

# City of Calistoga

## Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Michael Kirn, Acting City Manager  
**DATE:** December 15, 2015  
**SUBJECT:** Adoption of a Resolution Directing the City Manager to send a Letter to Comcast authorizing them to begin Collect the 1% PEG fee in Accordance with State law and the Calistoga Municipal Code Chapter 13.12 and Authorizing the City Manager to Execute a Professional Services Agreement with Napa Public Access Cable Television

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APPROVAL FOR FORWARDING:



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Michael T. Kirn, Acting City Manager

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1 **ISSUE:** Direct the City Manager to send a letter to Comcast authorizing them to collect  
2 the 1% PEG fee in accordance with state law and the Calistoga Municipal Code  
3 Chapter 13.12 and Authorizing the City Manager to Execute a Professional Services  
4 Agreement with Napa Public Access Cable Television for audio and video services in  
5 connection with filming the City’s Council meetings, Planning Commission, other  
6 special meetings and public announcements and broadcast of Channel 28, the  
7 educational and government access channel for Calistoga.

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9 **RECOMMENDATION:** Adopt Resolution.

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11 **BACKGROUND / DISCUSSION:** The City Council amended the City’s Cable  
12 System Franchise Regulation contained in Chapter 13.12 of the Municipal Code on  
13 November 19, 2015. The amendments were made to reflect that Comcast ended the  
14 City’s franchise agreement on September 1<sup>st</sup>. The amendments also provided other  
15 changes as a result of the Digital Infrastructure and Video Competition Act (DIVCA).  
16 This included a requirement that an additional 1% of the gross fees received by  
17 Comcast be directed towards the cost of providing our public access channel  
18 (Channel 28), if desired by the City.

19 On November 17, 2015 reviewed the staff recommendation to initiate the 1% PEG  
20 fee and the City Council, by motion, directed staff to return with a resolution to  
21 implement this provision of the Municipal Code. The attached resolution directs the  
22 City Manager to inform Comcast to begin collecting the fee within 60 days.

23 The Council also authorized the City Manager to enter into a professional services  
24 agreement with Napa Valley TV to take over the broadcasting of Channel 28, once  
25 the PEG fee begins to accrue (to pay for their services). It is believed that this cost  
26 will be well below the City Manager's authority (maximum of \$30,000 per year).

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28 **FISCAL IMPACT:** The proposed imposition of a 1% PEG fee on video providers will  
29 enable City to pay for assistance to run the public access TV station (approximately  
30 \$16,000 per year). The existing cost of paying to operate the communication center and  
31 technical assistance would be at \$70 per hour which is less than what has been  
32 budgeted for this fiscal year.

33 It should be mentioned that the equipment in the communications center is aging,  
34 causing problems of sound distortion and poor visual quality, particularly the images on  
35 the projector screen. Staff has asked for a proposal from Napa Valley TV to address  
36 these issues. If the cost is reasonable, the City Manager will likely authorize the needed  
37 upgrades. These costs cannot be charged against the 1% PEG fees.

38

39 **ATTACHMENT:**

40

41 1. Resolution

**RESOLUTION 2015-XXX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA,  
STATE OF CALIFORNIA, AUTHORIZING AND DIRECTING THE CITY MANAGER TO SEND  
A LETTER TO COMCAST TO BEGIN COLLECTING THE 1% PUBLIC, EDUCATIONAL AND  
GOVERNMENT (PEG) FEE AS PROVIDED FOR IN CHAPTER 13.12.020 OF THE  
CALISTOGA MUNICIPAL CODE**

**WHEREAS**, on October 20, 2015 the City Council adopted Ordinance No. 715 amending the Calistoga Municipal Code, Chapter 13.12, Cable System Franchise Regulation to reflect changes in DIVCA and to allow for imposition of a 1% public, educational and government (PEG) fee to pay for the cost associated with operating Channel 28, Calistoga's PEG channel; and

**WHEREAS**, on November 17, 2015 the City Council, by motion, directed staff to bring forth a resolution to implement the 1% public, educational and government (PEG) fee as provided in Chapter 13.12 of the Calistoga Municipal Code and to prepare a professional services agreement with Napa Valley TV to operation channel 28; and

**WHEREAS**, the City Council has reviewed the proposed resolution to impose the 1% PEG fee as set forth in Chapter 13.12 of the Municipal Code and finds it in the public interest to fund the operation of Channel 28 in this manner.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Calistoga hereby authorizes and directs the City Manager to send a letter to Comcast authorizing them to begin collecting the 1% PEG fee in accordance with state law and the Calistoga Municipal Code Chapter 13.12.

**BE IT FURTHER RESOLVED** that the City Council of the City of Calistoga hereby authorizes and directs the City Manager to execute a Professional Services Agreement with Napa Public Access Cable Television for audio and video with services in connection with filming the City's Council meetings, Planning Commission, other special meetings and public announcements and broadcast of Channel 28, the educational and government access channel for Calistoga.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Calistoga at a regular meeting held this **15th of December, 2015** following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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**CHRIS CANNING, Mayor**

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**Kathy Flamson, City Clerk**