Title: Interagency Reimbursement Agreement with the Sacramento Metro Cable Television (PEG Funding) for FY2018/19

Location: Citywide

Recommendation: Pass a Resolution authorizing the City Manager or the City Manager’s designee to accept and execute: 1) a Reimbursement Agreement between the Sacramento Metro Cable Television Commission (SMCTC) and the City of Sacramento in the amount of $401,561 for expenditures associated with the technical upgrade of the Council Chambers and Historic Hearing Room (Hearing Rooms); and 2) increase the revenue and expense budgets for the reimbursement amount of $401,561 in the Council Chamber/Hearing Room Program (A0700100).

Contact: Darin Arcolino, IT Operations Manager, (916) 808-0403; Cassy Vaioleti-Matu, Program Analyst, (916) 808-8047, Maria MacGunigal, Chief Information Officer, (916) 808-7998, Information Technology Department

Presenter: None

Attachments:
1-Description/Analysis
2-Contract
3-Resolution
Description/Analysis

Issue Detail: SMCTC is a joint powers agency. The City of Sacramento is a member agency of SMCTC. SMCTC awards Public, Educational, and Governmental (PEG) funds to member agencies that request support for projects and services related to the PEG access channel. Federal law restricts the use of PEG funds. The proposed agreement will memorialize the terms of SMCTC’s award to the City and the applicable federal restrictions of the City’s use of the PEG funds.

On August 1, 2018, the SMCTC awarded the City $401,561 in PEG funding for FY2018/19. The City will use the PEG funding award in accordance with federal restrictions to update the outdated audio video analog presentation control system inside the City’s Council chambers. These updates are needed due to the age of the existing touch screens, older interfaces at the dais and podium, and to update the analog matrix video switcher for distributing program video feeds to the dais, staff positions, and throughout City Hall.

Additionally, the viewing areas in Council chambers will be improved. Both the City Hall lobby and plaza areas have been used as additional viewing space for Council meetings. The addition of a large monitor and speakers in the lobby and plaza will allow for additional viewing capacity as well as additional public engagement during Council meetings. Currently, the City has had to rent additional public-address speakers and video monitors to support overflow during Council meetings.

Staff recommends Council approval of the proposed agreement with SMCTC for a total not to exceed reimbursement amount of $401,561.

Policy Considerations: City Council approval is necessary as the agreement is over $100,000 and authority to enter into this agreement has not been delegated to the City Manager under the City Code.

Economic Impacts: None.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The proposed agreement with the SMCTC will provide the funding necessary for the replacement of the audio/visual, lighting, and equipment in the
Hearing Rooms as well as improvements to the lobby and plaza areas to provide increased access to Council meetings.

**Financial Considerations:** The City Hall Hearing Rooms Technology Program (A0700100, CIP Reimbursable Fund 3702) was established to record the expenses and reimbursements associated with the PEG funding award.

**Local Business Enterprise (LBE):** The project associated with this agreement is in partnership with the SMCTC. Therefore, the City’s LBE requirements are waived.

**Background:** In FY2015/16, an equipment replacement assessment of the City’s Council Chambers and Historic Hearing Room audio visual equipment was conducted by technical staff from the City’s Information Technology Department and the SMCTC. The assessment recommended upgrading the high definition video cameras, completing the video production lighting installation that began in FY2015/16, and developing audio/visual design specifications.

The assessment results were used by the City to request PEG funding from SMCTC to complete the work. The award included reimbursement for the above assessment recommendations and lighting in the Historic Hearing Room that was replaced in January 2016, which allowed video recording of City Council meetings while the Council Chambers was closed for upgrades.

In FY2016/17, the PEG funding award was used to complete Council Chambers broadcast equipment installation and commissioning, media video production lights in the Historic Hearing Room, and Council Chambers Audio Video Technology Refresh Design Specification.

In FY2017/18, the PEG funding award was used to install two High Definition Laser Light Video Projectors inside the City of Sacramento's Council Chambers.
SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION
PEG FEE FUNDING AGREEMENT FOR MEMBER AGENCY

FISCAL YEAR 2018-19

THIS AGREEMENT is entered into this _____ day of __________, 2018, by and between the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION ("SMCTC") and the CITY OF SACRAMENTO, a political subdivision of the State of California ("Member Agency").

