

# CITY of NOVI CITY COUNCIL

Agenda Item 1  
April 6, 2009

**SUBJECT:** Authorization to purchase two encoders and miscellaneous installation equipment for the approximate total cost of \$11,000 and to increase fiber connectivity at the Civic Center and SWOCC Studios for an approximate cost of \$300 per month and \$105 per month, respectively, for the purpose of providing City of Novi PEG programming to AT&T U-verse subscribers, and to rescind the September 8, 2008 conditional approval of an agreement with AT&T to purchase two encoders and two T1 lines for the same purpose under different terms.

**SUBMITTING DEPARTMENT:** Neighborhood and Business Relations *sw*

**CITY MANAGER APPROVAL:** *[Signature]*

EXPENDITURE REQUIRED	\$ 11,000 (approximately) & \$405 per month
AMOUNT BUDGETED	Sufficient balance in existing accounts
APPROPRIATION REQUIRED	\$ 11,000 (approximately) & \$405 per month
LINE ITEM NUMBER	101-295.00-851.300; 101.265.00-740.000 & 101-295.00-880.100

**BACKGROUND INFORMATION:**

On September 2008, City Council approved an agreement subject to review and approval of standard form agreement by the City Manager and City Attorney to purchase two encoders and T1 transmission lines for the purpose of providing PEG programming to AT&T U-verse subscribers. The three-year contract was for a total of \$45,520.50. While both parties made concessions, a final agreement had not been reached. Since that time technology improvements at SWOCC and the Civic Center have allowed staff to investigate alternate delivery methods.

On March 26, 2009 a successful test of transmitting a "live" signal from the Civic Center to AT&T U-verse using an alternative delivery method was performed. This provides an optional method of delivering all Novi PEG content to AT&T U-verse at a three-year cost of:

Two encoders at \$4,000 each	\$8,000
SWOCC & Civic Center bandwidth	\$14,580
Misc equipment/installation (rack, etc.)	<u>\$3,000</u>
	\$25,580

The anticipated cost savings from this proposal is approximate \$20,000 over the three-contract with AT&T.

**RECOMMENDED ACTION:** Authorization to purchase two encoders and miscellaneous installation equipment for the approximate total cost of \$11,000 and to increase fiber connectivity at the Civic Center and SWOCC Studios for an approximate cost of \$300 per month and \$105 per month, respectively, for the purpose of providing City of Novi PEG programming to AT&T U-verse subscribers, and to rescind the September 8, 2008 conditional approval of an agreement with AT&T to purchase two encoders and two T1 lines for the same purpose under different terms.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Burke				
Council Member Crawford				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

## Walsh, Sheryl

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**From:** DOUGHTY, LORI A (ATTSI) [ld4841@att.com]  
**Sent:** Monday, March 30, 2009 4:24 PM  
**To:** Walsh, Sheryl; Petty, Robert  
**Subject:** AT&T and Novi PEG

Sheryl,  
Rob,

AT&T Michigan appreciates the on-going cooperation and professionalism you both have shown in working to achieve the mutual goal of getting the City's programming up on U-Verse. AT&T Michigan's main focus is to provide the U-Verse customers in Novi, and throughout Southeastern Michigan, with the ability to watch Novi's public, educational and governmental programming. AT&T Michigan understands and agrees that the City of Novi must accomplish this goal in the manner that makes the most sense for the City. Therefore, AT&T Michigan is supportive of whatever direction the City of Novi decides to take in order to obtain the equipment and transport necessary to accomplish this goal. ))

Lori Doughty  
AT&T Director External Affairs



## NEWS RELEASE

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**For Immediate Release**

### **ViewCast Releases Niagara 2100, Lowest-Priced Streaming Appliance on the Market**

**PLANO, Texas — Jan. 7, 2009**— ViewCast Corporation (OTCBB: VCST), a developer of industry-leading hardware and software for the transformation and delivery of professional quality video over IP and mobile networks, today announced the release of the **Niagara® 2100, the lowest priced video streaming appliance available on the market today with an MSRP of \$3,995.00 (US)**. This latest addition to ViewCast's acclaimed line of Niagara video streaming appliances offers exceptional ease-of-use while providing professional-grade value for government agencies, business enterprises and others who want to stream video over IP and mobile networks.

