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Comcast Cable 9605 SW Nimbus Avenue Beaverton, OR 97008

November 9, 2011

The Honorable Dan Saltzman Commissioner, City of Portland c/o Office for Community Technology 1120 SW 5th Avenue Room 1305 Portland, OR 97204



RE: Temporary Revocable Permit for Comcast renewal cable franchise to facilitate conclusion of City Charter franchising process

Dear Commissioner Saltzman:

Comcast of Oregon II, Inc. ("Comcast") has concluded negotiations and reached agreement with designated staff and legal counsel on the terms of a renewed cable franchise for the period January 1, 2012 – December 31, 2021. The proposed terms and conditions of the renewed cable franchise, with all accompanying documents and exhibits, have been reviewed at a public hearing and received the unanimous approval and recommendation of the Mt. Hood Cable Regulatory Commission (MHCRC).

Comcast acknowledges that under the formal franchise provisions of the Charter of the City of Portland, it may be four months or more before a franchise takes effect. However, the current Comcast cable franchise will expire on December 31, 2011. Unless there is a renewed agreement in place to allow Comcast to continue to provide cable services, the parties' intentions would be frustrated with respect to providing the benefits of the renewed franchise. This could potentially adversely affect related construction activities (such as an upgrade of Comcast's I-Net).

Therefore, Comcast respectfully requests that the City Council proceed with considering the issuance of a temporary, revocable permit containing substantially all of the negotiated franchise renewal terms to allow Comcast to carry forward on January 1, 2012 under the anticipated terms of its renewal franchise, and associated exhibits and documents. Comcast would then operate under these terms and conditions while the formal Portland City Charter franchising process is concluded, at which point the renewed franchise agreement will supersede the temporary revocable permit.

Comcast acknowledges and understands that there may be risks in proceeding forward under a temporary revocable permit before the renewed cable franchise becomes effective under applicable City Charter provisions. These risks may include, but are not limited to the possible referral of the franchise for a city-wide vote under the provisions of the Portland City Charter; the City Council not approving the franchise negotiated with staff; or legal challenges that may delay the effective date of the potential franchise.

However, Comcast is willing to assume such risks in order to ensure that the benefits of the renewed cable franchise are provided to the City as scheduled beginning January 1, 2012.

In acknowledging these risks, Comcast waives any potential claims against the City associated with proceeding under the temporary permit. Comcast also acknowledges that the temporary permit does not grant Comcast any property rights, vested or otherwise, to occupy or use the City's streets or public places. Comcast also acknowledges that any and all rights it may possess under the temporary permit to occupy and use the City's streets terminate upon the expiration of the permit at the end of its term (or when superseded by a Comcast renewal franchise duly authorized under the City Charter) subject to Comcast's ongoing right to operate under 47 USC §546.

If for any reason the City and Comcast have not entered into a final franchise agreement by the end of the term of this permit, neither party waives any and all rights available under 47 USC §546 or otherwise under applicable law.

Comcast acknowledges that the person signing this letter has authority to make the representations contained in this letter on behalf of Comcast of Oregon II, Inc.

Sincerely.

Name: Hank Fore

Title: Sr. Vice-President Comcast of Oregon II, Inc.

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Approved as to form

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MT. HOOD CABLE REGULATORY COMMISSION INTERGOVERNMENTAL AGREEMENT AS AMENDED MARCH 1998

THIS AGREEMENT is between each of the cities of Fairview, Wood Village, Troutdale, Gresham and Portland, all municipal corporations duly incorporated under the laws of the State of Oregon, and Multnomah County, a home rule county formed under the laws of the State of Oregon, hereinafter referred to as the "Jurisdictions." This Agreement is made pursuant to ORS 190.003 to ORS 190.110, the general laws and constitution of the State of Oregon, and the laws and charters of the Jurisdictions.

Section 1. General Purposes. The Jurisdictions have each separately entered into various franchise agreements providing for the construction and operation of cable communications systems within their boundaries. The City of Portland created the Portland Cable Regulatory Commission, and Multnomah County, Gresham, Troutdale, Fairview and Wood Village created the Multnomah Cable Regulatory Commission, each with the general purpose to regulate and administer cable franchise agreements for the Jurisdictions. The Jurisdictions wish to form a unified cable regulatory commission. The formation of a unified regulatory commission serves the public interest in that the boundaries of the Jurisdictions do not necessarily coincide with the service areas of the Grantees, or with the needs of the citizens within each Jurisdiction or franchise, regarding cable communications. In addition, a unified commission can provide enhanced public benefits in franchising and regulation, and economies of scale in its operation.

To further this public interest and these purposes, the Jurisdictions desire to create a unified cable regulatory commission to jointly regulate and administer franchise agreements within their boundaries. The commission will further serve as an advisory body to the Jurisdictions on matters relating to cable communications and function as the Jurisdictions' representative for regional, state or national cable communications policy matters.

Section 2. <u>Definitions</u>.

- A. "Cable Communications System" or "System" any system of antennas, cables, amplifiers, towers, microwave links, cable casting studios, and any other conductors, receivers, home terminals, convertors, equipment or facilities, designed and constructed for the purpose of producing, receiving, amplifying, storing, processing or distributing audio, video, digital or other forms of electronic or electrical signals.
- B. "Commission" means the Mt. Hood Cable Regulatory Commission as formed under this Intergovernmental Agreement.
- C. "Grantee" any person who is authorized by a franchise agreement or seeks authority to construct, operate and maintain a cable communications system operated within the territories of

the Jurisdictions.

- D. "Jurisdiction" any municipality or county which enters into this Agreement.
- E. "Multnomah Community Television" means the designated provider of PEG access for the cities of Fairview, Gresham, Troutdale and Wood Village, and Multnomah County.
- F. "PEG" means public, educational and governmental cable access within the meaning of franchise agreements administered by the Commission, and applicable law.
- G. "Person" any corporation, partnership, proprietorship, association, individual or organization authorized to do business in the State of Oregon, or any natural person.
- Section 3. <u>Commission Creation and Powers</u>. A unified regulatory commission, the Commission is created to carry out the purposes set forth in this Agreement and to administer the cable communications franchises granted by the Jurisdictions. The Commission is vested with all the powers, rights and duties necessary to carry out these purposes that are vested by law in each Jurisdiction, its officers and agencies, subject only to the limitations contained in this Agreement and in the cable communications franchise agreements. "Law" includes the federal laws and Constitution, the Oregon constitution and laws as well as the charters, ordinances and other regulations of each Jurisdiction.
- A. Regulatory Authority. The Commission has the authority to act on behalf of the Jurisdictions jointly and separately, and in its own right, to oversee and regulate any cable communications system operated pursuant to the cable communications franchise agreements entered into by the Jurisdictions. The Commission has full authority to take any action necessary to enforce or administer franchise agreements for operation of cable communications systems, except where the power to take a specific action is either limited or reserved to the Jurisdictions by the provisions of Section 4 of this Agreement.
- B. Contracting Authority. The Commission may make such contracts, grants, and take such other action as it deems necessary and appropriate to accomplish the general purposes of this Agreement. All contracts made shall conform to the requirements of Oregon law.

