

2010 SEP -7 PM 2:23

**CITY OF OAKLAND**  
**AGENDA REPORT**

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Department of Information Technology  
DATE: September 21, 2010

**RE: RESOLUTION APPROPRIATING FUNDS PAID BY CABLE AND VIDEO FRANCHISEES, COMCAST AND AT&T, ("PEG FUNDS") FOR THE CAPITAL EXPENSES OF PUBLIC, EDUCATION, AND GOVERNMENT CHANNELS ("PEG") OPERATED BY THE CITY OF OAKLAND ("KTOP"), OAKLAND UNIFIED SCHOOL DISTRICT ("KDOL") AND PERALTA COMMUNITY COLLEGE DISTRICT ("PERALTA TV"), AND AUTHORIZING GRANTS OF PROPORTIONATE SHARES OF THE PEG FUNDS TO THE CITY, OAKLAND UNIFIED SCHOOL DISTRICT AND THE PERALTA COMMUNITY COLLEGE DISTRICT FOR THEIR CABLE AND VIDEO TELEVISION FACILITIES**

**SUMMARY**

The City of Oakland's (the "City") Cable and Video service providers, Comcast and AT&T, are required to pay to the City, on a quarterly basis, 1% of their gross revenue for the capital expenses ("PEG funds") for Public, Education and Government channel ("PEG") facilities, such as those operated by the City through KTOP, and by the Oakland Unified School District ("KDOL") and the Peralta Community College District ("PERALTA TV"), collectively referred to as the "PEG Channel operators," pursuant to the City's Local Cable Franchise ("Local Franchise"), State Video Service Franchises ("SVSF") and State Video Franchise Agreement ("DIVCA"). The PEG funds are estimated to be \$600,000.00 annually, which would support approximately \$200,000.00 for each PEG channel. The City is required to distribute the PEG Funds amount to the PEG Channel operators and appropriate the PEG Funds annually to fund capital improvement expenses. The City will memorialize the distribution of the PEG funds through the execution of Memorandums Of Understanding (MOU) between the City and other PEG Channel operators to establish the PEG fund amounts, terms and conditions.

Therefore the proposed resolution has been prepared to seek authorization for the following actions from City Council:

1. Appropriating PEG funds annually to the PEG channel operators; and

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2. Authorizing grants of proportionate shares of the PEG funds to the City, Oakland Unified School District and Peralta Community College District.

### FISCAL IMPACT

The appropriations of PEG funds will result in new capital funding of approximately \$200,000.00 annually for the City's Government channel KTOP. The PEG funds are currently being held in the following project accounts:

- Fund 2999 Account 41613 Project P350210
- Fund 2999 Account 24213 Project G383410
- Fund 2999 Account 24213 Project G383510

### BACKGROUND

On July 17, 2007, Council approved Ordinance Number 12819 C.M.S. for State of California video franchise companies, requiring AT&T to pay the City 1% of its gross revenue to fund the capital needs of the PEG channels. On February 19, 2008, Council approved a franchise agreement, which requires Comcast to pay PEG funds. The 1% PEG funds can only be applied for the capital needs to the PEG channels; KTOP, KDOL and PERALTA TV.

### KEY ISSUES AND IMPACTS

The PEG funds of approximately \$600,000.00 annually will help all PEG channels with their capital needs. Since the capital needs for all three PEG channels exceed the \$600,000.00 PEG funding, all three stations have requested to split the funding equally. Staff agrees to allow the three PEG channels to split the PEG funding equally. The table below presents the capital needs for the PEG channels for the next two fiscal years:

	Fiscal Year 2010/2011	Fiscal Year 2011/2012
KTOP	\$240,625.00	\$240,625.00
KDOL	\$236,000.00	\$603,000.00
PERALTA TV	\$332,000.00	\$154,000.00

The capital spending plans for the three PEG Channel operators are attached to this report. **See Attachment "A"**

If Council does not approve the proposed resolution appropriating the PEG funds there would be insufficient funding for capital improvements for all PEG channels (KTOP, KDOL, & PERALTA TV). *Critical equipment upgrades and replacements could not be*

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performed. This would impact the PEG Channel operators' ability to provide reliable broadcast services for Council and Board meetings.

