
File ID: 2026-01461

8/18/2026

[Contract] Interagency Reimbursement Award with the Sacramento Metro Cable Television Commission (Public Educational and Governmental Funding) for FY2026/27

File ID: 2026-01461

Location: Citywide

Recommendation: Adopt a **Resolution:** 1) ratifying the execution of the Reimbursement Agreement with the Sacramento Metro Cable Television Commission (SMCTC) and the City of Sacramento in the amount of \$1,658,324 for expenditures associated with the technical upgrade of the Council Chambers and Historic Hearing Room; and 2) decreasing the revenue and expense budgets in the Council Chamber/Hearing Room Program (A07001000) by \$1,007,890 (CIP Reimbursable Fund, Fund 3702).

Contact: Manuel Martinez, IT Manager, (916) 808-8785, mmartinez@cityofsacramento.org; Cassy Vaioleti, Program Specialist, (916) 808-8047, cvaioleti@cityofsacramento.org; Darin Arcolino, Chief Information Officer, (916) 808-0403, darcolino@cityofsacramento.org; Department of Information Technology

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Agreement
- 3-Resolution

Description/Analysis

Issue Detail: 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. The City is a member agency of SMCTC.

SMCTC awards PEG funds to member agencies that request support for projects and services related to PEG access channels. Federal law restricts the use of PEG funds. The proposed agreement will memorialize the terms of the SMCTC's award to the City and the applicable federal restrictions of the City's use of the PEG funds. Council approval will provide the City Manager authority to enter into the proposed agreement.

On July 16, 2026, SMCTC awarded the City \$1,658,324 in PEG funding for FY2026-27. The PEG funding award will be used in accordance with federal restrictions to finish installing and integrating new audio video presentation control hardware for our Historic Hearing Room and upgrading our broadcast Camera System. Additionally, the funding will be used to replace aged and non-supported hardware in our City Hall Council Chambers and integrate it into additional meeting rooms in City Hall. These upgrades will allow the rooms to act as public meeting overflow rooms with full audio and video participation capabilities. Other upgrades include the replacement of the City's playback speakers in chambers, granular audio control adoptions on Clerk's and Control Room Displays, and Digital Signal Processor

(DSP) audio amp replacements and integration. The Media Control Room will also be upgraded with new video switchers and audio and video control panels headend. This will allow for a robust transmission of our video production system into the City's streaming environment.

The PEG request, acceptance, award, and execution timelines, combined with our ability to perform the necessary integration and maintenance work within Council Chambers, create very tight installation and reimbursement windows. These challenges have made it difficult to complete the installation of all hardware and software funded through prior PEG requests.

When hardware was delayed, unavailable, or products changed before installation could occur, the affected hardware or software had to be included again in the following year's PEG request. Post-COVID product shortages and extended supply chain delays further compounded the issue and, in some cases, made it nearly impossible to complete PEG-funded projects within the required timelines.

As a result, items that were not installed were carried forward and requested in subsequent PEG cycles, which has now led to the need to reconcile these projects with our PEG CIP. No funding was lost. The funding for these items was effectively deferred and reallocated to the subsequent PEG budget cycle.

This year, we have already hired and prepared our audio and video integrators, and unlike many of the prior post-COVID years, hardware is now generally available. Accepting this year's request will allow IT to move quickly into procurement and installation of the hardware and software that has been requested over the past several budget cycles.

This will also put us in a much stronger position to complete the work within the Cable Commission's required reimbursement timelines and ensure that the PEG funding is fully utilized for its intended purposes.

Policy Considerations: The agreement is in alignment with the Mayor and Council Budget Priorities

and the Demonstration Partnerships Policy adopted by the City Council on April 25, 2017 (Resolution No. 2017-0150).

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The proposed agreement with SMCTC will provide funding necessary for the upgrade/replacement of the audio/visual systems, lighting, and presentation control equipment in the Council Chamber and Hearing Room.

Financial Considerations: The Council Chamber/ Hearing Room Program (A07001000, CIP Reimbursable Fund 3702) was established to record the reimbursement expenses for the equipment and services from the PEG award.