Section 4. Powers Retained by Jurisdictions.

A. Discretionary Review. Commission action to; (1) find a Grantee in violation of its franchise agreement, or; (2) impose any penalty or financial remedy, or; (3) regulate, establish or approve any Grantee rate or charge, or; (4) determining PEG capital grant purposes and evaluation criteria as set forth in Section 9.E.2 of this Agreement, shall become effective 30 days after the Commission's final decision. Any such Commission final decision shall not be effective unless a copy of the final decision is filed with the Recorder of each affected Jurisdiction within 10 days of such action. Such final decisions are subject to review by the governing body of each affected

Jurisdiction. Within a 30-day period, any affected Jurisdiction may notify the Commission of its intent to exercise review authority. The Commission shall notify all affected Jurisdictions within 10 days of receiving the review notice. If a majority of the affected Jurisdictions acts within 60 days to overturn the Commission's final decision, such decision shall not become effective, and the matter shall be returned to the Commission for further proceedings as directed by the affected Jurisdictions.

- 1. Affected Jurisdiction means any Jurisdiction which is a party to the franchise agreement with the Grantee to which the Commission's final decision applies.
 - 2. Recorder means a Jurisdiction's Clerk, Recorder or Auditor.
- B. Full Authority. As set forth herein, the Jurisdictions reserve the authority to act on their own behalf. Each Jurisdiction agrees to make a good faith effort to weigh the impact of such actions on the overall operation of a cable system and the continuity of the Commission. Each Jurisdiction agrees to take no action in these areas until the Commission has had a prior opportunity to consider the matter.

Authority retained by the Jurisdictions includes:

- 1. Any decision to grant, revoke, terminate, extend, amend, renew or refuse to renew a franchise agreement.
- 2. Any decision concerning a change of ownership or control of a cable communications system or a Grantee.
- 3. Any decision to purchase or condemn a Grantee's interest, in part or in whole, whether or not pursuant to a termination, revocation or expiration of a franchise agreement.
- 4. Any decision regarding cable regulation which requires adoption of any ordinance or resolution by the Jurisdictions.
 - 5. Any decision which requires the amendment of this Agreement.
- 6. Any authority which is reserved to or retained by the Jurisdictions by franchise agreement and which may not otherwise be delegated to the Commission.

Section 5. Commission Members.

A. The Composition. The Commission shall be composed of Commissioners appointed by the Jurisdictions. Each Jurisdiction, except Portland, shall select and appoint one representative to serve as its Commissioner. Portland shall select and appoint three representatives to serve as its Commissioners.

- B. Quorum and Voting. The majority of the members of the Commission shall constitute a quorum. No Commission action shall be in effect except on a majority vote by those Commissioners present.
- C. Term of Office and Succession. Commissioners shall be appointed to serve until their successors are appointed and assume their responsibilities, but shall serve under procedures authorized by the governing body of the Jurisdiction appointing them. However, a Jurisdiction's appointee shall not have any ownership interest in a Grantee. A vacancy on the Commission shall be filled by the governing body of the Jurisdiction whose position on the Commission is vacant.

Section 6. Meetings, Rules of Procedure and Officers.

- A. Meetings to be Public. Meetings of the Commission shall be conducted pursuant to the Oregon Public Meetings law.
- B. Rules of Procedure. At the first organizational meeting, or as soon thereafter as practicable, the Commission shall adopt rules governing its procedures including, but not limited to:
 - 1. Times and places of regular meetings;
 - 2. The method and manner of calling special meetings;
 - 3. The method, term and manner of election of officers;
 - 4. The responsibilities and duties of officers; and
 - 5. The procedures for execution of writings and legal documents.
- C. Officers. At the first organizational meeting, the Commission shall elect from among its members an interim chairperson and an interim vice-chairperson. The chairperson, and in his or her absence the vice-chairperson, shall preside at all meetings, call special meetings, and determine the order of business, until such time as rules requiring otherwise are adopted.

Section 7. Administration and Staffing Services.

The Commission shall contract with the City of Portland (the City) for administrative services as described in the attached Administrative Services Agreement (Exhibit 1). The Commission is authorized to amend, extend, or terminate the Administrative Services Agreement.

Section 8. Transfer of Staff and Assets.

A. Transferred Employees.

- 1. Upon termination of the administrative services agreement between the Commission and Multnomah County (the County), the County shall transfer Julie S. Omelchuck to the City's Office of Cable Communications and Franchise Management (Cable Office), providing that the County is no longer performing any cable regulatory services. Pursuant to ORS 236.630, Julie S. Omelchuck shall be placed in a position found by the City to be comparable to the position she enjoyed under the County's employment. The City shall consider Julie S. Omelchuck's education and physical qualifications, experience, and the salary, duties and responsibilities of her prior employment. The County shall furnish all of Julie S. Omelchuck's employment records to the City at the time of transfer. No affected employee shall be deprived of their employment by the County solely because of the transfer of administrative cable regulatory services to the City. The County shall find positions of employment within the County for all other affected employees.
- 2. The County shall pay each transferred employee all holiday and compensatory time, and any vacation leave time in excess of eighty hours, accumulated by such employee up to the date of the transfer. In addition, funds shall be transferred to the City from within the existing County cable office budget to cover accumulated sick leave, up to the date of transfer, for each transferred employee. The final amount of the payment for accumulated sick leave shall be determined by mutual agreement between the City and the Commission. The County shall reimburse the City for insurance premium costs, if any, resulting from health insurance coverage of preexisting conditions for any transferred employees. If at any time in the future Julie S. Omelchuck transfers back to the County by operation of the terms of Section 8A, the obligations for holiday, compensatory time and vacation leave time under this subsection shall apply equally to the City.
- 3. Any employees transferred by the County to the Cable Office shall be returned to the County if the transferred employee remains in a comparable employment position within the Cable Office and any one of the following events occurs: 1. The administrative services agreement between the City and the Commission is terminated; 2. The City withdraws from this Agreement; 3. The County withdraws from this Agreement; or 4. The Commission is dissolved under the terms of this Agreement.
- 4. This consolidation has presented unique circumstances resulting in the employee transfer provisions set forth in this Section. Due to these unique circumstances, the agreements contained in this Section shall not serve as precedent for any future employee transfer discussions between the City and the County.
- B. Equipment assets, as listed in Exhibit 2, and general office supplies of the Multnomah Cable Regulatory Commission shall physically transfer to the City and shall become assets of the Commission.
- C. The Jurisdictions shall share in the start up costs of the Commission proportionate to the FY 1993-94 budget contribution percentage of the respective Jurisdictions.

Section 9. Receiving and Distributing Funds.

- A. The Commission shall comply with applicable state and local laws as to budget preparation and for audit of its books and records. The Jurisdictions may inspect all Commission books and records.
- B. The annual budget adopted by the Commission shall be transmitted to the Jurisdictions by April 1. Each Jurisdiction shall review the Commission adopted budget prior to June 1 of each year. Upon approval by all Jurisdictions, the Commission-adopted budget shall become effective. If one or more Jurisdictions does not approve, the budget shall be returned to the Commission for modification and resubmitted to the Jurisdictions for approval. If all Jurisdictions do not approve a Commission budget by July 1, the previous fiscal year budget, less 10 percent, shall continue in effect until all Jurisdictions approve a Commission budget.