WHEREAS, SMCTC is a joint powers agency comprised of seven member jurisdictions, one of which is deemed Member Agency;

WHEREAS, commencing with the 2009-2010 fiscal year, SMCTC began collecting a 1% Public, Educational, and Governmental ("PEG") access channel fees ("PEG Fee funding") from cable television operators to support PEG facilities;

WHEREAS, SMCTC anticipates that PEG Fee funds will be available to provide to its Member Agencies to support projects, programming, and services relating to PEG access facilities;

WHEREAS, SMCTC has received a request(s) for PEG Fee funding from Member Agency and hereby approves that request(s). A copy of Member Agency’s approved request(s) is hereby incorporated by this reference;

WHEREAS, federal law currently restricts the use of PEG Fee funding to capital costs and facilities; and

WHEREAS, SMCTC and Member Agency desire to enter into this Agreement to memorialize the terms under which SMCTC will provide PEG Fee funding to Member Agency, and to expressly set forth the restrictions on Member Agency’s use of such funding.

NOW, THEREFORE, SMCTC and Member Agency agree as follows:

1. Funding to Member Agency. SMCTC hereby agrees to provide to Member Agency the total not to exceed sum of FOUR HUNDRED ONE THOUSAND, FIVE HUNDRED SIXTY ONE DOLLARS ($401,561), which consists of PEG Fee funding to be used solely for the purposes summarized in the table below and detailed in Exhibit “A” attached hereto and incorporated by this reference.
2. Payment Contingent on Receipt of PEG Fees. Member Agency understands that the funding amount set forth in Section 1 will be made to Member Agency solely out of PEG fees collected by SMCTC from cable television operators. Such PEG fees are received in quarterly payments and SMCTC shall be under no obligation to pay to Member Agency the amount stated in Section 1, or any other amount, unless SMCTC receives sufficient PEG fees to make such payment. If actual revenue received through PEG Fees is less than anticipated, SMCTC is not obligated to pay Member Agency. Payments to member agency will occur during the fiscal year and will be prioritized by the SMCTC based upon facility needs and available revenue; Member Agency will be reimbursed based on actual expenditures.

Member Agency further understands that SMCTC may enter, or has already entered, into similar funding agreements with other member agencies and with channel licensees that operate one or more of the SMCTC PEG channels. In the event SMCTC receives some, but not all of the PEG fees necessary to fund all such funding agreements, each member agency and channel licensee shall receive available PEG funds based on the criteria set forth above. If there are insufficient PEG fees to satisfy all funding requests during this fiscal year, members agencies not receiving all identified funding shall be entitled to a higher priority in the next fiscal year before any funding for new projects for the next year fiscal year is approved.

3. Use of PEG Fee funding. Member Agency understands that the funding provided to it pursuant to this Agreement originated from PEG access channel fees. As a condition of accepting the PEG Fee funding, Member Agency agrees to use those funds only for capital expenditures and facilities related to the provision of cablecasting on the PEG channels and for no other purpose. SMCTC has both the responsibility and the right under this Agreement to monitor and audit the use of the funding allocated under this Agreement. Member Agency shall agree to cooperate fully with any audit requested by SMCTC.

Since applicable law does not specifically define those expenses that qualify as capital costs, SMCTC has developed a working definition of the types of expenses that it believes qualify for the use of PEG Fee funding. SMCTC reserves the right to modify its working definition as the law on this topic develops. In accordance with SMCTC's working definition, PEG Fee funding may be used for the following expenditures: purchase of equipment, rental of facilities, purchase of software, and tangible goods provided that a CPA certifies that the tangible goods qualify as capital expenditures.
pursuant to standard accounting practices. PEG Fee funding may not be used for the following expenditures: operations, training, maintenance, employment of staff, and hiring of persons to perform services. Member Agency shall provide for such fiscal control and funding accounting procedures as reasonably necessary to assure proper disbursement, accounting, and expenditures of PEG Fee funding.

Member Agency further understands and agrees that the PEG Fee funding provided by SMCTC was awarded based on a request from Member Agency and that the use of the PEG funds are limited to the expenditures outlined in that request as approved by SMCTC. If Member Agency determines that it will not proceed with the expenditures as set forth in the request approved by SMCTC during the current fiscal year, then Member Agency shall notify SMCTC that the Member Agency will re-submit the PEG Fee funding in the next fiscal year. The Member Agency may also request to modify the approved use of the funding. The Executive Director may consider and approve requests up to a total of $50,000 in the fiscal year if the requested change(s) is an allowable PEG Funding expenditure. Requests above a total of $50,000 will require Commission consideration and action. The Executive Director may consider and approve any request as authorized by this section. The Executive Director may also elect to seek direction or action by the Commission on any such requests.