Since 2017, the City has received PEG funding to support technology and infrastructure upgrades for the Historic Chambers and New City Hall. Due to annual timelines associated with completing projects and processing and reimbursements, some previously approved projects could not be completed with the applicable funding cycle. Those projects and associated funding were subsequently incorporated into future PEG requests, resulting in the need to reconcile the cumulative project budget.

Acceptance of the FY2026/27 PEG award of \$1,658,324, together with the reconciliation of the prior year project funding will result in a net reduction of \$1,007,890 to the project budget. This adjustment reflects the reconciliation and reallocation of the PEG-funded projects across budget cycles and does not represent a loss of funding.

Fiscal Year:	Award Amount:	Reimbursement Received:	Adjusted Funds:
2017	\$ 124,957	\$ 52,604	\$ 72,353
2018	\$ 74,547	\$ 60,978	\$ 13,569
2019	\$ 401,561	\$ 37,104	\$ 364,457
2020	\$ 545,704	\$ -	\$ 545,704
2021	\$ -	\$ 401,059	\$ (401,059)
2022	\$ -	\$ 125,370	\$ (125,370)
2023	\$ 446,646	\$ -	\$ 446,646
2024	\$ 611,512	\$ 102,320	\$ 509,192

2025	\$	777,270	\$	269,216	\$	508,054
2026	\$	732,667	\$	-	\$	732,667
	\$	3,714,864	\$	1,048,650	\$	2,666,214

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



SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

799 G Street, 4th Floor, Sacramento, CA 95814 • (916) 874-6661 • Fax: (916) 854-9666 • www.sacmetroccable.tv

A Joint Powers Agency Representing Sacramento County and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova and Sacramento

SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION PEG FEE FUNDING AGREEMENT FOR MEMBER AGENCY

FISCAL YEAR 2026-27

THIS AGREEMENT is entered into this 16 day of July, 2026, by and between the **Sacramento Metropolitan Cable Television Commission** ("Cable Commission") and the **City Of Sacramento**, a political subdivision of the State of California ("Member Agency").

WHEREAS, the Cable Commission is a joint powers agency comprised of seven member jurisdictions (collectively, the "Member Agencies"), one of which is the Member Agency;

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

WHEREAS, the Cable Commission 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, the Cable Commission 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, the Cable Commission and Member Agency desire to enter into this Agreement to memorialize the terms under which the Cable Commission 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, the Cable Commission and Member Agency agree as follows:

1. Funding to Member Agency. The Cable Commission hereby agrees to provide to Member Agency the total not to exceed sum of **ONE**

Pro Forma PEG Fee Funding Agreement for Member Agency
Fiscal Year 2026-27
Page 2

MILLION SIX HUNDRED FIFTY-EIGHT THOUSAND DOLLARS

(\$1,658,324), 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.

FISCAL YEAR 2026-27 PEG FEE FUNDING TOTAL (See Exhibit A)	
Historic Chambers PEG Equipment / Facilities	\$556,556
New City Hall PEG Equipment / Facilities	\$1,101,768
Total PEG Equipment / Facilities	\$1,658,324
The PEG Fee funding will be available during the Fiscal Year 2026-27 as set forth below.	

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 the Cable Commission from cable television operators. Such PEG fees are received in quarterly payments and the Cable Commission shall be under no obligation to pay to Member Agency the amount stated in Section 1, or any other amount, unless the Cable Commission receives sufficient PEG fees to make such payment. If actual revenue received through PEG Fees is less than anticipated, the Cable Commission is not obligated to pay Member Agency. Payments to member agency will occur during the fiscal year and will be prioritized by the Cable Commission based upon facility needs and available revenue; Member Agency will be reimbursed based on actual expenditures.

Member Agency further understands that the Cable Commission 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 Cable Commission PEG channels. In the event the Cable Commission 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,

Pro Forma PEG Fee Funding Agreement for Member Agency
Fiscal Year 2026-27
Page 3

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. The Cable Commission 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 the Cable Commission.