The Commission shall have the authority, subject to its approved annual budget, to expend funds for any lawful purpose up to the total amount of the approved budget. The Commission must seek approval by the Jurisdictions of budget amendments over the total amount of the approved budget. All Jurisdictions must approve such budget amendments for them to become effective. No Jurisdiction may amend, reduce or increase the approved Commission budget.

- C. The cost allocation of each Jurisdiction in support of the Commission's approved budget shall be determined by the Commission during the annual budget process. The annual approved budget shall establish the specific cost allocation of each Jurisdiction and a schedule for all payments.
- D. 1. The Commission is authorized to receive and collect cable franchise fees for all the Jurisdictions except Portland. The Commission shall distribute such franchise fees according to the terms of the franchise agreements with the Grantees, and the Commission budgets approved by the Jurisdictions. However, the Commission shall allocate, on an annual basis, sixty percent (60%) of cable franchise fees received from the cities of Fairview, Gresham, Troutdale, and Wood Village, and Multnomah County, to Multnomah Community Television for the provision of PEG access services within those Jurisdictions as the designated PEG provider. Fees collected in excess of budgeted amounts shall be returned to the Jurisdictions from which such fees are attributable.
 - 2. The Commission shall not collect the City of Portland cable franchise fees. The City of Portland agrees to transfer quarterly its share of the cost allocation in accordance with the approved Commission budget.
 - 3. All other funds arising out of cable franchise agreements shall be collected by the Commission. The Commission shall allocate such funds in accordance with the franchise agreements and the Commission budgets approved by the Jurisdictions.
 - E. 1. The Commission shall serve as the Grantmaking Board for decisions on

Cable Commission IGA 6 of 9

distributing PEG capital funds as grants, as provided in the cable franchise agreements administered by the Commission under this Agreement. The Commission shall establish procedures and timelines for decisions on distributing such grant funds.

- 2. The Commission shall establish the purposes for PEG capital grants, and evaluation criteria for grant applications, compatible with the terms and conditions of the cable franchise agreements. The Commission shall review such purposes and evaluation criteria at least biennially. Commission determinations of such purposes and evaluation criteria under this Section 9.E.2 shall be subject to review by the Jurisdictions under Section 4 of this Agreement.
- 3. The Commission shall distribute grants of PEG capital funds based upon such purposes and evaluation criteria as have been developed under Section 9.E.2.
- 4. The total amount of PEG capital funds, including the total amount of grant funds to be distributed by the Commission under this Section 9.E., shall be included in the Commission's annual budget as transmitted to the Jurisdictions under Section 9.B.

Section 10. <u>Effective Date</u>. This Agreement shall become effective upon its adoption by all Jurisdictions. Any Jurisdiction entering into this shall adopt an authorizing ordinance and shall forward a certified copy to the City of Portland. Within 30 days of the effective date of this Agreement, the City of Portland shall forward copies of the authorizing ordinances to the Secretary of State.

Section 11. <u>Duration and Termination</u>.

- A. Duration. The duration of this Agreement is perpetual and the Commission shall continue from year to year, subject to subsection 11.B. The Commission shall forward this Agreement to the Jurisdictions every three years for their review.
- B. Termination. In order for any Jurisdiction to withdraw from this Agreement and to prevent obligations for its financial contribution to the Commission for the ensuing year, a Jurisdiction may only withdraw from the Commission by filing a written notice of withdrawal with the Commission by November 1 of any year, effective at the end of that fiscal year. Membership shall continue until the effective date of the withdrawal. However, the withdrawing Jurisdiction shall not take action on the Commission's annual budget. Prior to the effective date, the member Jurisdiction may rescind its withdrawal notice at any time.
- Section 12. <u>Assets.</u> If a Jurisdiction withdraws before dissolution of the Commission, the Jurisdiction shall have no claim against the assets of the Commission. In the event of dissolution, all remaining assets of the Commission, after payment of obligations, shall be distributed among the then existing Jurisdictions in proportion to the most recent budget cost allocation percentage of the respective Jurisdictions. Jurisdictions may agree to buy out each others portion of assets.

Section 13. <u>Dissolution</u>. The Jurisdictions may dissolve the Commission and terminate this Agreement at any time by mutual agreement of all Jurisdictions. The Commission shall continue to exist after the dissolution for such period, no longer than three months, as is necessary to wind up its affairs but for no other purposes.

Section 14. General Terms.

- A. Severability. The terms of this Agreement are severable and a determination by any Court or agency having jurisdiction over the subject matter of this Agreement that results in the invalidity of any part, shall not affect the remainder of this Agreement.
- B. Interpretation. The terms and provisions of this Agreement shall be liberally construed in accordance with its general purposes.
- C. Increasing Member Units of Government. The Commission may develop a method for allowing other units of local government to enter into this Agreement, subject to the full authority provision of subsection 4.B. A fee or cost for such entrance may be imposed.
- D. Amendments. The terms of this Agreement shall not be amended without the written authorization of the governing bodies of all Jurisdictions.
 - E. 1. General Indemnification. Each Jurisdiction shall be responsible for the negligent acts or omissions of the Jurisdiction, or its officers, agents or employees, in carrying out the terms of this Agreement, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260, et seq., and the Oregon Constitution, Article XI, Section 9.
 - 2. By entering into this Agreement, the Jurisdictions are creating a public body under ORS Chapter 190 which is separately responsible for providing coverage for its officers, agents and employees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260, et seq.

APPROVED AND EXECUTED by the appropriate officer(s) who are duly authorized to execute this Agreement on behalf of the governing body of each Jurisdiction.

City of Fairview

Attest:

Mayor

Caseu C. Hugai Dumang City Recorder

City of Gresham

Multnomah County

County Chair

REVIEWED BY: County Counsel

City of Portland

Commissioner

APPROVED AS TO FORM: Jamin Walters Repu

City of Troutdale

City of Wood Village

Cable Commission IGA 9 of 9

EXHIBIT 1

12/23/92

AGREEMENT BETWEEN THE CONSOLIDATED CABLE COMMUNICATIONS COMMISSION AND THE CITY OF PORTLAND FOR ADMINISTRATIVE SUPPORT SERVICES

- WHEREAS, the City of Portland is a home rule city, incorporated under the laws of the State of Oregon, and
- WHEREAS, the Consolidated Cable Communications Commission has been created by an Intergovernmental Agreement between the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village and Multnomah County, pursuant to ORS Chapter 190, the general laws and constitution of the State of Oregon and the laws and charters of the participating jurisdictions, and
- WHEREAS, the Consolidated Cable Communications Commission has a need for administrative and support services, and
- WHEREAS, the City of Portland has the ability to furnish such services and is willing to do so,
- NOW THEREFORE, the City of Portland (City) and the Consolidated Cable

 Communications Commission (Commission) agree as follows:

Section 1. <u>General Purpose</u>. The general purpose of this Agreement is for the City to provide administrative support services to the Commission. It is the intention of the City and the Commission that the Commission shall retain full independent authority to act on all matters related to the purposes for which the Commission was created and to retain all powers granted to it under the Intergovernmental Agreement, as it was written and as it may be amended from time to time. By this Agreement, the City and the Commission do not intend to confer any liability upon the City for any action of the

Commission, independent of any liability that may now exist, or may arise in the future, because of the City's participation in the Intergovernmental Agreement which created the Commission.

