



## CITY COUNCIL

David Ripma, Mayor

Zach Andrews

Geoffrey Wunn

Jesse Davidson

Carol Allen

Glenn White

John Leamy

# Agenda Tuesday, June 23, 2026

Regular Meeting | 7:00 PM

Troutdale Police Community Center - Kellogg Room  
234 SW Kendall Ct, Troutdale, OR 97060

## 1. Pledge of Allegiance, Roll Call, Agenda Update

## 2. Public Comment:

Public Comment on non-agenda and consent agenda items is welcome at this time. Public comment on agenda items will be taken at the time the item is considered. Public comments should be directed to the Presiding Officer and limited to matters of community interest or related to matters which may, or could, come before Council. Each speaker shall be limited to 5 minutes for each agenda item unless a different amount of time is allowed by the Presiding Officer, with consent of the Council. The Council and Mayor should avoid immediate or protracted responses to citizen comments.

## 3. Consent Agenda:

### 3.1 MHCRC Dissolution and Cable Franchise Transition Package:

**Resolution A** - A resolution of the Troutdale City Council authorizing the City Manager to execute an intergovernmental agreement for Cable Franchise revenue collection, distribution, and administration between the City of Troutdale, City of Fairview, City of Wood Village, and Multnomah County.

**Resolution B** - A resolution of the Troutdale City Council authorizing the City Manager to execute an intergovernmental agreement with the City of Portland, the Cities of Fairview, Wood Village, and Gresham, and Multnomah County for the administration of existing Cable Franchise Community Grant and Community Media Center Grant obligations.

**Resolution C** - A resolution of the Troutdale City Council approving the first amendment to the Comcast Cable Services Franchise Agreement and authorizing the City Manager to execute the amendment on behalf of the City.

**Resolution D** - A resolution of the Troutdale City Council authorizing the City Manager to execute an agreement with MetroEast Community Media for

operational and capital support services related to public, educational, and government access programming, digital inclusion, and community media services.

**4. Resolution:**

**4.1 A Resolution Providing For Current Fiscal Year 2025-2026 Budget Transfers and Making Appropriation Changes**

**5. Staff Communications**

**6. Council Communications**

**7. Adjournment**



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**David Ripma, Mayor**  
**Dated: June 18, 2026**

**Meeting Participation**

The public may attend the meeting in person or via Zoom. Please email [info@troutdaleoregon.gov](mailto:info@troutdaleoregon.gov) by **5:00pm on Monday, June 22nd** to request Zoom meeting access credentials. You may also submit written public comments [via email](mailto:info@troutdaleoregon.gov) to [info@troutdaleoregon.gov](mailto:info@troutdaleoregon.gov) no later than **5:00pm on Monday, June 22nd**. City Council Regular Meetings are broadcast live on Comcast Cable Channel 30 (HD Channel 330) and Frontier Communications Channel 38 and replayed on the weekend following the meeting - Friday at 4:00pm and Sunday at 9:00pm.

Further information and copies of agenda packets are available at: Troutdale City Hall, 219 E. Historic Columbia River Hwy. Monday through Friday, 8:00 a.m. - 5:00 p.m.; on our [Web Page www.troutdaleoregon.gov/meetings](http://www.troutdaleoregon.gov/meetings) or call Sarah Skroch, City Recorder at 503-674-7258.

The meeting location is wheelchair accessible. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to: Sarah Skroch, City Recorder 503-674-7258.



# STAFF REPORT

**Subject:** MHCRC Dissolution and Cable Franchise Transition Package:

**Resolution A** - A resolution of the Troutdale City Council authorizing the City Manager to execute an intergovernmental agreement for Cable Franchise revenue collection, distribution, and administration between the City of Troutdale, City of Fairview, City of Wood Village, and Multnomah County.

**Resolution B** - A resolution of the Troutdale City Council authorizing the City Manager to execute an intergovernmental agreement with the City of Portland, the Cities of Fairview, Wood Village, and Gresham, and Multnomah County for the administration of existing Cable Franchise Community Grant and Community Media Center Grant obligations.

**Resolution C** - A resolution of the Troutdale City Council approving the first amendment to the Comcast Cable Services Franchise Agreement and authorizing the City Manager to execute the amendment on behalf of the City.

**Resolution D** - A resolution of the Troutdale City Council authorizing the City Manager to execute an agreement with MetroEast Community Media for operational and capital support services related to public, educational, and government access programming, digital inclusion, and community media services.

<b>Meeting Date:</b>	June 23, 2026
<b>Department/Affiliation:</b>	Executive
<b>Meeting Type:</b>	City Council - Regular Meeting
<b>Presenter:</b>	Mike Weston, City Manager
<b>Public Hearing:</b>	No
<b>Action Required:</b>	Resolution (Consent)
<b>Committee/Commission Recommendation:</b>	City Council
<b>Staff Recommendation:</b>	Approve Modification to Comcast Franchise Agreement

**Exhibits:**

- A. Resolution A - 4 Party IGA Cable Franchise Fees

- B. Resolution B - IGA Portland Grant Administration
- C. Resolution C - Amendment 1 Comcast Franchise Agreement
- D. Resolution D - Funding Agreement with MetroEast

**Subject Relates to:**

Council Goals	Legislative	Land Use / Development	Other (describe below)
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**Discussion Points:**

With the dissolution of the Mount Hood Cable Regulatory Commission (MHCRC), modifications to the existing agreements are necessary to align with administrative functions. Modifications to the Franchise agreement are predominantly in the form of name recognition MHCRC vs City of Troutdale.

Existing Grant Agreements are managed through the Portland IGA, assigning administrative authority to the City of Portland to carry forward the pre-existing grant administration already authorized by MHCRC prior to the dissolution.

A four-party IGA between the Cities of Fairview, Troutdale, Wood Village and Multnomah County was necessitated to ensure maximum fee capture by the 4 parties by managing the financial distribution of franchise fees and additional Public, Educational, and Governmental (PEG) access funds.

Finally, a funding agreement between the City of Troutdale and Metro East to continue PEG Fund distributions and public access programming for the four parties in the 4-party IGA previously mentioned.

**Background:**

Last year, discussions began surrounding the dissolution of MHCRC. After all 6 entities (Portland, Gresham, Troutdale, Fairview, Wood Village, & Multnomah County) agreed that dissolving the committee was for the best, the committee began making steps to dissolve by July 1, 2026. In doing so, a couple of the parties have decided to move forward independently, particularly Portland and Gresham. The remaining parties are forming a four-party IGA to manage and distribute the remaining limited funds available to them.

**Summary:**

The four resolutions mentioned in the discussion points move administrative oversight of the cable franchise fees and public, educational and government access funds from MHCRC to the City of Troutdale for distribution of each participants' funds to their individual municipality or county authority. The PEG fees and portion of the remaining franchise fees will continue to be transferred to Metro East for programming services and public education. The funds are

expected to continue a long decline toward observance, at which point the funding agreement with Metro East may need to be re-visited. Cable franchise revenues have continuously declined since the introduction of fiber, wireless telecom, and streaming services.

In Sum:

**Resolution A:** Authorizes Troutdale to administer franchise fee collection and compliance services.

**Resolution B:** Authorizes Portland to administer remaining MHCRC grant obligations through closeout.

**Resolution C:** Approves the First Amendment to the Comcast Franchise Agreement removing MHCRC and transferring administration to the participating jurisdictions.

**Resolution D:** Approves the MetroEast Funding Agreement and designates MetroEast as the PEG Access Provider for East County communities.

**Pros & Cons:**

**Oversight:**

*Budget Impact:*                    XX Yes, current year                    XX Yes, future year                    N/A

Describe: The City of Troutdale may see a modest increase of financial resources for the first few years before steady declines in franchise revenues render the program ineffective.

*Community Involvement Process:*                    Yes                    XX N/A

Describe:

*Approval by City Attorney:* No

**Approved By the City Manager:**

Mike Weston, City Manager 06/18/2026

**RESOLUTION NO.**

**A RESOLUTION OF THE TROUTDALE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT FOR CABLE FRANCHISE REVENUE COLLECTION, DISTRIBUTION, AND ADMINISTRATION BETWEEN THE CITY OF TROUTDALE, CITY OF FAIRVIEW, CITY OF WOOD VILLAGE, AND MULTNOMAH COUNTY.**

**THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. The City of Troutdale, together with Multnomah County, the City of Fairview, the City of Wood Village, the City of Gresham, and the City of Portland, participated in the Mt. Hood Cable Regulatory Commission (MHCRC) for the administration and regulation of cable franchise agreements; and
2. The participating jurisdictions have mutually agreed to dissolve the MHCRC effective June 30, 2026; and
3. The City of Troutdale, City of Fairview, City of Wood Village, and Multnomah County are parties to a cable services franchise agreement with Comcast of Illinois/Ohio/Oregon, LLC, effective September 15, 2025; and
4. The franchise agreement provides for the collection of cable franchise fees and public, educational, and governmental (PEG) fees to support cable franchise administration and PEG access services; and
5. The participating jurisdictions desire to maintain an efficient and uniform process for the collection, administration, oversight, and distribution of cable franchise and PEG revenues following the dissolution of the MHCRC; and
6. The proposed Intergovernmental Agreement designates the City of Troutdale as the administrative entity responsible for collecting franchise revenues, distributing funds to participating jurisdictions and MetroEast Community Media, and providing regulatory compliance and oversight services; and
7. The City Council finds that entering into the Intergovernmental Agreement serves the public interest by reducing administrative duplication, maintaining continuity of service, and ensuring compliance with the cable franchise agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TROUTDALE AS FOLLOWS:**

Section 1. The City Council approves the Intergovernmental Agreement for Cable Franchise Revenue Collection and Administration substantially in the form attached as Attachment A.

Section 2. The City Manager is authorized to execute the Intergovernmental Agreement and any non-substantive revisions necessary to finalize the agreement, subject to review by the City Attorney.

Section 3. The City Manager, or designee, is authorized to take all actions necessary to implement the provisions of the Intergovernmental Agreement, including the collection, administration, oversight, and distribution of cable franchise fees and PEG fees in accordance with the agreement.

Section 4. This Resolution shall take effect immediately upon its adoption.

**YEAS:**  
**NAYS:**  
**ABSTAINED:**

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**David Ripma, Mayor**  
**Dated:**

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**Sarah Skroch, City Recorder**  
**Adopted:**

**CABLE FRANCHISE REVENUE COLLECTION & ADMINISTRATION  
INTERGOVERNMENTAL AGREEMENT**

This **CABLE FRANCHISE REVENUE COLLECTION AND ADMINISTRATION INTERGOVERNMENTAL AGREEMENT** (the “IGA”) is effective as of July 1, 2026 (the “Effective Date”), and is made by and between the City of Troutdale, the City of Fairview, and City of Wood Village, each a political subdivision of the State of Oregon (each a “City” and, collectively, the “Cities”), and Multnomah County, a political subdivision of the State of Oregon (“County”). Each of the parties to the IGA is a “Party” and collectively they are referred to as the “Parties”.

**RECITALS**

**WHEREAS**, The Parties entered into an intergovernmental agreement (dated December 24, 1992, as amended March 1998), along with the City of Portland and the City of Gresham, to create the Mt. Hood Cable Regulatory Commission (MHCRC) to collectively administer and regulate cable services franchise agreements on behalf of these jurisdictions; and,

**WHEREAS**, The parties to the MHCRC intergovernmental agreement, by resolutions adopted by each jurisdiction, mutually agreed to dissolve the MHCRC intergovernmental agreement by June 30, 2026, pursuant to Section 13 of the MHCRC intergovernmental agreement; and,

**WHEREAS**, The Parties jointly entered into a cable services franchise agreement (“Franchise”) between Comcast of Illinois/Ohio/Oregon, LLC (“Grantee”), effective September 15, 2025, for a term through December 31, 2035, unless terminated sooner as provided in the Franchise; and,

**WHEREAS**, As compensation for the benefits and privileges granted under the Franchise, the Grantee pays quarterly franchise fees in an amount equal to 5% (five percent) (“Cable Franchise Fee”) and public, education, and government (PEG) fees in an amount equal to 2.5% (two and one-half percent) of its gross revenue derived from cable services in the Franchise area (“PEG Fee”); and,

**WHEREAS**, The Franchise restricts the PEG Fee to support capital costs for the provision of PEG access by designated access providers in accordance with the Franchise; and,

**WHEREAS**, MetroEast Community Media (“MetroEast”), a nonprofit organization serving the East Multnomah County area, is the designated access provider to manage PEG programming, services, and channels under the Franchise (“Access Resources”). MetroEast provides PEG access and digital literacy services to the Parties and their communities; and,

**WHEREAS**, The interest of the community is best served when a system of revenue collection and distribution does not impose duplicative administrative and reporting requirements on the Grantee and the entities receiving funds under the Franchise; and,

**WHEREAS**, The IGA ensures Franchise revenue collection follows a uniform regulatory process, simplifies the process for the Grantee and revenue recipients, and reduces administrative costs for all Parties and the designated access provider; and,

**WHEREAS**, To have a uniform and efficient process for Franchise related funds, the Parties agree that the City of Troutdale will collect and distribute all funds arising out of the Franchise. The City of Troutdale will also provide regulatory compliance of payments made by Grantee and of expenditure of PEG Fees in accordance with the Franchise.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **AGREEMENT**

1. **PURPOSE**. The Parties enter into this IGA to document understandings and agreements between the Parties regarding the City of Troutdale's collection, distribution, and oversight of all funds arising under the cable services Franchise between Grantee and the Parties.

2. **REVENUE COLLECTION**. The City of Troutdale is authorized to receive and collect Cable Franchise Fees and PEG Fees for all Parties. This includes the MHCRC asset amounts attributable to PEG Fees to be paid to each City and the County from the MHCRC Fund under the Dissolution Agreement, effective June 30, 2026, among the MHCRC jurisdictions that settle the MHCRC's distribution of assets remaining upon dissolution of the MHCRC.

3. **REVENUE ADMINISTRATION**. The City of Troutdale shall distribute the amounts received as follows:

- A. Troutdale shall retain a portion of the Cable Franchise Fees received to cover its direct cost ("Cost") related to the oversight and compliance services as outlined in **Section 4**. Fees for services will be deducted and accounting invoices sent with quarterly distributions.
- B. Troutdale shall allocate 60% (sixty percent) of the total Cable Franchise Fees received to MetroEast to provide PEG access and digital literacy services and to manage Access Resources as the Franchise designated access provider.
- C. After retaining its Cost amount and MetroEast's allocation, Troutdale shall distribute to each Party the remaining amounts of Cable Franchise Fees attributable to each Party as reported by the Grantee.
- D. If at any time, Troutdale finds the amount to cover its Cost under **Section 3(A)** above exceeds the amount available after the distribution to MetroEast, then Troutdale shall notify the other Cities and the County, and the Parties shall amend or terminate the IGA in accordance with **Section 7**.

- E. Troutdale shall distribute PEG Fees received on behalf of the Parties to MetroEast for capital costs related to PEG access services.

Example Prior Distribution

Jurisdictions	Franchise Fee Revenues	Metro East Appropriation	MHCRC Prior Appropriation	Payments to Jurisdictions
Fairview	\$ 72,729	\$ 43,637	\$ 12,314	\$ 16,779
Multnomah County East & West	\$ 140,876	\$ 84,526	\$ 7,775	\$ 48,576
Troutdale	\$ 126,985	\$ 76,191	\$ 22,004	\$ 28,792
Wood Village	\$ 21,408	\$ 12,845	\$ 3,351	\$ 5,212

Example Proposed Distribution

Jurisdictions	Franchise Fee Revenues	Metro East Appropriation	Estimated Annual Troutdale Service Fee (~250*4)	Payments to Jurisdictions
Fairview	\$ 72,729	\$ 43,637	\$ 1,000	\$ 28,093
Multnomah County East & West	\$ 140,876	\$ 84,526	\$ 1,000	\$ 55,351
Troutdale	\$ 126,985	\$ 76,191	\$ -	\$ 50,796
Wood Village	\$ 21,408	\$ 12,845	\$ 1,000	\$ 7,563

**\*\*Figures are subject to change with annual distribution and direct costs variations\*\***

4. SERVICES. The City of Troutdale shall provide the following oversight and compliance services related to the cable services Franchise:

- A. Process quarterly Cable Franchise Fee and PEG Fee amounts received from Grantee. Troutdale shall distribute amounts under this IGA within 45 days of receiving Cable Franchise Fee and PEG Fee payments from Grantee.
- B. Enter into a funding agreement with MetroEast to provide PEG access and digital literacy services funded by the Cable Franchise Fee and PEG Fee amounts paid to MetroEast. In addition, the funding agreement shall include provisions referenced in the MHCRC jurisdictions' intergovernmental agreement-Section 2.b for the City of Portland to carry out its oversight obligations of PEG Fees received by MetroEast from the MHCRC prior to the MHCRC dissolution on June 30, 2026.
- C. Conduct oversight and compliance of payment of Cable Franchise Fees and PEG Fees by Grantee in accordance with Section 11 of the Franchise.
- D. Conduct oversight and compliance of PEG Fee capital cost expenditures in accordance with Section 6 of the Franchise.

5. TERM. Unless extended via a written amendment signed by then Parties, this IGA, and all rights, privileges, obligations and restrictions pertaining thereto, shall expire on December 31, 2035, unless terminated sooner as provided herein.

## 6. AMENDMENTS.

### A. **Written Amendment Required**

This IGA may be changed or amended only by a written instrument that expressly references this IGA and is executed by duly authorized representatives of each of the Parties.

### B. **Approval Authority**

Each Party represents that any amendment executed on its behalf has been approved in accordance with its applicable laws, ordinances, resolutions, and internal policies governing intergovernmental agreements.

### C. **Unanimous Consent / Alternative Approval Threshold**

Unless otherwise provided herein, IGA amendments shall require unanimous written consent of all Parties. The Parties may, by prior written agreement, establish an alternative approval threshold (e.g., supermajority) for specified categories of amendments.

### D. **Notice of Proposed Amendments**

Any Party proposing an IGA amendment shall provide written notice to all other Parties, including the full text of the proposed amendment and a summary of its purpose and impact, no less than thirty (30) days prior to consideration, unless waived by mutual consent.

### E. **Effective Date**

IGA Amendments shall become effective on the date specified in the amendment or, if no date is specified, upon full execution by all required Parties.

### F. **Filing and Recordkeeping**

Executed amendments shall be attached to and incorporated into this IGA and maintained in accordance with applicable public records laws. Where required by law, amendments shall be filed or recorded with the appropriate state or county entity.

### G. **Consistency with Law**

No amendment shall be valid or enforceable if it conflicts with applicable federal, state, or local law. Any such provision shall be deemed severable, and the remainder of the amendment shall remain in effect.

## 7. TERMINATION.

### A. **Termination for Convenience**

Any Party to this IGA may terminate its participation, with or without cause, upon providing no less than ninety (90) days' written notice to all other Parties. Such notice shall specify the effective date of termination.

### B. **Termination for Cause**

Any Party may terminate this IGA, in whole or in part, upon written notice to the other Parties in the event of a material breach of this IGA. The breaching Party shall have thirty (30) days from receipt of written notice to cure the breach. If the breach is not cured within that period, termination shall become effective immediately upon written notice.

**C. Withdrawal of Individual Parties**

In the event that one or more Parties elect to withdraw from this IGA, the IGA shall remain in full force and effect among the remaining Parties, provided that the purpose of the IGA can still be fulfilled as reasonably determined by the remaining Parties.

**D. Termination by Mutual Agreement**

This IGA may be terminated at any time upon the mutual written consent of all Parties.

**E. Effect of Termination**

Upon termination or withdrawal:

1. All outstanding financial obligations incurred prior to the effective date of termination shall remain due and payable.
2. Any jointly owned property, equipment, or assets shall be disposed of, transferred, or equitably distributed in accordance with a mutually agreed-upon plan or, absent such agreement, in proportion to each Party's financial contribution.
3. Each Party shall return or appropriately dispose of any confidential or shared information as required or permitted by applicable law.
4. Termination shall not affect any rights or obligations that by their nature are intended to survive termination, including but not limited to indemnification, liability, audit, and records retention provisions.

**F. Continuity of Services**

To the extent reasonably practicable, the Parties agree to cooperate in good faith to ensure an orderly transition of services and minimize disruption to the public or affected stakeholders.

**G. Survival**

The provisions of this section, along with any other provisions that by their nature should survive, shall survive termination of this IGA.

**8. GENERAL TERMS.**

- A. The Parties and the Grantee entered into the Franchise under the federal and state laws in effect on the effective date of the Franchise, which allow the Parties to require Grantee to obtain a cable services franchise agreement for use of the Parties' streets and public right-of-way, and to, among other things, pay the Cable Franchise Fees and PEG Fees for such use. The Parties agree to negotiate amendments or terminate this IGA to account for any changes in such federal or state law which impair the City of Troutdale to comply with the terms of this IGA.
- B. Within 30 days of the Effective Date of the IGA, each Party shall notify the Grantee of the authorization of the City of Troutdale to receive and collect Cable Franchise Fees and PEG Fees on behalf of the jurisdiction; and shall direct Grantee to pay such amounts to the City of Troutdale, in accordance with the Franchise.
- C. In the event a court of competent jurisdiction assesses liability against any Party on an action brought by a third-party based on the performances in this IGA, the Parties respective share of such liability shall be several and assigned pro rata.

**IN WITNESS WHEREOF**, and intending to be legally bound, the Parties hereto have caused this IGA to be executed by their duly authorized representatives.

**Multnomah County**

501 SE Hawthorne Blvd., Portland, OR 97214

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**City of Fairview**

1300 NE Village St., Fairview, OR 97024

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**City of Troutdale**

219 E. Historic Columbia River Hwy, Troutdale, OR 97060

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**City of Wood Village** 23335 NE Halsey, Wood Village, OR 97060

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**RESOLUTION NO.**

**A RESOLUTION OF THE TROUTDALE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND, THE CITIES OF FAIRVIEW, WOOD VILLAGE, AND GRESHAM, AND MULTNOMAH COUNTY FOR THE ADMINISTRATION OF EXISTING CABLE FRANCHISE COMMUNITY GRANT AND COMMUNITY MEDIA CENTER GRANT OBLIGATIONS.**

**THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. The City of Troutdale has participated in the Mt. Hood Cable Regulatory Commission (MHCRC), an intergovernmental entity established to jointly administer and regulate cable franchise agreements on behalf of participating jurisdictions; and
2. The participating jurisdictions have agreed to dissolve the MHCRC effective no later than June 30, 2026; and
3. The MHCRC previously awarded Community Grants and Community Media Center (CMC) Grants that extend beyond the dissolution date of the MHCRC; and
4. Continued administration, monitoring, reporting, recordkeeping, and grant closeout activities are necessary to ensure compliance with grant agreements and fulfillment of remaining obligations; and
5. The City of Portland has historically administered these grant programs and possesses the expertise, records, systems, and institutional knowledge necessary to efficiently continue those services on behalf of the participating jurisdictions; and
6. The proposed Intergovernmental Agreement authorizes the City of Portland to continue administering the remaining Community Grant and Community Media Center Grant obligations through December 31, 2029; and
7. The City Council finds that continued centralized grant administration will promote accountability, regulatory compliance, fiscal stewardship, and uninterrupted service to grant recipients following dissolution of the MHCRC.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TROUTDALE AS FOLLOWS:**

Section 1. The City Council approves the Intergovernmental Agreement for Grant Administration Services substantially in the form attached as Attachment A.

