

Before the
Mt. Hood Cable Regulatory Commission
1211 SW Fifth Avenue Room 1305
Portland, OR 97204

Recommending and transmitting to the City of Portland a cable franchise renewal agreement with Comcast of Oregon II, Inc. for 10 year term beginning January 1, 2012 with exhibits, side letters of agreement, and accompanying documents.))))))	Resolution No. 2011-03 Adopted by the Commission October 24, 2011
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Section 1. Findings.

- 1.1 The Mt. Hood Cable Regulatory Commission ("MHCRC" or "Commission") was created by Intergovernmental Agreement (dated December 24, 1992) ("IGA") to carry out cable regulation and administration on behalf of Multnomah County and the cities of Gresham, Fairview, Portland, Troutdale, and Wood Village (collectively "the Jurisdictions"). Among other things, the Commission acts in an advisory capacity to the Jurisdictions in connection with cable franchise renewals.
- 1.2 On the MHCRC's recommendation, the City of Portland ("City") previously issued cable franchises to KBL Portland Cablesystems, LP and TCI Cablevision of Oregon. The City approved the transfer of these franchises to subsidiaries of Comcast Corporation ("Comcast") in June, 2002. The franchises were due to expire December 31, 2010 but on the MHCRC's recommendation were extended by the City to expire December 31, 2011.
- 1.3 Pursuant to the provisions of 47 U.S.C. §546, the MHCRC on the City's behalf has conducted a cable franchise renewal process. The process was authorized by Commission Resolution No. 2008-02 (adopted April 21, 2008). Pursuant to this process, a Community Needs Ascertainment report ("Your Voice, Our Communications Technology") was prepared in April, 2010 for the Jurisdictions. Comcast and MHCRC staff subsequently negotiated a proposed franchise renewal agreement, with exhibits, side letters of agreement, and accompanying contracts (including a recommended revised contract between Comcast and the City Bureau of Technology Services for Institutional Network Services required under the renewed franchise).
- 1.4 The MHCRC has solicited public input on several occasions throughout the renewal process, including in connection with the Community Needs Ascertainment process. The MHCRC held a public hearing in September 2011 on the public benefit elements of the proposed renewal franchise.
- 1.5 In bringing forward the proposed City-Comcast renewal franchise in final form, for purposes of Comcast's calculation of franchise and PEG/I-Net fees payable to the City, MHCRC staff recommends the MHCRC specifically re-state the MHCRC's expectation that Comcast will continue under the new franchise to utilize the historic methodology used by Comcast and its predecessors to calculate and pay such fees to the City prior to the effective date of the Franchise.

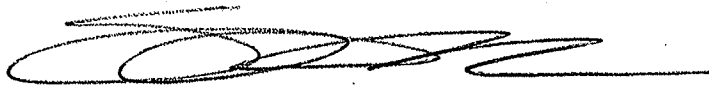
- 1.5 The proposed City-Comcast renewal franchise has been accepted by Comcast and recommended by staff for MHCRC approval and forwarding to the Portland City Council for consideration and final action, along with the applicable exhibits, side letters of agreement and accompanying documents, including a recommended revised contract between Comcast and the City Bureau of Technology Services for Institutional Network Services required under the renewed franchise.

NOW, THEREFORE THE COMMISSION RESOLVES:

Section 2.

- 2.1 The MHCRC authorizes staff and legal counsel to prepare the City-Comcast renewal franchise in final ordinance form in consultation and with the consent of the MHCRC, and submit the proposed franchise to the Council of the City of Portland for consideration and final action, with a recommendation that the Council pass the Comcast renewal franchise ordinance along with the exhibits, side letters of agreement and accompanying documents, including the recommended revised contract between Comcast and the City Bureau of Technology Services for Institutional Network Services required under the renewed franchise.
- 2.2 In recommending the renewed franchise, the MHCRC on behalf of the Jurisdictions assumes and relies on Comcast continuing to include in franchise and PEG/I-Net fee payments to the City all amounts it receives from programmers for launch fees and marketing reimbursements in Gross Revenues upon which franchise and PEG/I-Net fees are calculated, and shall continue the practice of not excluding or deducting advertising agency or sales representative commissions or other advertising sales expenses from Gross Revenues upon which franchise and PEG/I-Net fees are calculated.

ADOPTED BY THE COMMISSION on October 24, 2011.



