



CITY of NOVI CITY COUNCIL

Agenda Item 3
June 8, 2015

SUBJECT: Discussion of the future of Novi Cable/Video Operations.

SUBMITTING DEPARTMENT: Neighborhood & Business Relations

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

More than 30 years ago, the City of Novi entered into an Agreement for Multi-Jurisdictional Administration of a Cable Television Franchise with the Cities of Farmington and Farmington Hills. The cable television administrative commission set up in the agreement is known as the Southwestern Oakland County Cable Commission (SWOCC). The primary purpose of SWOCC is to administer the franchise agreement with BrightHouse.

An organizational study of SWOCC is expected to be complete later this month. The study will provide insight to the viability of video services bas currently conducted (including a needs assessment, facility use, etc.) and the possibilities for each community if SWOCC dissolved.

In December, the Franchise Agreements between the three Cities and BrightHouse will come to an end. BrightHouse has given notice they will be filing for a new Uniform Video Service Local Franchise Agreement per Public Act 480 of 2006. Under Public Act 480 funds received are paid directly to the City of Novi. At that time, the funding currently provided to SWOCC from BrightHouse will cease.

If SWOCC were to continue, it would be necessary for City Council to consider funding for the facility and operations.

RECOMMENDED ACTION: Discussion of the future of Novi Cable/Video Operations.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Markham				

	1	2	Y	N
Council Member Mutch				
Council Member Poupard				
Council Member Wrobel				

MEMORANDUM



TO: PETE AUGER, CITY MANAGER
STEVE MATTHEWS, PHD, SUPERINTENDENT

FROM: SHERYL WALSH, DIRECTOR OF COMMUNICATIONS
STEVE BARR, ASSISTANT SUPERINTENDENT OF BUSINESS
AND OPERATIONS

SUBJECT: NOVI VIDEO OPERATIONS/POSSIBLE PARTNERSHIP

DATE: MAY 19, 2015

Background

More than 30 years ago, the City of Novi entered into an Agreement for Multi-Jurisdictional Administration of a Cable Television Franchise with the Cities of Farmington and Farmington Hills. The cable television administrative commission set up in the agreement is known as the Southwestern Oakland County Cable Commission (SWOCC). The primary purpose of SWOCC is to administer the franchise agreement with Brighthouse (sole cable provider at the time). In addition, SWOCC oversees the public and government access facility usage conducted out of SWOCC Studios, located in Farmington, but available to all three communities for use.

In 2006, the Michigan Legislature adopted Public Act 480 to provide for uniform video service local franchises and to promote competition in providing video services. The Act additionally ensures local control of rights-of-way and provides for fees directly payable to local units of government.

The Novi City Council approved a Uniform Video Service Local Franchise Agreement in 2007 with AT&T. The AT&T payments consisting franchise revenue and PEG fees come directly to the City of Novi and are not used to fund the Southwestern Oakland Cable Commission.

Current Condition

Throughout the past several years, SWOCC has undergone organizational restructuring due to a decline in State Shared Revenue and franchise fees, as well as the progression and enhancement of modern technology.

The Franchise Agreements between the three Cities and Brighthouse will come to an end later this year. Brighthouse has given notice they will be filing for a new Uniform Video Service Local Franchise Agreement per Public Act 480 in September.

The Future

To say the Novi of today is quite different than the Novi of 1983, is an understatement. Not only has the population nearly doubled, but the services provided have continued to grow and keep up with technology.

With the Brighthouse Agreement expiring later this year and their expressed desire to exercise an Agreement with the City of Novi via Public Act 480, it is important to weigh all options for video services delivery.

The SWOCC Board approved an organizational study of cable operations earlier this spring. Conducted by CBG Communications, the study will look at current video operations and the possibilities for each community if dissolution of SWOCC were to occur. The study is expected to be complete in early summer.

With the passing of the school district bond in May 2014, the Novi Community Schools have funds to enhance video production capabilities. Services are currently provided at the Novi High School, the Novi Middle School and out of the Administration Building.

Both School administration and City staff have expressed interest in exploring the possibility of shared video services in Novi. A partnership of this nature could benefit programming and student development, as well as enhance efficiencies and provide opportunities for community engagement. A small staff team from both entities has developed a preliminary needs assessment to determine if a joint venture of this nature is worth exploring.

If this is something the Novi City Council and Novi Community Schools Board would consider, we would welcome the opportunity to continue discussions of this unique partnership in the future.