Section 2. General Administrative Services.

- A. The City agrees to provide the Commission with administrative and staffing support services in the areas of purchasing, fiscal administration, routine cable regulatory legal services, personnel and general support services, as set forth in this Agreement. The Commission shall follow City procedural requirements for purchasing, fiscal administration, personnel and general support services. The Commission shall retain full authority to act on all matters related to the powers granted to it by this Agreement.
- B. The City shall defend, hold harmless and indemnify the Commission, its members or its agents from any and all claims, demands, settlements or judgments, including all costs and attorney fees, which arise from any City activity the City has agreed to provide pursuant to this Agreement. The Commission agrees to promptly notify the City Attorney of any claims or demands made against the Commission as a result of any activity of the Commission. The City shall not have any additional liability as a result of this Agreement for any action of the Commission apart from any liability which may result from the City's participation as a Jurisdiction in this Agreement.

Section 3. <u>Purchasing</u>. The City agrees to act as the purchasing agency of the Commission and will furnish purchasing agent services to the Commission upon its request provided that in any matter or purchase where the final determination of the successful bidder may be determined under Oregon law by

some criteria other than price, the Commission shall retain final authority to determine a successful bidder or proposal. The City of Portland City Council shall act as the local Public Contract Review Board for the Commission and have jurisdiction over any public contract matter properly brought before a local Public Contract Review Board pursuant to the terms of ORS Chapter 279.

Section 4. Fiscal Administrative Services. The City shall furnish to the Commission the full range of financial administration services requested by the Commission from time to time. These services shall include, but are not limited to, maintenance of Commission accounts, provision of accounts payable, accounting of all Commission revenues and expenditures, assistance in preparing an annual budget and when necessary, budget amendments, preparation of budget monitoring reports on the same frequency as utilized by the City, inclusion of the Commission's approved annual budget within the City's annual budget for transmission to and approval by the Multnomah County Tax Supervision and Conservation Commission, and financial review and external audit services.

The City shall be authorized to receive and expend funds on behalf of the Commission as adopted by the Jurisdictions in the annual budget and at the direction of the Commission. The City will account for such funds in a segregated, dedicated account.

No later than November 1 of each year, the City shall return to the Commission any compensation paid by the Commission to the City for the preceding fiscal year pursuant to Section 8, which was not expended or obligated by June 30 of that fiscal year.

Section 5. <u>General Staff Support</u>. The City agrees to provide sufficient staff to perform the administrative and support services provided in the Commission's approved annual budget. The Commission will set a work plan for each fiscal year and establish regulatory policies for the staff to implement on an ongoing basis. The City agrees to work through its Cable Commissioners to request changes in the Commission's work plan or policies. All decisions regarding creation, filling or reclassification of staff positions, or hiring, disciplining or terminating staff, shall be made by the City, after consultation with the Commission.

Section 6. <u>General Support Services</u>. The City agrees to provide to the Commission the full range of support services generally available to City bureaus and agencies on the same basis, terms, and conditions as such services are generally made available. These services include, but are not limited to, mail pick up and delivery services, access to City vehicles, printing and duplication, telecommunications services, data processing, and management and insurance of physical assets.

Section 7. <u>Cable Regulatory Legal Services</u>. The City agrees to provide routine cable regulatory legal services to the Commission as needed. The Commission may separately contract with third parties or with the City for extraordinary legal services such as rate review, renewal negotiations, litigation or administrative hearings regarding possible cable franchise violations.

Section 8. Compensation. The Commission agrees to pay the City

compensation for the administrative and support services to be provided under this Agreement. The payment shall be made out of the Commission's annual approved budget. By December 31 of each year, the City and the Commission shall agree on the amount to be paid for services for the following fiscal year. The amount shall be based on an estimate of the City's anticipated actual costs of providing such services to the Commission. The City shall keep records of such costs, and such records shall be available for inspection by the Commission upon request.

Section 9. <u>Evaluation</u>. The Commission shall conduct an annual evaluation of the City's administrative services to ensure that the Commission's needs are being met.

Section 10. <u>Term</u>. The term of this Agreement shall be perpetual, unless terminated by the parties pursuant to the terms herein.

Section 11. <u>Termination</u>. This Agreement may be terminated by either party effective July 1st of any year by giving written notice of the intent to terminate on or before the December 31st prior to the July 1st termination date. In addition, this Agreement may be terminated by written agreement of both the City and the Commission effective ninety (90) days after the effective date of the termination agreement.

Section 12. <u>Notices</u>. Notices to the Commission shall be sent to the location of its principal office, to the attention of the Chairperson of the Commission. Notices sent to the City shall be sent to the Office of Cable

Communications and Franchise Management. All notices required under this Agreement shall be sent by certified mail, return receipt requested.

Section 13. <u>Transition</u>. The Commission and the City recognize that on the effective date of this Agreement there continues in existence a similar administrative services agreement between the Commission and Multnomah County (County). These two agreements authorize both the City and the County to provide similar services for the Commission. In order to facilitate the orderly transfer from the County to the City of the administrative services provided to the Commission, the agreement between the Commission and the County may remain in force to a date no later than April 15, 1993. The Commission shall withdraw from the County and transfer to the City, at the Commission's election, the services covered by the County/Commission agreement and this Agreement. The transfer of all services provided by the County to the Commission under the existing County/Commission agreement shall be completed by no later than April 15, 1993.

Section 14. <u>Effective Date</u>. This Agreement will be effective upon its adoption by the Commission.