Section 2. The City Manager is authorized to execute the Intergovernmental Agreement and any non-substantive revisions necessary to finalize the agreement, subject to review by the City Attorney.

Section 3. The City Manager, or designee, is authorized to take all actions necessary to implement the provisions of the Intergovernmental Agreement and to coordinate with the City of Portland and participating jurisdictions regarding ongoing grant administration and compliance activities.

Section 4. This Resolution shall take effect immediately upon adoption.

**YEAS:**  
**NAYS:**  
**ABSTAINED:**

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**David Ripma, Mayor**  
**Dated:**

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**Sarah Skroch, City Recorder**  
**Adopted:**

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF PORTLAND AND  
THE CITIES OF FAIRVIEW, WOOD VILLAGE, TROUTDALE, AND GRESHAM AND  
MULTNOMAH COUNTY FOR GRANT ADMINISTRATION SERVICES**

THIS AGREEMENT (“Agreement”) is entered into and between the City of Portland, a municipal corporation duly incorporated under the laws of the State of Oregon (the “City”), and the cities of Fairview, Wood Village, Troutdale, and Gresham, 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 (together, the “Jurisdictions”). The City and the Jurisdictions are collectively referred to as the “Parties” and each a “Party.” This Agreement is made pursuant to ORS 190, the general laws and constitution of the State of Oregon, and the laws and charters of the City and the Jurisdictions.

**RECITALS**

WHEREAS, the Parties have been members of the Mt. Hood Cable Regulatory Commission (“Commission”), an ORS 190 entity established to jointly regulate and administer the City and Jurisdictions’ cable franchise agreements; and

WHEREAS, the City has provided administrative and support services to the Commission, including administering the Commission’s community grant programs for technology projects (“Community Grants”) and grants to community media centers (“CMC Grants”), which grants are funded through the Parties’ cable franchise agreements; and

WHEREAS, the Parties have agreed to dissolve the Commission no later than June 30, 2026; and

WHEREAS, the existing Community Grants and CMC Grants extend beyond the dissolution of the Commission and will require continued administration on behalf of the Parties; and

WHEREAS, the City and Jurisdictions find that the most efficient and effective means of administering the Community Grants and CMC Grants is for the City to continue providing those services to the Jurisdictions after dissolution of the Commission on the terms and conditions provided below.

NOW, THEREFORE, the City and the Jurisdictions agree as follows:

- 1. City Obligations.
  - a. The City shall continue to provide oversight and administration of the Community Grants and CMC Grants funded by the Commission to grantees prior to dissolution of the Commission (the “Services”), including but not limited the following:
    - i. Track grants and encumbrances/advances, including disbursing funds to grantees pursuant to grant agreements and closing out grants as they expire.

- ii. Monitor and oversee grantees' compliance with grant obligations and deliverables, including compliance with limitations on use of funds.
  - iii. Report to the Jurisdictions any breach or imminent breach by a grantee of the agreement(s) referred to in **Section 2.b** of this Agreement of which the City becomes aware in the course of performing the Services.
  - iv. Maintain grants records to comply with required finance policies and public records requirements.
  - v. Provide the Jurisdictions with reports on grant outcomes.
  - vi. Manage communications with grantees.
  - vii. Maintain a grantee database for grant tracking purposes.
- b. The Parties acknowledge that the City intends to accept assignment of the Community Grants from the Commission, which will obligate the City to disburse grant funds on a reimbursement basis to certain grantees. The Jurisdictions agree that the City shall have no responsibility or liability to accept assignment or, if accepted, to disburse grant funds if the Commission fails to provide sufficient funding to the City to fund the outstanding Community Grants obligations.
- c. For purposes of this Agreement, the CMC Grant and any Services related to the CMC Grant shall refer only to the "Capital Funds" provided to MetroEast Community Media ("MetroEast") by the Commission pursuant to the Agreement to Provide Operations and Capital Support effective July 1, 2023, as that term is defined therein.

## 2. Jurisdictions' Obligations.

- a. The Parties intend that the amounts shown in **Attachment A** shall be paid to the City through Commission funds to be allocated to the City prior to the Commission's dissolution for the express purpose of paying such costs. In the event the Commission does not allocate funds to cover the total costs as described in the preceding sentence, then the Jurisdictions shall compensate the City for the Services based on each Jurisdictions' allocation of annual costs shown in **Attachment A**, which amounts shall be reduced by any amounts allocated to the City by the Commission as described in the first sentence of this subsection. Each Jurisdiction shall pay to the City one quarter of the total amount allocated to that Jurisdiction for each year as shown in **Attachment A** (or as reduced pursuant to the preceding sentence) within fifteen (15) days of the end of each calendar quarter. The Parties recognize and agree that the City's allocation of the total cost of the Services is included in **Attachment A** solely to document the calculation of the cost allocation, and nothing in this Agreement requires the City to make any payments or otherwise track costs or expenses related to the Services.

- b. The Jurisdictions shall (individually or collectively) enter into binding agreement(s) with MetroEast obligating MetroEast to: comply with the specific provisions of the CMC Grant included in the most recent grant agreement between MetroEast and the Commission; provide and make available to the City all reports, records, data and information related to the City's obligations in this Agreement; conduct audits of MetroEast's financial statements and allow the City to conduct audits of MetroEast's records related to the CMC Grant; and indemnify the City. The Parties agree that an agreement that includes provisions that are reasonably comparable to the relevant provisions of the most recent grant agreement between MetroEast and the Commission shall satisfy the obligations in this subsection.
    - c. The Jurisdictions shall cooperate with the City in providing access to any reports, records, data, and information related to the City's obligations in this Agreement and shall ensure that MetroEast complies with the provisions of the agreement(s) referenced in **Section 2.b**.
3. Term. This Agreement is effective upon authorization and signature by all Parties. The term of this Agreement shall begin on the date of dissolution of the Commission, which shall be no later than June 30, 2026 (the "Effective Date"), and end on December 31, 2029. This agreement may be extended upon written agreement of all Parties.
4. Pro Rata Obligations. The Jurisdictions acknowledge that the Services benefit all Jurisdictions and cannot be provided separately to any individual Jurisdiction, and that the failure of one or more Jurisdiction(s) to timely pay amounts due under **Section 2.a** will preclude the City from providing the Services to all Jurisdictions. In the event that one or more Jurisdiction(s) fail to timely pay the City the quarterly amount due under **Section 2.a**, the amount owed by the other Jurisdictions for that quarter shall be increased pro rata based on the allocation percentages set forth in **Attachment A**, so that the payments made by the other Jurisdictions will equal all unpaid amounts due to the City by the Jurisdiction(s) that have failed to pay that quarter. Notwithstanding anything to the contrary in **Section 6**, in the event any Jurisdiction(s) must pay the quarterly amount due to the City from any other Jurisdiction(s) for two (2) or more consecutive quarters, the Jurisdiction(s) that make the payment may agree to terminate this Agreement upon payment of amounts owed by all Jurisdictions for Services provided by the City up to and including the termination date, which shall be the end of the calendar quarter in which the termination notice is provided to the City.
5. Amendments.
  - a. This Agreement may be amended at any time by mutual written agreement of the City and the Jurisdictions.
  - b. Prior to the end of each fiscal year of this Agreement, the Parties shall discuss the scope of work and, if requested by any Party, negotiate in good faith over any amendments needed to address changes in the scope or costs.
6. Breach; Termination.

- a. Termination by Mutual Agreement. The City and the Jurisdictions may terminate this Agreement at any time by mutual written agreement of all Parties.
  - b. Termination for Cause.
    - i. The City may terminate this Agreement, subject to **Subsection 6.b.iii**, if one or more Jurisdiction(s) fails to comply with the obligations under this Agreement; provided, however, that the City may not terminate this Agreement for failure of one or more Jurisdiction(s) to pay amounts due to the City under **Section 2.a** where another Jurisdiction(s) paid the City the total amount due from all Jurisdictions as provided in **Section 4**.
    - ii. The Jurisdictions may collectively agree to terminate this Agreement, subject to **Subsection 6.b.iii**, if the City fails to comply with its obligations under this Agreement; provided, however, that the City shall not be deemed to have failed to comply with its obligations or otherwise breached this Agreement where it is unable to provide any or all Services due to the failure, refusal, or inability of a recipient of a Community Grant or CMC Grant to provide the City all reports, records, data, and/or information requested by the City to enable the City to perform the Services. Except as expressly provided in this Agreement, in no event may an individual Jurisdiction or less than all Jurisdictions terminate or withdraw from this Agreement.
    - iii. Prior to terminating this Agreement pursuant to **Subsections b.i** or **b.ii** of this section, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If the breaching Party has not cured the breach within fifteen (15) business days of receipt of the notice, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) business day period, this provision shall be complied with if the breaching Party begins correction of the default within the fifteen (15) business day period and thereafter proceeds with reasonable diligence and in good faith to completely remedy the default as soon as practicable. For purposes of this subsection, the City shall provide the written notice(s) to all Jurisdictions regardless of which Jurisdiction(s) has breached the Agreement.
7. Non-Exclusive Rights and Remedies. Upon breach of this Agreement, and if the breach is not cured, each Party shall have all rights and remedies available to it at law, in equity, or under this Agreement. Unless otherwise provided in the Agreement, the rights and remedies in this Agreement are not exclusive and will be in addition to, and cumulative with, any other right or remedy available at law, in equity, or under this Agreement. The exercise of any Party of any one or more remedy shall not preclude the exercise by that Party, at different times, of any other remedy for the same breach, or for any other breach by another Party.

8. Indemnification.

- a. In the event any claims, demands, settlements or judgments are asserted against the City and/or any of the Jurisdictions arising out of or related to the use of grant funds by any recipient of a Community Grant, or such recipient's actions or inaction related to the Community Grant, the City and the Jurisdictions shall be jointly and severally liable for the claims, demands, settlements, or judgments, including all costs and attorney fees; provided, however, that the intent of the Parties is that each Party shall pay a proportion of any claims, demands, settlements, or judgments, including costs and attorney fees, based on their proportionate share of the cost of Services as set forth in **Attachment A**.
- b. In the event any claims, demands, settlements, or judgments are asserted against the City arising out of or related to the use of CMC Grant funds, or any action or inaction related to the CMC Grant, by MetroEast or any successor entity that is lawfully entitled to use CMC Grant funds, the Jurisdictions shall defend, hold harmless, and indemnify the City and shall be jointly and severally liable to the City for any such claims, demands, settlements, or judgments, including all costs and attorney fees; provided, however, that the intent of the Parties is that each Jurisdiction shall pay a proportion of any claims, demands, settlements, or judgments, including costs and attorney fees, based on their proportionate share of the cost of Services as set forth in **Attachment B**. Notwithstanding the foregoing, the Jurisdictions shall have no liability for City losses and no obligation to defend, hold harmless, or indemnify the City if the relevant claims, demands, settlements, or judgments are the result of, or the Jurisdictions were not given an opportunity to correct the cause of claims, demands, settlements, or judgments because of, the City's nonperformance or negligence performance of the Services.

9. Notices. Any notice required by this Agreement must be given in writing, by email, personal delivery, or certified mail, to the addresses below. Notices given by mail will be deemed received five (5) business days after being mailed. Notices given by email will be deemed received on the first business day following the date the email was sent; provided, however, that notice given by email will not be deemed received if the sender receives an automated message indicating the recipient is not available or the email was not delivered.

City of Fairview:

City of Gresham:

Multnomah County:

City of Portland:

City of Troutdale:

City of Wood Village:

10. Insurance. Each Party shall maintain insurance, or self-insurance, in such amounts sufficient to fulfill its obligations under this Agreement.
11. Independent Contractor. Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee, or contractor of one Party shall be deemed to be a representative, agent, employee, or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture, or any similar relationship, and each Party hereby specifically disclaims any such relationship.
12. Third-Party Beneficiaries. The City and the Jurisdictions are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, or is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to any third-party unless such person is individually identified by name herein and expressly described as an intended beneficiary of this Agreement.
13. Records. All Parties shall maintain current financial records in accordance with Generally Accepted Accounting Principles (GAAP). Parties agree to maintain and retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement during the term of this Agreement and for a minimum of six (6) years after the expiration or termination date of this Agreement or until the resolution of all audit questions or claims, whichever is longer.
14. Nondiscrimination. Parties will comply with all applicable federal, state, and City non-discrimination and civil rights laws. No Party will unlawfully discriminate on the basis of any protected class or characteristic including race, color, national origin (including limited English proficiency), sex, sexual orientation, gender identity, age, religion or non-religion, disability, marital status, family status, or source of income. This non-discrimination obligation is a material condition of this Agreement and applies to all aspects of the Parties' operations including employment practices, selecting and retaining of subcontractors, procuring materials, the provision of services, and leasing of equipment.

All Parties are committed to contracting with equitably aware and environmentally responsible businesses. Parties value and support diversity, advancing equity, and are dedicated to expanding economic opportunities by growing both the demand for and capacity of local contractors, including those owned by people of color and women.

15. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to the principles of conflicts of law. Any claim, action, suit, or proceeding shall be brought and conducted solely within the Multnomah County Circuit Court for the State of Oregon or, if brought in a federal forum, it shall be brought and maintained within the United States District Court for the District of Oregon.

16. Counterparts; Authority. This Agreement may be executed in any number of counterparts (electronic, facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original. Each Party represents that it has the authority to enter into this Agreement on its behalf and the individual signatory for a Party represents that it has been authorized by that Party to execute and deliver this Agreement.
17. Severability. If any provision of this Agreement is found to be unenforceable, illegal, or unconstitutional by a court of competent jurisdiction, the validity of the remaining terms of this Agreement shall not be affected, and this Agreement shall be construed as if it did not contain the provision held unenforceable, illegal, or unconstitutional.
18. Successors in Interest. The provisions of this Agreement will be binding on, and inure to the benefit of, each Party's respective successors and permitted assigns.
19. Force Majeure. Neither Party shall be held responsible for delay or default caused by fire, civil unrest, labor unrest, natural causes, war, or other event which is beyond the reasonable control of the Parties. Each Party shall, however, make all reasonable efforts to remove or eliminate such cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement. Either Party may terminate this Agreement upon written notice to the other party after reasonably determining that the delay or breach will likely prevent successful performance of this Agreement.
20. Necessary Act. Each Party shall execute and deliver to the other Party all such documents reasonably necessary to carry out this Agreement.
21. Survival. All obligations relating to indemnification, defense, representations, warranties, remedies, proprietary rights, limitations of liability, together with all other rights and obligations herein which by their context are intended to survive, shall survive the termination or expiration of this Agreement.
22. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous proposals and oral and written agreements, if any, between the Parties on this subject.
23. Electronic Signatures. The Parties agree that they may execute this Agreement and any amendments to this Agreement, by electronic means, including the use of electronic signatures.

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates listed below.

**City of Fairview**

**City of Gresham**

\_\_\_\_\_  
By:  
Date:

\_\_\_\_\_  
By:  
Date:

**Multnomah County**

**City of Portland**

\_\_\_\_\_  
By:  
Date:

\_\_\_\_\_  
By:  
Date:

**City of Troutdale**

**City of Wood Village**

\_\_\_\_\_  
By:  
Date:

\_\_\_\_\_  
By:  
Date:

**ATTACHMENT A**

**3 Year Compensation Schedule**

<b>Jurisdiction</b>	<b>% Allocation by JDX</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
Fairview	2.25%	\$9,812	\$10,107	\$10,410
Gresham	26.69%	\$116,388	\$119,880	\$123,476
Portland	65.00%	\$283,400	\$291,902	\$300,659
Troutdale	4.02%	\$17,534	\$18,060	\$18,602
Wood Village	0.61%	\$2,670	\$2,751	\$2,833
Multnomah Co.	1.42%	\$6,196	\$6,381	\$6,573
<b>Total</b>	<b>100.00%</b>	<b>\$436,000</b>	<b>\$449,081</b>	<b>\$462,553</b>

**ATTACHMENT B**

**East County Jurisdictional Proportional Cost Share**

<b>Jurisdiction</b>	<b>% by JDX</b>
Fairview	6.4%
Gresham	76.3%
Troutdale	11.5%
Wood Village	1.8%
Multnomah Co.	4.0%
<b>Total</b>	<b>100.00%</b>

**RESOLUTION NO.**

**A RESOLUTION OF THE TROUTDALE CITY COUNCIL APPROVING THE FIRST AMENDMENT TO THE COMCAST CABLE SERVICES FRANCHISE AGREEMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY.**

**THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. The City of Troutdale, together with Multnomah County and the Cities of Fairview and Wood Village, entered into a Cable Services Franchise Agreement with Comcast of Illinois/Ohio/Oregon, LLC, effective September 15, 2025; and
2. The franchise agreement was administered through the Mt. Hood Cable Regulatory Commission (MHCRC), an intergovernmental entity established by participating jurisdictions for the regulation and administration of cable franchise agreements; and
3. The participating jurisdictions have mutually agreed to dissolve the MHCRC effective no later than June 30, 2026; and
4. Following dissolution of the MHCRC, the participating jurisdictions must amend the franchise agreement to remove references to the MHCRC and clarify the regulatory, administrative, and enforcement responsibilities of the participating jurisdictions; and
5. The proposed First Amendment maintains the substantive rights and obligations of the franchise while updating administrative provisions to reflect the dissolution of the MHCRC and the continuation of cable franchise oversight by the participating jurisdictions; and
6. The First Amendment preserves existing franchise fee obligations, PEG access obligations, PEG capital funding obligations, customer service standards, reporting requirements, and other material provisions of the franchise agreement; and
7. The City Council finds that approval of the First Amendment is necessary to ensure continuity of franchise administration, preserve existing contractual rights and obligations, and facilitate an orderly transition following dissolution of the MHCRC.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TROUTDALE AS FOLLOWS:**

Section 1. The City Council approves the First Amendment to the Comcast Cable Services Franchise Agreement substantially in the form attached as Attachment A.

Section 2. The City Manager is authorized to execute the First Amendment and any non-substantive revisions necessary to finalize the amendment, subject to review by the City Attorney.

Section 3. The City Manager, or designee, is authorized to take all actions necessary to implement the First Amendment and coordinate administration of the franchise agreement with the participating jurisdictions.

Section 4. This Resolution shall take effect immediately upon adoption.

**YEAS:**  
**NAYS:**  
**ABSTAINED:**

---

**David Ripma, Mayor**  
**Dated:**

---

**Sarah Skroch, City Recorder**  
**Adopted:**

**Franchise Agreement  
For Cable Services Between  
Comcast of Illinois/Ohio/Oregon, LLC  
And  
The Cities of Fairview, Troutdale, Wood Village,  
and Multnomah County, Oregon  
Effective [date]**

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**EXHIBITS**

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EXHIBIT B:	Hardwired Live Origination Sites
EXHIBIT C:	Public Facilities
EXHIBIT D:	Customer Service Standards Interpretations
EXHIBIT E:	Form of Guarantee in Lieu of Bond
EXHIBIT F:	Form of Acceptance

**ORDINANCE NO.**

Grant a franchise to Comcast of Illinois/Ohio/Oregon LLC to operate a Cable System.

**The Jurisdictions ordain:**

**Section 1. NATURE AND TERM OF GRANT**

1.1 Grant of Franchise.

- (A) The Jurisdictions of Multnomah County, and the cities of Fairview, Troutdale, and Wood Village do hereby grant to Comcast of Illinois/Ohio/Oregon LLC (“Grantee”), who is qualified to do business in Oregon, and to its successors and assigns, a franchise to construct, operate and maintain a Cable System to provide Cable Services in the Streets of Multnomah County and the cities of Fairview, Troutdale, and Wood Village. This franchise grants no right or power not expressly provided herein, but shall not be read to prohibit Grantee from offering any service over the Cable System that federal or state law authorizes by reason of the granting of this franchise, provided any requirements of the state and the respective municipal codes not inconsistent with federal law are satisfied.
- (B) Throughout this Franchise, the jurisdictions of Multnomah County, the City of Fairview, City of Troutdale, and City of Wood Village each shall be referred to as a “Jurisdiction” and collectively as the “Jurisdictions,” and Comcast of Illinois/Ohio/Oregon LLC, shall be referred to as the “Grantee.”
- (C) Each Jurisdiction and Grantee is a “Party” and they are collectively the “Parties.”

1.2 Term of Franchise. This Franchise, and all rights, privileges, obligations and restrictions pertaining thereto, shall expire on December 31, 2035, unless terminated sooner as provided herein.

1.3 Effective Date. The effective date of this Franchise is September 15, 2025. The effective date of this First Amendment to Franchise Agreement (“First Amendment”) shall be the date on which the intergovernmental agreement forming the Mount Hood Cable Regulatory Commission (“MHCRC”) terminates, unless the Grantee fails to file an unconditional written acceptance of this First Amendment, in which event this Franchise and the First Amendment shall be null and void. The Jurisdictions shall provide to Grantee prompt written notice of the date on which the MHCRC intergovernmental agreement terminates. As of the effective date of the First Amendment, references to “this Franchise” throughout this document shall mean this cable system franchise as amended by the First Amendment. This amendment shall not modify the termination date of the agreement.

1.4 Non-Exclusive Franchise; Competitive Parity.

- (A) This Franchise is not exclusive. The Jurisdictions expressly reserve the right, and may be required by federal or state law, to grant rights or franchises to other Persons, as well as the right in its own name as a municipality/county, to use the Streets for similar or different purposes allowed Grantee hereunder, by franchise, permit or otherwise.
- (B) Authorization of Cable Franchises.

(1) If, after the effective date of this Franchise, the Jurisdictions grant an additional franchise for the provision of Cable Services or similar wireline facilities-based owner/operator multichannel video programming services pursuant to Section 1.4(A), and Grantee believes there are material differences with Grantee's obligations under this Franchise, specifically regarding PEG Access Channels, PEG Capital support, franchise fees, customer service standards and reports and service area except as provided for in Section 1.4(G)(iii), and the provision of duct under Section 14.6, as required in this Franchise, the Grantee may elect to proceed under (i) or (ii) below, but not both, by providing the applicable notice to the Jurisdictions within one year of the effective date of such wireline competitor's franchise. For the avoidance of doubt, identical word for word provisions are not required in both franchises so long as the regulatory and financial burdens regarding those obligations identified in this subsection 1.4(B)(1) on each entity are materially equivalent taken as a whole.

i. Franchise Modification: The modification process shall only be initiated by written notice ("Modification Notice") by the Grantee to the Jurisdictions regarding specified franchise obligations. Grantee's notice shall address the following: (a) identify the specific terms or conditions in the competitor's franchise which Grantee believes are materially different from Grantee's obligations under this Franchise; (b) identify the Franchise terms and conditions for which Grantee is seeking amendments; (c) provide text for any proposed Franchise amendments to the Jurisdictions, with a written explanation of why the proposed amendments are necessary to ensure the regulatory and financial burdens regarding those obligations identified in subsection 1.4(B)(1) on each entity are materially equivalent taken as a whole. Grantee agrees to also address all relevant factors, evidence and circumstances in its Modification Notice. Within sixty (60) days of Grantee's Modification Notice, the Jurisdictions shall notify Grantee either: (a) that Jurisdictions are willing to enter into negotiations with Grantee; or (b) that Jurisdictions believe the regulatory and financial burdens regarding those obligations identified in subsection 1.4(B)(1) on each entity are materially equivalent taken as a whole. In the event the Jurisdictions notify Grantee that subparagraph (a) applies, the parties agree that they will attempt in good faith to negotiate the form of these modifications for a period of one hundred and twenty (120) days. If the parties fail to reach agreement in informal negotiations, either party may initiate mediation in accordance with Section 19.3. or arbitration in accordance with Section 19.2. In the event mediation or arbitration is not successful, or if, in response to the Grantee's Modification Notice, the Jurisdictions notify Grantee that subparagraph (b) applies, Grantee may bring an action in federal or state court for a determination as to whether the regulatory and financial burdens regarding those obligations identified in subsection 1.4(B)(1) on each entity are materially equivalent taken as a whole and as to what Franchise amendments would be necessary to remedy the disparity, if any.

