

RESOLUTION NO. 2018-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING WORK PLAN AND BUDGET FOR ACCESS MONTEREY PENINSULA (AMP) FOR PUBLIC, EDUCATION AND GOVERNMENT (PEG) BROADCASTING SERVICES FOR FY 2018-19, AUTHORIZING FINANCE DIRECTOR TO MAKE THE NECESSARY BUDGETARY AND ACCOUNTING ENTRIES AND APPROPRIATE PAYMENTS TO AMP, AND PROVIDE STAFF WITH FURTHER DIRECTION IN THE MATTER

WHEREAS, at the regular meeting of September 21, 2010, the City Council adopted Resolution No. 2010-158 approving an Agreement between the City of Marina and Access Monterey Peninsula (AMP), and;

WHEREAS, pursuant to the Agreement, AMP operates three Public, Education and Government (PEG) broadcasting channels and provides related broadcasting services to the City of Marina. The channels feature content from the public, educational and government segments of the Marina community as well as on-screen listings of community events, and;

WHEREAS, currently, City Council and some City Commission meetings are presented live with repeat broadcasts over the Marina City channel, and;

WHEREAS, live Internet streaming of the Marina City channel is available as a parallel broadcast service with a Windows Media web stream generated from AMP's servers and on-demand playback of all meetings televised on the Marina City channel is available on the Internet as streaming video as well, and;

WHEREAS, at the regular meeting of October 19, 2010, the City Council adopted Ordinance No. 2010-05, adding Chapter 5.56 to the Marina Municipal Code, implementing provisions of the Digital Infrastructure and Video Competition Act (DIVCA), and;

WHEREAS, as of December 31, 2006, the PEG Support Fees were the equivalent of 2.8% of the gross revenues of the incumbent cable operator in the city, and;

WHEREAS, effective with the expiration on October 20, 2012 of the existing franchise with the incumbent cable provider, currently Comcast, all state franchise holders operating within the City shall pay to the City a PEG Support Fee in the amount of 2.8% of gross revenues, and;

WHEREAS, the PEG Support Fee shall be used for PEG purposes, in a manner that is consistent with federal and state law, and;

WHEREAS, AMP has submitted its proposed Work Plan and Budget for FY 2018-19 which contains the required information ("**EXHIBIT A**"), and;

WHEREAS, there is approximately \$112,000.00 fund balance in this PEG Fund 210 (28-291) that may be used in addition to the services outlined in the attached work plan, and;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve the Work Plan and Budget for Access Monterey Peninsula (AMP) for public, education and government (PEG) broadcasting services for FY 2018-19 (“Exhibit A”), and;
2. Authorize the Finance Director to make the necessary budgetary and accounting entries and appropriate payments to Access Monterey Peninsula

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 5th day of June 2018, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, O’Connell, Brown, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**Access Monterey Peninsula Annual Report
Operational Service Plan and Budget - City of Marina
FY 2018 – 2019**

AMP Media (Access Monterey Peninsula, Inc.) has created the following Operational Service Plan and budget for FY 2018-2019. This plan is not inclusive of the proposed audio/visual equipment remodel to the Council Chambers as discussed with the City Manager on April 24th, 2018. Those changes shall be part of a separate remodel plan that will be presented to the City Manager on or before May 15, 2018 and be dependent upon the use of some or all of an approximately \$112,000 PEG fund balance (PEG Fund 210) currently being held by the City.

Additionally, although the budget proposed in this document represents the upcoming fiscal year, AMP Media would like to extend the contract with the City of Marina for an additional two (2) years, which would represent an agreement between the City and AMP Media through the end of FY 2020-2021. With the extension of this contract, AMP Media agrees to continue to provide an annual report to the City inclusive of our proposed Operational Service Plan and budget by May 10th for each upcoming fiscal year as well as audited financial statements every two (2) years beginning in FY 2019-2020.