Chair, Consolidated Cable Communications Commission Mayor, City of Portland

Auditor, City of Portland

Renjamin Walters
City Attorney
Approved as to Form

MULTNOMAH CABLE REGULATORY COMMISSION EQUIPMENT ASSETS INVENTORY

November 30, 1992

| | | 7 | | |
|-------------------------|----------|--------------------------------|--------------|--|
| <u>ITEM</u> | ASSET ID | MAKE/MODEL | SERIALS # | INSTALLED PRODUCTS |
| Computers (1 only) | 29474 | Zenith laptop Supersport SX | 004DE002864 | 42MB HD, 3.25" 1.44MB Floppy, 640KB RAM < 2 serial |
| | | • . | | & Parallel & 1 Parallel Ports; Dos 3.3, WORDPERFECT. |
| Computer (1 only) | 28435 | WANG 381 | Z033Z2 | 40MB HD, 5.25" 1.2MB & 3.5" |
| | | | | 1.44MB Floppy, 650KB RAM, Hercules Video Card, 2 serial & 1 Parallel Ports, WANG; DOS 5.0, WANG System Services, WORDPERFECT, PRIDE, PCLIS, LOTUS |
| Monitor | -0- | Zenith | 019ND0726NOB | TADE, PCLIS, LOTUS |
| Printer (1 only) | -0- | Kodak Lazer Jet | | |
| File Cabinets (2 each) | -0- | Steel, two drawer, metal | | |
| Supply Cabinet (1 only) | 02557 | Steel 8' x 4' | | |
| Desk | -0- | Metal with formica top | | |
| Chair Brown Desk Chair | 23786 | | | |

MULTNOMAH CABLE REGULATORY OFFICE FURNITURE INVENTORY

November 30, 1992

| ITEM | ASSET ID | MAKE/MODEL | SERIALS # | INSTALLE | PRODUCTS |
|------------------------|-------------|------------------------------|-----------|----------|------------|
| Chair Brown Guest C | Chair 23785 | | | <u></u> | V FRODUCIS |
| Chair Red Desk Chai | r -0- | | | | |
| Typewriter (1 only) | 02564 | IBM Selectric II | 6890552 | | |
| Dictaphone (1 only) | 05094 | Sony BM-25A | 622065 | | |
| Electric Stapler (1 or | nly) -0- | FC-90 Isaberg AB Sweder A908 | 111445 | | |
| Tape Recorder (1 on | ly) -0- | Realistic CAT NO. 14-105 | 52A | | |
| Adding Machines (2 | each) 23784 | Texas Instruments | 135963 | | |
| Pencil Sharpener (1 o | only) -0- | Boston | 68000 | ₩ | |
| Coffee Pot (1 only) | -0- | Norelco 12 cup HB5193 | | | · . · |

Hardwired Live Origination Sites

| HEROHD | SITENAME | ADDRESS | CITYSTATE | CATEGORY | Connection Status |
|--------|---|---------------------------|---------------|-----------------|----------------------|
| | | | | and the second | |
| 14 | Portland Community Media | 2766 NE MLK Blvd. | Portland, OR | Ch. Origination | Complete |
| 15 | Metro Administration Building | 600 NE Grand | Portland, OR | Access Site | Complete |
| 17 | Multnomah County Courthouse | 1021 SW 4th Ave. | Portland, OR | Access Site | Complete |
| 1160 | Fairview City Hall | 1300 Village St. | Fairview, OR | Access Site | Complete |
| 20002 | Cathedral Park | N. Edison and Pittsburgh | Portland, OR | Access Site | Complete |
| 20003 | Portland City Hall | 1220 SW 5th Ave | Portland, OR | Access Site | Complete |
| 20004 | Civic Auditorium | 1500 SW Third Ave | Portland, OR | Access Site | Complete |
| 20005 | Civic Stadium | 1844 SW Morrison | Portland, OR | Access Site | Complete |
| 20007 | Gresham City Hall | 1331 NW Eastman Parkway | Gresham, OR | Access Site | Complete |
| 20008 | Hilton Hotel | 921 SW Sixth Ave | Portland, OR | Access Site | Complete |
| 20009 | Newmark Theater | 1111 SW Broadway | Portland, OR | Access Site | Complete |
| 20010 | Jefferson High School (PPS) | 5210 N Kerby | Portland, OR | Access Site | Complete |
| 20011 | Justice Center | 1120 SW 3rd Ave | Portland, OR | Access Site | Complete |
| 20012 | KATU | 2153 NE Sandy Blvd. | Portland, OR | Access Site | Complete |
| 20013 | Marshall High School | 3905 SE 91st | Portland, OR | Access Site | Complete |
| 20015 | N. Lombard and Philadelphia | 7340 N. Philadelphia | Portland, OR | Access Site | Complete |
| 20016 | NE Hassalo and MLK | NE Hassalo and MLK | Portland, OR | Access Site | Complete |
| 20017 | Northwest Film and Video Center | 1219 SW Park Ave | Portland, OR | Access Site | Complete |
| 20019 | PCC - Sylvania | 12000 SW 49th | Portland, OR | Ch. Origination | Complete |
| 20020 | Pioneer Courthouse Square | 701 SW 6th Ave | Portland, OR | Access Site | Complete |
| 20021 | Portland Building | 1120 SW 5th Ave | Portland, OR | Access Site | Complete |
| 20022 | Keller Auditorium | 222 SW Clay | Portland, OR | Access site | Complete |
| 20023 | Portland State University | 1825 SW Broadway | Portland, OR | Access Site | Complete |
| 20024 | Schnitzer Hall | 1037 SW Broadway | Portland, OR | Access Site | Complete |
| 20025 | Troutdale City Hall | 104 SE Kibling Ave. | Troutdale, OR | Access Site | Complete |
| 20026 | Winningstad Theater | 1111 SW Broadway | Portland, OR | Access site | Complete |
| 20027 | World Forestry Center | 4033 SW Canyon Rd. | Portland, OR | Access Site | Complete |
| 20028 | World Trade Center | 121 SW Salmon | Portland, OR | Access Site | Complete |
| 20029 | Multnomah Athletic Club | 1849 SW Salmon St | Portland, OR | Access Site | Complete |
| 20031 | Multnomah Co. Hawthorne Bldg | 501 SE Hawthorne Blvd. | Portland, OR | Access Site | Complete |
| 20032 | Oregon Public Broadcasting | 7140 SW Macadam | Portland, OR | Access Site | Complete |
| 20033 | Dishman Community Center | 77 NE Knott | Portland, OR | Access Site | Complete |
| 20034 | Portland School District | 501 N Dixon | Portland, OR | Ch. Origination | Complete |
| 20059 | Kenton Historical Fire House | 8105 N Brandon | Portland, OR | Access site | Complete |
| 20067 | Hollywood Theatre | 4122 NE Sandy Blvd | Portland, OR | Access Site | Complete |
| 20072 | Interstate Firehouse Cultural Center | 5430 N Interstate Ave | Portland, OR | Access Site | Complete |
| 20073 | East Metro County Building | 604 NE 8th | Gresham, OR | Access site | Complete |
| 20081 | MetroEast Community Media | 849 NE 8th St | Gresham, OR | Ch. Origination | Complete |
| 20087 | Ethos | 10 N Killingsworth Street | Portland, OR | Access Site | Complete |
| 20110 | Highland Christian Church | 7600 NE Glisan St | Portland, OR | Access Site | Complete |
| 20118 | MetroEast 3rd Central studio | 128 NW 3rd in Gresham | Gresham, OR | Access Site | Complete |

I-Net Assets

The following are the I-Net assets, as owned and maintained by Grantee, on the effective date of this Franchise. These assets may be expanded, upgraded and/or replaced over time in accordance with Franchise Section 6.4.