- ii. **Term Reduction.** If the Grantee's thirty-six (36) month renewal window provided by 47 U.S.C. §546 has not yet commenced, Grantee may file a written notice indicating an election to shorten the term of this Franchise, and thereafter the term of Grantee's Franchise shall be shortened so that the Franchise shall be deemed to expire on a date thirty-six (36) months from the first day of the month following the date of Grantee's notice. Grantee shall immediately thereafter secure franchise renewal rights pursuant to 47 U.S.C. §546 with no further notice to the Jurisdictions required. The Jurisdictions and Grantee shall then enter into proceedings consistent with §546 for renewal of this Franchise. The Jurisdictions and Grantee shall have all rights and obligations provided under said § 546.
- (C) Nothing in Section 1.4(B) shall be construed as limiting, restricting or preventing the Jurisdictions from issuing any franchise, permit, license or other form of agreement for all of Grantee's Franchise Area or any portion thereof, that provides for equal or greater requirements or for a similar or higher level of Cable Services to Residential Subscribers, than that required of Grantee under this Franchise.
  - (1) Grantee agrees and acknowledges that, solely for the purposes of Section 1.4(B), the provisions of any other franchise issued or administered by the Jurisdictions with respect to the provision of Cable Services and in effect as of the effective date of this Franchise, are reasonably non-discriminatory and competitively neutral, and do not contain material differences with Grantee's obligations under this Franchise.
- (D) Nothing in Section 1.4(B) is intended to alter the rights or obligations of either party under applicable federal or state law, and it shall only apply to the extent permitted under applicable law and FCC orders.
- (E) **Limits to Relief:** The Parties agree that:
  - (1) In no event will the Jurisdictions be required to refund or to offset against future amounts due the value of benefits already received or to be liable for any damages to Grantee for any breach of this Section.
  - (2) Grantee may not on its own accord, withhold, delay or enjoin any performance or otherwise refuse to comply with its obligations whether or not it believes it is entitled to relief under this Section.
  - (3) Grantee may not obtain any relief from obligations it may have under settlements or other contracts with the Grantor via this Section.
  - (4) The relief is contingent on the new Cable Services or similar wireline facilities – based owner/operator multichannel video programming services provider actually commencing provision of such service in the Franchise Area to its first customer. Should the new Cable Services or similar wireline facilities – based owner/operator multichannel video programming services provider fail to continuously provide such service for a period of six (6) months, each Jurisdiction has the right to implement this Agreement with its original terms upon one hundred eighty (180) days' notice to Grantee.

- (F) To the extent any of Grantee’s obligations described in subsection 1.4(B)(1) are Collective Obligations as defined in Section 2.2(A), the determination of “material differences” for purposes of this Section will be based on the Jurisdiction’s allocation of the Collective Obligations at the time the Jurisdiction grants the additional franchise.
- (G) This Section does not apply to:
  - (1) Open video systems
  - (2) Common carrier systems exempted from franchise requirements pursuant to 47 U.S.C. Section 571;
  - (3) Systems that serve less than five percent (5%) of the geographic area of the Jurisdictions;
  - (4) Systems that only provide streaming services accessible by anyone via the public Internet;
  - (5) Any system where the Jurisdictions are ordered or required to issue a franchise on different terms and conditions, or it is legally unable to do so;
  - (6) Wireless networks that deliver multichannel video programming services, unless the state or FCC has determined that these are subject to Jurisdiction franchising authority.

1.5 Charter and General Ordinances. This Franchise is subject to the Jurisdictions Charter and Code provisions, now in effect or hereafter made effective, that affect matters of general Jurisdiction concern and that are not materially in conflict with existing contractual rights of Grantee. This Section shall not be construed to waive Grantee’s right to challenge any code provision under applicable law. Nothing in this Franchise shall be deemed to waive the requirements of the various applicable codes and ordinances of the Jurisdictions regarding permits, fees to be paid or the manner of construction.

**Section 2. CABLE REGULATORY ADMINISTRATION**

2.1 Regulation by Jurisdictions. The Jurisdictions have historically provided for regulation of this Franchise through a cable regulatory commission (the “MHCRC”) created through an intergovernmental agreement. The Jurisdictions no longer regulates the Franchise through a cable regulatory commission. Rather, the Jurisdictions will perform those functions but reserves the right to delegate those duties to a future regulatory entity. The Jurisdictions retain all powers not expressly delegated to any future regulatory entity or third-party.

2.2 Collective Obligations.

(A) The Jurisdictions and Grantee acknowledge that certain of Grantee’s obligations in this Franchise are intended to be provided collectively to the Jurisdictions and the other former members of the MHCRC, which are Multnomah County and the cities of Fairview, Troutdale, and Wood Village (“Other Jurisdictions”). Notwithstanding any other provision of this Franchise, Grantee will provide the following obligations (the “Collective Obligations”) collectively to the Jurisdictions and to the Other Jurisdictions based on an allocation of the total amount of each Collective Obligation set forth in this Franchise, which

allocation shall be determined by written agreement between the Jurisdictions and the Other Jurisdictions, which agreement, as amended from time to time, shall be provided to Grantee:

- (1) The obligations in Section 5.2(C) and (D) to provide Activated Downstream Channels for PEG Access use.
- (2) The obligation in Section 5.10 to provide the Designated Access Providers with video-on demand capacity on Grantee's server.

(B) Notwithstanding any other provision of this Franchise, with respect to the Collective Obligations, the Jurisdictions may enforce this Franchise only to the extent Grantee fails to provide the Jurisdictions with its allocated portion of any Collective Obligations.

(C) Nothing in this Section alters or amends the Collective Obligations other than the clarification that the Collective Obligations are to be allocated among the Jurisdictions as provided in this Section.

(D) Nothing about the dissolution of the Commission shall cause Grantee to be compelled to reconfigure its cable system including headend equipment or to dedicate additional system capacity to Access.

### **Section 3. DEFINITIONS**

3.1 **Captions.** Throughout this Franchise, captions to Sections are intended solely to facilitate reading and to reference the Sections and provisions of this Franchise. The captions shall not affect the meaning and interpretation of this Franchise.

3.2 **Definitions.** For the purpose of this Franchise, and all Exhibits attached hereto, the following terms, phrases, and their derivations shall have the meanings given below unless the context indicates otherwise. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular include the plural number. The word "shall" is always mandatory and not merely directory.

3.3 "Access" means the availability for use of the Cable System in accordance with the Franchise by various agencies, institutions, organizations, groups and individuals in the community to acquire, create, and distribute Programming not intended to generate income which may be subject to federal, state, or local income taxes and not under the Grantee's editorial control, including, but not limited to:

- (A) "Public Access", "Educational Access", and "Government Access". Such Access means public, educational and government use of channel capacity, facilities and equipment as defined in Sections 602 and 611 of the federal Cable Communications Policy Act of 1984 (the "Cable Act"), 47 U.S.C. §§ 522, 531 (1984).
- (B) "PEG Access" means Public Access, Educational Access, and Government Access, collectively.

3.4 "Access Channel" means any Channel designated for Access purposes or otherwise made available to facilitate or transmit non-commercial PEG Access Programming. "Access Resources" means the Channels, services, facilities, equipment, technical components and/or financial support provided under this Franchise, which is used or usable by and for PEG Access.

3.5 “Activation” or “Activated” means the status of any Capacity or part of the Cable System in which any Residential Service, Institutional Service or Access Resource requiring the use of that Capacity or part is made available, in accordance with the Franchise, without further installation, adjustment, modification or testing of Cable System equipment.

3.6 “Advertising Revenues” shall mean revenues derived from sales of advertising that are made available to Grantee’s Cable System subscribers within the Jurisdictions and shall be allocated on a pro rata basis using total Cable Service subscribers of Grantee and any Affiliated Entities in the relevant advertising region.

3.7 “Affiliated Entity” means any entity having ownership or control in common with the Grantee, in whole or in part, including, without limitation, Grantee’s Parent Corporations and any subsidiaries or affiliates of such Parent Corporations.

3.8 “Annual” or “Annually” means the period consisting of a full calendar year, beginning January 1 and ending December 31, unless otherwise provided in this Franchise.

3.9 “Basic Service” Grantee’s lowest service tier that includes the retransmission of local television broadcast signals and all PEG Access Channels required in this Franchise.

3.10 “Broadcast Channels” means local commercial television stations, qualified low power stations and qualified local noncommercial educational television stations, as referenced under 47 U.S.C. § 534 and 535.

3.11 “Cable Services” shall have the meaning provided under Federal law 47 U.S.C. § 522(6) and pertinent regulations.

3.12 “Cable System” shall have the meaning provided under Federal law 47 U.S.C. § 522(7) and pertinent regulations.

3.13 “Capacity” means the capability of the Cable System to carry Signals within a given format (e.g. at the time of the effective date of this Franchise, RF Capacity may be described in terms of portions of the total radio frequency bandwidth by specifying a number of MHz).

3.14 “Capital” or “Capital Costs” means the expenditure of funds for services, products or other resources, whose useful life can be expected to exceed a period of one year or longer.

3.15 “Channel” means a time or frequency slot or technical equivalent on the Cable System, discretely identified and capable of carrying full motion color video and audio, and may include other non-video subcarriers and digital information.

3.16 “Designated Access Provider” means the entity or entities designated by the Jurisdictions under Section 5.1.

3.17 “Downstream” means the direction of Signals from the Headend to Subscribers or Interconnect points served by the Cable System.

3.18 “Dwelling Unit” means any building, or portion thereof, that has independent living facilities, including provisions for cooking, sanitation and sleeping, and that is lawfully occupied for residential purposes. Buildings with more than one set of facilities for cooking shall be considered multiple dwelling units unless the additional facilities are clearly accessory.

3.19 “Facility” means any tangible component of the Cable System.

3.20 “FCC” means the Federal Communications Commission.

3.21 “Fiber” means a transmission medium of optical fiber cable capable of carrying Signals by means of lightwave impulses.

3.22 “Franchise Area” means the territory within the boundaries of the Jurisdictions.

3.23 “Gross Revenues” means and shall be construed broadly to include all revenues, in whatever form, derived by Grantee or an Affiliated Entity from the operation of Grantee’s Cable System to provide Cable Services within the Jurisdictions. Gross revenues include, but are not limited to: fees for Cable Services, regardless of whether such Cable Services are provided to residential, commercial or other customers, including revenues derived from the provision of all video programming (including but not limited to Basic, Expanded, pay or premium channels, digital programming including all service tiers, music services, pay-per-view, pay-per-event, and video-on-demand.); fees for service and repair calls; installation, disconnection, reconnection, downgrade, upgrade or similar charges associated with changes in subscriber Cable Service levels; fees paid to Grantee for channels designated for commercial leased access use and shall be allocated on a pro rata basis using the total Cable Service subscribers within the Jurisdictions compared to the total number of subscribers in the Portland Metro Area; converter, remote control, set-top unit (STU), digital terminal adapter (DTA) digital video recorder (DVR) and other Cable Service equipment rentals, leases, or sales; additional outlet fees; Advertising Revenues as defined herein; broadcast retransmission and regional sports programming fees; billing and collection fees, including but not limited to, NSF charges, late fees, convenience fees and administrative fees; inside wire maintenance and service plan protection fees; revenue from program guides; franchise fees; FCC Regulatory Fees; early termination fees; fees in support of Public, Education and Government Access (PEG); commissions from home shopping channels and other Cable Service revenue sharing arrangements which shall be allocated on a pro rata basis using total Cable Service subscribers within the Jurisdictions compared to the total number of subscribers in the Portland Metro Area.

- (A) Grantee shall report Gross Revenues to the Jurisdictions, consistent with Generally Accepted Accounting Principles (“GAAP”) Nothing in this Section shall be construed to mean that the Jurisdictions accepts Grantee’s interpretation of GAAP, or shall impair the Jurisdictions’ ability to challenge Grantee’s interpretation of GAAP.
- (B) “Gross Revenues” shall also include amounts earned during any period regardless of whether: (1) the amounts are paid in cash, in trade or by means of some other benefit to the Grantee or any Affiliated Entity; (2) the goods or services with which the revenue is associated are provided at cost or the revenue amount can be matched against an equivalent expenditure; and (3) the amounts are initially recorded by the Grantee or an Affiliated Entity.
- (C) “Gross Revenues” shall not be net of (1) any operating expense; (2) any accrual, including, without limitation, any accrual for commissions; or (3) any other expenditure, regardless of whether such expense, accrual or expenditure reflects a cash payment.
- (D) Grantee agrees that Gross Revenues subject to franchise fees shall include all commissions, rep fees, Affiliated Entity fees, or rebates paid to National Cable Communications (“NCC”) and Effectv or their successors associated with sales of

advertising on the Cable System within the Jurisdictions allocated according to this paragraph using total Cable Service subscribers reached by the advertising.

- (E) “Gross Revenues” shall not include: actual bad debt write-offs, except any portion which is subsequently collected which shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the Jurisdictions; any tax of general applicability imposed upon Grantee or upon Subscribers by a city, state, federal or any other governmental entity and that Grantee is required to collect and remit to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, and communication taxes) provided that franchise fees, PEG fees and the FCC regulatory fee shall not be regarded as such a tax; launch fees and marketing co-op fees; and unaffiliated third-party advertising sales agency fees or commissions which are reflected as a deduction from revenues.
- (F) To the extent revenues are received by Grantee for the provision of a discounted bundle of services which includes Cable Services and non-Cable Services, Grantee shall calculate revenues to be included in Gross Revenues using a methodology that allocates revenue on a pro rata basis when comparing the bundled service price and its components to the sum of the published rate card, except as required by specific federal, state or local law. It is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value. This calculation shall be applied to every bundled service package containing Cable Service from which Grantee derives revenues in the Jurisdictions. The Jurisdictions reserve the right to review and to challenge Grantee’s calculations.
- (G) Installation, disconnection, reconnection, downgrade, upgrade, early termination and similar fees, fees for service and repair calls, additional outlet fees, billing and collection fees (including NSF charges, late fees, convenience fees, and administrative fees), inside wire maintenance and service protection plan fees, and any other multiservice charges shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the Jurisdictions. The Jurisdictions reserve the right to review and challenge Grantee’s calculations.
- (H) Grantee reserves the right to change the allocation methodologies set forth in this definition in order to meet the standards required by governing accounting principles as promulgated and defined by the Financial Accounting Standards Board (“FASB”), Emerging Issues Task Force (“EITF”) and/or the U.S. Securities and Exchange Commission (“SEC”). Grantee will explain and document the required changes to the Jurisdictions within one hundred twenty (120) days of making the change, and as part of any audit or review of franchise fee payments. The Jurisdictions have the right to dispute such changes, and any such changes shall be subject to subsection (I) below.
- (I) Resolution of any disputes over the classification of revenue should first be attempted by agreement of the Parties, but should no resolution be reached, the Parties shall seek resolution by Mediation as provided for in Section 19.3 and/or Arbitration as provided for in Section 19.2.

3.24 “Hazardous Substances” has the meaning given by ORS 465.200(9) (2023).

3.25 “Headend” means Grantee’s Facility for reception and dissemination of Signals on the Cable System, including cable, antennas, wires, satellite dishes, monitors, switchers, modulators, processors, equipment for the Interconnection of the Cable System with adjacent cable systems or other separate communications network, and all other related equipment and Facilities.

3.26 “Interconnect” or “Interconnection” means the provision by Grantee of technical, engineering, physical, financial, and all other necessary components to provide and adequately maintain a physical linking of Grantee’s Cable System with any other designated cable system or any separate communications network so that services of technically adequate quality may be sent to and received from such other systems to the extent required by this Franchise.

3.27 “Parent Corporation” means Comcast Corporation and includes any other existing or future corporations with greater than fifty percent ownership or control over Grantee.

3.28 “Pay Service” means video Signals delivered to Subscribers on a per program, per Channel, or other separate subscription basis for a fee or charge over and above the regular charges for other Grantee tiers of service.

3.29 “Person” means any individual, sole proprietorship, partnership, association, corporation or other form of organization authorized to do business in the State of Oregon, and includes any natural person.

3.30 “Programmer” means any Person responsible for Programming on the Cable System, including, without limitation, any Person who produces or otherwise provides Programming for transmission on the Cable System.

3.31 “Programming” means television programs, audio, video or other patterns of Signals to be transmitted on the Cable System, and includes all programs or patterns of Signals transmitted, or capable of being transmitted, on the Cable System.

3.32 “Record” means written or graphic materials, however produced or reproduced, or any other tangible permanent record, including, without limitation, all letters, correspondence, memoranda, minutes, notes, summaries or accounts of telephone conversations, summaries or accounts of personal conversations or interviews, reports, notebooks, sketches, summaries or accounts of meetings or conferences, opinions or reports of consultants or experts, invoices, billings, statements of accounts, studies, appraisals, analyses, contracts, agreements, charts, graphs, photographs and any other writings or recordings of every kind and description, including magnetic media, and all sound recordings, to the extent related to the enforcement or administration of this Franchise.

3.33 “Residential Network” means the Cable System designed principally for the delivery of Cable Service to individual Dwelling Units.

3.34 “Residential Subscriber” means any Subscriber receiving Cable Services delivered to single or multiple Dwelling Units.

3.35 “Section” means a provision of this Franchise, unless specified as part of another document.

3.36 “Signal” means any analog or digital electrical or light impulses carried on the Cable System, whether one-way or bi-directional.

3.37 “Streets” means the surface of and the space above and below any public street, road, alley or highway, within the Jurisdictions, used or intended to be used by the general public for general transportation purposes to the extent the Jurisdictions have the right to allow the Grantee to use them.

3.38 “Subscriber” means any Person who is lawfully receiving, for any purpose or reason, any Cable Services provided by Grantee by means of or in connection with the Cable System, whether or not a fee is paid for such service.

3.39 “Upstream” means the direction of Signals transmitted to the Headend from remote points on the Cable System or from Interconnection points on the Cable System.

3.40 “Legal Counsel” means the city attorney or county counsel of each Jurisdiction, unless the Jurisdiction has designated as an alternative recipient

**Section 4. FRANCHISE AREA**

4.1 Cable Services. Subject to the provisions of this Franchise, Grantee shall provide Cable Services authorized by this Franchise and applicable law within the Franchise Area.

**Section 5. PEG ACCESS**

5.1 Designated PEG Access Providers.

- (A) The Jurisdictions may designate up to four (4) PEG Access providers located within the Portland Metropolitan area, including itself for Government Access purposes, to control and manage the use of any or all Access Resources provided by Grantee under this Franchise. To the extent of such designation by the Jurisdictions, the Designated Access Provider shall have sole and exclusive responsibility for operating and managing such Access Resources.
- (B) Grantee shall cooperate with Designated Access Providers in the use of the Cable System and Access Resources. Grantee shall enter into operating agreements as may be necessary to facilitate and coordinate the provision of PEG Access, provided that all such operating agreements shall not be inconsistent with the terms of this Franchise.

5.2 Access Channel Capacity on the Residential Network.

- (A) Access Channels Universally Available. All Access Channels, required by this Franchise, shall be included by Grantee in all levels of Cable Service, and be readily accessible and viewable to every Cable Services Subscriber regardless of subscription level.
- (B) Access Channel Primary Origination Points. The Jurisdictions may designate up to five (5) points of primary origination for existing and future Access Channels located within the Cable Services Franchise Area. Grantee shall continue to provide fiber optic connections and related transport equipment to transmit Signals for Access Channels without degradation from the designated origination points to Grantee’s Headend for distribution on the Residential Network. Should Grantee begin to charge for the maintenance costs associated with the EG transport provided pursuant to this section, it will give Jurisdictions one hundred twenty (120) days’ prior written notice

of its intent to commence such charges; provided however that (1) Grantee will disclose in such written notice the proposed amount of the charges and supporting information in sufficient detail for the Jurisdictions to evaluate how the charges were calculated; (2) The proposed charges shall be consistent with then-applicable law, currently “Marginal Cost.” The Jurisdiction may elect to take the charges as an offset against Franchise Fees. Nothing in this Section requires the Jurisdiction to accept Grantee’s calculation of Marginal Cost.

- (C) Simulcast Standard Definition and High-Definition Access Channels. Grantee shall provide not less than eight (8) Activated Downstream Channels, for PEG Access use, in all levels of Grantee’s Service. Of those 8 Active Downstream Channels, Grantee shall carry two (2) as regional PEG Access Channels. The regional PEG Access Channels shall have programming that is pertinent to residents of the Jurisdiction and Grantee’s regional service area and shall generally avoid duplication of programming that is already provided on any of the other six (6) Activated Downstream Channels for PEG Access provided in this section. Grantee shall simultaneously carry each Access Channel under this Section in both Standard Definition (SD) and High Definition (HD) format, for a total of 16 Activated Downstream Channels, until Grantee no longer offers standard definition format, or until such time as Grantee makes High Definition Access Channels available and accessible to all Subscribers at no additional cost. Grantee shall carry all components of the Access Channel Signals provided by the Designated Access Provider including, but not limited to, closed captioning, stereo audio and other elements associated with the Programming.
- (D) High-Definition Access Channels. At such time Grantee no longer offers Service in standard definition format, Grantee shall continue to provide not less than eight (8) Activated Downstream Channels for PEG Access use in a high-definition digital format in Grantee’s Service. Grantee shall carry all components of the HD format Access Channel Signals provided by the Designated Access Provider including, but not limited to, closed captioning, stereo audio and other elements associated with the Programming. The Designated Access Provider shall be responsible for providing the Access Channel Signal in an HD format to the demarcation point (input to the channel encoder) at the designated point of origination for the Access Channel. Grantee shall transport and distribute the Access Programming signal, in its entirety (including all information that may be included in the signal, without filtering or stripping) without degradation. If the signal requires modification, such as transcoding, Grantee will work with the PEG Access Provider to determine a mutually beneficial solution. Consistent with this requirement, Grantee shall provide all necessary equipment outside the demarcation point at the Designated Access Provider Channel origination point, at its Headend and throughout its distribution system to deliver the Access Channel(s) in the HD format to Subscribers. Grantee shall not discriminate against PEG Access Channels with respect to the functionality, signal quality, and features from those of the local Broadcast HD Channels carried on the Cable System. With respect to signal quality, Grantee shall not be required to carry a PEG Access Channel in a higher quality format than that of the Channel Signal delivered to Grantee, but Grantee shall distribute the Access Channel Signal without degradation. Channels may be encoded in Internet Protocol (IP) format and delivered to subscribers, so long as the other requirements of this section are met. Grantee shall verify Signal delivery to Subscribers with the Designated Access Provider, consistent with the requirements of this Section 5.2(D)). Specifically, Grantee shall continue to provide the capability,

without charge, for Jurisdiction representatives and PEG Access Channel providers at the current dedicated points of origination to monitor and verify the audio and visual quality of PEG Channels received by Subscribers. This will include equipment that will also allow the Jurisdiction to verify the accuracy of EPG listings for the PEG Channels. The Jurisdictions acknowledge that receipt of HD format Access Channels may require Subscribers to buy or lease special equipment, or pay additional HD charges applicable to all HD services.

