



CITY COUNCIL AGENDA REPORT

MEETING DATE: OCTOBER 16, 2007

ITEM NUMBER:

SUBJECT: MEMORANDUM OF UNDERSTANDING WITH CCN TO CONFIRM CITY'S INTEREST IN EXPLORING POSSIBLE INSTALLATION OF A CCN COMMUNITY COMMUNICATIONS SYSTEM

DATE: SEPTEMBER 24, 2007

FROM: ADMINISTRATIVE SERVICES DEPARTMENT/ADMINISTRATION

PRESENTATION BY: STEVE MANDOKI, ADMINISTRATIVE SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: STEVE MANDOKI, AT (714) 754-5069

RECOMMENDATION:

That the City Council provide direction, up to and including the approval of the attached Memorandum of Understanding, regarding CCN's request to enter into a Memorandum of Understanding with CCN, USA, LLC to Confirm the City's Interest in Exploring the possible installation of a CCN Community Communications System.

BACKGROUND:

CCN has contacted the City and expressed an interest in installing a Community Communications System in the City of Costa Mesa.

ANALYSIS:

The City has received a request to enter into exclusive negotiations with CCN, USA, LLC for the installation of a Community Communications System within the City's boundaries. A Community Communications System is a community television closed loop channel capable of broadcasting a wide variety of information and community news (much like the City's Channel 24). The specific content of CCN TV would be determined and developed by CCN and the City.

As proposed, approximately 60% of the content and programming on the CCN TV System would be City content and other informational programming such as news, sports and weather. Approximately 40% of the programming shall be advertising. The City and CCN shall determine guidelines for all such advertising. CCN and its agents shall have the responsibility for all aspects of managing, selling and implementing advertising on the CCN TV System, including entering into agreements with third-party advertisers, negotiating the advertising rates and payment terms, as well as screening the content of such advertisements.

CCN is suggesting that the content for the broadcasts will be delivered from several sources including the City's archives, CCN libraries and other organizations from the public and private sector. Should the CCN TV system go beyond the exclusive discussion stage, CCN is requesting the CCN TV System to have a five-year term. At the expiration of the term, all rights to the CCN TV System, including ownership rights to the hardware shall remain with CCN. Upon the termination of any future agreement, CCN would be responsible for the removal of the system and for returning any public property to as good a condition as existed prior to the installation of the CCN TV System.

ALTERNATIVES CONSIDERED:

- 1. The City Council could decide to not pursue CCN's Community Communications System.

- 2. The City Council could decide to not approve the Memorandum of Understanding but still direct staff to have discussions with CCN regarding their Community Communications System.

FISCAL REVIEW:

The Finance Director has reviewed this item and a fiscal review is not needed at this time.

LEGAL REVIEW:

The City Attorney has reviewed, provided changes, and approved the Memorandum of Understanding with CCN.

CONCLUSION:

Staff presents for City Council review a Memorandum of Understanding with CCN. CCN would like exclusivity to talk with the City to explore the possible installation of a CCN Community Communications System.

SIGNATURES ON THE FOLLOWING PAGE

STEVE MANDOKI
Administrative services director

KIMBERLEY HALL BARLOW
City attorney

MARC R. PUCKETT
Director of Finance

DISTRIBUTION: City Manager
City Attorney
Finance Director
Deputy City Clerk

ATTACHMENT: I [Memorandum of Understanding with CCN](#)