

**CITY OF CLOVERDALE
ORDINANCE NO. 720-2018**

**AN ORDINANCE OF THE CITY OF CLOVERDALE AMENDING TITLE 3 OF THE CLOVERDALE
MUNICIPAL CODE TO ADD CHAPTER 3.30 "PEG FEES"**

Whereas, Video services are provided within the City by franchisees which are issued a franchise from the State pursuant to the Digital Infrastructure and Video Competition Act of 2006 (DIVCA), at California Public Utilities Code section 5800 et seq.; and

Whereas, Section 5870(n) of the Public Utilities Code, which was enacted as part of the Digital Infrastructure and Video Competition Act of 2006, authorizes the City to adopt an ordinance establishing a fee on state-franchised video service providers to support public, educational, and governmental ("PEG") access channel facilities; and

Whereas, DIVCA provides that a local entity may, by ordinance, establish a fee to support public, educational and government (PEG) channel facilities in the amount of 1% of a franchisee's gross revenues; and

Whereas, the City of Cloverdale desires to establish a PEG fee in order to support PEG facilities which will benefit City residents by allowing for the acquisition and improvement of facilities that provide local PEG programming

NOW, THEREFOR, the City Council of the City of Cloverdale, hereby ordains as follows:

SECTION 1. Chapter 3.30 is hereby added to the Cloverdale Municipal Code to read as follows:

Chapter 3.30

PEG Fees

Section 3.30.010 Public, Educational and Government Channels.

A. Commencing April 1, 2018, any holder of a state franchise pursuant to the Digital Infrastructure and Video Competition Act (DIVCA), shall remit to the City a PEG Fee to support public, educational and government (PEG) channel facilities in the amount of one percent (1%) of the gross revenues of the state franchise holder in compliance with California Public Utilities Code section 5870. This fee is in addition to the franchise fee paid to City by the state franchise holder pursuant Public Utilities Code sections 5840(q) and 5860.

B. The PEG fee shall be remitted quarterly and within forty-five (45) days of the close of each calendar quarter. Each remittance shall be directed to the City finance department and shall be accompanied by a summary explaining the basis for the calculation of the fee.

C. All revenue collected pursuant to the PEG Fee shall be deposited in a separate fund and shall only be expended for the purpose of supporting PEG channel facilities.

D. Notwithstanding subdivision (n) of Public Utilities Code section 5870, upon the expiration of any State franchise, without any action of the City Council, this section shall be deemed to have been automatically reauthorized, unless the State franchise holder has given the City Council written notice sixty (60) days prior to the expiration of the State franchise that the section will expire pursuant to the terms of subdivision (n) of the Public Utilities Code section 5870.

SECTION 2. SEVERABILITY

If any provision of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, or preempted by State legislation, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause or phrase hereof not declared invalid or unconstitutional without regard to any such decision or preemptive legislation.

SECTION 3. EFFECTIVE DATE

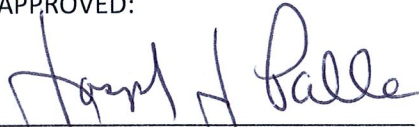
This Ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Council Members voting for or against the same, in a newspaper of general circulation published in the County of Sonoma, State of California.

I hereby certify that the foregoing is a true and complete copy of an Ordinance duly and regularly adopted by the City at a regular meeting thereof held on February 13, 2018, by the following vote:

PASSED, APPROVED AND ADOPTED this 13th day of February, 2018 by the following vote: (Ayes- 5; Noes-0; Abstain- 0)

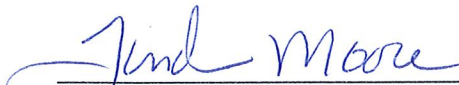
AYES: Councilmember Bagby, Vice Mayor Russell, Councilmember Wolter, Councilmember Brigham, and Mayor Palla
NOES: None
ABSENT: None
ABSTAIN: None

APPROVED:



Joseph J. Palla, Mayor

ATTESTED:



Linda Moore, Deputy City Clerk