(E) Audio. Access Channels shall include stereo audio or other forms of audio carried within the Access Channel. For example, any PEG Access Programming provided to Grantee with SAP (Second Audio Program) or MAP (Multiple Audio Program) shall be provided to Subscribers with the SAP or MAP feeds intact, except to the extent Federal, State or Local law or regulation prescribes otherwise.

(F) Advances in Channel Technology. As Grantee continues to incorporate new or emerging improvements in Channel delivery or display on Grantee Channels made available to Residential Subscribers, the Jurisdictions may submit a written notice to meet with the Grantee. Within thirty (30) days of receipt of such notice, Grantee will engage in discussions regarding these improvements or enhancements with the Jurisdictions. These discussions shall identify costs and benefits associated with the best ways to incorporate technology into the delivery of the PEG Access Channels to subscribers, as well as a reasonable timetable for incorporation. The Jurisdiction may factor such discussions and information received into both the Technology Assessment described in Section 8.1 and future community needs assessments related to cable franchise renewal proceedings. Such timetable shall be consistent with incorporation of similar improvements or enhancements in Grantee’s metro Cable systems in terms of homes passed, and may include carriage in more than one format for a transition period.

5.3 Access Channel Assignments.

(A) Grantee acknowledges that current Access Channel assignments are as follows and shall cablecast such Access Channels to the specific geographic areas designated below:

(1)	Channel 11	Regional Public Access SD	(Franchise Area)
(2)	Channel 331	Regional Public Access HD	(Franchise Area)
(3)	Channel 21	Public Access SD	(Franchise Area)
(4)	Channel 321	Public Access HD	(Franchise Area)
(5)	Channel 22	Public Access SD	(Franchise Area)
(6)	Channel 322	Public Access HD	(Franchise Area)
(7)	Channel 23	Public Access SD	(Franchise Area)

(8)	Channel 323	Public Access HD	(Franchise Area) (Area Channel 30 service areas of 'East' and 'West', and 30E and 30W service areas are serviced discretely)
(9)	Channel 30	Government Access SD	(Area Channel 330 service areas of 'East' and 'West', and 330E and 330W service areas are serviced discretely)
(10)	Channel 330	Government Access HD	(Portland Community College and Mount Hood Community College service area discretely)
(11)	Channel 27	Regional Educational Access SD	(Portland Public Schools' service area and other public schools' service areas within Multnomah County discretely)
(12)	Channel 327	Regional Educational Access HD	
(13)	Channel 28	Educational Access SD	
(14)	Channel 328	Educational Access HD	
(15)	Channel 29	Public Access SD	(Franchise Area)
(16)	Channel 329	Public Access HD	(Franchise Area)

- (B) Grantee shall continue to place the SD and HD format Access Channels within the channel blocks for the SD and HD format Channels in reasonable proximity to each other and to the local Broadcast SD and HD Channels. For purposes of this section, "reasonable proximity" means all the Access Channels are contained within a span of activated channels no greater than twenty (20) in Grantee's channel lineup for Basic Service, and no Access Channel assignment is more than thirty (30) activated channels from any local Broadcast Channel, subject however to retransmission agreements with broadcasters or must carry obligations. This "reasonable proximity" obligation shall not obligate Grantee to relocate channels that already occupy the numbers that would be covered by this obligation. If this becomes infeasible, as demonstrated by Grantee based on Federal regulatory requirements or changes in nationwide channel lineups, Grantee shall work with the Jurisdictions to determine placement of Access Channels that is equitable to channel assignment obligations in this Section 5.3(B)). The Jurisdictions shall consider the evolving interactive guides and navigation features available on a Subscriber's set-top unit that may make channel number assignments and placement less important in the future, as viewers may find Access Programming through a search function.
- (C) If at any time during the duration of this Franchise, Grantee reassigns Access Channel numbers, Grantee shall provide at least sixty (60) days advance notice to the Jurisdictions and the Designated Access Providers. Grantee shall ensure that Subscribers are notified of such reassignment in accordance with the notice requirements under Section 9.8. Grantee shall also use its customer messaging function of its set-top unit to provide customers the new channel assignments at least 30 days prior to the change and for at least 30 days after the change. In conjunction with any reassignment of any Access Channels, Grantee shall provide a minimum of seven thousand five hundred (\$7,500) compensation to any affected Designated Access Provider for costs associated with the change, or, alternatively at Grantee's sole discretion, fifteen thousand (\$15,000) of in-kind airtime on advertiser supported

Channels (e.g. USA, TNT, TBS, Discovery, or other comparable Channel) for the purpose of airing a thirty (30) second public service announcement produced by a Designated Access Provider. The Jurisdictions shall coordinate with the Designated Access Provider and Grantee for such airing. All compensation, whether in cash or in-kind, shall be paid on a per-event basis, regardless of the number of channels affected by the change.

#### 5.4 Access Interconnections.

- (A) Grantee shall continue and maintain all Interconnections of Access Channels in effect on the effective date of this Franchise, and as otherwise provided herein, unless otherwise authorized or modified by the Jurisdictions. Grantee shall provide Activated Interconnection of the Headend to Designated Access Providers for shared PEG Access Programming on Access Channels. The Interconnections shall provide the bi-directional capability to transmit PEG Access Programming among Designated Access Providers and other PEG Access Programming carried by contiguous cable systems in Washington County and Clackamas County, Oregon, and Clark County, Washington. Grantee shall provide Activated Capacity sufficient to enable Signal transmission to and from all Interconnection points on the Cable System. Should Grantee begin to charge for the maintenance costs associated with the Access Channel Interconnections provided pursuant to this section, it will give Jurisdictions one hundred twenty (120) days' prior written notice of its intent to commence such charges; provided however that (1) Grantee will disclose in such written notice the proposed amount of the charges and supporting information in sufficient detail for the Jurisdictions to evaluate how the charges were calculated; (2) The proposed charges shall be consistent with then-applicable law, currently "Marginal Cost." Grantor may elect to take the charges as an offset against Franchise Fees. Nothing in this Section requires the Grantor to accept Grantee's calculation of Marginal Cost.
- (B) Upon request by the Jurisdictions, and based on a demonstrated need, Grantee shall work in good faith with the Jurisdictions to interconnect with other cable operators at a designated meet point and not at Grantee's headend or hubs in order to hand off PEG Access Channel Signals for the purposes of sharing PEG Programming throughout the Franchise Area. Such interconnection shall preserve the technical quality of the PEG Access Channels without degradation to Grantee's demarcation at the designated meet point of the Interconnect. The Jurisdictions shall not require such interconnection without the prior consent of Grantee, which shall not be unreasonably withheld. Grantee shall not be obligated to interconnect with any cable system providing competitive Cable Services within the Franchise Area, except that Grantee shall use reasonable efforts to agree with a competitive Cable Services provider on reasonable terms, conditions and costs of a viable interconnection of the PEG Access Channel Signals. Any incremental, direct Capital costs incurred by Grantee to interconnect shall be paid by the Jurisdictions from the PEG Fee.
- (C) The Jurisdictions shall designate the Access provider with the right to control and schedule the operation of all Interconnects of Access Channels with other systems.
- (D) Grantee shall take all necessary technical steps to ensure that technically acceptable signal quality and routing systems are continuously provided for all Access

Interconnections. Signal quality and routing systems acceptability will be based on meeting applicable IEEE, NAB, FCC or other industry standards.

#### 5.5 Live Programming Origination Capabilities.

- (A) Grantee shall provide, at a minimum, the transmission capability for Designated Access Providers to originate discrete, live Programming from:
- (1) Designated Access Providers,
  - (2) Existing, hardwired live origination sites, as listed in Exhibit B, that are within the Franchise Area;
  - (3) New live origination sites, as constructed under Section 5.5(B); and,
  - (4) Any available Programming origination points on any cable system with which the PEG Access Channels are Interconnected, provided other cable operators permit.
- (B) The Jurisdictions may designate new live origination sites, in addition to those listed in Exhibit B. Grantee shall connect and the Jurisdictions shall fund incremental, direct Capital costs of new live origination sites in accordance with the following procedures:
- (1) The Jurisdictions shall request a cost estimate to connect a new live origination site. Grantee shall provide to the Jurisdictions, within thirty (30) days of the request, a detailed cost estimate for incremental, direct Capital costs necessary to complete the proposed new live origination site connection. Reimbursable costs to connect the site may include only Grantee's external labor, materials, equipment and internal labor Capital costs directly related to completion of the new live origination site connection. Grantee may also include a burdened cost charge of fifteen percent (15%) of the total cost for internal labor.
  - (2) The Jurisdictions shall notify Grantee if the proposed new live origination site connection should be completed based on the cost estimate provided for the site. The Grantee shall complete the new live origination site connection within ninety (90) days of the Jurisdictions' notification. If the actions or inactions of a third party prevent Grantee from completing the site connection within the ninety (90) days, Grantee shall notify the Jurisdictions of the specific reason for the delay and shall work in good faith to promptly complete the connection.
  - (3) Upon completion of the new live origination site connection, Grantee shall submit an invoice, including accounting and documentation, for the actual incremental costs directly related to completing the new live origination site connection for an approved site. The invoice shall be no more than the new live origination site's cost estimate approved by the Jurisdictions, plus additional cost amounts equaling ten percent (10%) or less of the approved cost estimate for the site. Upon submission by the Grantee of an invoice, and upon certification by the Jurisdictions that the invoice is in accordance with

this Section 5.5(B), the Jurisdictions shall promptly reimburse Grantee the amount as specified in the invoice.

- (C) The Cable System shall provide functional ability to transmit digital Programming Upstream from each location and return the Programming on Downstream Channels and on all Access Channel Interconnects. Such transmission capability shall be at a minimum, digital, optical, transport capable of transporting the Designated Access Provider's Programming in the format specified by the Designated Access Provider without degradation from at least eight locations simultaneously. The transmission equipment utilized to provide the live origination capability shall be chosen in consultation with the Designated Access Provider. Grantee shall install, test and verify proper Activation with the Designated Access Provider no later than one hundred twenty (120) days after the date of a written request to the Grantee concerning live origination from a new location or using a new digital format, and no later than sixty (60) days for live origination using an existing format and from an existing location. Such testing shall, at a minimum, include transmission of color bars, video and audio meeting all required technical quality standards, as documented by Grantee with the Designated Access Provider before the site is considered Activated.
- (D) Additionally, all hardwired live origination sites, including the sites in Exhibit B and those added by Grantee following the Franchise effective date, upon written request of Jurisdictions, shall be tested for all applicable standards and Activation status. Test results shall be documented and reviewed with the Jurisdictions and Designated Access Providers. Where test results indicate, as determined by the Jurisdictions or a Designated Access Provider, that a live origination site does not meet applicable standards, corrective action shall be implemented by the Grantee with continuous efforts made until all problems have been corrected and the site meets applicable standards.

5.6 Change in Technology. In the event Grantee makes any change in the Cable System and related equipment and Access Resources or in Grantee's Access Channel Signal delivery technology, which directly or indirectly substantially affect the Signal quality or transmission of Access Programming, Grantee shall at its own expense take necessary technical steps or provide necessary technical assistance, including the acquisition of all necessary equipment, to ensure that the capabilities of Designated Access Providers or Access Programmers are not diminished or adversely affected by such change. In no case shall the Signal quality or transmission of Access Programming diminish compared to the quality being achieved prior to the change in technology, provided that this requirement shall not prohibit Grantee from implementing new technologies also utilized for commercial channels carried on its Cable System. Technical quality shall continue to meet all applicable standards contained in this Section 5.

5.7 Change in Designated Access Provider Location. Grantee shall provide all obligations in Section 5 to the Designated Access Provider locations in place on the effective date of this Franchise. If the Jurisdictions designate new Access providers under Section 5.1, or if a current Designated Access Provider moves its site or location at its own instigation after the effective date of this Franchise, the Designated Access Provider and/or the Jurisdictions will fund the actual direct incremental costs to connect the site or location to the nearest Activated Fiber node, or distribution hub. Alternatively, new sites or locations may be served by a portable cable-modem solution for transport of PEG programming at a charge to be paid by the Jurisdictions. Requests and reimbursements shall be made in accordance with the procedures under Section 5.5(B).

## 5.8 Technical Quality.

- (A) Grantee shall maintain all Access Channels and Interconnections of Access Channels at the same level of technical quality and reliability required by this Franchise and all other applicable laws, rules and regulations for Residential Subscriber Channels. Grantee shall not discriminate against PEG Access Channels with respect to the functionality, signal quality, and features from those of the local Broadcast Channels that Grantee carries. Access Channels and Interconnections shall be tested at representative points throughout the Cable System as needed to demonstrate compliance with all applicable standards. Documentation of such tests shall be provided to the Jurisdictions. Grantee shall promptly resolve any non-compliance issues.
- (B) Grantee shall respond promptly, but no later than 24-hours, to resolve technical quality problems after notification by a Designated Access Provider.
- (C) Grantee shall have no responsibility for the technical quality of the Access Programming distributed on the Access Channels.
- (D) Use of the Cable System by Designated Access Providers shall not interfere with the technical quality or reliability of the Cable System.

5.9 Recognition of Grantee for PEG Contributions. The Jurisdictions shall work with the Grantee and the Designated Access Providers to ensure that the contributions of the Grantee relating to Access Resources under this Franchise are appropriately acknowledged.

## 5.10 Video on Demand.

- (A) Grantee shall include Access Programming on its video-on demand (“VOD”) platform. Grantee shall provide the Designated Access Providers with the VOD capacity on Grantee’s server to include a maximum of fifty (50) hours of Access Programming on Grantee’s VOD at any given time. The Jurisdictions shall coordinate use of such VOD capacity among the Designated Access Providers. The Jurisdictions shall pay all costs associated with the provision of Access programming on the VOD platform.
- (B) Grantee agrees to work in good faith with the designated Access Providers to continue to provide and adjust as needed, a process agreeable to the Designated Access Providers for placing Access Programming on Grantee’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 and submitting program descriptions to the EPG. The Access Providers may identify potentially offensive programming for disclaimers. Designated Access Providers are responsible for selecting the Access Programming and providing it to Grantee in an MPEG2 or other appropriate format compatible with Grantee’s equipment and system.
- (C) 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 Grantee’s VOD platform is included.

- (D) The Parties recognize that VOD platforms for distribution of programming may change over time. Future development may allow for the Designated Access Providers and Grantee 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, Grantee agrees to engage in good faith efforts to discuss alternatives to including Access Programming on any Grantee VOD platform.
- (E) Following the dissolution of the Commission, the fifty (50) hours shall be shared by the former members of the Commission as agreed upon amongst themselves.

5.11 Detailed Access Program Listings on the Digital Guide.

- (E) For purposes of this section, “Electronic Program Guide” or “EPG” means the program guide, navigation system and search functions accessible on Grantee’s digital Cable Services through the Subscriber set-top unit and remote control, or their successor technology.
- (F) Grantee, shall include the Access Channels and Programming information in all EPG menus 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 where provided by the programmer, in a non-discriminatory manner. If the Jurisdictions request that Grantee continue to pay any fee charged by the electronic programming guide vendor for including PEG channels, Grantee reserves the right to offset the costs from franchise fees to the extent allowed by applicable law. If Grantee decides to offset the costs of the electronic programming guide costs, it must give the Jurisdictions one hundred twenty (120) days’ notice of its intent to recoup these costs. The Jurisdictions shall have the option to pay the Grantee for the costs, or have the costs deducted from franchise fee payments.
- (G) 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.
- (H) Grantee shall continue to facilitate an efficient and effective direct working relationship between Designated Access Providers and pertinent third-party guide providers.

**Section 6. PEG ACCESS CAPITAL FUNDING**

6.1 PEG Capital Fee. Grantee shall pay to the Jurisdictions two and one-half percent (2.5%) of Grantee’s Gross Revenues Annually (“PEG Fee”).

- (A) The PEG Fee shall be allocated to provide support for Capital Costs related to PEG Access and support consistent with applicable law. The PEG Fee shall not be paid to another cable operator in the Franchise Area for equipment to be owned by that cable operator or an affiliate.
- (B) The Jurisdictions shall provide Grantee with a report Annually describing the allocation of the PEG Fee, containing sufficient detail to demonstrate that the funds

under Section 6.1 are used in compliance with the terms of this Franchise. The Jurisdictions shall Annually submit the report to Grantee no later than December 31.

6.2 Payments. Following the effective date of this Franchise, Grantee shall make quarterly payments of PEG Fees to the Jurisdictions, under Section 6, for the preceding quarter-year period ending September 30, December 31, March 31, and June 30. Each quarterly payment shall be due and payable no later than forty-five (45) days after the quarter ending date.

6.3 Quarterly Reports. Each payment shall be accompanied by a written report, verified by an authorized representative of Grantee, containing an accurate statement in summarized form, as well as in detail, of Grantee's Gross Revenues and the computation of the payment amount.

6.4 Interest on Late Payments. Payments not received within forty-five (45) days from the quarter ending date shall be assessed in accordance with Section 11.3.

6.5 PEG Access Support not Franchise Fees. Grantee agrees that PEG Access Capital Costs arising from or relating to the obligations set forth in this Section 6 shall in no way modify or otherwise affect Grantee's obligations to pay franchise fees to the Jurisdictions. Grantee agrees that although the sum of franchise fees and the payments set forth in this Section 6 may total more than five percent of Grantee's Gross Revenues in any 12-month period, financial support required by this Franchise for PEG Capital costs, properly expended for PEG Capital purposes, are not to be offset or otherwise credited in any way against any franchise fee payments under this Franchise.

6.6 Review of Records. Grantee may conduct a financial review or audit for the purpose of verifying whether use of the PEG Fee is in accordance with this Franchise. The Grantee shall notify the Jurisdictions in writing at least thirty (30) days prior to the date of an audit or review and identify the relevant financial records of the Jurisdictions and the Designated Access Provider that Grantee wants to review. The time period of the review or audit shall be for PEG Fee payments received no more than thirty-six (36) months prior to the date the Grantee notifies the Jurisdictions of its intent to perform an audit or review. The Jurisdictions and recipients of the PEG Fee shall make such documents available for inspection and copying. Documents shall be reviewed during normal business hours at a time and place made available by the Jurisdictions or the Designated Access Provider. Grantee shall promptly provide the Jurisdictions with written notice of the audit or review's conclusions. The Jurisdictions shall have sixty (60) days to provide a written response. If the Jurisdictions dispute Grantee's conclusions, the parties shall attempt in good faith to reach a mutually acceptable resolution. If the parties are unable to agree, either party may submit the issue to arbitration under Section 19.2. If the conclusions become final, determining that any PEG Fee has not been used in accordance with this Franchise, then within thirty (30) days, one of the following actions shall occur:

- (A) If the Jurisdictions determine that the recipient has access to sufficient unrestricted funds, the Jurisdictions may require either:
  - (1) That the recipient expend its unrestricted funds to achieve the stated purposes of the original PEG funding not spent in accordance with this Franchise; or,
  - (2) Upon demand, the recipient shall return the full amount of the PEG funding amount not spent in accordance with this Franchise to the PEG funding account.
- (B) If the Jurisdictions determine that the recipient does not have access to sufficient unrestricted funds, the Jurisdictions may decide to either:

- (1) Directly reimburse the PEG funding account for the amount not spent in accordance with this Franchise; or,
  - (2) Allow the Grantee to reduce future PEG Fee payments by the amount not spent in accordance with this Franchise.
- (C) The decision as to which of these options to exercise, under Sections 6.6(A) and (B), shall be at the Jurisdictions' sole discretion.
- (D) If Jurisdictions fail to act on any of the options under Sections 6.6(A) and (B) within such thirty (30) days, then after a further sixty (60) days' notice (which includes the Grantee's proposed schedule of future PEG fee payment reductions), if Jurisdictions have still not acted on any option, Grantee may reduce future PEG Fee payments by the amount not used in accordance with this franchise as previously determined by agreement of the parties or by arbitration, as the case may be.

## **Section 7. SERVICE**

7.1 **Non-Discriminatory Rates and Charges.** Grantee shall provide Cable Services to all Subscribers in the Franchise Area under non-discriminatory rates and reasonable terms and conditions. Grantee shall not arbitrarily refuse to provide Cable Services to any Person within the Franchise Area, in accordance with Section 9.6.

7.2 **Standard Installation.** For purposes of Section 7, "Standard Installation" means an installation of a drop no more than 125 feet between the Dwelling Unit and the nearest point of access from which the Cable System is designed to serve the site, which qualifies a Residential Subscriber for installation at standard rates. Except as otherwise provided in Section 7.3, Grantee shall provide Standard Installation within seven (7) days of a service request to any potential Residential Subscriber throughout the Franchise Area at Grantee's published rates and charges. For purposes of this Section, a request shall be deemed made on the date of signing a service agreement, receipt of funds by the Grantee, receipt of a written request by the Grantee or receipt by the Grantee of a verified oral request.

### 7.3 **Non-Standard Installations.**

- (A) **Density.** Subject to the density requirements herein, Grantee shall make Cable Service available to a residential dwelling unit occupied by a person requesting Cable Service provided that Grantee is able to obtain from the property owners any necessary easements and/or permits in accordance with § 621(a)(2) of the Cable Act. Upon request or by ascertainment by Grantee, Grantee shall extend the Cable System into all areas within the Jurisdiction where there is a minimum of twenty-five (25) occupied residential dwelling units per linear plant mile for aerial plant, and forty (40) occupied dwelling units per linear plant mile for underground plant, measured in strand footage from the nearest technically feasible point on the active Cable System trunk or feeder line from which a usable cable signal can be obtained. The term "nearest technically feasible point" means the point of the nearest cable distribution line, not including drop lines from the public right of way to residential dwellings. Grantee shall complete any extensions within six (6) months after verification by Grantee that an area has met the minimum density standard set forth herein (weather permitting).