"In light of the economic challenges facing many organizations today, the Niagara 2100 is well timed, and represents an exceptional value in enabling Web-based video communications for a variety of applications" said ViewCast president and CEO Dave Stoner. "The Niagara 2100 captures, encodes, and streams video with plug-and-play simplicity via an easy-to-use Web interface. While the encoder includes many of the same powerful features found in ViewCast's professional-grade streaming appliances, its programmable streaming profiles and convenient front-panel display allow educators, IT professionals and government officials to quickly and easily encode video for reliable live and on-demand streaming."

Stoner added that continuing additions of new streaming technologies are part of the Company's strategy to increase its presence in the video streaming market and develop a

*More...*

broader base of customers. The trend to streaming all types of programming and information over the Internet and mobile networks is beginning to accelerate, as more broadcasters and other content owners are seeking larger or more targeted viewing audiences. According to a recent forecast by Cisco Systems (Cisco Visual Networking Index–Forecast and Methodology, 2007-2012; June 16, 2008), “IP traffic will nearly double every two years through 2012” and video traffic, now approximately one-quarter of all consumer Internet traffic, will account for 50 percent by 2012.

The Niagara 2100 enables easy, affordable entry into streaming and is well suited for a wide variety of uses including Webcasting city council meetings to community members, streaming and archiving of educational activities, and deploying executive messaging and online training for organizations. The Niagara 2100 is also an exceptional solution for the encoder requirements of many other streaming industry software and network providers and integrators to bundle with their products. The compact, self-contained unit fits neatly into fixed installations and provides the portability and stability necessary for on-location streaming. Like all Niagara appliances, the unit features image scaling, cropping, de-interlacing, inverse telecine and closed caption rendering.

This newest Niagara encoder accepts component, Y/C (S-Video), and composite video inputs, as well as balanced and unbalanced stereo audio inputs. And, as it comes with ViewCast SimulStream® technology, it can simultaneously stream multiple resolutions at multiple data rates in Windows Media format. The unit’s front-panel display confirms the presence of audio and video, appraises the user of streaming status, and allows simultaneous activation of multiple codecs from a single “stream” button.

ViewCast’s Niagara SCX® streaming media management software is integrated into the Niagara 2100 to enable management of live video broadcasting over the Internet and to mobile devices. The software enables desktop set-up and control over Niagara streaming systems positioned throughout an enterprise or anywhere on the network. As a result, the user can instantly see the status of all networked encoders, identify active encoding sessions, and control and monitor each individual stream.

More information about ViewCast video streaming solutions is available at [www.viewcast.com](http://www.viewcast.com).

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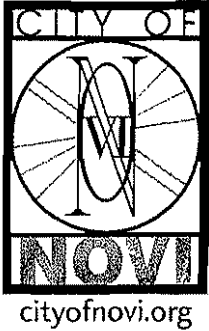
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**About ViewCast**

ViewCast develops industry-leading hardware and software for the transformation and delivery of professional quality video over IP and mobile networks. ViewCast's award-winning solutions simplify the complex workflows required for the Web-based streaming of news, sports, music and other video content to computers and mobile devices, empowering broadcasters, businesses and governments to easily and effectively reach and expand their audiences. With more than 300,000 video capture cards deployed globally, ViewCast sets the standard in the streaming media industry. ViewCast Niagara® streaming appliances, Osprey® video capture cards, and Niagara SCX® encoding and management software provide the highly reliable technology required to deliver the multi-platform experiences driving today's digital media market.

ViewCast, Osprey, Niagara, Niagara SCX, GoStream, SimulStream, and EZStream are trademarks or registered trademarks of ViewCast Corporation or its subsidiaries. All other trademarks appearing herein are the property of their respective owners.

