

**MEMORANDUM OF UNDERSTANDING (MOU) BY AND BETWEEN  
THE CITY OF GRASS VALLEY,  
THE CITY OF NEVADA CITY,  
THE COUNTY OF NEVADA,  
AND THE NEVADA COUNTY DIGITAL MEDIA CENTER  
REGARDING MULTI-JURISDICTIONAL SUPPORT AND FUNDING FOR  
CABLE TELEVISION PROGRAMMING, PUBLIC MEDIA CENTER, AND INFRASTRUCTURE**

This Memorandum of Understanding is entered into this \_\_\_ day of June, 2017, by and between the County of Nevada (hereinafter "County"), the City of Grass Valley (hereinafter "Grass Valley"), and the City of Nevada City (hereinafter "Nevada City"), also collectively referred to as "the three jurisdictions," and the Nevada County Digital Media Center (hereinafter NCDMC).

WHEREAS, under a franchise issued by the California Public Utilities Commission, Comcast of California operates a Cable Communications System within each of the three jurisdictions; and

WHEREAS, each of the three jurisdictions have, respectively, adopted Ordinances establishing that cable television franchises operating within their respective jurisdictions shall pay a fee for the support of Public Educational and Governmental (PEG) programming in an amount equal to one and four-tenths percent (1.4%) of the franchise holder's gross revenues; and

WHEREAS, NCDMC provides PEG programming within the three jurisdictions, which is broadcasted through a channel management system housed, maintained, and operated by the County; and

NOW, THEREFORE, the parties to this MOU agree as follows:

1. This MOU shall be effective as of the date fully executed and shall continue in effect through June 30, 2021, unless terminated earlier by mutual agreement of all the parties.
2. This MOU replaces and makes void any and all previous MOU(s) between the four parties.
3. NCDMC agrees to provide leadership and financial assistance towards making Nevada County Television (NCTV) accessible for public access and educational purposes, and to provide high quality local programming.
4. The three jurisdictions agree to provide annual operating support to NCDMC in the following amounts, commencing with the 2016-17 fiscal year:

County of Nevada: \$15,000  
City of Grass Valley: \$12,000  
City of Nevada City: \$3,000

Payment of amounts identified as operating support will be made by the respective jurisdictions within thirty (30) days of receipt of an invoice from NCDMC. NCDMC shall invoice each jurisdiction for one-fourth of each jurisdiction's respective annual grant for operational support at the end of each calendar quarter. Amounts identified as "operating support" may be used by NCDMC for operational and fiscal support services related to providing PEG programming, such as facility maintenance, rent, utilities, telephone and janitorial services.

5. The three jurisdictions agree to grant to NCDMC from the PEG fees that the jurisdictions receive, respectively, from Comcast of California, amounts as needed to support continued PEG programming, subject to the following terms and conditions:
  - a. No later than January 1 each year, each of the three jurisdictions and NCDMC will prepare and submit to the County Chief Information Officer (CIO), in a format specified by the CIO, a proposed budget of expenditures requested to be funded by PEG fees for the following fiscal year (July 1-June 30). NCDMC shall include with its proposed budget an

Annual PEG Plan that outlines their goals for enhancing PEG programming, production, and broadcasting for the upcoming year.

- b. The CIO will evaluate the PEG funding requests and make recommendations for funding based on the following considerations and criteria:
  - i. Expenditures must be allowable uses of PEG fees consistent with the applicable provisions in state and federal law.
  - ii. First priority will be those expenditures required by the County to maintain and enhance its infrastructure to support PEG programming and broadcasting.
  - iii. Second priority will be those expenditures required by the three jurisdictions to acquire and maintain equipment required for broadcasting from their respective legislative chambers (e.g., encoders).
  - iv. Third priority will be those expenditures required by NCDMC to acquire and maintain materials and equipment to support the production and broadcast of PEG programming. Contributions from the three jurisdictions to NCTV for NCTV expenditures will be proportional to the three jurisdictions' respective PEG revenue. For the initial year of this Agreement, those proportions are 60% from the County, 33% from the City of Grass Valley, and 7% from the City of Nevada City. Those percentages will be adjusted annually based on actual PEG fees received.
  - v. The County and the Cities will be expected to maintain a prudent reserve of PEG funds to meet their needs.
- c. No later than February 15 each year, the CIO and the City Managers of Grass Valley and Nevada City will confer on the CIO's recommendations and agree upon an expenditure plan for the following fiscal year.
- d. Payments of PEG fees to NCDMC by the three jurisdictions will be made as follows:
  - i. Payments will be made to NCDMC each quarter as funds are received from Comcast, up to the agreed-upon amount for each jurisdiction.
  - ii. Requests from NCDMC for amounts in excess of the annually agreed-upon amount shall be submitted to the CIO, who will confer with the City Managers to determine the appropriate allocation, if any, from the three jurisdictions PEG funds to cover the additional expenditures.
  - iii. Unspent funds remaining at the end of the fiscal year will be applied to the next year's request.
- e. No later than August 31 of each year, NCDMC shall provide a report to each of the three jurisdictions that documents for the prior fiscal year:
  - i. a narrative report on progress toward meeting the goals identified in the Annual PEG Plan;
  - ii. the balance of PEG funding available on July 1;
  - iii. the funds received from each of the three jurisdictions during the fiscal year;
  - iv. an accounting of expenditures made with PEG funds during the fiscal year;
  - v. an itemized updated equipment inventory list of all items purchased at a cost of \$1,000 or more detailing serial number and purchase date; and
  - vi. the balance of PEG funds remaining on June 30.
- f. To protect the community's long term PEG capital investment, ownership of any item of equipment purchased with PEG funds with an acquisition cost of \$1,000 or more will automatically transfer to the County and must be listed in the annual equipment