- (B) Definitions. For purposes of this Section 7, a home shall only be counted as a “dwelling unit” if such home is within three hundred (300) feet of the public right of way. Grantee’s obligation hereunder shall be subject to the timely performance of walk-out, make ready and location of all underground utilities.
- (C) Service Drop Setback. Any dwelling unit that (i) either meets the density requirement in Section 7.3(A) or becomes eligible for service via payment of a capital contribution pursuant to Section 7.3(D); and (ii) is a Standard Installation as defined in Section 7.2 shall be entitled to a standard installation rate. For any dwelling unit that is further than the distance for a Standard Installation, Grantee shall be allowed to recover, from a Subscriber that requests such connection, half of the actual costs incurred its residential dwelling unit connection for the portion that over one hundred twenty-five (125) feet but less than three hundred (300) feet.
- (D) Line Extension Aid to Construction. For any dwelling unit that does not meet the density requirement in Section 7.3(A), Grantee shall have no obligation to provide Cable Service absent a Subscriber commitment to pay a portion of the actual construction costs incurred consistent with the formula below. For the purpose of determining the amount of capital contribution in aid of construction to be borne by the Grantee and Subscribers in the area in which service may be expanded, the Grantee will contribute an amount equal to the construction and other costs per mile, multiplied by a fraction whose numerator equals the actual number of residences per 5,280 cable-bearing strand feet of its trunk or distribution cable and whose denominator equals twenty five (25) or forty (40), as applicable. Subscribers who request service hereunder will bear the remainder of the actual construction and other costs on a pro rata basis. The Grantee may require that the payment of the capital contribution in aid of construction borne by such potential Subscribers be paid in advance.

#### 7.4 Connection of Public Facilities.

- (A) If the Jurisdictions request cable service be provided to Public Facilities not currently served, Grantee will connect such locations within ninety (90) days of written request (subject to necessary permitting and other access permissions) at Grantee’s Marginal Cost. If Grantee desires to charge for cable services to these Public Facilities an amount consistent with then-applicable law, currently “Marginal Cost,” Grantee must notify Jurisdictions in advance and provide supporting information in sufficient detail for Jurisdictions to evaluate the how the charges were calculated. The Jurisdiction reserves the right to challenge the calculation of Marginal Cost. Jurisdiction may elect to take the charges as an offset against Franchise Fees.
- (B) For those Public Facilities that Grantee currently serves at no cost (see Exhibit C), should Grantee begin to charge for the cable services provided pursuant to this section, it will give Jurisdictions one hundred twenty (120) days’ prior written notice of its intent to commence such charges; provided however that (1) Grantee will disclose in such written notice the proposed amount of the charges and supporting information in sufficient detail for the Jurisdictions to evaluate the how the charges were calculated; (2) The proposed charges shall be consistent with then-applicable law, currently “Marginal Cost.” The Jurisdiction may elect to take the charges as an

offset against Franchise Fees. Nothing in this Section requires the Jurisdiction to accept Grantee's calculation of Marginal Cost.

- (C) In the event that after the Grantee commences charging for cable services pursuant to this section there is a change in applicable law eliminating the ability for Grantee to charge for franchise-mandated cable services to Public Facilities, then for the remainder of the term of the Franchise, Grantee shall provide cable services to the locations then served on a complimentary basis consistent with such change in applicable law.

## **Section 8. CABLE SYSTEM UPGRADE(S)**

### **8.1 Technology Assessment.**

- (A) The Jurisdictions may notify Grantee on or after the fourth (4<sup>th</sup>) anniversary of the effective date of this Franchise that the Jurisdictions will conduct a technology assessment of Grantee's Cable System. The technology assessment may include, but is not limited to, determining whether Grantee's Cable System technology and performance are consistent with current technical practices and range and level of services existing in the fifteen (15) largest U.S. cable systems owned and operated by Grantee's Parent Corporation pursuant to franchises that have been renewed or extended since the effective date of this Franchise.
- (B) Grantee shall cooperate with the Jurisdictions to provide necessary non-confidential and proprietary information upon the Jurisdictions' reasonable request as part of the technology assessment.
- (C) At the discretion of the Jurisdictions, findings from the technology assessment may be included in any proceeding commenced for the purpose of identifying future cable-related community needs and interests undertaken by the Jurisdictions pursuant to 47 U.S.C. § 546.

## **Section 9. CONSUMER PROTECTION**

### **9.1 Jurisdictions' Cable Television Consumer Protection Policies.**

- (A) Grantee shall comply with the Jurisdictions' Cable Television Consumer Protection Policy.
- (B) With Grantee and the Jurisdictions both reserving their respective rights under applicable law, the Jurisdictions and the Grantee agree that certain requirements of the Cable Television Consumer Protection Policy shall be interpreted in the manner set forth in Exhibit D hereof, and 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 Jurisdictions.

9.2 Subscriber Contracts. Grantee shall not enter into contracts with Subscribers which are inconsistent in any material sense with the requirements of this Franchise.

9.3 Obscenity. Grantee shall not transmit, or permit to be transmitted, over any Channel subject to its editorial control any Programming which is obscene under applicable law. Grantee shall be deemed to

have transmitted or permitted a transmission of obscene Programming only if a court of competent jurisdiction has found that Grantee's officers or employees, acting in their authorized capacity, have knowingly permitted Programming which is obscene under applicable law to be transmitted over any Channel that is subject to Grantee's editorial control.

9.4 Parental Control Device. Upon request by any Subscriber, Grantee shall make available a parental control or lockout capability to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device capability at the time of their initial subscription and periodically thereafter.

9.5 Regulation of Rates and Charges-Reservation of Rights. The Jurisdictions reserve their rights to regulate all Grantee Residential Subscriber rates and charges related to or regarding Cable Services to the full extent authorized by applicable law.

9.6 Rate Discrimination. Grantee shall establish rates and charges for all Residential Subscribers receiving similar services without regard to race, color, religion, age, sex, marital or economic status, national origin, sexual orientation, or physical or mental disability, income of the residents, or geographic location within the Grantee's Franchise Area, except when such geographic location may fall under the provisions of Sections 7.3 and 7.4. Nothing in this Section 9.6 shall be construed to prohibit:

- (A) The temporary reduction or waiving of rates and charges in conjunction with promotional campaigns and to compete against other multichannel video service providers in all or portions of the franchise area;
- (B) Grantee from offering reasonable discounts to senior citizens or discounts to economically disadvantaged citizens;
- (C) Grantee establishing different and nondiscriminatory rates and charges and classes of services for commercial subscribers, as well as different, nondiscriminatory monthly rates for classes of commercial subscribers; or
- (D) Grantee from establishing reduced bulk rates for Residential Subscribers residing in multiple dwelling units.

9.7 Filing of Rates and Charges. Grantee shall maintain on file with the Jurisdictions a complete and current schedule of applicable Residential Subscriber rates and charges for Cable Services provided under this Franchise, in a form satisfactory to the Jurisdictions. Nothing in this Section 9.7 shall be construed to require the Grantee to file rates and charges under temporary reductions or waivers of rates and charges in conjunction with promotional campaigns. As used solely in this Section 9.7, no rate or charge shall be considered temporary if Residential Subscribers have the ability over a period greater than six (6) consecutive months to purchase Cable Services at such rate or charge.

9.8 Changes in Rates and Charges.

- (A) Grantee shall provide written notice to the Jurisdictions and Subscribers at least thirty (30) days in advance of any increase in rates and charges. Notice to the Jurisdictions of proposed increases in rates and charges shall be filed in a form consistent with federal requirements.
- (B) Unless the Jurisdictions have lawfully required prior review of Grantee's rate increase in accordance with the requirements and conditions of applicable law, Grantee's rate

increase shall become effective on the date identified in the form filed by the Grantee, provided that the effective date shall not be earlier than the thirty-first (31<sup>st</sup>) day after such filing.

9.9 ADA Accessible Equipment and Services. To the extent authorized by law, the Jurisdictions reserve the right to require and regulate the installation or rental of equipment which facilitates the reception of Cable Services by hearing impaired individuals. Grantee shall notify Subscribers of the availability of ADA equipment and services and shall provide such equipment and services in accordance with federal and state laws.

9.10 Discriminatory Practices. Grantee shall not deny Cable Service, or otherwise discriminate against Subscribers, Programmers or any other Persons on the basis of race, color, religion, age, sex, national origin, sexual orientation or physical or mental disability. Grantee shall comply at all times with all other applicable federal, state or local laws, rules and regulations relating to non-discrimination.

9.11 Unauthorized Monitoring or Cable Tapping. For the purposes of this Section 9.11, “Tap” means to observe or monitor video, audio, digital or other non-video Signals, or any combination of such Signals carried on the Cable System, where the observer is neither of the communicating parties, whether the exchange is observed by visual or electronic means, for any purpose whatsoever.

- (A) Neither the Grantee, nor any of its agents, employees, officials or permittees, or any other Person, agency or entity, shall Tap any cable, line, Signal input device or subscriber outlet or receiver in any manner inconsistent with applicable law.
- (B) Grantee may Tap a cable, line, Signal input device or Subscriber outlet or receiver to (1) determine the number of viewers watching a program where the identities of the viewers are not determined; (2) perform Cable System maintenance and verify technical performance; and (3) identify theft of services, without the Subscriber’s written consent.

9.12 Privacy. The Jurisdictions and Grantee shall maintain constant vigilance with regard to possible abuses of the right of privacy or other human rights of any Residential Subscriber, Programmer or any other Person lawfully receiving Cable Services resulting from any device or Signal associated with the Cable System. Grantee shall not use the two-way communications capability of the Cable System for unauthorized or illegal Subscriber surveillance of any kind.

9.13 Permission of Property Owner or Tenant. Grantee shall not install or attach any of its Facilities to any residence or other property without first securing the permission of the owner or tenant of any property involved, except where there is an existing utility easement reserved by plat or other conveyance or unless such installation or attachment is otherwise authorized by law. Nothing herein, however, shall excuse the Grantee from obtaining permission from anyone who has the right to approve or disapprove the attachment. If such permission or easement is later revoked, unless Grantee is otherwise lawfully entitled to maintain its Facilities, whether by the original or a subsequent owner or by operation of law, the Grantee, on the owner’s request, shall promptly remove any of its Facilities and promptly restore the property to a condition similar to its prior condition. Grantee shall perform all such installations and removals in a workmanlike manner and shall be responsible for any damage to residences or other property caused by the installation or the removal.

9.14 Sale of Subscriber Lists and Personalized Data. Grantee shall be subject to the provisions of federal law regarding limitations on Grantee’s collection and use of personalized data, and other issues involving the protection of Subscriber privacy.

9.15 Contact Information on Subscribers' Bills. Grantee shall include on Subscribers' bills the contact information for the Jurisdictions. Grantee shall also provide to Subscribers the Jurisdictions' contact information at the time of Cable Service installation and at least Annually thereafter.

**Section 10. RESIDENTIAL NETWORK**

10.1 Channel Capacity.

- (A) As of the effective date of this Franchise, Grantee's Cable System uses a Fiber to the Fiber node Cable System architecture, with Fiber Optic cable deployed from Grantee's Headend and hubs to Grantee's Fiber nodes, tying into Grantee's coaxial Cable System already serving Subscribers. Active and passive devices currently are passing a minimum of 860 MHz (with a minimum forward passband of between 50 and 860 MHz) capable of providing to Residential Subscribers at least 200 or more activated minimum Downstream video Channels and minimum Activated Upstream digital Channel Capacity of 35 MHz accessible from any node, any Residential Subscriber, and any points of Access Channel primary origination in the Franchise Area. This Upstream Capacity requires no additional installation of equipment for use except on users' premises.
- (B) The Cable Service provided by the Cable System shall be delivered in accordance with applicable FCC standards, as amended. The Cable System shall meet or exceed FCC technical quality standards at 47 C.F.R. § 76 Subpart K, regardless of the particular format in which a Signal is transmitted.
- (C) Grantee agrees to maintain the Cable System in a manner throughout the term of the Franchise that maintains and advances system specifications, capability and technical quality to enable the implementation and performance of all the requirements of this Franchise, including the Exhibits hereto.

10.2 Leased Access Channels. Grantee shall meet the leased access channel requirements under 47 U.S.C. § 532.

10.3 Technical and Safety Standards.

- (A) Grantee shall comply with FCC Rules and Regulations, including, but not limited to, 47 C.F.R. § 76.640, now in effect or as may be amended from time to time.
- (B) Grantee shall at all times employ the standard of care attendant to the risks involved and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injury or nuisance to the public or to employees of the Grantee.
- (C) Grantee shall install and maintain its Cable System in accordance with all current applicable codes including the National Electrical Safety Code, the National Electrical Code and any other applicable federal laws and regulations and the laws, ordinances and construction standards of the State of Oregon and the generally applicable laws, ordinances and construction standards of the Jurisdictions. Furthermore, the system shall be kept in such manner that the Cable System shall not interfere with any installations of the Jurisdictions or any public utility or Institutional utility, or any franchisee, licensee or permittee of the Jurisdictions.

- (D) Grantee shall provide and put in use such equipment and appliances and provide all Grantee's services in a manner so as to prevent injury to the wires, pipes, structures, and property belonging to the Jurisdictions or to any Person within the Jurisdictions.
- (E) Grantee, at its own expense, shall repair, renew, change, and improve its Cable System from time to time as may be necessary to accomplish these purposes.

10.4 Performance Testing.

- (A) Grantee shall be responsible for ensuring that its Cable System is designed, installed, and operated in a manner that fully complies with 47 C.F.R. § 76.640 and/or such other applicable FCC standards as amended. Pursuant to this Section 10.4, Grantee shall conduct and document complete performance tests of its Cable System to show the level of compliance with applicable FCC standards. Upon a showing of a pattern of Subscriber complaints regarding signal quality or as part of a Commission or Jurisdictions Compliance review or based on a determination of non-compliance related to signal quality through a Compliance Review, Grantee, upon written request by the Jurisdictions, shall perform tests to show compliance with FCC Standards as needed. Grantee shall provide a report to the Jurisdictions within thirty (30) days of completion of a test that describes the results of the test. The performance tests shall be directed at determining the extent to which the Cable System complies with applicable FCC technical standards regarding the transmission and reception capabilities of digital Cable Systems.
- (B) Testing required in this Section 10.4 may be observed by representatives of the Jurisdictions. Upon written request, Grantee shall provide notice to the Jurisdictions in advance of the scheduled testing date(s), time and place of each test and the Jurisdictions shall then notify Grantee before such testing is scheduled to occur if it desires to observe such test(s).
- (C) If any test under this Section 10.4 indicates that the Cable System fails to meet applicable FCC requirements, Grantee shall take such corrective measures as are necessary to correct any failure and to prevent their recurrence as far as is possible. Grantee's failure to correct any deficiencies identified through this testing process within thirty (30) days of identification shall be a material violation of this Agreement. Sites shall be re-tested following correction.
- (D) Grantee shall maintain written Records of all results of its Cable System tests as required by this Franchise, performed by or for the Grantee. Such test results shall be available for inspection by the Jurisdictions upon written request.
- (E) The Jurisdictions may conduct independent tests of the system for which the Grantee shall give its fullest cooperation.

10.5 Specific Technical Facilities or Capabilities. The following specific technical facilities or capabilities shall be provided on the Cable System by the Grantee:

- (A) 100% Emergency Standby Power. Grantee shall maintain standby power generating capacity at the Cable System Headend and throughout the trunk and distribution networks as is in place on the effective date of this Franchise. All standby power systems shall be rated to provide at least four

(1) Hours duration. In addition, Grantee shall have a plan in place, along with all resources necessary for implementing such plan, for dealing with outages of more than four hours. This outage plan and evidence of requisite implementation resources shall be presented to the Jurisdictions upon request.

(B) Emergency Alert Systems. Grantee shall comply with all applicable federal, state and local regulations regarding emergency alert systems, including equipment standards and procedures for alerting capacities. The Jurisdictions may identify authorized emergency officials for activating the emergency alert system. The Jurisdictions may also develop a local plan containing methods of emergency alert system message distribution, subject to applicable federal and state laws.

10.6 Quality and Workmanship. The Cable System constructed or erected by Grantee shall be of good quality and workmanship and shall be maintained in good repair and efficiency.

10.7 Inspection of Construction. The Jurisdictions shall have the right to inspect all infrastructure in the Rights-of-Way including any construction, maintenance and installation work performed under this Franchise. The Jurisdictions shall have the right to perform such inspections as it deems necessary to ensure compliance with the terms of this Franchise and applicable provisions of law.

## **Section 11. COMPENSATION AND AUDITING**

11.1 Amount of Compensation. As compensation for the benefits and privileges under this Franchise and in consideration of permission to use the Streets of the Jurisdictions, the Grantee shall pay as a franchise fee to the Jurisdictions, throughout the duration of this Franchise, an amount equal to five percent (5%) of Grantee's Gross Revenues.

### 11.2 Payments and Quarterly Reports.

(A) Payments. Grantee's franchise fee payments to the Jurisdictions shall be computed quarterly following the effective date of this Franchise for the preceding quarter year period ending September 30, December 31, March 31, and June 30. Each quarterly payment shall be due and payable no later than forty-five (45) days after the quarter ending date.

(B) Quarterly Reports. Each payment shall be accompanied by a written report to the Jurisdictions, in a form approved by the Jurisdictions, verified by an authorized representative of Grantee, containing an accurate statement in summarized form, as well as in detail, of Grantee's Gross Revenues and the computation of the payment amount.

11.3 Interest on Late Payments. Payments not received within forty-five (45) days from the quarter ending date shall be assessed interest compounded at the rate of one percent (1%) per month from the due date.

11.4 Bundled Services. If Cable Services subject to the franchise fee required under this Section 11.4 are provided to Subscribers in conjunction with non-cable services, Grantee shall not allocate revenue between Cable Services and non-cable services for the purpose of evading or substantially reducing Grantee's franchise fee obligations to the Jurisdictions.

11.5 Cost of Publication. Grantee shall pay the cost of publication of this Franchise and any amendments thereto, if such publication is required by the Jurisdiction's Charter.

11.6 Maximum Legal Compensation. The parties acknowledge that, at present, applicable federal law limits the Jurisdictions to collection of a maximum permissible franchise fee of five percent (5%) of Gross Revenues. In the event that at any time during the duration of this Franchise, the Jurisdiction is authorized to collect an amount in excess of five percent (5%) of Gross Revenues, then the Jurisdictions may request a modification of this Franchise under the provisions of Section 19.14.

11.7 Acceptance of Payment and Recomputation. No acceptance of any payment pursuant to Section 6.1 (PEG/Fee) or Section 11.1 (Franchise fees) shall be construed as an accord that the amount paid is, in fact, the correct amount, nor shall any acceptance of payments be construed as a release of any claim the Jurisdictions may have for further or additional sums payable.

11.8 Audits and Reviews.

(A) All amounts paid under Section 6.1 or Section 11.1 of this Franchise shall be subject to audit by the Jurisdictions, provided such audit is initiated within thirty-six (36) months from the date payment was due. Grantee agrees to pay the Jurisdictions for:

(1) Interest on any underpayment of an amount due under Section 6.1 or Section 11.1 of this Franchise that is disclosed as the result of an audit, such interest to be calculated at one percent (1%) over the existing prime rate as set by the Wells Fargo Bank, National Association, or its successor and assigns as designated by the Jurisdictions, compounded quarterly from the date on which the payment was due. If such payment is not received within thirty (30) days of notice from the Jurisdictions, then interest shall be compounded daily from the date on which the payment was due until the date the Jurisdictions receive the payment.

(2) Five percent (5%) of the underpayment shall be due within thirty (30) days of written notice from the Jurisdictions, if the Jurisdictions' audit discloses that the Grantee has paid ninety-five percent (95%) or less of the principal amount owing for the period under audit. If such payment is not received within thirty (30) days of written notice from the Jurisdictions, then interest shall be compounded daily from the date on which the payment was due until the date on which the Jurisdictions receive the payment, such interest to be calculated at one percent (1%) over the existing prime rate as set by the Wells Fargo Bank, National Association, or its successors and assigns as designated by the Jurisdictions.

(B) Authority to Audit.

(1) The Jurisdictions and their agents and representatives shall have authority to arrange for and conduct audits under Section 11.8, within the Portland metropolitan region, upon no less than thirty (30) days prior written notice, and during normal business hours. Within the limitations established by Section 11.8, the Jurisdictions may determine the scope of audit in each instance.

(2) The Grantee agrees to reimburse the Jurisdictions for:

(a) The reasonable costs of such audit if the audit discloses that the Grantee has paid ninety-five percent (95%) or less of the fees owing under Sections 6.1 and 11.1 for the period at issue; or

(3) The Grantee shall reimburse the Jurisdictions within thirty (30) days of receipt of an invoice from the Jurisdictions showing such costs were actually incurred and were directly related to the audit. The Grantee's obligation to reimburse auditing costs under this Section 11.8 shall not exceed twenty thousand dollars (\$20,000.00) per audit.

11.9 Liability for Licenses and Taxes. Payment of the franchise fee and other financial obligations under this Franchise shall not exempt Grantee from the payment of any license fee, tax or charge on the business, occupation, property or income of Grantee that may be imposed by the Jurisdictions, except as may otherwise be provided in the ordinance or ordinances imposing such other license fee, tax or charge. The Jurisdictions' right to impose any such license fee, tax or charge shall be subject to any limitations on the Jurisdictions under applicable law.

## **Section 12. RECORDS AND REPORTS**

12.1 Open Records. Grantee shall manage all of its operations in accordance with a policy of keeping its Records current, open and accessible to the Jurisdictions. The Jurisdictions shall have the right to inspect all Records of the Grantee and Affiliated Entities related to the enforcement of and compliance with this Franchise at any time during normal business hours at a Grantee business operations site within Multnomah, Clackamas or Washington counties, Oregon or other pertinent location, and upon reasonable notice to determine compliance by Grantee with its obligations under this Franchise. Grantee shall not deny the Jurisdictions access to Grantee's Records on the basis that Grantee's Records are under the control of an Affiliated Entity or a third party, rather than the Grantee. In the case of Affiliated Entities not under common control with Grantee, Grantee shall not be subject to the remedies set forth in Section 18.1(A) if such Affiliated Entity does not permit inspection of its Records, and Grantee has;

- (A) Made available for inspection all of its Records relevant to the determination of compliance; and
- (B) Exercised all reasonable efforts to persuade such Affiliated Entity to make such Records available for inspection.