(A) Fiber Assets:

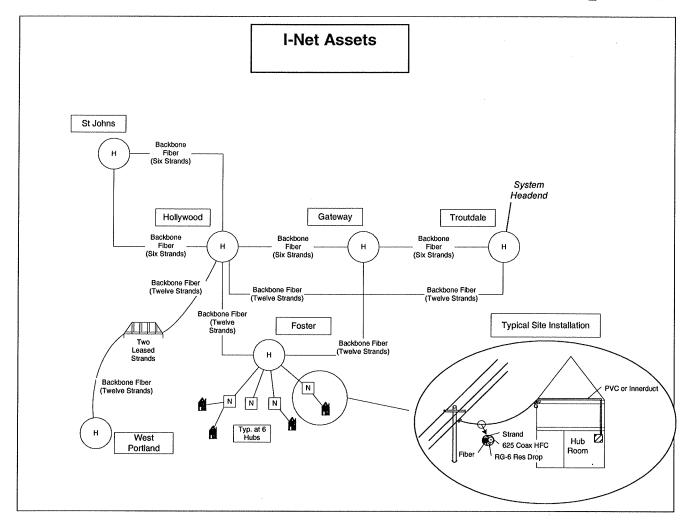
- (1) Backbone Fiber is single mode Fiber among Transport Hubs and Grantee's Headend located in Troutdale, OR. There are a total of eight Hub-to-Hub backbone Fiber links within the Franchise Area:
 - (a) Hollywood to Gateway, six strands
 - (b) St Johns to Hollywood #1, six strands
 - (c) St Johns to Hollywood #2, six strands
 - (d) Gateway to Troutdale, six strands
 - (e) Troutdale to Hollywood, 12 strands
 - (f) Hollywood to Foster, 12 strands
 - (g) Foster to Gateway, 12 strands
 - (h) Hollywood to West Portland, 12 strands, except the segment across the Ross Island Bridge is two strands
- (2) One pair of Fiber between West Portland Transport Hub and Washington County, OR, institutional network (referred to as the PCN) core location; and one pair of Fiber between the PCN core location and the St. Johns Transport Hub. These Fiber connections are used for the PCN and I-Net Interconnect.
- (3) For distribution Fiber between every existing residential Fiber node, and the corresponding Transport Hub, there is sufficient I-Net Fiber Capacity to provide I-Net Services for any I-Net Sites.
- (4) Distribution Fiber, comprised of six strands of Fiber between each I-Net Site and the corresponding residential Fiber Node, establishing a continuous Fiber Optic pathway from the I-Net Site to the associated Transport Hub.
- (5) Twelve Fiber strands from the Transport Hub to each Fiber Node serving three City locations, the Portland Building, Fire Training Center and Bureau of Emergency Communications, with 10 Fiber strands continuing into each of these three sites.

(B) Electronic Assets:

- (1) Headend electronics include gigabit Ethernet backbone switch (Foundry Netiron 1500 series),
- (2) Transport Hub (6) electronics include gigabit Ethernet backbone switch (Foundry Netiron 1500 series), DWDM multiplexers, optical receivers, and optical transmitters: One spare gigabit Ethernet backbone switch ((Foundry Netiron 1500 series).

(C) Other Physical Assets:

- (1) All other assets necessary to operate and support the I-Net, including, but not limited to space, power, HVAC, support hardware, outside plant resources, and building entrance facilities.
- (D) The following diagram provides a high level representation of the I-Net physical assets:



Interpretation of certain provisions of Cable Television Consumer Protection Policy Franchise Section 10.1 (B)

With Grantee and the City both reserving their respective rights under applicable law, Grantee and the City agree that the interpretations set forth in this Exhibit shall control on the related requirements set forth in the Cable Television Consumer Protection policy as adopted by the City Council:

Local Office and Office Hours

During the term of the Franchise, if Grantee chooses to no longer maintain a physical customer service center and bill payment office in the Franchise Area at locations that are convenient to subscribers and the public, the City and Grantee agree that "convenient" shall be interpreted to require Grantee, at a minimum, to:

- (a) provide for the pick up or drop off of equipment free of charge by means of Grantee picking up equipment from a Subscriber's residence,
- (b) provide Subscriber with a pre-paid mailer; and
- (c) provide for Subscriber bill payments over the phone free of charge through a live, qualified Grantee customer service representative.

Telephone Answering Standard

During the term of the Franchise, the City and Grantee agree that "Telephone Answering Time" shall be interpreted to require Grantee, under Normal Operating Conditions, to meet the specified standard for all calls received to be answered within thirty (30) seconds and, if the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. Grantee shall meet this standard for ninety percent (90%) of the calls Grantee receives at all call centers receiving calls from Subscribers, as measured on a cumulative quarterly calendar basis. Measurement of this standard shall include all calls received by Grantee at all call centers receiving calls from Subscribers, whether answered by a live representative, an automated attendant, or abandoned after 30 seconds of call waiting.

Notice Requirements

During the term of the Franchise, the City and Grantee agree that Notice Requirements requiring 30-days advance written notice to Subscribers shall not be interpreted to require Grantee to provide such notice in the following limited situations:

- (a) changes to Pay-Per-View or on-demand programming rates, so long as all applicable rates and charges are fully, clearly and accurately disclosed to Subscribers when services are ordered;
- (b) the addition of programming, channels or services to an existing programming package or service tier; and
- (c) relocation of channels within an existing service tier or programming package so long as no overall reduction in channels or programming results.

GUARANTEE IN LIEU OF BOND

| THIS GUARANTEE is made this | day of | , 201_, be | tween the Guar | antor, the Cit | y of |
|------------------------------------|----------------|------------------|------------------|----------------|------|
| Portland, Oregon, and the Grantee. | For the purpo | se of this Guara | antee, the terms | s "Guarantor" | and |
| "Grantee" have the meanings given | in this Guarar | ntee, below. | | | |

WITNESSETH

WHEREAS, the City of Portland, Oregon, (the "City") has negotiated a cable renewal franchise with Comcast of Oregon II, Inc., (the "Grantee"), to operate and maintain a cable television system (the "Cable System"); and,

WHEREAS, Comcast Corporation ("Guarantor") is a parent company of the Grantee and has a substantial interest in the Cable System and the conduct of the Grantee in complying with the Franchise Document (as defined below), which Franchise Document is hereby incorporated by reference to this Guarantee; and

WHEREAS, Section 14.3 of the Franchise Document requires the Grantee to furnish a faithful performance bond to cover the faithful performance of the Grantee's obligations under the Franchise Document; and,

WHEREAS, the Guarantor is willing and has agreed to provide a guaranty in lieu of the performance bond as provided in Section 14.3(E) of the Franchise Document;

NOW, THEREFORE, in consideration of the foregoing, the Guarantor agrees:

- 1. The Guarantor hereby unconditionally guarantees the punctual performance of any and all obligations of Grantee as set forth in Section 14.3 of the Franchise Document. In the event Grantee for any reason fails to perform the obligations of the Grantee as set forth in Section 14.3, the Guarantor agree to perform or cause to be performed those obligations on Grantee's behalf. The Guarantor's liability under this Guarantee shall mature immediately, without notice or demand by the City, and become due upon the occurrence of any failure of performance by the Grantee of its obligations as set forth in Section 14.3.
- 2. This guaranty is an absolute, continuing, and unlimited guaranty of performance of the obligations of the Grantee as set forth in Section 14.3 of the Franchise Document, except this guaranty is limited to the amount set forth in Section 14.3. The City shall not be obliged to proceed first against the Grantee or any other person, firm or corporation.
- 3. The Guarantor consents that, without notice to the Guarantor, and without the necessity for any additional endorsement, consent, or guaranty by the Guarantor, the obligations of the Grantee may, from time to time, be amended, modified, compromised or released by the City, all without impairing or affecting in any way the liability of the Guarantor hereunder.
- 4. The Guarantor waives notice of acceptance of this guaranty, and further waives protest, presentment, demand for performance or notice of default to the Guarantor. The Guarantor agrees that it is the Guarantor's responsibility to be informed of the condition of the Grantee and the status of the Grantee's performance of its obligations, and the City has no duty to advise the Guarantor of any information known to it in that regard. This

waiver, however, shall not be deemed a waiver of any requirements of the Franchise Document as to notice to the Grantee.