Since applicable law does not specifically define those expenses that qualify as capital costs, the Cable Commission has developed a working definition of the types of expenses that it believes qualify for the use of PEG Fee funding. The Cable Commission reserves the right to modify its working definition as the law on this topic develops. In accordance with the Cable Commission'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, maintenance contracts/agreements, 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 the Cable Commission 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 the Cable Commission. **If Member Agency determines that it will not proceed with the expenditures as set forth in the request approved by the Cable Commission during the current fiscal year, then Member Agency may (1) notify the Cable Commission that the Member Agency will re-submit the PEG Fee funding in the next fiscal year or (2) request an extension for use of the funds within sixty days of the expiration of the current fiscal year. The Executive Director may approve or condition such request in their discretion. 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

**Pro Forma PEG Fee Funding Agreement for Member Agency
Fiscal Year 2026-27**

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such requests.

4. Indemnification. Member Agency shall, at its sole expense, fully indemnify, defend and hold harmless the Cable Commission 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, the Cable Commission 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 the Cable Commission 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 the Cable Commission 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. The Cable Commission 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.

Pro Forma PEG Fee Funding Agreement for Member Agency
Fiscal Year 2026-27
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7. Unauthorized Use of PEG Fee funding. If the Cable Commission 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 the Cable Commission the total sum of those unauthorized expenditures within sixty (60) days of receipt of written notice from the Cable Commission.

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. The Cable Commission 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 the Cable Commission for the failure of the Cable Commission 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.

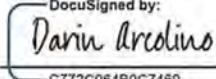
10. Agreement Contains All Understanding. This document represents the entire and integrated agreement between the Parties, and supersedes all prior negotiations, representations or agreements, either written or oral regarding the subjects addressed herein. This document may be amended only by written 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 Cable Commission, as authorized by the Cable Commission Board on the 4th of June 2026.

12. Terms. The term of the PEG Fee funding Agreement ends June 30, 2027.

Pro Forma PEG Fee Funding Agreement for Member Agency
Fiscal Year 2026-27
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MEMBER AGENCY

By: 
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Title: Chief Information Officer
Date: 6/24/2026

**SACRAMENTO
METROPOLITAN CABLE
TELEVISION COMMISSION**

By: 
Title: Ex Director
Date: 7/6/2



April 15, 2026

Sacramento Metropolitan Cable Television Commission
Mr. Shawn Ayala, Executive Director
799 G Street, 4th Floor
Sacramento, CA 95814-1211

**Re: City of Sacramento – FY 2026-27 PEG Fee Funding Request,
Council Chambers Audio Video Upgrade**

Mr. Shawn Ayala, Executive Director

The City of Sacramento is requesting **\$1,101,768.40** for FY 2026-2027 PEG fee funding from the Sacramento Metropolitan Cable Television Commission for our Council Chambers and Chambers Overflow Room 1119.

The City of Sacramento is requesting **\$1,101,768.40** for audio video upgrades to our Council Chambers. These upgrades include backend audio routing and control, new video switcher, replacement microphones, overhead speakers, and converters to replace aging end of life hardware. Additionally, the city is adding an additional conference room located just outside of the chambers as an overflow room. Unfortunately, the city did not have the opportunity to complete the procurement and installation of all of the hardware requested last year, so we are requesting some of the same hardware this year to complete the upgrade.

The City of Sacramento's Council Chambers will need to replace several end-of-life components primarily located in the media-control-room. The ForA video switcher is end of life and has already required repair. The current Crestron control system and touch panels have reached end of life as well. SB707 has presented new requirements for live translations and closed captioning of meetings, requiring additional hardware. All additional equipment listed for backend chamber replacement is due to our continued efforts to support our Council Meetings and replace end-of-life components. City Facilities will be tasked with installing a UPS system to ensure any brief utility power interruptions do not interrupt critical display equipment.

Additionally, City Hall's Room 1119 is our council meeting overflow room and is located just outside the Council Chambers. This will require the room to be equipped with cameras, speakers, and microphones as well as a Crestron control unit, that will enable public participation with council. We are still in the process of updating this room with planned completion in FY27.



FY 2026-2027 PEG FEE Funding Needs:

The combined installation and commissioning of the video and audio equipment in the Council Chambers along with contingencies are:

1. Council Chambers audio video upgrades	\$497,604.93
2. Council Chambers overflow room	\$68,409.78
3. Taxes	\$49,526.29
4. 10% Contingency	\$61,554.10
5. Labor, warranty, bond and shipping	\$424,673.30
 Grand Total	 \$1,101,768.40

Project Scope:

Council Chambers

The City Hall Council Chambers has been experiencing capacity crowds. Council meeting overflow has frequently extended beyond our chambers and into our overflow room. The cost of upgrading our overflow room to support live monitoring is reflected in our request.

