



**CITY of CALABASAS**  
**CITY COUNCIL AGENDA REPORT**

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**DATE:** DECEMBER 5, 2017

**TO:** HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:** SCOTT H. HOWARD, CITY ATTORNEY  
COLANTUONO, HIGHSMITH & WHATLEY, PC

**SUBJECT:** ADOPTION OF RESOLUTION NO. 2017-1572, REAUTHORIZING THE PUBLIC, EDUCATIONAL, AND GOVERNMENT (PEG) FEE ON STATE CABLE FRANCHISEES OPERATING WITHIN THE CITY

**MEETING**  
**DATE:** DECEMBER 13, 2017

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**SUMMARY RECOMMENDATION:**

That the City Council adopt the attached resolution reauthorizing the City's PEG fee imposed by Section 5.14.010 of the Calabasas Municipal Code.

**BACKGROUND:**

Under the Digital Infrastructure Video and Competition Act of 2006 ("DIVCA"), one of the City's existing franchise agreements with cable operator Charter Communications remains in effect until its expiration on December 31, 2017. Under the City's Municipal Code, the City's incumbent cable operators and all state franchisees operating in the City are required to divide responsibility for collecting the PEG fees required in the local franchise agreement. After expiration of the last City-granted franchise, CMC Section 5.14.010(C) requires that all state franchise holders continue to collect PEG fees in the amount of two percent (2%) of gross revenues. However, DIVCA requires that that local PEG fee ordinances, like Section 5.14.010(C) must be reauthorized each time a state franchise expires.

**DISCUSSION/ANALYSIS:**

Charter Communications California operates within the City under a statewide cable services franchise, which expires on December 31, 2017. To ensure that Charter Communications will be required to collect and remit the PEG fee between December 31, 2017 and the expiration of its next franchise, staff recommends that the City Council reauthorize Section 5.14.010(C) by adopting the attached resolution.

**FISCAL IMPACT:**

Adoption of the proposed resolution will ensure collection and remission of two percent (2%) of Charter Communications' gross revenues on and after December 31, 2017.

**ATTACHMENT:**

PEG Fee Resolution 2017-1572