

City of Los Alamitos

Agenda Report Consent Calendar

December 16, 2013
Item No: 8J

To: Mayor Warren Kusumoto & Members of the City Council

From: Bret M. Plumlee, City Manager

Subject: The Community Access Preservation (CAP) Act

Summary: The Community Access Preservation (CAP) Act would allow the usage of PEG fees to be utilized for any legitimate PEG expense, instead of restricting PEG fees to capital expenses only. This item is recommended for approval by the Cable Television Commission.

Recommendation: Adopt a Resolution 2013-24, entitled, "A RESOLUTION OF THE OF CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, URGING CONGRESS TO SUPPORT THE COMMUNITY ACCESS PRESERVATION ACT (THE CAP ACT), WHICH ADDRESSES CRITICAL AND IMMEDIATE THREATS TO LOCAL PUBLIC, EDUCATIONAL AND GOVERNMENT ACCESS TELEVISION CHANNELS."

Background

On November 11, 2013, the Cable Television Commission unanimously voted to recommend to the City Council adoption of a Resolution in support of The Community Access Preservation Act.

Discussion

There are approximately 1,500 Public, Educational and Government (PEG) access centers in the United States, with an estimated 5,000 cable television channels managed by these centers. Broadcasting government meetings, school board sessions, religious or political programming, youth programming, distance learning, music or entertainment programming, local channels are a robust voice within a community.

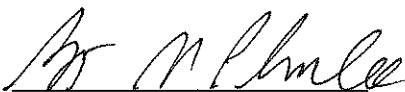
The CAP Act has four primary purposes:

1. The CAP Act removes the distinction between "capital" and "operating" in PEG support fees. PEG support fees that are collected from subscribers by the cable operators can only be used for "capital and equipment" and not for operational overhead. The CAP Act will eliminate that part of the Telecommunications Act that

prevents PEG centers from using PEG support for their operating expenses. Right now, access centers are having to close their doors because even though they receive money for buildings and equipment, they do not have or are losing money for operations. The CAP Act will allow centers to spend the PEG support fees as they see fit to keep the centers open and keep the channels on the air.

2. Provides PEG funding and channels in states with statewide/state-issued franchising laws. CAP provides that PEG channels will receive the greater of: the historical support it received prior to the damaging statewide/state issued franchising laws that have passed since 2005—OR—the amount that operators are required to pay under the new statewide/state issued franchising laws—OR—2% of gross revenue. It returns the number of channels a community can have to the same number that was being provided as of May 31, 2005 or if a community has no channels, up to 3.
3. Requires cable operators to transmit the channels at no charge to the local government. Right now, in some states, cable operators are charging local municipalities for the transmission of the channels. These transmission costs range from hundreds to thousands of dollars each year and are a burden to local communities.
4. It requires the FCC to undertake a study on PEG. - The FCC will be required to undertake a study within 180 days of the passage of CAP to analyze the effect of statewide/state issued franchise laws that have passed. It also requires an analysis of the impact of digital conversion on PEG. And it calls for the FCC to make recommendations for changes to the Telecommunications Act to preserve and advance PEG and localism.

Submitted By:



Bret M. Plumlee
City Manager

Attachments: 1. Resolution 2013-24
2. Draft Cable Commission Minute Excerpt – November 14, 2013

RESOLUTION NO. 2013-24

A RESOLUTION OF THE OF CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, URGING CONGRESS TO SUPPORT THE COMMUNITY ACCESS PRESERVATION ACT (THE CAP ACT), WHICH ADDRESSES CRITICAL AND IMMEDIATE THREATS TO LOCAL PUBLIC, EDUCATIONAL AND GOVERNMENT ACCESS TELEVISION CHANNELS

WHEREAS, Public, Educational and Government (PEG) access channels are one of the last surviving sources for local television programming across the country and PEG channels play a significant role for California municipalities; and,

WHEREAS, PEG channels are a unique and valuable resource for local information and discourse for the residents of Los Alamitos; and,

WHEREAS, PEG channels televise local government meetings, including city commission, planning commission, county and school board meetings, so that citizens are informed about the actions taken by local officials; and,

WHEREAS, PEG channels are also utilized to communicate with citizens on municipal events and services and also provide advisories and preparation directions to residents for emergency purposes; and,

WHEREAS, PEG channels provide a window through which residents can view the diversity of cultures, educational information, recreational activities and artistic endeavors in their local community; and,

WHEREAS, PEG channels reflect the unique identity of the communities they serve; and,

WHEREAS, it is important to preserve PEG channels and funding for PEG channels, and to ensure that the channels continue to be available to the entire community to serve the residents of California municipalities; and,

WHEREAS, the Community Access Preservation (CAP) Act, addresses critical and immediate threats to PEG; and,

WHEREAS, the CAP Act provides important solutions for critical and immediate threats to PEG channels and facilities across the country by removing use restrictions on PEG access fees, restoring PEG revenue streams, and ending cable operators' discriminatory treatment of PEG channels; and,

WHEREAS, the CAP Act would allow PEG fees to once again be used for any legitimate PEG expense, instead of restricting PEG fees to capital expenses only.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS DOES RESOLVE AS FOLLOWS:

SECTION 1. That the City of Los Alamitos urges members of California Congressional Delegation to take all actions in support of the immediate passage of the CAP Act, including, but not limited to endorsing, co-sponsoring and voting for the CAP Act.

SECTION 2. That a copy of this resolution be provided to the California Congressional Delegation and the National League of Cities.

SECTION 3. The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 16th day of December, 2013

Warren Kusumoto, Mayor

ATTEST:

Windmera Quintanar, CMC, City Clerk

APPROVED AS TO FORM:



Cary S. Reisman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LOS ALAMITOS)

I, Windmera Quintanar, CMC, City Clerk, of the City of Los Alamitos, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 16th day of December, 2013, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Windmera Quintanar, CMC, City Clerk

**EXCERPT FROM DRAFT MINUTES OF CABLE TELEVISION
COMMISSION SPECIAL MEETING**

CITY OF LOS ALAMITOS
3191 Katella Avenue
Los Alamitos, California 90720

November 14, 2013

1. CALL TO ORDER

A Special meeting of the Cable Television Commission was called to order at 4:02 PM on November 14, 2013, in the Council Chambers Conference Room, 3191 Katella Avenue, Los Alamitos, Chair John Underwood presiding.

2. ROLL CALL

Present: Commissioners Hasselbrink, Jempsa, Rothwell, Underwood

Absent: Commissioners Clayton

Present: Staff Gregory Korduner, Interim City Manager
Catherine Howard, Police Department Secretary

6. ACTION ITEMS

B. The Community Access Preservation (CAP) Act

Interim City Manager Korduner provided a brief summary of the information contained within this report.

Chair Underwood provided some history on this issue. The Community Access Preservation (CAP) Act would allow the usage of PEG fees to be utilized for any legitimate PEG expense, instead of restricting PEG fees to capital expenses only. LATV could potentially realize annual revenue of \$90,000 to \$190,000.

MOTION/SECOND: CLAYTON/UNDERWOOD

Motion unanimously carried to recommend that the City Council adopt a Resolution urging Congress to support the Community Access Preservation (CAP) Act.

| | |
|----------------|---|
| AYES | Clayton, Jempsa, Rothwell, Underwood |
| NAYS | None |
| ABSTAIN | None |
| ABSENT | Hasselbrink |