#### **SUSTAINABLE OPPORTUNITIES**

*Economic:* There are no Economic impacts at this time.

*Environmental:* There are no Environmental impacts at this time.

*Social Equity:* There are no Social Equity impacts at this time.

#### **DISABILITY AND SENIOR CITIZEN ACCESS**

Council action approving the attached resolution is not expected to improve upon disability and senior citizen access.

#### **ACTIONS AND RECOMMENDATIONS**


The Department of Information Technology is recommending Council approve the resolution appropriating the ongoing 1% PEG capital funding from both Comcast and AT&T to support the PEG channel's capital needs.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the City Council approve the respective resolution authorizing the following actions:

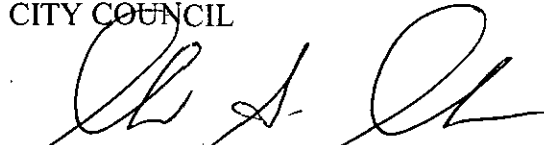
1. Appropriating PEG funds annually to the PEG channel operators; and
2. Authorizing grants of proportionate shares of the PEG funds to the City, Oakland Unified School District and Peralta Community College District.

Respectfully submitted,

  
\_\_\_\_\_  
Ken Gordon, Interim Director  
Department of Information Technology

Brian Tino Granados  
Department of Information Technology

APPROVED AND FORWARDED TO THE  
CITY COUNCIL

  
\_\_\_\_\_  
Office of the City Administrator

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ATTACHMENT "A"

KTOP  
CITY OF OAKLAND  
MATRIX FOR CAPITAL EQUIPMENT UPGRADES

	A	B	C	D	E	F	G
1	Item Description	Quantity	Cost	Function	Why Needed	Expands / Upgrades	Consequence of Not Purchasing
2	Audio Processing Upgrade: Media Matrix Mware System	(1) Council Chambers Audio System	\$81,000.00	Audio System control, signal transport and matrix routing	Current system is antiquated and is a potential problem to future LIVE broadcasts	Eliminates potential failures of current operating systems	Potential for lost audio during LIVE broadcasts, LIVE Streaming Video /Audio feeds and loss of public records, potential penalties levied by Franchise Authority
3	Control System Upgrade	(2) Council Chambers / Hearing Room #1	\$21,250.00	Controls Cameras Pan, tilt, zoom , focus, iris controls	Current system is antiquated and is a potential problem to future LIVE broadcasts	Eliminates potential failures of current operating systems	Potential for loss of video during LIVE broadcasts, LIVE Streaming Video feeds and loss of public records, potential penalties levied by Franchise Authority
4	Camera Systems	(10) camera systems including pan/tilt heads, lenses, Remote CCU, pan/tilt controllers, tally, and associated cabling.	\$281,000.00	Provides broadcast quality images for Cablecast of legislative sessions	Current cameras are antiquated and parts can no longer be purchased, repair costs prohibitive.	Eliminates potential failures of current operating systems	Potential for loss of video during LIVE broadcasts, LIVE Streaming Video feeds and loss of public records, potential penalties levied by Franchise Authority
5	Live Integrated Production Systems	(2) Switching and Control Systems w/ Monitoring (10)	\$98,000.00	Provides the ability to switch cameras during LIVE Legislative sessions, and the ability to add character generated graphics when programming is not LIVE	Replaces old or antiquated technology	Upgrades operator ability to ensure quality of programming by providing accurate picture detail	Potential for loss of Video & Audio during LIVE broadcasts, LIVE Streaming Video feeds and loss of public records, potential penalties levied by Franchise Authority
6	Total		\$481,250.00				



2010/2011 KDOL PEG Funding Purchase/Spending Proposal

**Section 1: Student Production Equipment** **\$70,000.00**

***Components***

- 1) Computers Software and Hardware
- 2) Field Cameras and equipment
- 3) Field Audio Equipment
- 4) Mobile Lightitng

**Section 2: Mobile PTZ and Switcher Production Fly Pack** **\$61,000.00**

***Components***

- 1) Production Switcher
- 2) PTZ Cameras and CCT
- 3) Recording and Remote Broadcast Equipment
- 3) Mobile Lightitng