12.2 Information and Reports. Grantee shall provide a current copy of the following information at the intervals indicated:

- (A) Cable System information:
  - (1) Schedule of all Cable Services and Programming services, tiers and/or packages, and Channel assignments, provided on the Cable System (Annually and upon change);
  - (2) A schedule of all Grantee's rates and charges (Annually and upon change);
  - (3) A semi-annual Cable Services sample customer bill within the Franchise Area, including copies of all communications of a general nature related to Cable Services sent to Subscribers with the bill (Semi-annually);

- (4) Copies of other communications of a general nature sent to Subscribers related to Cable Services, excluding communications sent to individual Subscribers which name that Subscriber (at the same time communications are sent to Subscribers);
  - (5) A copy of Subscriber privacy policies and the Subscribers service agreements, including terms and conditions (Annually and upon change); and
  - (6) A semi-annual report on ADA and accessibility services provided, including, but not limited to, TTY and call line statistics, text to speech services and other customer services for persons living with disabilities (Semi-annually).
- (B) Upon thirty (30) day's advance written notice the following information shall be provided at least once annually to Jurisdictions' representatives, and for the purposes of any audit provided for in this Agreement:
- (1) Total Cable System mileage and overall homes passed (Annually); The Jurisdictions shall treat the information provided in this Section 12.2 (B) as Confidential Information, present to the terms of Section 12.5.
  - (2) The number of Basic Service Subscribers, other programming service tier subscribers, Pay Service Subscribers and pay-to-basic percentages (Annually).
- (C) The Jurisdictions shall treat the information provided in Section 12.2(B) as Confidential Information, pursuant to the terms of Section 12.5.
- (D) Grantee shall provide an audited statement or, in lieu of such audited statement, a statement certified by an officer of the company of Gross Revenues for the Franchise Area from the previous year, no later than one hundred twenty (120) days after the end of its fiscal year. The statement shall contain such information as may be required from time to time by the Jurisdictions, and at least the following, unless the Jurisdictions waive the requirement: a listing of all categories of Gross Revenues, and the revenue associated with such categories, in sufficient detail and with sufficient explanation to enable the Jurisdictions to understand the statement and to verify the accuracy of payments to the Jurisdictions. The report shall include an explanation of any deductions made from Gross Revenues in the calculation of payments.

12.3 General Reports. The Jurisdictions shall have the right to request, in writing, information as is appropriate and reasonable to determine whether Grantee is in compliance with this Franchise. Grantee shall provide the Jurisdictions such information in a format as Grantee customarily prepares such report or information. Grantee shall fully cooperate with the Jurisdictions and shall provide such information and documents as necessary and reasonable for the Jurisdictions to evaluate compliance. Grantee reserves the right to object to any request made under this Section 12.3 as unnecessary, unreasonable or inappropriate under the circumstances. This Section shall not require the creation of new data, but may include new reports based on the existing data in the forms and formats needed to evaluate compliance. Format. The Jurisdictions, after consultation with Grantee, may specify the form and details of all Grantee's reports required under this Franchise.

12.4 Reports of Regulatory Violations. Upon written request, Grantee shall provide copies to the Jurisdictions of any communications to and from federal, state or local courts, regulatory agencies or other governmental bodies addressed to Grantee regarding any alleged, apparent or acknowledged violation by Grantee of any applicable federal or state law specifically related to the operation of Grantee's Cable System or Grantee's provision of Cable Services within the Franchise Area. Grantee shall submit such communications to the Jurisdictions no later than thirty (30) days after such request. Grantee shall not claim confidential, privileged or proprietary rights to such documents unless under applicable federal, state, or local law such documents have been determined to be confidential by a court of competent jurisdiction, or a federal or state agency or a request for confidential treatment is pending.

12.5 Public Records.

- (A) Grantee acknowledges that information submitted by Grantee to the Jurisdictions may be open to public inspection under the Oregon Public Records Law. Grantee is responsible for becoming familiar with and understanding the provisions of the Oregon Public Records Law.
- (B) Confidential Information. Grantee may identify information submitted to the Jurisdictions and clearly marked as "Confidential," if Grantee reasonably believes such information is qualified for an exemption recognized under the Oregon Public Records Law. When submitting such information to the Jurisdictions that specifically identifies the applicable exemption under the Oregon Public Records Law, and stating the reason(s) Grantee believes the information is exempt.
- (C) The Jurisdictions shall take reasonable steps to keep the identified information confidential, acting consistently with the Public Records Law.
- (D) Notice to Grantee. Within five (5) business days of receiving a public records request for information identified by Grantee as "Confidential", the Jurisdictions shall provide the Grantee with written notice of the request, including a copy of the request. Within the limits and discretion allowed by Oregon laws, the Jurisdictions will maintain the confidentiality of information. The Jurisdictions shall retain discretion to determine whether to release the requested information consistent with the Oregon Public Records Law. Nothing in this Section affects Grantee's right to seek legal relief to prevent the Jurisdictions' release of Grantee's Confidential Information.

**Section 13. GENERAL INDEMNIFICATION AND INSURANCE**

13.1 Indemnification.

- (A) General Indemnification. Grantee shall indemnify, defend and hold harmless the Jurisdictions, its officers, agents, boards and employees, from any liability for claims, damages, costs or expenses, including court and appeal costs and reasonable attorney fees or expenses, arising from any casualty or accident to person or property, including, without limitation: copyright infringement; defamation; damages arising out of or by reason of any construction, excavation, operation, maintenance, reconstruction or any other act done under this Franchise, by or for Grantee, its agents, or its employees; or by reason of any neglect or omission of Grantee to keep its system in a safe condition. Grantee's indemnification obligation shall not extend to liability directly arising solely out of the Jurisdictions' gross negligence or willful misconduct. The Jurisdictions shall provide Grantee prompt notice of any such claim

which Grantee shall defend with counsel of its own choosing and no settlement or compromise of any such claim will be done without the prior written approval of the Jurisdictions which approval shall not be unreasonably withheld. Grantee shall consult and cooperate with the Jurisdictions while conducting its defense of the Jurisdictions and the Jurisdictions shall fully cooperate with the Grantee.

- (B) Indemnification for Relocation. Grantee shall indemnify the Jurisdictions for any damages, claims, additional costs or expenses assessed against or payable by the Jurisdictions arising out of or resulting, directly or indirectly, from Grantee's failure to remove, adjust or relocate any of its Facilities in the Streets in a timely manner in accordance with a relocation schedule furnished Grantee by the Jurisdictions' duly authorized agent in writing, unless Grantee's failure arises directly from the Jurisdictions' negligence or willful misconduct.
- (C) Indemnification – Hazardous Substances. Grantee agrees to forever indemnify the Jurisdictions, its officers, agents and employees, from and against any claims, costs and expenses of any kind, whether direct or indirect, or pursuant to any state or federal law, statute, regulation or order, for the removal or remediation of any leaks, spills, contamination or residues of Hazardous Substances, directly attributable to Grantee's structures or other Facilities in the Streets.

### 13.2 Insurance.

- (A) Grantee shall maintain in full force and effect, at its own cost and expense, continuously during the Franchise Term, the following insurance coverage:
  - (1) Commercial General Liability. Grantee shall provide and maintain commercial general liability and property damage insurance in the amount of two million U.S. dollars (\$2,000,000) per occurrence, and aggregate limit of four million U.S. dollars (\$4,000,000) that protects Grantee and Jurisdictions and its officers, agents and employees from any and all claims, demands, actions and suits for damage to property or personal injury arising from Grantee's work under this franchise.
  - (2) Automobile Liability. Grantee shall carry automobile liability insurance with a combined single limit of one million U.S. dollars (\$1,000,000) each occurrence, and an umbrella or excess liability coverage of two million U.S. dollars (\$2,000,000), for bodily injury and property damage. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by Grantee.
  - (3) Workers' Compensation. Grantee shall comply with the workers' compensation law, ORS Chapter 656, as it may be amended. If required, Grantee shall maintain coverage for all subject workers as defined by ORS Chapter 656 and shall maintain a current, valid certificate of workers' compensation insurance on file with the Jurisdictions Auditor for the entire period during which work is performed under this franchise. Contractors who are non-subject workers meeting one of the exceptions in ORS 656.027 may not be required to carry workers' compensation insurance. Any Contractor requesting an exemption from the workers' compensation coverage listed

above must make that request in writing to the Jurisdiction's Attorney, stating its Contractor's qualification for exemption under ORS 656.027.

(4) Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: five hundred thousand dollars (\$500,000); and (B) Bodily Injury by Disease: five hundred thousand dollars (\$500,000) employee limit; five hundred thousand dollars (\$500,000) policy limit.

(5) The limits of the insurance as provided herein shall be subject to any changes as to the maximum limits imposed on municipalities of the State of Oregon during the term of this Franchise.

- (B) Additional Insureds. The coverage shall apply as to claims between insureds on the policy. The insurance shall be without prejudice to other coverage. For liability coverage, the insurance certificate shall list Jurisdictions as a Certificate Holder and include as additional insureds "the Jurisdictions, and its officers, agents and employees" and an endorsement to the liability policy shall confirm the listing of Jurisdictions as an additional insured. Notwithstanding the listing of additional insureds, the insurance shall protect each additional insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured.
- (C) Grantee shall not cancel any required insurance policy, nor shall Grantee allow the required insurance to lapse, without obtaining alternative insurance in conformance with this Agreement. For any of the insurance policies identifying the Jurisdictions as additional insureds, as provided under this Section 13.2, the Grantee shall notify the Jurisdictions within five (5) business days of any notice of non-renewal, any cancellation, or any material adverse change in coverage. If the insurance is canceled or materially altered so as to be out of compliance with the requirements of this Section 13.2 during the term of this Franchise, Grantee shall provide a replacement policy.
- (D) All required insurance must be issued by companies or financial institutions with an AM Best rating of A- or better and duly authorized to do business in the State of Oregon.
- (E) The insurance shall be without prejudice to coverage otherwise existing and shall name the Jurisdictions, and its officers, agents, and employees as additional insureds as their interest may appear, except the Workers' Compensation and Employer's Liability Insurance.
- (F) Grantee shall provide the Jurisdiction, within fifteen (15) days of the effective date of this Franchise, a certificate of insurance certifying the coverage required above, which certificate shall be subject to the approval of the Jurisdictions' Legal Counsel as to whether the certificate and the insurance certified is consistent with the requirements of this Section 13.2. Failure to maintain adequate insurance as required under this Section 13.2 shall be cause for revocation of this Franchise by the Jurisdictions as set forth in Section 18.

- (G) The Jurisdictions shall require as a condition of any separate agreement between the Jurisdictions and a Designated Access Provider, that the Designated Access Provider shall include the Grantee as a named insured in the Designated Access Provider's liability insurance policy with respect to any claim for injury, damage, loss, liability, cost or expense arising from Programming or other transmission placed by the Designated Access Provider on PEG Access Channels or the Institutional Network (but not if arising out of or by reason of any act done by the Grantee or its officers, agents or employees).

### 13.3 Faithful Performance Bond.

- (A) Upon the effective date of this Franchise, the Grantee shall furnish proof of the posting, and maintain in full force and effect at its own cost and expense a faithful performance bond running to the Jurisdictions with good and sufficient surety approved by the Jurisdictions, in an amount of five hundred thousand dollars (\$500,000), Grantee shall immediately replace or replenish to the full amount any draw down of the security by Jurisdictions.
- (B) Grantee shall pay all premiums charged for any bond required under this Section. The bond shall be in effect until the later of: (i) termination of this franchise; or (ii) removal of all of Grantee's system installed in the Jurisdictions' Streets.
- (C) The performance bond shall contain a provision that it shall not be terminated or otherwise allowed to expire without thirty (30) calendar days prior written notice first being given to the Jurisdictions. The performance bond is subject review and approval by the Jurisdiction's Attorney. Grantee shall file with the Jurisdictions a duplicate copy of the performance bond along with written evidence of payment of the required premium
- (D) Subject to the Jurisdictions' prior approval, Grantee may provide an irrevocable letter of credit or other form of financial assurance in lieu of a faithful performance bond. The alternative form of financial assurance shall give the Jurisdictions substantially the same rights and guarantees provided by a faithful performance bond.
- (E) In lieu of the performance bond required under this Section 13.3, the Grantee may elect to provide to the Jurisdictions a fully executed Guarantee in Lieu of Bond of Comcast Communications, Inc., in the form provided in Exhibit E to this Franchise. In the event of such election, the duly executed Guarantee in Lieu of Bond shall be filed by the Grantee within thirty (30) days. Any performance bond required under Section 13.3(A) shall remain in effect until replaced by such Guarantee in Lieu of Bond.

## **Section 14. GENERAL STREET USE AND CONSTRUCTION**

### 14.1 Construction.

- (A) Subject to applicable regulations of the Jurisdictions, Grantee may perform all construction necessary for the operation, maintenance, extension, upgrade and rebuild of its Cable System. All work within Streets incident to Grantee's Cable System shall, regardless of who performs the construction, be and remain the Grantee's responsibility. Grantee shall apply for and obtain all permits necessary for construction or installation of any Facilities, and for excavating and laying any

Facilities, within the Streets. Grantee shall pay all applicable fees based on the type of construction it performs or plans to perform upon issuance of the requisite construction permits by the Jurisdictions to Grantee.

(B) Maps.

(1) As of the effective date of this Franchise, and annually thereafter in the event of any alterations, Grantee shall provide a map to the Jurisdiction's Engineer and the Jurisdictions' cable communications and franchise management department, or its successor, showing the location of Grantee's Facilities in the Streets on a scale of three thousand five hundred feet (3,500') per inch or whatever scale the Jurisdictions and Grantee agree upon. Grantee shall also provide such maps in an electronic format acceptable to the Jurisdictions and the Grantee. The level of detail in maps provided by Grantee shall be limited to that which is needed for the Jurisdictions' administration of the Streets in order to protect Grantee's confidential business information and the security of Grantee's Cable System.

14.2 Relocation. Grantee shall relocate its Cable System within the Streets in compliance with the requirements of applicable Jurisdiction's Code and administrative regulations

14.3 Restoration of Streets. Grantee's responsibility for maintaining repairs to any Street surface areas disturbed by Grantee's work shall end upon the occurrence of either a reconstruction of the Street in an approved manner by the Jurisdictions (curb to curb) or upon subsequent work at the same location by any other Person franchised, permitted, licensed or otherwise granted authority by the Jurisdictions, whichever occurs first.

14.4 Maintenance and Workmanship.

- (A) Grantee's Cable System shall be constructed and maintained in such manner as not to interfere with sewers, water pipes, or any other property of the Jurisdictions, or with any other pipes, wires, conduits, structures or other facilities that may have been laid in the Streets by or under the Jurisdictions' authority.
- (B) Grantee shall provide and use any equipment and appliances necessary to control and carry Grantee's Signals so as to prevent injury to the Jurisdictions' property or property belonging to any Person within the Jurisdictions. Grantee, at its own expense, shall repair, renew, change and improve its Facilities from time to time as may be necessary to accomplish this purpose.
- (C) Grantee shall not construct its Cable System in any manner that requires any Subscriber to install any cable, wire, conduits or other facilities, under or over a Street.

14.5 Acquisition of Facilities. Upon Grantee's acquisition of Facilities in any Jurisdictions Streets, or upon any addition or annexation to the Jurisdictions of any area in which Grantee owns or operates any Facility in the Streets, the Grantee shall submit to the Jurisdictions a statement describing all Facilities involved, whether authorized by franchise, license, permit, or any other similar form of right granted by the Jurisdictions, and specifying the location of all such acquired Facilities. Such Facilities shall immediately be subject to the terms of this Franchise, with a reasonable period of time to bring the acquired Facilities into compliance with this Franchise. The Jurisdictions expressly reserves the right to install, affix, maintain, remove or relocate Jurisdictions' streetlights and other Jurisdiction-owned infrastructure, including traffic

signals, beacons, signs and transportation control equipment, in the Streets without charge, for use by the Jurisdictions or other government entities and for emergency services.

- (A) Reservation of Jurisdictions Street Rights. Nothing in this Franchise shall prevent the Jurisdictions from constructing sewers; grading, paving, repairing and/or altering any Street; laying down, repairing or removing water mains; or constructing or establishing any other public work or improvement. All such work shall be done, insofar as practicable, so as not to obstruct, injure or prevent the use and operation of Grantee's Cable System. However, if any of the Grantee's Cable System interferes with the construction or repair of any Street or public improvement, including construction, repair or removal of a sewer or water main, the Grantee's Cable System shall be removed or replaced in the manner the Jurisdictions shall direct. Any and all such removal or replacement shall be at the expense of the Grantee. Should Grantee fail to remove, adjust or relocate its Facilities by the date established by the Jurisdictions Engineer's written notice to Grantee, the Jurisdictions may effect such removal, adjustment or relocation, and the expense thereof shall be paid by Grantee, including all costs and expenses incurred by the Jurisdictions due to Grantee's delay. However, should the Jurisdictions make available funds for the cost of relocating, removing or replacing facilities, Grantee shall be allowed to participate in such funding. If non-Jurisdictions funds, such as funds from residents or state or federal grant funding, are made available to place electric or telephone lines underground, Grantee shall participate in such funding to the extent allowed.

#### 14.6 New Construction.

- (B) Grantee shall provide twenty-one (21) days prior written notice to the Jurisdictions of any planned Duct construction. Such notice shall include a description of any planned duct construction and a map showing the planned route in a form acceptable to the Jurisdiction's Engineer. Within ten (10) business days of receiving the written notice, the Jurisdictions shall provide a written request to Grantee if it desires any Ducts along the planned route, and Grantee shall provide such Ducts to the Jurisdictions pursuant to the process set forth in this Section 14.6.
- (C) For Grantee's new Duct installation, Grantee will provide additional Duct(s) as needed by the Jurisdictions.
  - (1) Grantee will confer with Jurisdictions prior to finalizing plans and specifications for any proposed new build, to establish and define Jurisdictions' requirements for Duct and access vaults;
  - (2) If the Jurisdictions determine a need for Duct and access vaults under Section 14.6(A), Jurisdictions will pay Grantee the marginal costs for this work, consisting of material, labor, and design and engineering costs associated with modifications to the plans and specifications for the segments defined and necessary facilities;
  - (3) Grantee will provide suitable documentation of ownership and include location in a map submitted per Section 14.1(B). Jurisdictions will then maintain ownership of and maintenance responsibilities for the additional Duct(s).

- (D) Grantee will provide separate access vaults for the Jurisdictions at Jurisdictions' cost, at locations to be determined by the Jurisdictions during the conference noted in Section 14.6(B)(1).

14.7 Discontinuing Use of Facilities. Whenever Grantee intends to discontinue using any Facility within the Streets, Grantee shall submit for the Jurisdictions Engineer's approval a complete description of the Facility and the date on which the Grantee intends to discontinue using the Facility. Grantee may remove the Facility or request that the Jurisdictions permit it to remain in place. Notwithstanding the Grantee's request that any such Facility remain in place, the Jurisdictions' Engineer may require the Grantee to remove the Facility from the Street or modify the Facility to protect the public health and safety or otherwise serve the public interest. The Jurisdictions' Engineer may require the Grantee to perform a combination of modification and removal of the Facility. Grantee shall complete such removal or modification in accordance with a schedule set by the Jurisdictions' Engineer. Until such time as Grantee removes or modifies the Facility as directed by the Jurisdictions' Engineer, or until the rights to and responsibility for the Facility are accepted by another Person having authority to construct and maintain such Facility, Grantee shall be responsible for all necessary repairs and relocations of the Facility, as well as maintenance of the Street, in the same manner and degree as if the Facility were in active use, and Grantee shall retain all liability for such Facility.

14.8 Hazardous Substances.

- (A) Compliance with Applicable Law. Grantee shall comply with all applicable state and federal laws, statutes, regulations and orders concerning Hazardous Substances relating to its Cable System and Facilities in the Streets.
- (B) Maintenance, Inspection and Remediation. Grantee shall maintain and inspect its Cable System located in the Streets. If Grantee discovers any Hazardous Substances in the course of Grantee's work on its Facilities in the Streets, Grantee shall provide a written report of the discovery to the Jurisdictions within two (2) business days. Grantee shall immediately proceed to remove and remediate, in accordance with, and only to the extent required by, all applicable local, state and federal laws, any Hazardous Substances in the Streets directly attributable to or caused by Grantee's Facilities or the acts or omissions of Grantee. Nothing in this Franchise transfers or is intended to transfer any liability to the Jurisdictions for removal or remediation of any such Hazardous Substances in the Streets.
- (C) Construction, Modification or Removal of Facilities. In the course of construction, modification or removal of any of its Facilities in the Streets, to the extent necessary to safely proceed with such work, Grantee shall remove and remediate Hazardous Substances encountered in the course of its activities in accordance with, and only to the extent required by, all applicable state and federal laws, statutes, regulations and orders. Grantee may use reasonable business efforts to recover its costs for such removal and disposal from all legally responsible third parties.

14.9 Undergrounding of Cable. Grantee is strongly encouraged to locate and construct its present and future cables underground. Grantee shall install its cables or other Facilities underground wherever all existing utilities already are underground, where all utilities are placed underground, or where statute or ordinance requires utilities to be placed underground. Previously installed aerial cable shall be undergrounded in concert, and on a reasonable cost-sharing basis, with other utilities pursuant to the general

ordinances of the Jurisdictions or applicable State law, or in the event that an institutional utility or a public utility decides to underground its facilities on a voluntary basis, unless the Jurisdictions grant an exception.

14.10 Construction Codes. Grantee shall strictly adhere to all building and zoning codes currently or hereafter in effect. Grantee shall arrange its lines, cables, and other appurtenances, on both public and private property, in such a manner as to cause no unreasonable interference with the use of said public or private property by any Person. In the event of such interference, the Jurisdictions may require the removal or relocation of the Grantee's lines, cables, and other appurtenances from the property in question.

14.11 Construction and Use of Poles.

- (A) Whenever feasible, the construction, maintenance, and use of Grantee's Cable System shall comply with the standards of materials in engineering and all other provisions of a pole user agreement for use of poles, entered into by and between the pole owners and the Grantee, or separate agreements between each of said companies and the Grantee. The Jurisdictions may request a copy of any pole attachment agreement affecting poles placed in the Streets, and Grantee shall not unreasonably refuse such request. In the event Grantee cannot obtain the necessary poles and allied facilities pursuant to the provisions of such an agreement, and only in such event, then it shall be lawful for the Grantee to make all needed excavations in the Streets for the purpose of placing, erecting, laying, maintaining, repairing, and removing poles, conduits, supports for wires and conductors, and any other Facility needed for the maintenance or extension of Grantee's Cable System. All poles of the Grantee shall be erected between the curb and the sidewalk unless otherwise designated by the proper Jurisdiction authorities, and each pole shall be set whenever practicable at an extension of a lot line. The Jurisdictions shall have the right to require the Grantee to change the location of any pole, conduit, structure or other Facility within the Streets when in the opinion of the Jurisdictions the public convenience requires such change, and the expense thereof shall be paid by the Grantee.
- (B) The terms of this Section 14.11 shall not exempt the Grantee from compliance with all Charter and ordinance provisions relating to such excavations or construction or from any provision requiring payment of permit or license fees pertaining thereto.

14.12 Tree Trimming.

- (C) Blanket Permit Grantee has received a programmatic permit from Urban Forestry for routine tree maintenance. The Jurisdictions Forester shall have discretion to cancel the blanket permit, if, at any time, the Grantee or its agents fail to either use proper utility arboricultural practices or to properly notify the public as specified in such blanket permit.
- (D) Emergencies. Notwithstanding the permit and notice requirements of the above-noted blanket permit, in the event of an emergency, Grantee may prune a tree or trees as necessary to abate the emergency. For purposes of this Section 14.12, emergencies exist when it is necessary to prune a tree or trees in order to restore electrical services, or to protect the public from imminent danger, or to prevent the imminent destruction of property.

**Section 15. TRANSFER OF GRANTEE'S CABLE SYSTEM**

15.1 Transfer Defined. For purposes of this Section 15, “Transfer” shall mean any form of sale, change in control, conveyance, mortgage, assignment, merger, pledge, encumbrance, deed or grant, in whole or in part, and whether voluntary or involuntary.

