

EFM SUBMISSION NO.: 2017 EFM008

PRESENTED: 8/16/12

ADOPTED: 8/16/12

BY THE EMERGENCY FINANCIAL MANAGER:

**Resolution Authorizing a PEG Agreement Between the City of Flint
and Flint Community Schools**

Pursuant to the Uniform Video Services Local Franchise Act (MCL 484.3301), Michigan municipalities collect franchise fees from video service providers operating within their jurisdiction, and

Pursuant to ordinance and state law, 2% of the gross revenues of the AT&T franchise within the City are paid to City of Flint, and are designated for the establishment, programming, and operation of PEG channels; and

As part of a prior settlement of a dispute between the City of Flint and Comcast regarding their obligation for supporting the establishment, programming and operation of Public, Education, and Government (PEG) channels, Comcast provided the City with certain equipment and assets designated for use in a PEG studio; and

The Emergency Financial Manager of the City of Flint, in order to meet the City's obligation for the use of funds and equipment designated for the establishment, programming, and operation of PEG channels, has considered a proposal from the Flint Community Schools to utilize said funds and equipment to provide for the establishment, programming, and operation of PEG channels as required by law; and

The Emergency Financial Manager of the City of Flint has determined that establishment of an agreement between the City of Flint and the Flint Community Schools for the use of these designated funds is in the best interests of the City of Flint.

IT IS RESOLVED that the City Attorney is directed to prepare an agreement between the City of Flint and the Flint Community Schools for the use of franchise fees from AT&T which are received on a quarterly basis by the City of Flint and for the use of equipment previously provided by Comcast, both of which are designated for the establishment, programming, and operation of PEG channels

IT IS FURTHER RESOLVED that said agreement shall contain the following elements:

- Effective with the first quarterly payment after July 1, 2012 of the 2% designated franchise fee from AT&T, said payment (which is estimated to be between \$7,000 and

\$8,500, but which amount is solely determined by the terms of the franchise agreement) shall be remitted to Flint Community Schools, to be used exclusively in conformance with state law for the establishment, programming, and operation of PEG channels;

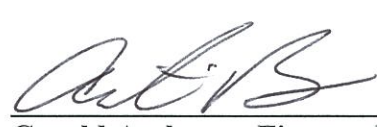
- The equipment provided previously to the City of Flint by Comcast for use in the establishment, programming, and operation of PEG channels shall be transferred to Flint Community Schools, to be used exclusively for the establishment, programming, and operation of PEG channels in conformance of state law, with Flint Community Schools being solely responsible for the security, operation, maintenance, repair, and replacement of said equipment;
- Flint Community Schools will have sole responsibility for establishing the video production facilities for purposes of providing Public, Educational, and Governmental programming on three separate channels, provided however, that Flint Community Schools will have control over programming on the Education Channel; the City of Flint will have control over programming on the Government Channel, and the City and School will jointly determine at a later date how programming on the Public channel will be determined and controlled;
- Flint Community Schools shall be solely responsible for using the funds and equipment received through this agreement in conformance with state law, and shall maintain records necessary to demonstrate such compliance.

IT IS FURTHER RESOLVED that the Finance Director is authorized to make the necessary budget amendments to recognize this agreement and to provide for the timely remittance of the designated funds to Flint Community Schools.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:

 Peter M. Bade, City Attorney

 Gerald Ambrose, Finance Director

EFM DISPOSITION:

ENACT ✓ REFER TO COUNCIL _____ FAIL _____

 Edward J. Kurtz, Emergency Financial Manager

DATED: 8-16-12