**Section 3: Digital Storage** **\$40,000.00**

***Components***

- 1) RAID Storage
- 2) Switch & Host Bus Adapters
- 3) Server Software & Hardware
- 4) Media Management Software
- 5) Archive Software & Hardware

**Section 4: Equipment and Student Production Transportation Vehicle** **\$35,000.00**

- 1) Multi-purpose Van with equipment lift

**Section 5: Design & Installation Labor** **\$30,000.00**

- 1) Engineering & Design
- 2) Installation Labor
- 3) Training
- 4) Spare Parts
- 5) Software Support Contracts

**Budgetary Equipment Total for 2010/11: Section 1-5** **\$236,000.00**

2011/2012 KDOL PEG Funding Purchase/Spending Proposal

**Section 6: Basic Infrastructure** **\$103,000.00**

**Components**

- 1) Master Sync/Test Generator and Clock system
- 2) Patch Panels
- 3) Routing Switcher & control panels
- 5) Video and Audio Test Equipment
- 6) Video Tape Recorders DV or HDV, & DVD
- 7) Racks & UPS Power conditioning

**Section 7: Studio** **\$211,000.00**

**Components**

- 1) Lights and Dimmer Control
- 2) HD Studio Cameras & Lenses x 3
- 3) Pedestals and Fluid Heads
- 4) Teleprompters and Software

**Section 8: Control Room** **\$148,000.00**

**Components**

- 1) HD Video Switcher
- 2) Monitor Wall Processor
- 3) Intercom-Wired and Wireless communication
- 4) Speakers & Control Monitor
- 5) Camera Control Units
- 6) Character Generator

**Section 9: Audio Production Control** **\$21,000.00**

**Components**

- 1) Audio Board
- 2) Monitor with Processed Multi View inputs.
- 3) Microphones

**Section 10: Design & Installation Labor** **\$120,000.00**

- 1) Engineering & Design
- 2) Installation Labor
- 3) Training
- 4) Spare Parts
- 5) Software Support Contracts

**Budgetary Equipment Total for 2011/12: Section 6-10** **\$603,000.00**

**Total for 2010 to 2012** **\$839,000.00**



# Peralta Community College District

333 East Eighth Street · Oakland, California 94606 · (510) 466-7200

Date: May 24, 2010  
To: Brian Granados  
Department of Information Technology, City of Oakland  
From: Jim Stein  
Chief Engineer, Peralta TV  
Subject: PEG equipment needs

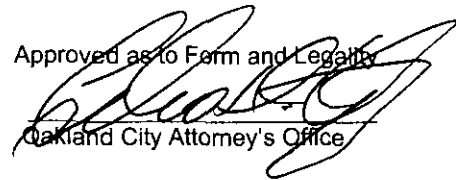
The following is a summary of Peralta TV equipment needs for the next 2 years.

Fiscal Year 2010-2011:	
Digital master control room	\$210,000
Routing switcher	
Digital conversion boxes	
Monitors	
Racks and cabling	
Installation	
Tripod/head set for studio cameras (4)	\$28,000
HD-SDI capable Character generator	\$18,000
4-channel instant replay server and controller	\$36,000
Total \$332,000	
Fiscal Year 2011-2012:	
Camera packages for student producers (6)	\$36,000
Editing stations for student producers (6)	\$30,000
Studio lighting	
Grid and electrical work	
Dimmers	
Instruments	
Installation	\$72,000
Video microwave link to Laney College	\$16,000
Equipment	
Engineering	
Installation	
Total \$154,000	
Total for both years \$486,000	



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Approved as to Form and Legality

  
Oakland City Attorney's Office

## OAKLAND CITY COUNCIL

Resolution No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

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**RESOLUTION APPROPRIATING FUNDS PAID BY CABLE AND VIDEO FRANCHISEES, COMCAST AND AT&T, ("PEG FUNDS") FOR THE CAPITAL EXPENSES OF PUBLIC, EDUCATION, AND GOVERNMENT CHANNELS ("PEG") OPERATED BY THE CITY OF OAKLAND ("KTOP"), OAKLAND UNIFIED SCHOOL DISTRICT ("KDOL") AND PERALTA COMMUNITY COLLEGE DISTRICT ("PERALTA TV"), AND AUTHORIZING GRANTS OF PROPORTIONATE SHARES OF THE PEG FUNDS TO THE CITY, OAKLAND UNIFIED SCHOOL DISTRICT AND THE PERALTA COMMUNITY COLLEGE DISTRICT FOR THEIR CABLE AND VIDEO TELEVISION FACILITIES**

