City from the video provider, Cox Communications. The adopted fee resolution for fiscal year 2012 includes an increase of 0.15% in the PEG fee levied on Cox Communications to cover the additional funding to CMAC. The PEG capital funding to CMAC would also be paid quarterly, based on PEG fee collections during the previous quarter.
4. Indemnification: The City will be indemnified against any and all claims and actions arising from the performance of services under the agreement. Indemnification is a standard provision in all City grant agreements, including human services and community promotions grants. All nonprofit entities receiving City grant funds are required to defend and indemnify the City from any and all claims which may arise as a result of the actions of the Grantee.
5. Insurance: The insurance provisions are standard insurance requirements for City grant recipients with the exception of the liability policy requirements. Because of the specialized nature of services provided under the agreement, this agreement requires a media and broadcaster's liability policy. This is the same type of policy required of Cox Communications under the City's prior franchise agreement.
6. Compliance with Laws and Regulations: The agreement states that CMAC will comply with all applicable state and federal laws and regulations with specific reference to the Ralph M. Brown Act and the Public Records Act. This language is consistent with the County of Santa Barbara's legal compliance provisions in their operating agreement with CMAC and the previous City agreements with CMAC.

The CMAC board-elect reviewed and accepted the agreement at their board meeting on May 25, 2011. Staff recommends Council authorize the Finance Director to execute the agreement.

**PREPARED BY:** Jill Taura, Treasury Manager

**SUBMITTED BY:** Bob Samario, Finance Director

**APPROVED BY:** City Administrator's Office