Sue Dicile, Chair

Reviewed by:


Benjamin Walters, MHCRC Legal Counsel

Attachments: Comcast – Portland Franchise with exhibits, side letters of agreement and accompanying documents.

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. Definitions.

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. Commission Creation and Powers. 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

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. Effective Date. 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. Duration and Termination.

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. Assets. 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. Dissolution. 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.

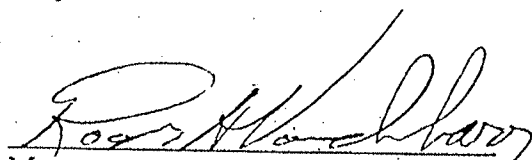
D. Amendments. The terms of this Agreement shall not be amended without the written authorization of the governing bodies of all Jurisdictions.

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


Mayor

Attest:


City Recorder

City of Gresham

Jessie McRobert
Mayor

[Signature]
City Manager

Multnomah County

Dorely Stice
County Chair

REVIEWED BY:
Thomas Spensler
County Counsel

City of Portland

[Signature]
Commissioner

APPROVED AS TO FORM:
Benjamin Walters, Deputy
City Attorney

City of Troutdale

Paul H. Hofer
Mayor

Attest:
George Martin
City Recorder

City of Wood Village

[Signature]
Mayor

Attest:
Nancy P. Abbey
City Recorder

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. General Purpose. 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. Purchasing. 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. General Staff Support. 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. General Support Services. 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. Cable Regulatory Legal Services. 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. Evaluation. 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. Term. The term of this Agreement shall be perpetual, unless terminated by the parties pursuant to the terms herein.

Section 11. Termination. 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. Notices. 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. Transition. 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. Effective Date. This Agreement will be effective upon its adoption by the Commission.

Chair,
Consolidated Cable
Communications Commission

Vera Katz

Mayor, City of Portland

Benjamin Walters

Auditor, City of Portland

Benjamin Walters

City Attorney
Approved as to Form

MULTNOMAH CABLE REGULATORY COMMISSION
EQUIPMENT ASSETS INVENTORY

November 30, 1992

<u>ITEM</u>	<u>ASSET ID</u>	<u>MAKE/MODEL</u>	<u>SERIALS #</u>	<u>INSTALLED PRODUCTS</u>
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	
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

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November 30, 1992

<u>ITEM</u>	<u>ASSET ID</u>	<u>MAKE/MODEL</u>	<u>SERIALS #</u>	<u>INSTALLED PRODUCTS</u>
Chair Brown Guest Chair	23785			
Chair Red Desk Chair	-0-			
Typewriter (1 only)	02564	IBM Selectric II	6890552	
Dictaphone (1 only)	05094	Sony BM-25A	622065	
Electric Stapler (1 only)	-0-	FC-90 Isaberg AB Sweden A908	111445	
Tape Recorder (1 only)	-0-	Realistic CAT NO. 14-1052A		
Adding Machines (2 each)	23784	Texas Instruments	135963	
Pencil Sharpener (1 only)	-0-	Boston	68000	
Coffee Pot (1 only)	-0-	Norelco 12 cup HB5193		

EXHIBIT B

Hardwired Live Origination Sites

RECORD	SITENAME	ADDRESS	CITYSTATE	CATEGORY	Connection Status
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).