Operational Service Plan

1. AMP Media will operate a 24-hour cable TV channel featuring exclusive City of Marina and related content. AMP Media will:
 - a. Provide live coverage and replays on the cable TV channel of official meetings of the City Council, Planning Commission, and other City boards and commissions held in the Council Chambers.
 - b. Provide (on request) links to and replays on cable TV of other official City meetings and activities held at the Council Chambers or at other locations within the city of Marina.
 - c. Broadcast text messaging on the cable TV channel announcing agendas of the City Council, at least two (2) hours per day.
 - d. On request, and with City involvement, facilitate and present programming to promote commerce in Marina encouraging residents to shop and dine locally, and to use Marina-based services.
 - e. On request, and with City involvement, facilitate and present programming featuring community events, culture, and heritage.
2. AMP Media will operate a 24-hour internet streaming service featuring City of Marina content. AMP Media will:
 - a. Provide a streaming internet channel simulcast of the cable TV channel.
 - b. Provide internet on-demand delivery of all new City meetings shown on the cable TV channel.
 - c. Provide support for streaming services to as broad an audience as possible; i.e. service multiple internet devices and browsers.
3. AMP Media will provide training classes for City residents.
 - a. Ongoing training classes are open to all County residents. Marina residents are given preferential treatment as they represent a sponsoring city that provides 100% PEG financial support for AMP Media.
 - b. Announcements of classes and opportunities for participation are posted to AMP Media's website.
 - c. Announcements are made regularly on the City of Marina government and public access channels.
4. Other access activities planned by AMP Media for the City.
 - a. AMP Media will promote and involve local businesses using the City channel.

5. AMP Media will operate two (2) additional community access services and channels via cable TV and internet streaming:
 - a. AMP1 – Public and Educational Access services (outreach, training, equipment lending, and broadcast of content from on-profit organizations, educational agencies and schools, as well as the public).
 - b. AMP2 – An AMP Media curated channel available to Marina residents for non-commercial messaging and other community-based programming.

Proposed Budget FY 2018-2019

1. The following proposed budget requires AMP Media to operate a centralized media center and broadcast facility as defined in the above Operational Service Plan.
2. For FY 2018-2019, AMP Media requests a 100% pass-through of PEG funds accrued during the fiscal year, with the understanding that all funds received by AMP Media from the City are restricted to capital costs, per DIVCA requirements.
3. The proposed budget assumes approximately 280 hours of local, original PEG access programming specific to the City comprised of the following:
 - a. 180 hours of government and City related programming.
 - b. 100 hours of public access programming.
4. Based on forecasted receipts expected by the end of this fiscal year from the City, AMP Media anticipates receiving approximately \$120,000 in FY 2018-2019. With this assumption, the following table represents the expected allocations by account, prorating Marina's contribution to the overall AMP Media PEG budget:

Income	
Marina PEG Fees	\$120,000.00
Expense	
Production Equipment	(\$5,000.00)
Production Equipment Parts & Maintenance	(\$2,000.00)
Insurance	(\$1,500.00)
Payroll Expenses	(\$76,500.00)
Rent	(\$25,000.00)
Production Supplies	(\$3,000.00)
Utilities	(\$4,000.00)
Vehicle Licensing & Operation	(\$500.00)
Telecommunications Services	(\$2,500.00)

5. AMP Media will support and maintain all equipment systems in the Council Chambers required for City of Marina programming, including cameras, camera controls, recording and fiber transport systems using PEG funds.
6. AMP Media will also support, maintain and replace (as needed) all cable TV and internet broadcast equipment; support and maintain fiber and other interconnections to cable TV and internet broadcast systems using PEG funds.

Fiscal Year 2017-2018 PEG Funds Summary

1. AMP Media has received \$59,367.23 to date in funding from the City during this fiscal year. We forecast that AMP Media will receive a total of approximately \$117,000 by the end of the current fiscal year. As in previous years, there will be no capital fund balance carried forward.
2. The funding received from the City of Marina this fiscal year represents approximately 18% of all revenues to AMP Media and covers approximately 18% of all expenses for AMP Media. The Marina Channel is one of five operated by AMP Media and represents more than 25% of total broadcasting time. Marina is one of four communities receiving PEG services. The City of Marina is also the sole city partner of AMP Media that televises virtually all public meetings. As such, the City receives a very favorable return for its PEG funding distribution.
3. The following table represents AMP Media's forecasted allocations by account, prorating Marina's contribution to the overall AMP Media PEG budget for the current FY 2017-2018:

Income	
Marina PEG Fees	\$117,000.00
Expense	
Equipment	(\$7,000.00)
Production Equipment Parts & Maintenance	(\$3,000.00)
Insurance	(\$1,500.00)
Payroll Expenses	(\$73,000.00)
Rent	(\$24,000.00)
Production Supplies	(\$2,000.00)
Utilities	(\$4,000.00)
Vehicle Licensing & Operation	(\$500.00)
Telecommunications Services	(\$2,000.00)

Thank you for your continued support of AMP Media and the community of Marina

May 11, 2018

Item No: **8g(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 5, 2018

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2018-,
APPROVING WORK PLAN AND BUDGET FOR ACCESS MONTEREY
PENINSULA (AMP) FOR PUBLIC, EDUCATION AND GOVERNMENT (PEG)
BROADCASTING SERVICES FOR FY 2018-19, AUTHORIZING FINANCE
DIRECTOR TO MAKE THE NECESSARY BUDGETARY AND ACCOUNTING
ENTRIES AND APPROPRIATE PAYMENTS TO AMP, AND PROVIDE STAFF
WITH FURTHER DIRECTION IN THE MATTER**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2018-, approving work plan and budget for Access Monterey Peninsula (AMP) for public, education and government (PEG) broadcasting services for FY 2018-19, and;
2. Authorizing the Finance Director to make the necessary budgetary and accounting entries and appropriate payments to Access Monterey Peninsula.