- 5. The City's failure to require strict performance of the Franchise Document shall not release the Guarantor from liability under this Guarantee.
- 6. Any litigation between the City and the Guarantor arising under or regarding this Guarantee shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon. The terms and provisions of this Guarantee shall be governed by and construed in accordance with the laws of the State of Oregon, even if Oregon's choice of law rules would otherwise require application of the law of a different state.
- 7. This Guarantee, unless terminated, substituted or cancelled, as provided herein, shall remain in full force and effect for the duration of the term of the Franchise Document, or as expressly provided otherwise in the Franchise Document.
- 8. The Guarantor may propose substitution of another Guarantor to perform the obligations of this Guarantee. If the City finds the proposed substitute Guarantor reasonably satisfactory, another Guarantee may be substituted upon mutual agreement of the City and the Guarantor. Such substitution shall not affect liability incurred or accrued under this Guarantee prior to the effective date of such substitution. No claim, suit or action under this Guarantee by reason of any default of the Grantee shall be brought against the original Guarantor unless asserted or commenced within one year after the effective date of such substitution of the Guarantee.
- 9. Any notices given pursuant to this Guarantee shall be in writing and delivered personally to the following addressees or deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the Guarantor and the Grantee at P.O. Box 5630, Denver, Colorado 80217, and to the City at: Office for Community Technology, Room 1305, 1120 SW 5th Avenue, Portland, Oregon 97204.

| IN | WITNESS WHEREOF, | the Grantee, the | e City, and | d Guarantor h | ave entered | into this G | uarantee o | n the | _ day |
|----|------------------|------------------|-------------|---------------|-------------|-------------|------------|-------|-------|
| of | | | - | | | | | | _ • |

DEFINITIONS

(For numerous of this Commentee the following towns are defined as indicated below)

| Grantee: Comcast of Oregon II, Inc. | |
|---|------|
| | |
| Franchise Document: Franchise Renewal Ordinance No, passed and adopted2 | 011. |
| GUARANTOR: Comcast Corporation By: Title: | |
| State of)) ss. | |
| County of) | |

| | nowledged before me on the asas | | |
|--|---|----------------------|--------------------------------------|
| of Comcast Corporation. | | | _, a dury audiorized officer |
| | | | |
| | Notary Public for | | • |
| | My Commission Expires: | | |
| GRANTEE: Comcast of Oregon II, Inc. BY: | | | |
| Title: | | | |
| State of) | | | |
| | ss.) | | |
| | nowledged before me on the | | |
| Comcast of Oregon II, Inc. | | , | |
| | Notary Public for My Commission Expires: | | |
| City of Portland, Oregon: BY: TITLE: | | 4: | |
| State of) | | | |
| County of | ss.) | | |
| This Guarantee was ack | nowledged before me on theas | _ day of of the (| , 201_, by City of Portland, Oregon. |
| | Notony Dublic for | • | |

Notary Public for My Commission Expires:

ACCEPTANCE

Karla Moore-Love Council Clerk City Hall 1221 SW 4th Ave Room 140 Portland, OR 97204

Portland, OR 97204

| "Grantee") hereby unqualifiedly accepts the temporary, passed by the City of Po "Franchise") granting a franchise to the Grant of the City. As required by Section 10-212 of | (the "City") that Comcast of Oregon II, Inc. (The erms and provisions of Ordinance No. ortland, Oregon on the of, 2011 (the tee to operate a Cable System within specified areas of the Charter of the City of Portland, the Grantee ery term, condition and restriction of the Franchise. |
|--|--|
| Dated as of the day of | , 2011. |
| COMCAST OF OREGON II, Inc. | STATE OF) ss. |
| | County of) |
| By | |
| Name: Title: | This Acceptance was acknowledged before |
| Tiue. | me on the day of, 2011, by |
| Date:, 2011 | as, a |
| , 2011 | duly authorized officer of Comcast Of Oregon II, Inc. |
| | Notary Public for |
| | My Commission Expires |
| APPROVED AS TO FORM: | |
| | |
| City Attorney | |
| C: Office for Community Technology | |



Comcast Cable 9605 SW Nimbus Avenue Beaverton, OR 97008

City of Portland c/o Office for Community Technology City of Portland 1120 SW 5th Ave, Room 1305 Portland, OR 97204

Re:

I-Net Letter Agreement

Dear City of Portland:

The purpose of this letter agreement is to set forth commitments between Comcast of Oregon II, Inc., who is qualified to do business in Oregon, (hereinafter, "Comcast") and the City of Portland (hereinafter called "the City") that are in addition to the Franchise Agreement to be adopted by Ordinance (hereinafter, "the Franchise"). These items have been negotiated in good faith and agreed to as part of the informal franchise renewal process pursuant to 47 U.S.C. 546(h), and specifically relate to unique community needs that exist in the City. This letter agreement shall become effective upon approval of the Franchise by the City Council. Unless otherwise indicated, terms, phrases and their derivations in this letter agreement shall have the same meanings as in the Franchise.

A. Funding of Currently Planned I-Net Upgrade.

- (1) The parties acknowledge that Grantee and the Commission have planned and authorized funding for an upgrade of the I-Net in place as of the effective date of the Franchise. The parties agree that funding of such I-Net upgrade shall be provided by Grantee from funds remaining at the conclusion of the prior cable franchise term (December 31, 2011) and which were otherwise retained by Comcast in an I-Net Fund ("I-Net End Fund"). The manner, timing and completion of the I-Net upgrade under the renewed Franchise shall be subject to ongoing oversight and approval by the Commission.
- (2) Following completion of the I-Net upgrade, Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund for the approved I-Net upgrade. If the Commission has not required changes to the report or disallowed expenditures in accordance with the Franchise within 90 days of the Commission's actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee's I-Net End Fund.