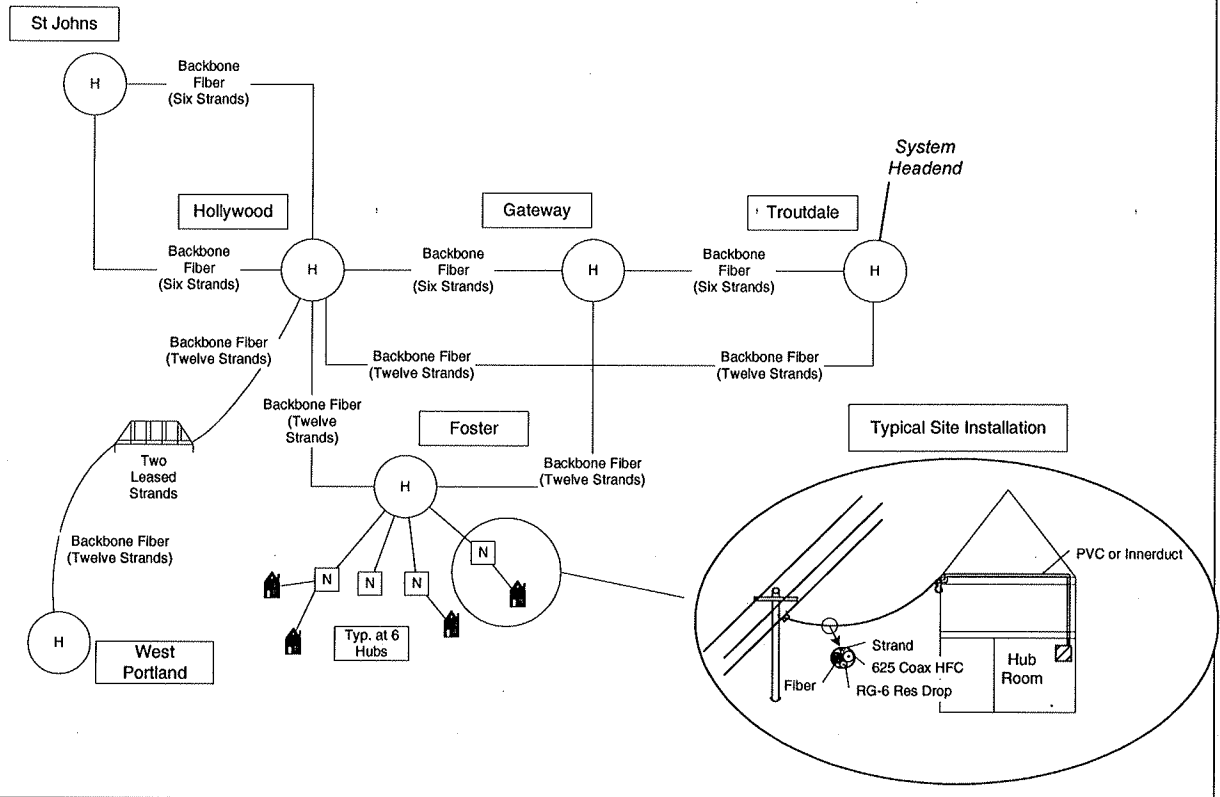
(C) Other Physical Assets:

(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:

EXHIBIT C

I-Net 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_, between the Guarantor, the City of Portland, Oregon, and the Grantee. For the purpose of this Guarantee, the terms "Guarantor" and "Grantee" have the meanings given in this Guarantee, 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 City, and Guarantor have entered into this Guarantee on the ___ day of _____, 201_.

DEFINITIONS

(For purposes of this Guarantee, the following terms are defined as indicated below.)

Grantee: Comcast of Oregon II, Inc.

Franchise Document: Franchise Renewal Ordinance No. _____, passed and adopted _____ 2011.

GUARANTOR:

Comcast Corporation

By:

Title:

State of _____)

) ss.

County of _____)

This Guarantee was acknowledged before me on the ____ day of _____, 201_, by _____ as _____, a duly authorized officer of Comcast Corporation.

Notary Public for
My Commission Expires:

GRANTEE:
Comcast of Oregon II, Inc.
BY:
Title:

State of _____)
) ss.
County of _____)

This Guarantee was acknowledged before me on the ____ day of _____, 201_, by _____ as _____, a duly authorized officer of Comcast of Oregon II, Inc.

Notary Public for
My Commission Expires:

City of Portland, Oregon:
BY:
TITLE:

State of _____)
) ss.
County of _____)

This Guarantee was acknowledged before me on the ____ day of _____, 201_, by _____ as _____ of the City of Portland, Oregon.

Notary Public for
My Commission Expires:

EXHIBIT F

ACCEPTANCE

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

This is to advise the City of Portland, Oregon (the "City") that Comcast of Oregon II, Inc. (The "Grantee") hereby unqualifiedly accepts the terms and provisions of Ordinance No. _____, passed by the City of Portland, Oregon on the ____ of ____, 2011 (the "Franchise") granting a franchise to the Grantee to operate a Cable System within specified areas of the City. As required by Section 10-212 of the Charter of the City of Portland, the Grantee unqualifiedly agrees to abide by each and every 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:
Date: _____, 2011

This Acceptance was acknowledged before me on the ____ day of _____, 2011, by _____ as _____, a 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
1120 SW 5th Ave Room 1305
Portland, OR 97204