15.2 Council Consent. Except as otherwise provided below, neither this Franchise, nor all or substantially all of Grantee’s Facilities, shall be sold, leased, assigned, merged or otherwise transferred without the prior written consent of the Jurisdictions as expressed by ordinance, which consent shall not be unreasonably withheld or delayed, except to entities that control, are controlled by, or are under common control with the Grantee. Grantee shall give written notice to the Jurisdictions of any Transfers to entities under such common control within ten (10) days of such transfers. The Jurisdictions’ granting of consent in one instance shall not render unnecessary any subsequent consent in any other instance. Nothing contained in this Franchise shall be deemed to prohibit the mortgage, pledge, or assignment of tangible assets of Grantee’s Cable System for the purpose of financing the acquisition of equipment for or the construction and operation of Grantee’s cable system, within or outside the Jurisdictions, without the Jurisdictions’ consent, but any such mortgage, pledge or assignment with respect to Grantee’s Cable System shall be subject to the Jurisdictions other rights contained in this Franchise.

15.3 Review.

- (A) In determining whether the Jurisdictions will consent to any Transfer, the Jurisdictions may inquire into the technical, legal, and financial qualifications of the prospective party. Grantee shall assist the Jurisdictions in any such inquiry. The Jurisdictions may condition any Transfer upon such conditions related to the technical, legal, and financial qualifications of the prospective party to perform according to the terms of this Franchise, as it deems reasonably appropriate or to the resolution of outstanding and unresolved issues of Grantee’s noncompliance with the terms and conditions of this Franchise.
- (B) No Transfer for which the Jurisdictions’ consent by ordinance is required may occur until the successor, assignee, lessee or transferee has complied with the requirements of this Franchise, including, but not limited to, providing certificates of insurance. Within ten (10) business days after execution and delivery of any instrument so consented to by the Jurisdictions, Grantee shall file with the Jurisdictions’ Auditor an executed counterpart or certified copy thereof.

15.4 Leases. Grantee shall not lease any portion of its franchised Cable System without the Jurisdictions’ prior consent as expressed by ordinance. However, and notwithstanding Section 15.2, Grantee may lease any portion of its Cable System in the ordinary course of its business without otherwise obtaining the Jurisdictions’ consent by ordinance, so long as Grantee remains solely responsible for locating, servicing, repairing, relocating or removing such portion of its Cable System. A lessee of any portion of Grantee’s Cable System shall not obtain any rights under this Franchise.

15.5 Sales.

- (A) Notwithstanding Section 15.2, Grantee may sell portions of its Cable System in the ordinary course of its business, without otherwise obtaining the Jurisdictions’ consent by ordinance, so long as Grantee complies with the following conditions:
  - (1) The sale is to the holder of a current existing, cable system franchise, license, permit, or other similar right granted by the Jurisdictions;

- (2) Within fourteen (14) days of the sale being executed and becoming final, Grantee shall provide written notice to the Jurisdictions, describing the portions of the Cable System sold by the Grantee, identifying the purchaser of the Facilities, the location of the Facilities (in accordance with the mapping requirements of Section 14.1(B) and providing an executed counterpart or certified copy of the sales documents;
  - (3) Grantee remains solely responsible for locating, servicing, repairing, relocating or removing its remaining Cable System; and,
  - (4) Within fourteen (14) days of the sale being executed and becoming final, the purchaser of such Facilities shall file written notice to the Jurisdictions that it has assumed sole responsibility for locating, servicing, repairing, relocating or removing the purchased Facilities under the purchaser's current, existing valid cable system franchise, license, permit or other similar right granted by the Jurisdictions. The purchaser shall not obtain any of the Grantee's rights under this Franchise.
- (B) If required by federal law, the Jurisdictions shall make a final decision upon a proposed Transfer within one hundred twenty (120) days of receiving a written request for approval of a Transfer containing or accompanied by such information as is required by federal law and this Franchise. If the Jurisdictions fail to render a final decision on the request within one hundred twenty (120) days, then the proposed Transfer shall be deemed to be consented to by the Jurisdictions. At any time during the one hundred twenty (120) day period, the Jurisdictions may request in writing that the Grantee provide or cause to provide any information reasonably necessary to render a final decision on the request. The Jurisdictions and the Grantee may, at any time, agree to extend the one hundred twenty (120) day period.
  - (C) Bankruptcy or Dissolution. Grantee shall immediately report to the Jurisdictions, as soon as it becomes known, the initiation of bankruptcy proceedings, or corporate or partnership dissolution.
  - (D) Consent. No consent by the Jurisdictions, which is required under this Section, shall be unreasonably denied or delayed.

**Section 16. JURISDICTION REGULATORY AUTHORITY**

16.1 Jurisdiction Regulatory Rights.

- (A) The Jurisdictions' Council or County Commission shall be vested with the power and right to reasonably regulate the exercise of the privileges permitted by this Franchise in the public interest.
- (B) Grantee shall not be relieved of its obligations to comply, promptly and completely, with any provision of this Franchise by any failure of the Jurisdictions to promptly enforce compliance with this Franchise.

16.2 Jurisdiction Regulatory Actions. Grantee shall comply with any and all lawful actions of the Jurisdictions affecting Grantee's operations under this Franchise, including, without limitation, all orders, contracts, and regulatory actions taken pursuant thereto, in all respects and without exception, so long as

such actions do not materially affect the rights of Grantee hereunder. In the event of any direct conflict between Jurisdictions' orders and regulatory actions, and the terms of this Franchise, this Franchise shall prevail.

16.3 Right of Intervention. The Jurisdictions shall have the right to intervene in any suit or proceeding to which the Grantee is a party, in the event the Jurisdictions' rights under this Franchise may be affected thereby.

## **Section 17. EQUAL EMPLOYMENT OPPORTUNITY/ AFFIRMATIVE ACTION/ MINORITY BUSINESS ENTERPRISES**

### 17.1 Equal Employment Opportunity.

- (A) Throughout the term of this Franchise, Grantee shall fully comply with the equal employment opportunity requirements of federal, state, and local law, and in particular, FCC rules and regulations relating thereto. Upon request by the Jurisdictions, Grantee shall furnish the Jurisdictions a copy of the Grantee's Annual statistical report filed with the FCC, along with proof of Grantee's Annual certification of compliance. Grantee shall immediately notify the Jurisdictions in the event Grantee is at any time determined not to be in compliance with FCC rules or regulations.
- (B) Throughout the term of this Franchise, the Grantee shall maintain a policy that all employment decisions, practices, and procedures are based on merit and ability without discrimination on the basis of an individual's race, color, religion or non-religion, age, sex, gender identity, national origin, sexual orientation, limited English proficiency, marital status, family status or physical or mental disability. Grantee's policy shall apply to all employment actions including advertising, recruiting, hiring, promotion, transfer, remuneration, selection for training, company benefits, disciplinary action, lay-off, and termination.

17.2 Affirmative Action. Grantee shall carry out its equal employment opportunity policy by making a determined and good-faith effort at affirmative action to employ and advance in employment women, minorities, and the physically and mentally disabled.

17.3 Minority-Owned, Woman-Owned and Emerging Small Business Enterprises. Grantee shall make determined and good faith efforts to use minority-owned, woman-owned and emerging small business enterprises in its contracted expenditures, including, without limitation, contracts for the acquisition of goods, services, materials, supplies, and equipment used in the construction, maintenance, and operation of its Cable System. If directed by the Jurisdictions, the Grantee shall participate in the Jurisdictions' Minority-Owned, Woman-Owned and Emerging Small Business Enterprise Certification Program.

## **Section 18. FRANCHISE VIOLATIONS AND REMEDIES, EXPIRATION AND RENEWAL**

### 18.1 Remedies for Franchise Violations.

- (A) In addition to any rights set out elsewhere in this Franchise, or such other rights as it may possess, the Jurisdictions reserve the right at its discretion to apply any of the following remedies, alone or in combination, in the event Grantee violates any material provision of this Franchise.

- (1) Recover liquidated damages as provided in Section 18.1(C);
  - (2) Recover specific damages from all or any part of the security provided pursuant to this Franchise, including without limitation any performance bond, letter of credit or other security, provided, however, the assessment shall be for such amount as the Jurisdiction reasonably determines is necessary to remedy the violation;
  - (3) Commence litigation seeking recovery of monetary damages or specific performance of this Franchise, as such remedy may be available;
  - (4) Reduce the duration of the term of this Franchise on such basis as is reasonable provided that in no event shall the amount of the term remaining after the reduction be less than three (3) years; or
  - (5) Revoke this Franchise.
- (B) Grantee shall not be relieved of its obligations to comply promptly with this Franchise by reason of any failure of the Jurisdictions to enforce prompt compliance. The Jurisdictions' failure to enforce shall not constitute a waiver of any term, condition, or obligation imposed upon the Grantee under this Franchise; nor a waiver of rights by the Jurisdictions or acquiescence in Grantee's conduct. A specific waiver of a particular term, condition, or obligation imposed upon Grantee under this Franchise shall not be a waiver of any other or subsequent or future breach of the same or of any other term, condition or obligation. The acts or omissions of Affiliates are not beyond the Grantee's control, and the knowledge of Affiliates shall be imputed to Grantee.
- (1) Subject to applicable law, the remedies provided for in this Franchise are cumulative and not exclusive; the exercise of one remedy shall not prevent the exercise of another remedy, or the exercise of any available rights of the Jurisdictions at law or equity.
  - (2) No cost or liability to Grantee arising from a breach or violation of this Franchise shall be recovered from Subscribers or be offset against any other sums due to the Jurisdictions as a tax, Franchise Fee or otherwise regardless of whether the combination of Franchise Fees and said costs exceeds five percent (5%) of Grantee's Gross Revenues in any twelve (12) month period.
- (C) Liquidated Damages.
- (1) The Jurisdictions and Grantee recognize that delays, expense and unique difficulties would be involved in establishing actual losses suffered by the Jurisdictions and the public as a result of the Grantee's violation of certain aspects of this Franchise. To that end and subject to Grantee's right to notice and the opportunity to cure as provided in Section 18.2, the Jurisdictions may assess liquidated damages as set forth in the categories below. Instead of requiring proof of actual damages, the Jurisdictions and Grantee agree that Grantee shall pay liquidated damages in these amounts to the Jurisdictions for any violation of the categories listed below. The parties agree that such amounts are a reasonable estimate of the actual damages (including increased costs of administration and other damages difficult to measure) the

Jurisdictions and the public would suffer in the event of Grantee's breach of such provisions of this Franchise. The election of liquidated damages for an incident shall be the Jurisdictions' sole and complete remedy as to that incident. The parties agree that such liquidated damages shall be considered as a reasonable estimation of the actual and potential damages suffered for violations of these categories:

(a) For any failure to provide data, documents, reports or information as provided in the Franchise – five hundred dollars (\$500) per day or per violation, up to a total of twenty thousand dollars (\$20,000) during any rolling twelve (12) month period;

(b) For any failure to comply with FCC technical standards, any emergency alert standards or any back-up power requirements – one thousand dollars (\$1,000) per day or per violation, up to a total of forty thousand dollars (\$40,000) during any rolling twelve (12) month period;

(c) Failure to provide PEG Channels and/or PEG capital support payments required by this Franchise – one thousand dollars (\$1,000) per day or per violation, up to a total of forty thousand (\$40,000) during any rolling twelve (12) month period;

(d) Failure to comply with customer service standards and reports – one thousand dollars (\$1,000) per day or per violation, up to a total of forty thousand dollars (\$40,000) during any rolling twelve (12) month period.

(e) Violation of any other provision of the Franchise – one thousand dollars (\$1,000) per day or per violation, up to a total of twenty thousand dollars (\$20,000) during any rolling twelve (12) month period.

(2) The Jurisdictions, may determine that the actual and potential harm to the public is greater than the amounts agreed to by the parties as liquidated damages, taking into account the nature and extent of the violation, whether there has been a pattern or practice of repeated violations of the same nature resulting in increased costs of administrative oversight by staff, and the harm to the public or individual subscribers. Any liquidated damages exceeding the amounts set forth in Section 18.1(C)(1) may be submitted to Arbitration in accordance with the provisions of Section 19.2 of this Franchise.

(3) The assessment and recovery of liquidated damages will not constitute a waiver by the Jurisdictions of any other right or remedy it may have under the Franchise or applicable law as to subsequent incidents. However, should the Jurisdictions elect to pursue liquidated damages, that remedy shall be the sole remedy available until the Jurisdictions have recovered the maximum amount available in any rolling twelve (12) month period. If after the maximum amount has been reached and Grantee has not cured or commenced to cure the alleged breach to the satisfaction of the Jurisdictions, the

Jurisdictions may pursue all other remedies. The assessment and recovery of liquidated damages for a particular violation will substitute for the recovery of actual damages for the period of the assessment.

(4) Liquidated damages pursuant to this Section shall not be collected prior to the expiration of Grantee's 30-day period to correct the violation as specified in Section 18.2. Should the violation not be cured or corrected, the Jurisdictions may, at its discretion, assess liquidated damages from the point at which the pertinent violation commenced.

(5) Each violation of any material provision of this Franchise shall be considered a separate violation for which separate liquidated damages may be imposed. Grantee's obligations under this Franchise relating to PEG Access Channels, PEG/ Capital support, franchise fees, customer service standards and reports, and reports and records contained in Section 12 shall at all times be considered material provisions. Enumeration of material Franchise provisions set forth in this Section 18.1(C)(5) is not exhaustive and shall not be invoked under any guideline for contract interpretation to narrow the scope of other material terms, violation of which would be a material breach of this Franchise. Subject to subsection (4), if Grantee has not cured or commenced to cure the alleged breach to the satisfaction of the Jurisdictions, the Jurisdictions may pursue any other remedies available under this Franchise or applicable law.

- (D) In determining which of the remedies available under this Franchise is appropriate, the Jurisdictions may consider, among other things: (1) the nature and extent of the violation; (2) whether Grantee has had a history of similar violations; (3) the damage suffered by the public and the cost of remedying the violation; and (4) such other factors as the Jurisdictions may deem appropriate.
- (E) Except for the remedies specified in Section 18.1(A)(3), in addition to its other rights and remedies as set forth in this Franchise, the Jurisdictions shall have the right to revoke this Franchise after the appointment of a receiver or trustee to take over and conduct the Grantee's business, or the initiation of receivership, reorganization, insolvency or other similar action or proceeding, unless Grantee, its receiver or trustee timely and fully perform all obligations, until such time as this Franchise is either rejected or assumed by Grantee, its receiver or trustee.
- (F) Except for liquidated damages as provided in Section 18.1(C), in the event that the Jurisdictions make a preliminary determination that the Grantee has violated this franchise, the Jurisdictions shall commence a contested case proceeding under the rules adopted by the Jurisdictions. The Jurisdictions' final determination, following a contested case proceeding, may be appealed to the Jurisdictions Council or County Commission. The Jurisdictions Council or County Commission shall consider the appeal, under rules established by the Jurisdictions Council or County Commission, based on the record established in the contested case proceeding.

18.2 Notice and Opportunity to Cure.

- (A) The Jurisdictions shall give Grantee thirty (30) calendar days prior written notice of its intent to exercise any of its rights under Section 18.1, identifying the reasons for such action.
- (B) If Grantee removes or otherwise cures the asserted violation constituting the stated reason within the thirty (30) calendar day notice period, or if cure is not reasonably possible within the thirty (30) calendar day period and the Grantee initiates good faith efforts satisfactory to the Jurisdictions within the thirty (30) calendar day period to cure the asserted violation constituting the stated reason and the efforts continue in good faith, the Jurisdictions shall not exercise its rights under this Section 18.
- (C) If Grantee fails to remove or otherwise cure the asserted violation constituting the stated reason within the thirty (30) calendar day notice period, or if the Grantee does not undertake and continue efforts satisfactory to the Jurisdictions to remedy the stated reason, then the Jurisdictions may exercise any or all of the remedies available under Section 18.1 or such other rights as the Jurisdictions may possess.

18.3 Minor Variances. The Jurisdictions may, upon request of the Grantee or its own motion, permit the Grantee to vary its manner of performance under this Franchise so long as the variance does not result in a substantial change in the terms of this Franchise or a substantial reduction in the services to be provided.

18.4 Expiration.

- (A) Upon the expiration of this Franchise, subject to 47 U.S.C. § 546 and other applicable federal, state or local laws, the Jurisdictions shall have the right, at its election, to:
  - (1) Renew or extend Grantee's Franchise;
  - (2) Invite additional proposals and award a Franchise to another Person;
  - (3) Decline to grant a renewed franchise; or
  - (4) Take such further action as the Jurisdictions deem appropriate.
- (B) Until such time as the Jurisdictions exercise their rights under this Section 18.4, the Grantee's rights and responsibilities within the Jurisdictions shall be controlled by the terms of this Franchise.

18.5 Removal of Plant and Equipment. If the Jurisdictions have revoked this Franchise as provided in Section 18.1, or if this Franchise has expired without being renewed or extended, or in the event of the Jurisdictions' purchase, lease-purchase, condemnation, acquisition, taking over or holding of plant and equipment, all of Grantee's rights under this Franchise shall immediately cease and be divested. Thereafter, except as provided in this Section, or as otherwise provided by ordinance, the Grantee shall remove its Facilities from the Streets and restore the Streets to the standards provided in Section 14.3. In the event of a failure by the Grantee to properly perform such work, then the Jurisdictions may perform the work and collect the cost thereof from the Grantee. The cost thereof shall be a lien upon the system of the Grantee and a set-off against any sums owed Grantee by Jurisdictions. Grantee shall have no obligation to remove portions of the Cable System where it utilizes those portions of the system to provide other non-Cable

Services and has specific authority under Applicable Law to maintain facilities in the public rights-of-way. Grantee may also maintain pertinent facilities in the rights of way if Grantee is able to find a purchaser of the Cable System who holds a lawful authorization to provide services, subject to the Jurisdictions' rights under Section 16 and 47 U.S.C. § 547.

**Section 19. MISCELLANEOUS PROVISIONS**

19.1 Compliance with Laws.

- (A) Both Grantee and the Jurisdictions shall comply with all applicable federal and state laws.
- (B) Grantee shall comply with all applicable Jurisdiction ordinances, resolutions, rules and regulations adopted or established pursuant to the Jurisdictions' lawful authority.
- (C) Nothing in this Franchise is intended to authorize the Grantee to engage in any activity constituting a violation of federal or state antitrust laws, including, but not limited to, the Sherman Act, the Clayton Act, the Robinson-Patman Act or any related amendments or regulatory provisions.
- (D) To the extent that any Order of the FCC materially impacts any provision of this Franchise, the parties hereto agree to meet and address any necessary modifications to such Franchise provision.

19.2 Arbitration.

- (A) Any dispute between the parties hereto, including but not limited to disputes or controversies arising from or related to interpretation of this Franchise, may be arbitrated provided that both parties consent in writing to the arbitration. Such arbitration will be final and binding, and the parties shall have no right to appeal from the arbitrator's decision.
- (B) The Jurisdictions may initiate arbitration by resolution of its Jurisdiction Council or County Commission, while Grantee may choose to initiate arbitration by sending written notice to the Jurisdictions.
- (C) After arbitration has been initiated, the Jurisdictions and Grantee may agree that one arbitrator may conduct the arbitration. If the parties are unable to agree upon the identity of the arbitrator within twenty (20) days after the arbitration has been initiated, the arbitrator shall be selected by the presiding civil judge of the Multnomah County Circuit Court.
- (D) If either the Jurisdictions or Grantee does not consent to having one arbitrator conduct the arbitration, the arbitration shall be conducted by three arbitrators, who shall be selected as follows:
  - (1) If the Jurisdictions initiate arbitration, the Jurisdictions shall select one arbitrator and Grantee by written notice shall select one arbitrator within fifteen (15) days after passage of the resolution. If Grantee initiates arbitration, it shall identify its selected arbitrator in its written notice, and the Jurisdictions shall select one arbitrator, within fifteen (15) days after receiving the notice.

- (2) The two selected arbitrators shall select a third arbitrator within fifteen (15) days after the appointment of the second arbitrator. If the two arbitrators are unable to agree upon a third arbitrator within the time limit, the third arbitrator shall be appointed by the presiding civil judge of the Multnomah County Circuit Court.
- (E) After selection of the arbitrator(s), the arbitrator(s) shall take an oath to serve neutrally and impartially. The arbitrator(s) shall then schedule a date, time and place for the arbitration hearing. The hearing shall occur not less than one hundred twenty (120) days after the appointment of the arbitrator (or the third arbitrator, if three arbitrators are used), unless extended by mutual agreement of the Jurisdictions and Grantee. The arbitrator(s) shall make a written report to the Jurisdictions and Grantee on the final determination within sixty (60) days after completion of the hearing. If the arbitration is conducted by three arbitrators, the determination of a majority of the arbitrators shall constitute a final, binding arbitration determination.
- (F) Once initiated by the parties, the arbitration shall be conducted according to the Uniform Arbitration Act, ORS 36.600 to ORS 36.470 (2009).
- (G) The Jurisdictions and Grantee shall share equally the fees and costs of the arbitrator(s).
- (H) In any arbitration proceeding regarding a modification of this Franchise, initiated under Section 19.15, Section 19.16 or Section 19.8, the arbitrator(s) may order a modification of the Franchise in response to the events and circumstances initiating the arbitration proceeding. The arbitrator(s) shall attempt to modify the Franchise so that the net rights and obligations of the Jurisdictions and the Grantee remain substantially the same after the modification as they were prior to the events and circumstances leading to the arbitration proceeding. The party seeking the modification shall have the burden of establishing how the net rights and obligations remain substantially the same. If the arbitrator(s) determine that it is not possible to so modify the franchise, then they shall make a finding so stating in their final determination and instead shall modify the franchise to provide as fair a balancing of the rights and obligations of the Jurisdictions and the Grantee as they are reasonably able to achieve in relation to the balancing of rights and obligations under the franchise prior to modification.

### 19.3 Mediation.

- (A) The Jurisdictions and Grantee agree that should any dispute arise between the parties concerning any aspect of this Franchise which is not resolved by mutual agreement of the parties, and unless either party believes in good faith that injunctive relief is warranted, the dispute may be submitted to mediated negotiation prior to any party commencing litigation. In such an event, the Jurisdictions and Grantee may agree to participate in good faith in a non-binding mediation process. The mediator shall be selected by mutual agreement of the parties. In the absence of such mutual agreement, each party shall select a temporary mediator, and those mediators shall jointly select a permanent mediator. If the Jurisdictions and Grantee are unable to successfully conclude the mediation within 45 days from the date of the selection of the mediator, either party may terminate further mediation by sending written notice. After written

termination notice has been received by the other party, either party may request arbitration, as set forth in Section 19.2, or may pursue any other available legal remedies. All costs associated with mediation shall be borne, equally and separately, by the parties.

- (B) In any mediation regarding a modification of this Franchise, regarding disputes between the parties under Sections 19.15, 19.16 or 19.8, the Jurisdictions and the Grantee agree that they shall attempt, in good faith, to agree to modifications to the Franchise so that the net rights and obligations of the Jurisdictions and the Grantee remain substantially the same after the modification, as they were prior to the events and circumstances leading to the mediation proceeding.

