



# City of San Antonio

## Agenda Memorandum

**File Number:**19-3646

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**Agenda Item Number:** 18.

**Agenda Date:** 5/16/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Government & Public Affairs

**DEPARTMENT HEAD:** Jeff Coyle

**COUNCIL DISTRICT(S) IMPACTED:** City Wide

**SUBJECT:** Alamo Community College District Interlocal Agreement for Education Channel

### **SUMMARY:**

The purpose of this Ordinance is to approve an Interlocal Agreement between the City of San Antonio and Alamo Colleges (San Antonio College) establishing regulations under which Alamo Colleges agrees to continue operating the City's Educational Access Channel, and will receive funds from the City for capital improvements consistent with Chapter 66 of the Public Utilities Regulatory Act (PURA).

### **BACKGROUND INFORMATION:**

The Educational Access Channel's mission is to provide the San Antonio community with quality educational programming and enhanced educational opportunities. The educational programming includes distance learning courses offered by local private and public colleges and universities, original programming from universities and K-12 schools, as well as arts, news, weather, and local information (electronic bulletin board). The point of origin for the Educational Access Channel is located on the San Antonio College (SAC) campus on the sixth floor of the Moody Learning Center.

Prior to 2005, cable operators were required to negotiate municipal franchise agreements with local governments in order to have access to public rights-of-way used for the installation of their cable systems. In exchange for such access, the cable operators paid municipal franchise fees and other financial assistance to operate Public, Educational, and Governmental (PEG) access channels. In San Antonio, PEG access channels

were operated with the technical, financial and personnel support from Time Warner Cable (TWC), the incumbent cable operator.

In September 2005, the Texas Legislature passed Senate Bill 5, which was codified as Chapter 66 of PURA. Under this legislation, local governments were stripped of their authority to negotiate cable franchise agreements and the Texas Public Utility Commission (PUC) was given the jurisdiction to grant certificates of authority for the provision of cable and video services in the state. Chapter 66 also removed the obligation from cable providers to operate PEG channels. This obligation was handed over to municipalities which hence forth would receive an in-kind contribution of 1% of gross revenues to support PEG access channel capital expenditures.

On December 31, 2005, the cable franchise agreement between the City and TWC expired and TWC began to provide cable services in San Antonio under a PUC issued certificate of authority. SAC agreed to continue its association with the Educational Access Channel and expanded its role to manage daily operations of the channel. The expiration of the cable franchise agreement eliminated governance authority and SAC operated the Educational Access Channel on behalf of the City from January 1, 2006 through February 11, 2010 on a basis of ad hoc regulations established by the City of San Antonio. In February 2010, the City and SAC entered into an Interlocal Agreement for an initial term of 5 years with two, 2-year renewal options. That agreement expires in June 2019. This ordinance would begin a new, similar, Interlocal Agreement that provides governance regulations and a budget process under which SAC may request financial support for capital expenses on an annual basis consistent with the City's budget process. In FY2019, the City's PEG capital budget includes \$200,000 to reimburse SAC for capital expenses for operation of the Educational Access Channel. For the upcoming FY2020 budget, GPA will review SAC's request and make a recommendation for financial support from the PEG fund.

These capital funds from the City will provide revenues to SAC to update studio and transmission equipment and technology. The funding will allow the City to continue to provide continuous educational programming on the Educational Access Channel, which is transmitted to cable subscribers on TWC's channel 98, Grande Communications' channel 21 and AT&T's U-Verse channel 99.

#### **ISSUE:**

Currently, SAC manages the daily operations of the City's Educational Access Channel through an Interlocal Agreement approved by City Council in February 2010 and set to expire in June 2019. The City and SAC have worked together successfully for 9 years to provide quality content on the Education Access Channel for San Antonio residents while meeting all legal requirements for the operation of PEG channels. This ordinance would continue this partnership by beginning a new local Interlocal Agreement for another 5-year term with two, 2-year, renewal options.

#### **ALTERNATIVES:**

SAC may continue to manage the daily operations of the Educational Access Channel without capital support from the City. However, without funds to replace outdated equipment, SAC runs the risk for operational failure and temporary, or long-term, technical difficulties in providing educational programming. If this were to occur, the City would either need to partner with another appropriate agency to operate the channel in accordance with state regulation and to the satisfaction of the City, or would have to assume the daily operation of the

Educational Access Channel.

**FISCAL IMPACT:**

Funds in the amount of \$200,000.00 are available from the PEG Fund in the FY2019 Adopted Budget. For the upcoming FY2020 budget, GPA will recommend an amount from the PEG fund for SAC to continue operating the Educational Access Channel. Specific funding amounts for future years are contingent on City Council adoption through the annual budget process.

**RECOMMENDATION:**

City staff recommends authorization of the Interlocal Agreement between the City of San Antonio and Alamo Colleges.