4. **Indemnification.** Member Agency shall, at its sole expense, fully indemnify, defend and hold harmless SMCTC and its member agencies, and in their capacity as such, the officers, agents and employees thereof, from and against any and all claims, suits, actions, liability and judgments for damages including reasonable attorneys' fees or otherwise.

For actual or alleged injury to persons or property, including loss of use of property due to an occurrence, whether or not such property is physically damaged or destroyed, directly or indirectly arising out of or attributable to, in whole or in part, the acts or omissions of Member Agency in connection with, related to, or in any way arising out of Member Agency's use of the PEG Fee funding provided to it under this Agreement.

Directly or indirectly arising out of or attributable to, in whole or in part, Member Agency’s failure to comply with the provisions of any statute, regulation, or ordinance of the United States, the State of California, SMCTC or any local agency in connection with, related to, or in any way arising out of Member Agency’s use or expenditure of the PEG Fee funding provided to it under this Agreement.

5. **Attorneys’ Fees.** If any party to this Agreement commences any legal action against another party to this Agreement which arise out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses and attorneys’ fees.

6. **Reimbursement Requirement; Record Retention.** No later than June 1st for each fiscal year, Member Agency shall submit to SMCTC a copy of all invoices and receipts reflecting the expenditures made with such funds during the preceding fiscal year, a request for reimbursement.
from funds identified in Section 1 above and such other information as SMCTC may require. Any expenses or projects that have not been completed by June 15 of that fiscal year shall be subject to the provisions of section 3 above. SMCTC shall reimburse Member Agency within a reasonable time of receipt of such documentation subject to the provisions of this Agreement, including Sections 2 and 3. Member Agency shall retain all records related to the expenditure of PEG Fee funds for a period of no less than three (3) years from the last expenditure reimbursed under this Agreement.

7. Unauthorized Use of PEG Fee funding. If SMCTC determines that Member Agency has used the PEG Fee funds provided to it under this Agreement for purposes other than capital expenditures and facilities, Member Agency shall return to SMCTC the total sum of those unauthorized expenditures within sixty (60) days of receipt of written notice from SMCTC.

8. Ownership of Facilities and Equipment. Member Agency shall own and be solely responsible for any facilities, equipment, or other items that it acquires with PEG Fee funding provided to it pursuant to this Agreement. SMCTC shall have no obligations, and shall bear no costs, with respect to any facilities, equipment, or other items that Member Agency acquires with such PEG Fee funding.

9. No Right of Action. Member Agency understands and agrees that it has no right of judicial action against SMCTC for the failure of SMCTC to pay any or all of the funds to Member Agency under this Agreement. Such judicial actions include those at law and/or equity, including, but not limited to, any action to compel payment of the funds, any action for general or special damages, or otherwise.

10. Agreement Contains All Understanding. This document represents the entire and integrated agreement between the Parties, and supersedes all prior negotiations, representations or agreements, either written or oral regarding the subjects addressed herein. This document may be amended only by written instrument, signed by all Parties.

11. Effective Date of Agreement. This Agreement shall be effective on the date next to the signature of the Executive Director of the SMCTC, as authorized by the SMCTC Board on the 28th of June 2018.


SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION
By: Robert A. Davison
Title: Exec. Director
Date: 9-26-18

CITY OF SACRAMENTO
By: _________________________
Title: _________________________
Date: _________________________
EXHIBIT A

MEMBER AGENCY
FISCAL YEAR 2018-19 PEG FEE FUNDING REQUEST
April 23, 2018,

Sacramento Metropolitan Cable Television Commission
Robert Davidson, Executive Director
799 G Street, 4th Floor
Sacramento, CA 95814-1211

Re: City of Sacramento – FY 2018-19 PEG Fee Funding Request,
City Hall Council Chambers Audio Video Presentation and Control Upgrade

Dear Mr. Davidson:

The City of Sacramento is requesting $401,561.42 in FY 2018-19 PEG fee funding from the Sacramento Metropolitan Cable Television Commission. The bulk of the funding will allow the City to update our Council Chamber’s outdated audio video analog presentation control system inside the City of Sacramento’s Council Chambers. The design and equipment were identified by AV consultant GME. The AV consultant’s design was funded through PEG during 2017-2018. The City issued an RFP # P18071011005, and received a proposal for the procurement, and installation for the identified components. These updates are needed due to the age of the existing touch screens, older interfaces at the dais and podium, and to update our analog matrix video switcher for distributing our program video feeds to the dais, staff positions, and throughout City Hall. Additionally, we are also requesting to augment our council meeting’s viewing areas. We have been using the City Hall lobby and plaza areas as additional viewing space for our Council Chamber meetings. By adding a large monitor and Public-Address Speakers in the lobby and plaza will allow for additional seating capacity as well as additional public engagement during our Council Chamber meetings. Currently, the city has had to rent additional Public-Address speakers and additional video monitors to support overflow of our Council Meetings.