inventory. All equipment purchased with PEG funds shall be used by NCDMC and its successors to provide PEG services.

6. NCDMC agrees to rebroadcast on Public Access Cable Television and, whenever practical, broadcast "live," all regular meetings of the Nevada County Board of Supervisors, Grass Valley City Council, and Nevada City Council and, upon written request of Grass Valley, Nevada City or the County, the regular meetings of their respective Planning Commissions.

7. NCDMC shall be responsible for and shall operate the Public Access Channel (currently Comcast Channel 11) in accordance with Federal and State PEG regulations and industry best practices and to operate it with the principles of fairness, transparency, and responsiveness as recipients of public funding.

8. NCDMC shall be responsible for and shall operate the Government Channel (currently Comcast Channel 17) exclusively for governmental and public affairs purposes. Priority for this channel will be given to live government meetings and the rebroadcast of these meetings.

9. NCDMC shall provide, upon written request of any of the three jurisdictions, on-site operation and production services for government meetings and events at a rate of \$80 per hour. The minimum charge per meeting shall be \$240.

10. Any modification to this MOU must be agreed upon by all of the parties.

11. The three jurisdictions, acting collectively in consensus, may, by written notice, terminate this Agreement in whole or in part at any time, whether for convenience or because of the failure of NCDMC to fulfill its obligations hereunder.

12. Should NCDMC determine that it no longer is capable or desirous of providing the services described herein, NCDMC may, upon no less than 90 days' notice to the three jurisdictions, terminate this agreement, subject to the disentanglement provisions in paragraph 13.

13. In the event of early termination of this Agreement pursuant to paragraphs 11 or 12 above, NCDMC shall cooperate with the three jurisdictions and any successor service provider to ensure a smooth transition of PEG programming and broadcasting services, regardless of the nature or timing of the termination, without any interruption or adverse impact on those services or any other services provided by third parties. NCDMC shall fully cooperate with the three jurisdictions and any new service provider and otherwise promptly take all steps required to assist the parties in effecting a complete transition to the new service provider, including but not limited to providing to the three jurisdictions or any new service provider all requested information or documents.

14. Upon termination of this Agreement and completion of any transition activities as described in paragraph 13, NCDMC shall transfer to County, or at County's direction to a designated new service provider, all County-owned assets in NCDMC's position.

IN WITNESS WHEREOF, the COUNTY OF NEVADA, the CITY OF GRASS VALLEY, the CITY OF NEVADA CITY, and the NEVADA COUNTY DIGITAL MEDIA CENTER have executed this Agreement on the day and year set forth below.

**County of Nevada**

Attest:

\_\_\_\_\_  
Hank Weston  
Chairman, Board of Supervisors

\_\_\_\_\_  
Clerk of the Board of Supervisors

Approved as to Form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
County Counsel

**Nevada City**

Memorandum of Understanding  
Nevada County/Grass Valley/Nevada City/NCDMC

\_\_\_\_\_  
Evans Phelps, Mayor

Dated: \_\_\_\_\_

**City of Grass Valley**

\_\_\_\_\_  
Howard Levine, Mayor

Dated: \_\_\_\_\_

**Nevada County Digital Media Center**

\_\_\_\_\_  
Jim Heck  
President, Board of Directors

Dated: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Nevada City Clerk

Approved as to Form:

\_\_\_\_\_  
Nevada City Attorney

Attest:

\_\_\_\_\_  
Grass Valley City Clerk

Approved as to Form:

\_\_\_\_\_  
Grass Valley City Attorney