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## MEMORANDUM

**TO:** CLAY PEARSON, CITY MANAGER  
**FROM:** SHERYL WALSH, DIRECTOR OF COMMUNICATIONS  
ROB PETTY, CHIEF INFORMATION OFFICER  
**SUBJECT:** AT&T U-VERSE UPDATE  
**DATE:** MARCH 26, 2009

3-26-09  
To: Mayor and City  
Council Members

Work in progress. *[Signature]*

During the past eight weeks, in recognition of a contractual impasse, we have focused efforts on alternative service delivery methods for U-verse. Several requests were made to AT&T since January to perform a test of Novi programming from the Civic Center using alternate transmission methods. AT&T ultimately relented to a test. Additionally during this time, the opportunity to partner with Farmington Hills and SWOCC presented itself for transmission from the studio location.

### Technological improvements

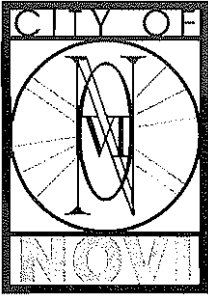
The City of Farmington Hills has entered into an agreement with AT&T to provide fiber connectivity to their municipal facilities, including SWOCC Studios. This provides SWOCC Studios with the necessary capacity to deliver the content to ATT&T U-verse from their location. This fiber connectivity will be operational in late April, providing the capacity to deliver the content to AT&T at a considerable savings over the originally proposed T1 circuit scenario.

As you are aware the City's fiber connectivity can be easily increased to accommodate the live broadcast feeds originating from the Civic Center. Doing so, likewise, presents a cost savings over the T1 circuit option.

### Partnerships

In an effort to continue strengthening shared resources, the City of Farmington Hills was again approached about the possibility of partnering on the cost of respective U-verse transmissions from SWOCC Studios. Recent discussions with Farmington Hills City Manger Steve Brock have produced a commitment to partner in this capacity and share these costs. *[Signature]*

As a result of these events and additional testing today, we are comfortable utilizing these new opportunities for an approximate cost savings to the City of Novi of \$20,000 over three years. *[Signature]*



## MEMORANDUM

**TO:** CLAY PEARSON, CITY MANAGER  
**FROM:** SHERYL WALSH, DIRECTOR OF COMMUNICATIONS  
**SUBJECT:** AT&T FRANCHISE AND PEG FEE REVENUE  
**DATE:** MARCH 23, 2009

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Novi has been a part of efforts to bring cable competition into the city for more than a decade. Prior to 1995, there was no cable competition available in Michigan. Cable operators contended that it was not cost effective to build infrastructure throughout a city when it was likely they would attain less than 30 percent of the market. In 2005, City Council formally adopted a resolution inviting cable competition in Novi on the same terms as approved to the incumbent firm.

In April 2007, City Council approved a Uniform Video Service Local Franchise Agreement with AT&T. The agreement states the video service provider shall pay an annual video service provider fee as franchise fees and an annual fee as support for the cost of PEG access facilities and services. Per this agreement, AT&T pays five percent of the franchise revenue and three percent in PEG fees directly to the City of Novi. The revenue received is detailed below:

#### AT&T Payments to the City of Novi

##### **FY 2007-2008**

Franchise fees	\$19,099
PEG fees	\$11,458
<b>TOTAL</b>	<b>\$30,557</b>

##### **FY 2008-2009 (through 12/31/08)**

Franchise fees	\$ 27,540
PEG fees	\$ 10,524
<b>TOTAL</b>	<b>\$38,064</b>

In September 2008, City Council approved an agreement subject to review and approval of standard form agreement by the City Manager and City Attorney to purchase two encoders and T1 transmission lines for the purpose of providing PEG programming to AT&T U-verse subscribers. The total cost to provide full City of Novi television programming on U-verse is approximately \$27,000 for the first year, including equipment and transmission. In the agreement, AT&T provided a one-time signing bonus of \$9,787.50, bringing the first year cost to \$17,212.50. The cost in subsequent years would be \$14,154 for signal transmission via two T1 lines. While both parties have made concessions, a final agreement has not been reached. During this time, scheduled technology improvements at SWOCC and the Civic Center have allowed staff to investigate alternate delivery methods.

A detailed summary will be provided for the off-week packet (March 26, 2009).