Audio Video presentation system upgrade - The upgrade of the Council Chamber presentation system, is estimated to cost $387,107.97. As mentioned above, the equipment was identified by AV consultant GME, who also provided a design which is the technical document of the City’s RFP. The RFP # P18071011005 is included for reference. This upgrade will allow the city to replace all the touch screens in the dais, and staff positions. This is a replacement of our existing touch screens which were installed in 2005. The upgrades will also allow the city to upgrade all video and audio inputs from analog VGA and 1/8 in audio jack to modern digital interfaces such as HDMI and display port, as well as provide the ability for the public to display images using smartphones, and tablets. Citizens wanting to provide digital photos have on occasion been unable to present them due to the City’s legacy interfaces at the podium. Audio upgrades include the digital signal processor audio amps that support the dais, podium, and staff positions. The current signal processors are 13 years old and are no longer supported. All of these upgrades will allow citizens to engage council using
modern technology, such as smart devices, that use digital signaling, while also allowing council to control presentations using supported digital touch screens. AVI-SPL integrator, has provided a proposal for the presentation upgrade including installation, programing and calibration as designed by our AV Consultant. The City is requesting, $387,107.97, in FY18-19 PEG funding for the much needed modernization of the Council Chambers.

Council Meeting Audio and Video augmentation inside City Hall Lobby and Plaza – We have been providing additional speakers and monitors over the past year to provide additional public viewing, listening, and interaction with citizens. These enhancements would allow citizens attending City of Sacramento Council Meetings to have additional locations to monitor and participate in the meetings. The city has, pretty consistently, rented such hardware to provide the additional viewing and listening capacity. We would like to implement an easily deployable solution that can be used during council meeting. This would eliminate the need to rent, pickup, put together, temporarily secure, tear down, and return large displays, PA speakers, and monitor stands. The city would have the speakers located both inside city hall and plaza, during council meetings, where such assets can be secured routinely. The request include the following: Qty 1, JBL PA systems, JBL EON208P, and Qty 1, BOSE L1 for audio broadcast of council chamber meetings in City Hall Lobby and Plaza, with a cost of $1850. We also need, Qty 1, SDI/HDMI transmitter receiver kit, Cenegears Ghost-Eye MFR# 6-1101 for $3,199. The wireless transmitter will allow us to extend the SDI video from our Council Chambers. This will allow the city to provide additional viewing and listening spaces needed for public engagement.

FY 2018-19 PEG FEE Funding Needs:

The combined installation and commissioning of the video and audio presentation and control equipment, Public Address Systems, and project contingency total is noted below:

1. Video Presentation Equipment and Integration $365,443.16
2. JBL PA System EON208P $749.95
3. Bose L1 $1,099.00
4. Cenegears Ghost-Eye Transmitter Receivers $3,199.00
5. Freight $0
6. Taxes $30,565.52
7. 10% Contingency $504.80

   Grand Total $401,561.42

Project Scope:

Council Chambers

Install and integrate new Crestron Touch Screens at the dais and staff positions inside the Council Chambers. The Crestron Touch Screens will have multiple menus based on level of access and provide controls of presentation from the public, speaker queueing for council, and the ability to view both a presentation and the program feeds during council meetings, simultaneously. Additionally, we will have the AV contractor integrator install and calibrate the new audio digital signaling processing and amplification equipment for microphones, audio inputs, and audio speakers inside the Chambers. Current equipment is over 13 years old and can only process analog signaling. The contractor will also install all remote audio, video, telephone bridge hardware inside the Council Chambers and
Closes Session Rooms. This equipment and integration will provide council members the ability to join council meetings remotely.

**Council Chambers Additional Viewing and Participation Areas**

The Council Chamber Lobby and City Hall Plaza have been and will continue to be used as overflow viewing areas. The additional Public-Address systems will allow the city to add listening areas in the lobby and plaza. These additional viewing and listening areas have been essential, for public engagement, in recent council meetings.

