

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

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|---|---|---|--|
| 1. Name of Initiator Mark Greinke, CTO | | 2. Telephone No. 823.4219 | 3. Bureau/Office/Dept. Technology Services |
| 4a. To be filed (date): November 10, 2011 | 4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | | 5. Date Submitted to Commissioner's office and FPD Budget Analyst: November 3, 2011 |
| 6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed | | 6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed | |

1) Legislation Title:

*Authorize an Agreement with Comcast of Illinois/Ohio/Oregon, LLC and Comcast of Oregon II, Inc. for Institutional Network Service (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose is to authorize an Agreement with Comcast of Illinois/Ohio/Oregon, LLC and Comcast of Oregon II, Inc. for Institutional Network Service to the City.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|--|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | <input type="checkbox"/> Internal City Government Services | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

Passage of this ordinance will enable the City to continue to receive revenue associated with the City of Portland's management of the Institutional Network Service. The City manages the network on behalf of a number of regional government entities, including Portland Public Schools and Multnomah Education Services District, Mt. Hood and Portland Community Colleges, Multnomah County, Metro, City of Gresham, Housing Authority of Portland and other public entities located throughout Multnomah County

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)

Expenses are estimated to not exceed \$7,500,000 for the initial five-year term and \$12,500,000 for the five year renewal term. Funding is from the Bureau of Technology

Services operating budget. The dollar increase between years five and ten are to address Comcast rate increases in accordance with the terms of the agreement and to support additional I-Net customers from whom supporting revenues shall be collected by the City.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

This legislation will not result in any changes to positions either in the current year or in future years.

- **Will positions be created or eliminated in *future years* as a result of this legislation?**

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

| Fund | Fund Center | Commitment Item | Functional Area | Funded Program | Grant | Sponsored Program | Amount |
|-------------|--------------------|------------------------|------------------------|-----------------------|--------------|--------------------------|---------------|
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[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- YES: Please proceed to Question #9.
 NO: Please, explain why below; and proceed to Question #10.

The I-Net Services agreement with Comcast was negotiated in conjunction with the renewal of the cable services agreement between the City of Portland and Comcast. Although the franchise renewal process had extensive public involvement over a three-year time period, including a Public Hearing on September 26, 2011, there were not separate public involvement efforts specific to the City's I-Net Services agreement.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

None is anticipated because public involvement is primarily applicable to the Cable franchise agreement and not the I-Net agreement. However, it should be noted that current I-Net stakeholders include Portland Public Schools, Multnomah ESD, Mt. Hood and Portland Community Colleges, Multnomah County, Metro, City of Gresham, Housing

Authority of Portland and other public entities located throughout Multnomah County. The Bureau of Technology Services will continue to organize regular I-Net Stakeholder Meetings to identify ongoing network needs and services.

Mark Greinke, Chief Technology Officer

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor
Jack D. Graham, Chief Administrative Officer
Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody
Chief Procurement Officer
Procurement Services
1120 S.W. Fifth Avenue, Rm. 750
Portland, Oregon 97204-1912
(503) 823-5047
FAX (503) 823-6865
TTY (503) 823-6868

**FOR MAYOR'S OFFICE USE
ONLY**

Reviewed by Bureau Liaison _____

DATE: November 3, 2011
TO: Mayor Sam Adams
FROM: Christine Moody
RE: *Authorize an Agreement with Comcast of Illinois/Ohio/Oregon, LLC and Comcast of Oregon II, Inc. for Institutional Network Service (Ordinance)

185005

1. **INTENDED THURSDAY FILING DATE:** 11/3/11
2. **REQUESTED COUNCIL AGENDA DATE:** 11/16/11
3. **CONTACT NAME & NUMBER:** Christine Moody ~ 823-1095
4. **PLACE ON:** CONSENT REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** Yes No N/A
6. **THREE (3) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** Yes No N/A

7. BACKGROUND/ANALYSIS:

The institutional network ("I-Net") constructed pursuant to cable franchises issued by the City of Portland (City) and presently operated by Comcast entities was interconnected to the City's Integrated Regional Network Enterprise (IRNE) in 2002 pursuant to Ordinance No. 176579, passed by the Council June 5, 2002. This authorized Contract No. 51785 (now known as 30000346) between AT&T Broadband of Ohio LLC &, TCI Cablevision of Oregon Inc. ("I-Net/IRNE, Interconnection Agreement") to provide regional broadband service options to local governments, schools and public agencies throughout Multnomah County. The I-Net/IRNE Interconnection Agreement is managed by the Communications Division of the City's Bureau of Technology Services (BTS).

The public interest will be served by authorizing the I-Net/IRNE Interconnection Agreement. This will allow it to be concurrent with the extended term of the Comcast cable franchise

Legal issues - none known

Controversial issues - none known

Citizen participation - none

Link to current city policies - none

Other governmental participation - none

8. FINANCIAL IMPACT:

Passage of this Ordinance will enable the City to continue to receive revenue associated with the City of Portland's management of Institutional Network Service. Expenses are estimated to not exceed \$7,500,000 for the initial five-year term and \$12,500,000 for the five year renewal term. The source of funding is the BTS operating budget.

9. RECOMMENDATION/ACTION REQUIRED:

Authorize an Agreement with Comcast of Illinois/Ohio/Oregon, LLC and Comcast of Oregon II, Inc. for Institutional Network Service to the City.

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.