City Hall's council chambers was upgraded to accommodate digital audio and video transmission in 2017. This means most of the presentation hardware is over eight years old and many of the components that are used to record and distribute video in the chambers are end-of-life or no longer supported through the manufacture. We are requesting some of this hardware again since we were unable to procure, install and integrate all of the hardware from last fiscal year. This includes, replacing the video switcher, monitors, scalers, overhead speakers and microphones. New items requested this year include a new Crestron control system and touch panels, DSP, Granicus encoder, and EEG closed captioning encoder. Working with Metro Cable staff, we have identified many of these critical items within our media control room. AVI-SPL Inc. has provided a lump sum estimate for the procurement and integration of the listed equipment.

Your consideration of the City's request for funding is appreciated. Should you have any questions, please contact Manuel Martinez, IT Operations Manager at (916) 808-8785, or Mindy Cuppy, City Clerk, (916) 808-5442.

Sincerely,



A handwritten signature in black ink, appearing to read "Manuel Martinez", with a long, sweeping horizontal line extending to the right.

Manuel Martinez
IT Operations Manager
City of Sacramento

Enc. Member Agency PEG Fee Funding Request Form (FY 2026-27)

AVI-SPL Quotes
EEG Enterprises Quote
Granicus Quote
City Facilities/M.C. Dean Quote

CC: Mindy Cuppy, City Clerk
Darin Arcolino, CIO
Wendy Klock-Johnson, Assistant City Clerk
Katie Gresham, Program Specialist
John Esperanca, Telecom Engineer

FISCAL YEAR 2026-27 PEG FEE FUNDING REQUEST (PEG Equipment/Facilities)											
Items Not Completed in FY 2025-26 & Re-Requested FY 2026-27											
Item	Description	Quantity	Unit Price	Sub Total	Sales Tax	10% Contingency	TOTAL	Installation	Warranty	Shipping	GRAND TOTAL
City of Sacramento Council Chambers											
P 1	Completion of Chambers updates started in 2024. Includes audio routing hardware, audio mixer, Video switcher, CableCast system, touch panels, system programming to include additions that were added during 2024. Includes Tax, Shipping, and labor.	1	\$ 475,531.82	\$ 475,531.82	\$ 41,609.03	\$ 51,714.09	\$ 568,854.94	\$ 324,768.99	\$ 7,936.06		\$ 901,559.99
P 2				\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
P 3				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
P 4			\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
P 5			\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Chambers Overflow room 1119											
P 6	Installation and programming of multi camera system, includes cameras, microphones, tracking system, speakers, equipment cabinet, and Crestron control system with programming. Includes Tax, Shipping, and labor.	1	\$ 68,409.78	\$ 68,409.78	\$ 5,985.86	\$ 7,439.56	\$ 81,835.20	\$ 34,943.83	\$ -	\$ -	\$ 116,779.03
P 7				\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
P 8		0	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
P 9		0	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
PEG EQUIPMENT FUNDING (FY 2024-25 RE-REQUEST):							\$ 650,690.14	\$ 359,712.82	\$ 7,936.06	\$ -	\$ 1,018,339.02
New Projects Requested FY 2026-27											
City of Sacramento (City Hall)											
Item	Description	Quantity	Unit Price	Sub Total	Sales Tax	10% Contingency	TOTAL	Installation	Warranty	Shipping	GRAND TOTAL
N 1	AI-Media Closed Caption Encoder HENCHD492-O-02G	1	\$ 11,475.00	\$ 11,475.00	\$ 1,004.06	\$ 1,247.91	\$ 13,726.97	\$ -	\$ 6,077.50	\$ -	\$ 19,804.47
N 2	Granicus - Livecast encoder	1	\$ 4,387.03	\$ 4,387.03	\$ 383.87	\$ 477.09	\$ 5,247.98	\$ 1,096.77		\$ 145.75	\$ 6,490.50
N 3	UPS system for overflow monitors	1	\$ 6,211.08	\$ 6,211.08	\$ 543.47	\$ 675.45	\$ 7,430.00	\$ 49,704.40	\$ -	\$ -	\$ 57,134.40
N 4		0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N 5		0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FISCAL YEAR 2025-26 PEG EQUIPMENT FUNDING REQUEST:							\$ 26,404.96	\$ 50,801.17	\$ 6,077.50	\$ 145.75	\$ 83,429.38