Your consideration of the City's request for funding is appreciated. Should you have any questions, please contact Manuel Martínez, IT Supervisor, at (916) 808-8785, or Stephanie Mizuno, Council-Clerk Operations Manager, at (916) 808-7171.

Sincerely,

[Signature]

Manuel Martínez  
IT Supervisor  
City of Sacramento

Enc.  Member Agency PEG Fee Funding Request Form (FY 2018-19)  
City of Sacramento, Council Chamber RFP # P18071011005  
AVI SPL Contractor, Chamber Presentation Upgrades  
B&H Photo PA systems  
B&H Photo Wireless SDI Transmitter Receiver

CC: Mindy Cuppy, City Clerk  
Maria MacGunnigal, CIO  
Stephanie Mizuno, Council Operations Manager  
Darin Arcolino, IT Manager
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<th>Equipment Description</th>
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<td><strong>FY 2018-19 PEG FEE FUNDING REQUEST - GRAND TOTAL:</strong></td>
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**Signature**

April 23rd 2018

Date

Manuel Martinez, IT Supervisor

Names & Title

Please attach vendor quotes to include installation / warranty / associated costs for each item requested above.

https://saccity-my.sharepoint.com/personal/mmartinez_cityofsacramento_org/Documents/PEG 2018/Copy of Fiscal Year 2018-19 PEG Fee Funding Request - City of Sacramento (No Line Items)-4-23-2018 mm
RESOLUTION NO. 2018–
Adopted by the Sacramento City Council

October ___, 2018
REIMBURSEMENT AGREEMENT WITH THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION FOR FY2018/19.

BACKGROUND

A. Sacramento Metropolitan Cable Television Commission ("SMCTC") is a joint powers agency that collects a 1% Public Educational, and Governmental ("PEG") access channel fees from cable television operators to support PEG facilities. SMCTC awards PEG fee funds to its member agencies to support projects, programming, and services related to PEG access facilities.

B. Federal law restricts the use of PEG fee funds. As a result, SMCTC enters into agreements with its member agencies to restrict the use of those funds in accordance with federal law. (See the Federal Communications Act section 611 et seq.)

C. The City of Sacramento (the “City”) is a member agency of SMCTC and the City’s Council Chambers and Historic Hearing Rooms are PEG access facilities.

D. Over the last eight years, the technology in the Council Chambers has come to the end of its lifecycle and is technologically obsolete. In the past seven years, the City has relied on PEG funds awarded by the SMCTC to upgrade the system. This has occurred component by component, replacing various systems that were at end-of life or at the point of failure.

E. On August 1, 2018, the SMCTC awarded the City $401,561 in PEG funding for FY2018/19. The City will use PEG funding award to update the outdated audio video analog presentation control system inside the City's Council Chambers. These updates are needed due to the age of the existing touch screens, older interfaces at the dais and podium, and to update the analog matrix video switcher for distributing program video feeds to the dais, staff positions, and throughout City Hall. Additionally, the City will augment the Council meetings’ viewing areas. The City uses the City Hall lobby and plaza areas as additional viewing space for Council meetings. Adding a large monitor and public-address speakers in the lobby and plaza will allow for additional seating capacity as well as additional public engagement during Council meetings. Currently, the City has had to rent additional public-address speakers and video monitors to support overflow of
Council meetings.

F. To fully complete the technology upgrades in the Council Chambers, the City’s Information Technology Department anticipates that the upgrades will occur over the next several years. The length of the project is due to: 1) the limited annual PEG funds available from the SMCTC; and 2) the preference to avoid extensive displacement of City Council meetings into the Historic Hearing Room.

G. The total cost for the replacement and upgrade is estimated not to exceed $401,561 and SMCTC will reimburse the City through its PEG fee fund award and the proposed agreement (Exhibit A).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager or the City Manager’s designee is authorized to enter into the Interagency Award Agreement with the Sacramento Metropolitan Cable Television Commission (“SMCTC”) in the amount of $401,561 attached as Exhibit A and made a part of this Resolution; and any other agreement with SMCTC for the award of Public Educational, and Governmental Fee funds that is less than $100,000.

Section 2. The revenue and expenditure budgets for the Council Chamber/Hearing Room Program (A07001000) are increased in Fund 3702 (CIP Reimbursable Fund) in the amount of $401,561.