



Legislation Details (With Text)

**File #:** 15-18796    **Version:** 1    **Name:**  
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**On agenda:** 10/24/2022    **Final action:** 10/24/2022  
**Title:** Charlotte Mecklenburg Public Access Corporation Contract

**Attachments:**

Date	Ver.	Action By	Action	Result
10/24/2022	1	City Council Business Meeting	Approve	Pass

**Charlotte Mecklenburg Public Access Corporation Contract**

**Action:**

- A. Approve an amendment to the contract with Charlotte Mecklenburg Public Access Corporation for the provision of Public Access Facilities and Support,**
- B. Authorize the City Manager to negotiate and execute an amendment to the contract with Charlotte Mecklenburg Public Access Corporation to increase the percentage of state-provided video and telecom revenues paid to the Charlotte Mecklenburg Public Access Corporation from 6.6 percent to eight percent, and**
- C. Authorize the City Manager to amend the contract consistent with the purpose for which the contract and this amendment were approved.**

**Staff Resource(s):**

Jason Schneider, Charlotte Communication and Marketing

**Explanation**

- Pursuant to Section 611 of the Communications Act of 1934, as amended, local franchising authorities may require cable operators to set aside channels for public, educational, or governmental ("PEG") use.
- The Charlotte Mecklenburg Public Access Corporation (CMPAC) is a private, non-profit corporation that was incorporated in May of 2000 for the purpose of operating the public access channel (Access 21) on the Spectrum cable system serving Mecklenburg County and the City of Charlotte.
- The city has an agreement with CMPAC to provide public access services including but not limited to:
  - Administering program production and management of the public access channel(s) for the City of Charlotte.
  - Providing residents within the City of Charlotte - on a nondiscriminatory basis - the necessary resources to produce public access programming, including channel time, equipment, and production facilities free of charge.
  - Providing training to residents of the City of Charlotte in the use of production facilities and equipment.
- After the state ended local franchising authority for cable television, the state began distributing a portion of state sales taxes on video programming to municipal governments, including the city.
- Under the current agreement the city provides CMPAC with 6.6 percent of the video tax revenues that the city receives from the state. The current 6.6 percent was selected because this was the historical percentage of video programming tax revenue that the city had allocated to PEG when

the city still controlled video franchising.

- Due to the broader societal shift away from traditional cable TV, funds provided by the state have diminished and funding for CMPAC has fallen. In fiscal year 2010 the 6.6 percent equated to approximately \$510,000. In fiscal year 2022, this had decreased to approximately \$460,000.
- The increase to eight percent contained in this amendment would increase funding for this service by approximately \$95,000 per year and provide adequate funding to continue service level and equipment maintenance for CMPAC to serve the community.
- The contract automatically renews annually for additional one-year terms unless terminated by one of the parties.
- Annual expenditures going forward are estimated to be \$555,000.

### **Charlotte Business INClusion**

Per Charlotte Business INClusion Policy: Part C: Section 2.1(a) The city shall not establish Subcontracting Goals for Contracts where (a) there are no subcontracting opportunities identified for the Contract; or (b) there are no MWBEs or SBEs certified to perform the scopes of work that the city regards as realistic opportunities for subcontracting.

These contracts meet the provisions of (a) - No subcontracting opportunities.

### **Fiscal Note**

Funding: State of NC use tax on cable and satellite fees