B. Funding of Currently Planned I-Net Connections.

- (1) The parties acknowledge that the Commission has requested, and will continue to request, cost estimates for certain new I-Net connections that will not be complete on the effective date of the renewed Franchise. The parties agree that the funding for these new I-Net connections shall be provided by Grantee from the I-Net End Fund, so long as the Commission's request for a cost estimate is received by Grantee no later than December 31, 2011.
- (2) Following completion of the connection by Grantee in accordance with the Franchise Section 6.4(D)(1), Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund in accordance with Franchise Section 6.4(D)(1). If the Commission has not required changes to the report or disallowed expenditures within 90 days of the Commission's actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee's I-Net End Fund.

C. Additional I-Net End Fund Expenditures.

- (1) In partial consideration of the parties agreeing upon the I-Net charges, Grantee shall be entitled to reduce the I-Net End Fund a total amount not to exceed four hundred thousand dollars (\$400,000) over a period not to exceed thirty six (36) months from the effective date of the Franchise.
- (2) Effective August 31, 2013, capital funds remaining in Grantee's I-Net End Fund may be used to offset construction costs of line extensions that exceed Grantee's capital contribution provided under Section 8.4, for the purpose of distributing services, including PEG Programming, within the Franchise Area. Grantee shall not have access to the I-Net End Fund for such purposes under this Section prior to September 1, 2013. All determinations regarding the use of the I-Net End Fund for line extensions shall be at Grantee's sole discretion. Grantee shall report on the use of the I-Net End Fund for line extensions within ninety (90) days of completion of the line extension. In addition, Grantee shall consider requests by the City's authorized representatives for funding to specific line extensions consistent with the parameters of this Section C from the I-Net End Fund.

All expenditures from the I-Net End Fund under the prior franchise remain subject to ongoing oversight and approval by the Commission. Upon request by the City, Grantee shall provide an I-Net End Fund report, including beginning and current balances and authorized deductions.

The terms and conditions of this letter agreement are binding upon the City and Comcast and their successors and assigns under the Franchise. A violation of these terms of this agreement by Comcast may be considered by the City as if it were a violation of the Franchise, and subject to the remedies and enforcement provisions under Section 19 of the renewed Franchise. The parties agree that fulfillment of the obligations set forth in this letter is also necessary and part of the consideration to secure the renewed Franchise.

| Acknowledged and agreed to this day of | , 2011. |
|--|---------|
| Comcast of Oregon II, Inc. | |
| By: Jun 190 | |
| Its: / Heat 72 ford | |
| | |
| City of Portland | |
| Ву: | |
| Its: | |
| Date | |



Comcast Cable 9605 SW Nimbus Avenue Beaverton, OR 97008

City of Portland c/o Office for Community Technology City of Portland 1120 SW 5th Ave, Room 1305 Portland, OR 97204

Re: PEG Access Letter Agreement

Dear City of Portland:

The purpose of this letter agreement is to set forth commitments between Comcast of Oregon II, Inc., who is qualified to do business in Oregon, (hereinafter, "Comcast") and the City of Portland (hereinafter called "the City") that are in addition to the Franchise Agreement to be adopted by Ordinance (hereinafter, "the Franchise"). These items have been negotiated in good faith and agreed to as part of the informal franchise renewal process pursuant to 47 U.S.C. 546(h), and specifically relate to unique community needs that exist in the City. This letter agreement shall become effective upon approval of the Franchise by the City Council. Unless otherwise indicated, terms, phrases and their derivations in this letter agreement shall have the same meanings as in the Franchise.

A. Access Program Listings in Subscriber Guides.

- (1) For purposes of this letter, "Electronic Program Guide" or "EPG" means the program guide, navigation system and search functions accessible on Comcast's digital Cable Services through the Subscriber set-top unit and remote control, or their successor technology.
- (2) Comcast shall include the Access Channels and Programming information in all EPG menus and analog program guides and online program guides available to Subscribers. Access Channels and Programming shall be listed in a substantially similar manner and placement as the Broadcast Channels, including individual program descriptions, in a non-discriminatory manner.
- (3) Comcast shall include Access Channel listings in any printed programming guide provided to Subscribers, which includes channel listings of the Broadcast channels.
- (4) The Designated Access Providers shall be responsible for providing the Access Channel and Programming information through an RSS feed or equivalent format and within the appropriate timeframe for insertion into program guides.
- (5) Comcast shall bear all Capital, implementation and operating costs to include the Access Channels and Programming information into all program guides available to Subscribers.

(6) The parties agree to continue discussions toward a goal of permitting Designated Access Providers to engage with and pay third party guide providers directly.

B. Video on Demand.

- (1) Comcast shall include Access Programming on its video-on-demand ("VOD") platform. Comcast shall provide the Designated Access Providers with the VOD capacity on Comcast's server to include a minimum of thirty (31) hours of Access Programming on Comcast's VOD at any given time. The City shall coordinate use of such VOD capacity among the Designated Access Providers.
- (2) Comcast agrees to work in good faith with the Designated Access Providers to establish a process agreeable to the Designated Access Providers for placing Access Programming on Comcast's VOD, utilizing a system that enables online content uploading to an FTP site or equivalent technology. Such process will also include, but not be limited to, addressing programming technical formatting, submitting program description to the EPG, and identifying potentially offensive programming for disclaimers. Designated Access Providers are responsible for selecting the Access Programming and providing it to Comcast in an MPEG2 or other appropriate format compatible with Comcast's equipment and system.
- (3) Any Access Programming placed on VOD shall be accessible by Subscribers free of charge, provided that they subscribe to the appropriate level of cable service in which access to Comcast's VOD platform is included.
- (4) The Parties recognize that VOD platforms for distribution of programming may change over time. Future development may allow for the Designated Access Providers and Comcast to agree on a mutually acceptable alternative to include Access Programming on Comcast's VOD platform and, as a result, increasing the amount of Access Programming available to Subscribers. To that end, Comcast agrees to engage in good faith efforts to discuss alternative to including Access Programming on any Comcast VOD platform.

C. PEG Channel Placement.

- (1) For purposes of Sections 5.3(C) and (D) of the Franchise, Access Channels under each of these Franchise Sections shall be considered within "reasonable proximity" of one another if all the Access Channels are contained within a span of activated channels no greater than twenty (20) in Comcast's channel lineup for Basic Service.
- (2) Access Channel assignments shall be deemed within reasonable proximity of any Broadcast Channel if no Access Channel assignment is more than thirty (30) activated channels from any Broadcast Channel, subject however to retransmission agreements with broadcasters or must carry obligations. Subject to this Section C, this section does not otherwise limit Grantee's placement of PEG Channels.

The terms and conditions of this letter agreement are binding upon the City and Comcast and their successors and assigns under the Franchise. A violation of these terms of this agreement by Comcast may be considered by the City as if it were a violation of the Franchise, and subject to the remedies and enforcement provisions under Section 19 of the renewed Franchise. The parties agree that fulfillment of the obligations set forth in this letter is also necessary and part of the consideration to secure the renewed Franchise.

| Acknowledged and agreed to this day of, 20 | JII. |
|--|------|
| Comcast of Oregon II, Inc. | |
| By: Junafre | |
| Its: V Hedre Nove | |
| Date: (1 (7 (7) 1) | |
| City of Portland | |
| Ву: | |
| Its: | |
| Date: | |