**WHEREAS**, the City's Cable and Video service providers, Comcast and AT&T, are required to pay to the City, on a quarterly basis, 1% of their gross revenue for the capital expenses ("PEG funds") for Public, Education and Government ("PEG") cable and video television facilities, such as those operated by the City through KTOP, and by the Oakland Unified School District ("KDOL") and the Peralta Community College District ("PERALTA TV"), collectively referred to as the "PEG Channel operators," pursuant to the City's Local Cable Franchise ("Local Franchise"), State Video Service Franchises ("SVSF") and State Video Franchise Agreement ("DIVCA"); and

**WHEREAS**, the PEG Fund capital support contribution made by Comcast and AT&T is approximately \$600,000.00 annually, sometimes less and sometimes more; and

**WHEREAS**, the City is required to distribute PEG Funds among the PEG Channel operators, including itself, under the City's Cable Franchise, SVSF and DVICA; and

**WHEREAS**, staff seeks an ongoing, annual appropriation of PEG Funds to a Public, Education and Government fiscal account in order to fund capital improvements of all current PEG operators: KTOP, KDOL and PERALTA TV cable a video television facilities; and

**WHEREAS**, staff seeks authorization for grants of the PEG funds to KDOL and PERALTA TV of two-thirds (approximately \$400,000.00), or one-third (approximately \$200,000.00), each; and

**WHEREAS**, the City wishes to enter into a Memorandum of Understanding ("MOU") with PERALTA TV and KDOL to memorialize the PEG grant allocation, use of the funds and City's administrative functions in connection with the grant; and

**WHEREAS**, the Department of Information Technology will be the lead Agency in coordinating the MOUs with, and distribution of funds to, KDOL and PERALTA TV, and will administer all PEG Funds for the PEG channels; and

**WHEREAS**, in the event a fourth PEG channel is created, the City, KTOP, KDOL and PERALTA TV agree to a reallocation of a portion of the their grant distribution to provide for an equal grant distribution of PEG Funds among four PEG Channel operators; and

**WHEREAS**, the term of the MOU will commence when KDOL and PERALTA TV execute the MOU and will continue to December 18, 2017; now, therefore, be it

**RESOLVED**: That the City Council authorizes the appropriation of PEG Funds to Public, Education and Government fiscal Fund 2999 Account 41613 Project P350210, Fund 2999 Account 24213 Project G383410, Fund 2999 Account 24213 Project G383510 to be used for capital improvements of all current PEG Channel operators, including without limitation KTOP, KDOL and PERALTA TV; and be it

**FURTHER RESOLVED**: That the PEG Fund appropriation shall occur annually and shall not require further Council review or action; and be it

**FURTHER RESOLVED**: That the City Council authorizes a grant of one-third (1/3) of all PEG Fund contributions annual, or approximately \$200,000.00, each, to KTOP, KDOL and to PERALTA TV, to be paid from the PEG funds; and be it

**FURTHER RESOLVED**: That the City Administrator shall enter into Memorandums Of Understanding (MOU) with up to three non-City PEG operators to memorialize the PEG Fund grant amount, terms and conditions of the PEG fund grants; and be it

**FURTHER RESOLVED**: That the City Administrator is authorized to revise PEG Fund grant amounts without return to Council to (i) adjust grant amounts to reflect a proportionate share of annual 1% PEG Fund contributions in any given year, and (ii) to reallocate grant funds to reflect equal shares among four PEG operators in the event a fourth PEG channel is created; and be it

**FURTHER RESOLVED**: That the City Attorney will review the agreements authorized hereunder for form and legality; and be it

**FURTHER RESOLVED:** That the City Administrator, or his designee, is authorized to approve any subsequent amendments to or extensions of said agreements with the exception of those related to an increase in total PEG funds allocated to PERALTA TV and KDOL, provided that such amendments or extensions shall be approved for form and legality by the City Attorney and a copy shall be kept on file with the City Clerk; and be it

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND  
PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

\_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council of  
the City of Oakland, California