BACKGROUND:

At the regular meeting of September 21, 2010, the City Council adopted Resolution No. 2010-158 approving an Agreement between the City of Marina and Access Monterey Peninsula (AMP).

Pursuant to the Agreement, AMP operates three Public, Education and Government (PEG) broadcasting channels and provides related broadcasting services to the City of Marina. The channels feature content from the public, educational and government segments of the Marina community as well as on-screen listings of community events.

Currently, City Council and some City Commission meetings are presented live with repeat broadcasts over the Marina City channel. In addition, live Internet streaming of the Marina City channel is available as a parallel broadcast service with a Windows Media web stream generated from AMP's servers. On-demand playback of all meetings televised on the Marina City channel is available on the Internet as streaming video as well.

At the regular meeting of October 19, 2010, the City Council adopted Ordinance No. 2010--05, adding Chapter 5.56 to the Marina Municipal Code, implementing provisions of the Digital Infrastructure and Video Competition Act (DIVCA).

As of December 31, 2006, the PEG Support Fees were the equivalent of 2.8% of the gross revenues of the incumbent cable operator in the city. Effective with the expiration on October 20, 2012 of the existing franchise with the incumbent cable provider, currently Comcast, all state franchise holders operating within the City shall pay to the City a PEG Support Fee in the amount of 2.8% of gross revenues. The PEG Support Fee shall be used for PEG purposes, in a manner that is consistent with federal and state law

Pursuant to the Agreement, on or before April 30 of each year, AMP is required to provide to the City, for City Council consideration and approval, an Annual Plan and Budget outlining activities and programs planned for the next fiscal year.

ANALYSIS:

AMP submitted its proposed Work Plan and Budget for FY 2018-19 (“**EXHIBIT A**”) which should contain the required information, as follows:

- a. An operational services plan and estimated operating expenditure budget by key line items descriptions and funding request for operational services plan;
- b. A statement of the estimated number of hours of local original PEG access programming specific to the City;
- c. A statement of training classes and outreach to be offered for City residents;
- d. A statement of other access activities planned by AMP;
- e. A capital outlay plan and estimated expenditure by key line items descriptions and capital equipment budget and funding request for capital outlay plan;
- f. Summary of prior year actual data including actual beginning operating balance and capital balance, revenues, expenditures and ending operating and capital balances; and

Under the Work Plan, AMP proposes to continue the current services. AMP will provide live coverage and replays on cable TV systems operating in Marina of all official meetings of the City Council, Planning Commission and other boards and commissions held in the Council Chambers. AMP will also continue to provide a streaming internet channel simulcast of the cable TV channel as well as on-demand delivery of replays of televised meetings.

AMP estimates that it will provide 180 hours of government programming and 50 hours of public access programming, as it did in FY 2017-18.

However, following the expiration of the Comcast franchise PEG fees may only be used for capital expenditures pursuant to federal law, City PEG fees will not be used for operations. Instead, City PEG fees will be used by AMP solely for capital uses with operations relating to the City services paid from unrestricted funds, as explained in the Work Plan and Budget.

More details of the operating service plan are found in the Work Plan and Budget for FY 2018-19 (“**EXHIBIT A**”)

Once the City Council considers and approves the proposed Plan and Budget, the necessary funds will be provided to AMP on a quarterly basis (schedule coincides with PEG fee payments paid by the cable companies and received by the City).

Further, there is approximately \$112,000.00 fund balance in this PEG Fund 210 (28-291) that may be used in addition to the services outlined in the attached work plan.

FISCAL IMPACT:

Should the City Council approve this request, the City will continue to receive PEG fees which must be used for to facilitate PEG access to the cable system. The adopted FY 2018-19 budget for PEG revenues and expenditures will be consistent with the approved Work Plan and Budget.

Based upon the AMP Work Plan and Budget, AMP will be using City PEG fees solely for capital expenditures.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Layne P. Long
City Manager
City of Marina