FISCAL YEAR 2026-27 PEG FEE FUNDING REQUEST (PEG Equipment/Facilities)											
Items Not Completed in FY 2025-26 & Re-Requested FY 2026-27											
Item	Description	Quantity	Unit Price	Sub Total	Sales Tax	10% Contingency	TOTAL	Installation Installation Total	Warranty Warranty Total	Shipping Shipping Total	GRAND TOTAL
TOTAL PEG EQUIPMENT FUNDING (FY 2025-26 RE-REQUEST):							\$ 650,690.14	\$ 359,712.82	\$ 7,936.06	\$ -	\$ 1,018,339.02
TOTAL FISCAL YEAR 2026-27 PEG EQUIPMENT FUNDING REQUEST:							\$ 26,404.96	\$ 50,801.17	\$ 6,077.50	\$ 145.75	\$ 83,429.38
GRAND TOTAL							\$ 677,095.10	\$410,513.99	\$14,013.56	\$ 145.75	\$ 1,101,768.40
Please attach vendor quotes / supporting documentation for all of the items requested above.							Tax Rate	8.75%			
Signature _____											
Name & Title: _____											
Date: _____											

[illegible]

Signature _____

FISCAL YEAR 2026-27 PEG FEE FUNDING REQUEST (PEG Equipment/Facilities)											
Items Not Completed in FY 2025-26 & Re-Requested FY 2026-27											
Item	Description	Quantity	Unit Price	Sub Total	Sales Tax	10% Contingency	TOTAL	Installation	Warranty	Shipping	GRAND TOTAL
Name & Title: _____											
Date: _____											

RESOLUTION NO. 2026-

Adopted by the Sacramento City Council

REIMBURSEMENT AGREEMENT WITH THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION FOR FY2026/27.

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 ten years, the technology in the Council Chambers has come to the end of its lifecycle and is technologically obsolete. In the past several 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 July 16, 2026 the SMCTC awarded the City \$1,658,324 in PEG funding for FY2026-27.
- F. The PEG funding award will be used in accordance with federal restrictions to finish installing and integrating several new audio video presentation control hardware for our Historic Hearing Room and upgrading our broadcast Camera System. Additionally, the funding will be used to replace aged and non-supported hardware in our City Hall Council Chambers and integrate it into additional meeting rooms in City Hall. These upgrades will allow the rooms to act as public meeting overflow rooms with full audio and video participation capabilities. Other upgrades include the replacement of the City's playback speakers in chambers, granular audio control adoptions on Clerk's and Control Room Displays, and Digital Signal Processor (DSP) audio amp replacements and integration. The Media Control Room will also be upgraded with new video switchers and audio and video control panels headend. This will allow for a robust transmission of our video production system into the City's streaming environment.
- G. The Council Chamber/ Hearing Room Program (A07001000, CIP Reimbursable Fund 3702) was established to record the reimbursement expenses for the equipment and services from the PEG award.
- H. Since 2017, the City has received PEG funding to support technology and infrastructure upgrades for the Historic Chambers and New City Hall. Due to annual timelines associated with completing projects and processing and reimbursements, some previously approved projects could not be completed with the applicable funding cycle. Those projects

and associated funding were subsequently incorporated into future PEG requests, resulting in the need to reconcile the cumulative project budget.

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

- Section 1. The Interagency Award Agreement with the SCMTC in the amount of \$1,658,324, attached and made a part of this Resolution, is hereby ratified.
- Section 2. Acceptance of the FY2026/27 PEG award of \$1,658,324, together with the reconciliation of the prior year project funding will result in a net reduction of \$1,007,890 to the project budget. This adjustment reflects the reconciliation and reallocation of the PEG-funded projects across budget cycles and does not represent a loss of funding.

The City Manager or the City Manager's designee is authorized to decrease the revenue and expense budgets in the Council Chamber/Hearing Room Program (A07001000) by the difference of the forfeited amount and the new grant amount for FY2026/27 for a total of \$1,007,890 (CIP Reimbursable Fund, Fund 3702).