19.4 Continuity of Service. Grantee agrees that all Residential Subscribers shall receive all available Cable Services insofar as their financial and other obligations to the Grantee are honored. In the event that the Grantee elects to modify or sell its Cable System, the Grantee shall make a good faith effort to ensure that all Residential Subscribers receive continuous, uninterrupted service regardless of the circumstances during the term of this Franchise. In the event of purchase, lease-purchase, condemnation, acquisition, taking over or holding of plant and equipment, including subsequent assignment, sale, lease or other transfer to any other Person, the Grantee shall operate the Cable System for such reasonable periods as are necessary to maintain continuity of Cable Service to all Residential Subscribers.

19.5 Severability and Survivability. If any Section, provision or clause of this Franchise is held by a court of competent jurisdiction to be invalid or unenforceable, or is preempted by federal or state laws or regulations, the remainder of this Franchise shall not be affected. All provisions concerning indemnity shall survive the termination of this Agreement for any cause. Expiration or termination of this Franchise shall not extinguish, prejudice or limit either party's right to enforce this Franchise with respect to any default or defect in performance that has not been corrected.

19.6 No Recourse against Jurisdictions. To the extent provided by law, Grantee's recourse against the Jurisdictions or its officials, boards, commissions, agents or employees for any claim arising from any provision or requirement of this Franchise shall be limited to injunctive relief and declaratory relief.

19.7 Nonenforcement by the Jurisdictions. Grantee shall not be relieved of its obligations to comply with any of the provisions of this Franchise by reason of any failure of the Jurisdictions to enforce prompt compliance, nor does the Jurisdictions waive or limit any of its rights under this Franchise by reason of such failure or neglect. The Jurisdiction Council or County Commission shall be vested with the power and authority to reasonably regulate the exercise of the privileges permitted by this franchise in the public interest.

19.8 Action by Agencies or Courts. Grantee shall promptly notify the Jurisdictions in the event that any agency of the federal government or the State of Oregon or any court with competent jurisdiction requires the Grantee to act inconsistently with any provisions of this Franchise. Upon receipt of such notification, the Jurisdictions or the Grantee may determine if a material provision of this Franchise has been affected. Upon such determination, the Jurisdictions or the Grantee may seek to modify or amend this Franchise, pursuant to Section 19.15, as may be necessary to carry out the parties' intentions and purposes under this Franchise.

19.9 Choice of Forum. Any litigation between the Jurisdictions and the Grantee arising under or regarding this Franchise 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, Portland Division.

19.10 Choice of Law. This Franchise 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.

19.11 Notice. General day-to-day communications between the parties can be sent by electronic mail. Sample customer billings, notices regarding service and price changes and other similar communications required under this Franchise must be provided in writing but may be preceded by an electronic communication if necessary to meet Franchise deadlines. All notices to, and other written communication between, the parties under this Franchise shall be deemed to be received five (5) business days after being sent by pre-paid first-class certified mail return receipt requested; or the same business day if transmitted during regular business hours by electronic communication (or the first business day after being sent if transmitted outside of regular business hours or on a weekend or legal holiday); or upon receipt when sent by reliable expedited courier services which provide written evidence of delivery. Except as otherwise provided in this Section 19.11, all notices and written communication shall be sent to the parties as set forth below, or to such other places as they may designate by like notice from time to time.

If to the Jurisdictions: [Update address to appropriate jurisdictional address]  
With a copy to: City Hall [ATTN: IF APPROPRIATE]  
[STREET ADDRESS]  
[CITY], Oregon [ZIP CODE]  
FAX No. (XXX) XXX-XXXX

If to the Grantee: Comcast Cable  
Attention: Government Affairs  
11308 SW 68th Parkway  
Tigard, OR 97223

19.12 Reasonability of Actions. In any matter provided for in this Franchise involving discretionary acts by the Jurisdictions or the Grantee, including but not limited to the giving of consent, approval or instructions, the parties agree that they will each act in a manner that is reasonable under the circumstances.

19.13 Force Majeure.

- (A) For purposes of this Franchise, the term "Force Majeure" shall mean acts of God, landslides, earthquakes, lightning, fires, hurricanes, volcanic activity, storms, floods, washouts, droughts, civil disturbances, pandemics, acts of terrorism or of the public enemy, strikes, explosions, lockouts or other industrial disturbances, insurrections, public riots, entire failure of utilities, documented work delays caused by waiting for utility providers to service or monitor utility poles to which Grantee's facilities are attached and documented unavailability of materials and/or qualified labor to perform the work necessary; and other similar events which are not reasonably within the control of the distressed party.
- (B) If either party is wholly or partially unable to carry out or perform its obligations under this Franchise as a result of Force Majeure, the distressed party shall not be deemed in violation or default during the duration of the Force Majeure. The distressed party shall take immediate and diligent steps to comply as soon as possible under the circumstances, and shall take all necessary corrective steps to remedy as expeditiously as possible the non-compliant responsibilities and duties affected by the Force Majeure. The distressed party shall give prompt notice of such Force Majeure, describing the same in reasonable detail. The distressed party's obligations under this

Franchise shall not be deemed in violation or default for the duration of the Force Majeure. In the event that delay in performance or failure to perform affects only part of the distressed party's capacity to perform, the distressed party shall perform to the extent that it is reasonably able to do so. Force Majeure shall not apply to any obligations under this Franchise for the payment of franchise fees, PEG fees and other pertinent fees. The acts or omissions of Affiliates are not beyond the Grantee's control, and knowledge of Affiliates shall be imputed to Grantee.

19.14 Integration and Written Modification. Except as otherwise expressly provided within this Franchise, this Franchise contains the entire agreement between the Jurisdictions and the Grantee. Any prior franchise agreements between the Jurisdictions and the Grantee shall be superseded upon the effective date of this Franchise. This Franchise may not be altered or modified orally but only by an instrument in writing executed by duly authorized representatives of the Jurisdictions and the Grantee.

19.15 Changes in Law or Unenforceability of Franchise Provisions.

- (A) The Jurisdictions and Grantee have entered into this Franchise under the federal and state laws in effect on the effective date of this Franchise. The Jurisdictions and the Grantee reserve the right to request modifications to this Franchise, under Section 19.15(B), to account for changes in the law during the term of this Franchise. The Jurisdictions and the Grantee also reserve the right to request modifications in this Franchise, under Section 19.15(B), if any provision of this Franchise becomes, or is declared, invalid or unenforceable.
- (B) Upon written notice from either party, the Jurisdictions and the Grantee may voluntarily agree, under Section 19.15(A), to participate in a non-binding mediation proceeding under Section 20.3 to mediate, in good faith, modifications to the terms and conditions of this Franchise. The written request shall specifically identify the particular reasons under Section 19.15(A) for the modification sought by the requesting party. In the mediation proceeding, the Jurisdictions and the Grantee shall attempt, in good faith, to agree to modifications to the Franchise so that the net rights and obligations of the Jurisdictions and the Grantee remain substantially the same after the modification, as they were prior to the events and circumstances leading to the mediation proceeding. If the Jurisdictions and Grantee are unable to successfully conclude the mediation within ninety (90) days from the date of the written notice requesting the mediation proceeding, the parties may agree to submit the matter to arbitration as set forth in Section 19.2.

19.16 Renegotiation.

- (A) If any provision of this Franchise becomes invalid or unenforceable and the Jurisdiction Council or County Commission or the Grantee expressly finds that such provision constituted a consideration material to this Franchise, then the Jurisdictions and the Grantee shall renegotiate the terms of this Franchise, subject to the mediation procedures of Section 19.3. The party seeking renegotiation shall serve on the other party written notice of a request to mediate. The parties shall have ninety (90) days to conduct and complete the renegotiation. If the Jurisdictions and the Grantee cannot successfully conclude the renegotiation within ninety (90) days from the date of the mediation request is served upon the other party, the matter may be submitted to arbitration under Section 19.2.

- (B) By mutual agreement, the Jurisdictions and the Grantee may meet at any time during the term of this Franchise to review and renegotiate matters of concern or interest to either of them. The topics of such renegotiation shall be stated in writing by each party prior to such meeting, but each party may include any topic or concern arising under this Franchise or otherwise.

**Section 20. WRITTEN ACCEPTANCE**

20.1 Written Acceptance. On or before thirty (30) days after this Franchise becomes effective, Grantee shall file with the Jurisdictions Auditor's Office a written acceptance of this Franchise duly executed by the Grantee, in the form provided in Exhibit F to this Franchise. Such acceptance shall be unqualified and shall be an acceptance of all the terms, conditions and restrictions contained in this Franchise.

20.2 Failure to File Acceptance. Any failure on the part of the Grantee to file such written acceptance within such time shall be deemed an abandonment and rejection of the rights and privileges conferred by this Franchise, and this ordinance shall thereupon be null and void.

20.3 Execution in Counterparts. The Jurisdictions may execute this Franchise in the signature blocks provided below in any number of separate counterparts, any one of which shall constitute an agreement between and among the Jurisdictions and the Grantee.

**JURISDICTIONS:**

**City of Fairview**

Entered into this \_\_\_ day of \_\_\_\_\_, 2026

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Recorder

**Multnomah County**

Entered into this \_\_\_ day of \_\_\_\_\_, 2026

Reviewed by:

\_\_\_\_\_  
County Chair

\_\_\_\_\_  
County Legal Counsel

**City of Troutdale**

Entered into this \_\_\_ day of \_\_\_\_\_, 2026

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Recorder

**City of Wood Village**

Entered into this \_\_\_ day of \_\_\_\_\_, 2026

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Recorder

**RESOLUTION NO.**

**A RESOLUTION OF THE TROUTDALE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH METROEAST COMMUNITY MEDIA FOR OPERATIONAL AND CAPITAL SUPPORT SERVICES RELATED TO PUBLIC, EDUCATIONAL, AND GOVERNMENT ACCESS PROGRAMMING, DIGITAL INCLUSION, AND COMMUNITY MEDIA SERVICES.**

**THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. The City of Troutdale, together with the Cities of Fairview and Wood Village and Multnomah County, is a party to a Cable Services Franchise Agreement with Comcast of Illinois/Ohio/Oregon, LLC; and
2. The Cable Services Franchise Agreement provides franchise fee revenues and public, educational, and governmental access (PEG) fee revenues for the support of community media, PEG access services, digital inclusion efforts, and related capital investments; and
3. The participating jurisdictions have agreed to dissolve the Mt. Hood Cable Regulatory Commission (MHCRC) effective June 30, 2026; and
4. The City of Troutdale has entered into an intergovernmental agreement with the Cities of Fairview and Wood Village and Multnomah County to administer cable franchise revenues and PEG fee revenues on behalf of the participating jurisdictions; and
5. MetroEast Community Media has served East Multnomah County communities for more than forty years by providing public access television services, government meeting coverage, media production resources, digital literacy programming, youth media education, and community content distribution services; and
6. The proposed Agreement designates MetroEast Community Media as the PEG Access Provider for the participating jurisdictions and provides operational and capital funding necessary to continue the services described in the Agreement Scope of Work; and
7. The Agreement provides for continued management of PEG access channels and resources, government meeting coverage, community media programming, digital inclusion initiatives, youth media literacy programs, and administration of PEG-related capital assets and infrastructure; and
8. The City Council finds that continued partnership with MetroEast Community Media serves the public interest by preserving access to community media

resources, supporting civic engagement, expanding digital inclusion efforts, and ensuring compliance with obligations contained in the Cable Services Franchise Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TROUTDALE AS FOLLOWS:**

Section 1. The City Council approves the Agreement to Provide Operational and Capital Support between the City of Troutdale and MetroEast Community Media substantially in the form attached as Attachment A.

Section 2. The City Council designates MetroEast Community Media as the Public, Educational, and Government Access Provider for purposes of administering PEG access resources and services under the Cable Services Franchise Agreement.

Section 3. The City Manager is authorized to execute the Agreement and any non-substantive revisions necessary to finalize the Agreement, subject to review by the City Attorney.

Section 4. The City Manager, or designee, is authorized to administer the Agreement and take all actions necessary to implement its provisions, including the distribution and oversight of franchise fee and PEG fee revenues in accordance with the Agreement.

Section 5. This Resolution shall take effect immediately upon adoption.

**YEAS:**  
**NAYS:**  
**ABSTAINED:**

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**David Ripma, Mayor**  
**Dated:**

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**Sarah Skroch, City Recorder**  
**Adopted:**

**June 23, 2026**

**AGREEMENT TO PROVIDE OPERATIONAL & CAPITAL SUPPORT**

This Grant Agreement (Agreement) is between the City of Troutdale, OR, ("City") and MetroEast Community Media, an Oregon nonprofit public benefit corporation (Grantee), to provide operational and capital support.

**RECITALS:**

1. The cities of Troutdale, Fairview and Wood Village, and Multnomah County entered into a cable services franchise agreement ("Cable Franchise") with Comcast ("Cable Franchisee"), effective **September 15, 2025**, for a term through December 31, 2035, which, among other things, provide financial and technology resources dedicated for public, educational, and government uses by designated access providers.
2. The Cities of Troutdale, Fairview and Wood Village, and Multnomah County ("Jurisdictions") entered into an intergovernmental agreement effective July 1, 2026 ("IGA") for the City of Troutdale ("City") to jointly collect and administer Cable Franchise revenue and distribute such revenue in accordance with the IGA.
3. As compensation for the benefits and privileges granted under the Cable Franchise, the Franchisee pays quarterly franchise fees to the City, on behalf of the Jurisdictions, in an amount equal to 5% (five percent) ("Cable Franchise Fee") and PEG Fees in an amount equal to 2.5% (two and one-half percent) of its gross revenue derived from cable services in the Franchise area.
4. The Cable Franchise restricts the PEG Fee to support capital costs for the provision of public, education, and government access ("PEG Access") by designated access providers in accordance with the Franchise. Under this Agreement, the City designates Grantee as the PEG Access provider for the Jurisdictions, and assigns control and management of certain PEG Access resources provided under the Cable Franchise.
5. For Grantee to provide digital literacy services to the community and manage PEG Access services and resources, the City and Grantee have entered into this Agreement for Grantee to receive a portion of the Cable Franchise Fees (Operations Funds") and the PEG Fee ("Capital Funds") in accordance with the IGA to support the operational and capital needs of Grantee to provide such services.
6. Grantee is an Oregon nonprofit public benefit corporation, which provides media and broadband technology training, tools, and distribution platforms to diverse communities throughout East Multnomah County. Grantee engages broad community participation in civic and cultural life through supporting video storytelling and programs of, by, and for the community over streaming on the Internet and on local PEG Access cable channels.
7. The City and Grantee have a unique relationship due to: Grantee's status as a designated PEG Access Provider under the Cable Franchise; Grantee receives a

significant portion of its funding from Cable Franchise Fees and PEG Fees paid to the City on behalf of the Jurisdictions; the Jurisdictions have designated the City to manage Cable Franchise revenues; and Grantee was originally incorporated in 1983 with the purpose to manage Cable Franchise PEG Access resources for the City and other east Multnomah County communities and has continued to do so, among other digital inclusion services, for over 40 years.

8. Continued annual Grantee Operation Funds and Capital Funds for fiscal years through the term of this Agreement are provided for under Article IV(A). Each fiscal year begins July 1 and ends June 30. Funds are anticipated to be available for this purpose in the City's budget from Franchise Fees and PEG Fees received under the Cable Franchise on behalf of the Jurisdictions.

### **ARTICLE I. SCOPE OF WORK**

Grantee shall use the funds provided under this Agreement for the purposes described in Exhibit A (Scope of Work), attached and incorporated herein.

### **ARTICLE II. TERM**

The term of this Agreement is July 1, 2026, through and including June 30, 2031. This Agreement shall be effective on July 1, 2026, upon execution by the parties, as shown by their signatures below.

### **ARTICLE III. SPECIFIC CONDITIONS OF THE GRANT**

A. City Grant Manager. The City hereby appoints the Troutdale City Manager or their appointee as its Grant Manager for this Agreement. The City may, from time to time, designate different persons to act as its Grant Manager and will inform Grantee in writing, in accordance with Article III(E), of any change in Grant Manager. The City's Grant Manager is authorized to approve invoices submitted pursuant to this Agreement and to carry out all other City actions and responsibilities in accordance with this Agreement.

B. Grantee Project Manager. Grantee hereby appoints John Lugton as its Project Manager for this Agreement. Grantee may, from time to time, designate another person to act as its Project Manager and will inform the City in writing, in accordance with Article III(E), of any change in Project Manager. Furthermore, Grantee hereby appoints John Lugton as a designated signatory with fiscal and legal authority to sign documents as necessary.

C. Program and Fiscal Monitoring. The Grant Manager shall monitor Grantee on an as-needed basis to assure Agreement compliance. Monitoring may include, but is not limited to, on-site visits, in-person or virtual meetings, and review of required reports. The frequency and level of monitoring will be determined by the Grant Manager. Notwithstanding such monitoring or lack thereof, Grantee remains responsible for performing the Agreement Scope of Work.

D. Reports and Records

1. Grantee shall maintain current financial records in accordance with Generally Accepted Accounting Principles (GAAP). Grantee shall maintain and retain all financial records, supporting documents, and other records related to this Agreement for a minimum of three (3) years after the end of a fiscal year or until the resolution of all audit questions or claims, whichever is longer.

The City may examine and copy Grantee's financial records, documents, papers, and other records related to this Agreement at any time during the records retention period listed above upon reasonable notice.

Grantee shall provide such information as deemed reasonably appropriate regarding the Grantee's activities and use of funds under this Agreement.

2. Annual Budget. By June 30, Grantee shall submit to the Grant Manager a fiscal year budget adopted by Grantee's Board of Directors. The adopted budget shall include:
  - a. Projected Capital Funds revenues and expenditures, by line item;
  - b. A narrative identifying how Capital Funds under this Agreement are projected to be used to support PEG Access services; and,
  - c. Projected operating revenues, expenditures and a narrative identifying how Operating Funds under this Agreement are projected to be used to support the Scope of Work.
3. Activity Reports. Grantee shall submit six-month activity reports to the Grant Manager for the periods of July 1 through December 31 and January 1 through June 30, within forty-five (45) calendar days after the end date of each period. Six-month activity reports shall contain information as described in Exhibit B (Activity Reports), attached and incorporated herein, unless otherwise approved by the Grant Manager.
4. Quarterly Financial Reports. Within sixty (60) calendar days after the close of each fiscal year quarter, the Grantee shall submit a financial report, approved by Grantee's Board of Directors, to the Grant Manager based on the Grantee's fiscal year budget. Unless the Grantee and the Grant Manager agree to a different report format or different report parameters, the quarterly financial report shall contain information on Grantee's revenues, and capital and operating expenditures including, among other items:
  - a. Sources and amounts of revenue;
  - b. Capital expenditures (amounts, and percentage of total) by budgetary line item and capital expenditures made from Capital Funds;
  - c. Operating expenditures (amounts, and percentage of total) by budgetary line item); and,
  - d. Year-to-date balance sheet.

5. Annual Year-End Capital Funds Report.

a. Within sixty (60) calendar days after the close of the fiscal year, Grantee shall submit an annual Capital Funds expenditure report to the Grant Manager documenting actual Capital Funds revenues and expenditures by line item for the fiscal year and the remaining Capital Funds balance at the close of the fiscal year if any. Upon request by the Grant Manager, Grantee shall provide copies of paid receipts or other evidence for actual Capital Funds expenditures.

b. The Grant Manager shall have thirty (30) calendar days after receipt of the Grantee's report to notify Grantee that an expenditure of the Capital Funds is not in accordance with the Cable Franchise or this Agreement. Otherwise the expenditures shall be deemed approved.

6. Cable Franchisee Capital Funds Report. Grantee shall provide the Cable Franchisee, no later than December 31, an annual report describing the allocation of the Capital Funds received by Grantee, containing sufficient detail to demonstrate that the Capital Funds were used in compliance with the Cable Franchise. The period of the report shall be a fiscal year July through June.

E. Audits

1. Grantee Two-Year Financial Audit. Grantee shall submit an audit every two fiscal years to the Grant Manager of Grantee's financial statements prepared in accordance with GAAP and reviewed by an independent Certified Public Accountant. The Grant Manager shall provide the audit to the City within ninety (90) calendar days after the close of the fiscal year being audited.

2. City Audits. The City, either directly or through a designated representative, may conduct a financial audit or review of Grantee records for the Capital Funds expenditures under this Agreement, upon reasonable notice, at any time during this Agreement. The Grant Manager shall promptly provide Grantee with written notice of the audit or review conclusions.

3. Cable Franchisee Reviews. As provided under the terms of the Cable Franchise, the Cable Franchisee may conduct a financial review or audit for the purpose of verifying whether use of the PEG Fee is in accordance with the Cable Franchise. If the City receives notice in accordance with the terms of the Cable Franchise of such audit or review, the Grant Manager shall notify Grantee within five (5) business days of receiving the notice, and shall identify to Grantee the relevant financial records of Grantee that the Cable Franchisee seeks to review. Grantee shall make such financial records relevant to Grantee's use of the PEG Fee available to Cable Franchisee's authorized representative for inspection and copying.

The scope and final conclusion of such Cable Franchisee audit or review of use of the PEG Fee shall be consistent with the terms of the Cable Franchise.

D. Publicity. Grantee shall use its best efforts to mention the Jurisdictions' funding support in publicity regarding activities supported by this Agreement.

E. Notice. All notices provided under this Agreement shall be sufficient if:

Emailed to the receiving party's address specified below, or in writing to the address specified below and (1) delivered personally to the addressee listed below, or (2) deposited in the United States Mail, postage prepaid, certified mail, return receipt requested. Any notice given by email shall be effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.

Any changes to the contact information below shall be sent to the other party by email or in writing:

Grantee:  
John Lugton  
MetroEast Community Media  
829 NE 8th Street, Gresham, OR, 97030  
Email: John@metroeast.org

City:  
Michael Weston, City Manager  
City of Troutdale, Oregon  
219 E. Historic Columbia River Highway, Troutdale, OR 97060  
Email: mike.weston@troutdaleoregon.gov

#### **ARTICLE IV. PAYMENTS**

Subject to the terms and conditions of this Agreement, the City shall pay Grantee an annual grant amount as follows:

A. Operations Funds. Subject to the terms and conditions of this Agreement, the City shall pay Grantee sixty percent (60%) of the Cable Franchise Fee revenues received from the Cable Franchisee.

B. Capital Funds. Subject to the terms and conditions of this Agreement, the City shall pay the Grantee the PEG Fee revenues received from the Cable Franchise.

Grantee agrees to expend Capital Funds provided under this Agreement only for capital costs in accordance with applicable restrictions of the Cable Franchise. Guidelines for acceptable capital costs are described in Exhibit C (Capital Cost Guidelines), attached and incorporated herein. Grantee shall account for the Capital Funds separately in its financial records, maintain accurate documentation and inventory of assets acquired with Capital Funds, and follow appropriate procedures for purchasing and disposing of such assets.

C. The City shall make payments to Grantee of the Cable Franchise Fee and PEG Fee revenues on a quarterly basis within sixty (60) calendar days of the end of each fiscal year quarter.

D. Prior to April 1 of each year, the Grant Manager shall provide to Grantee a projection of the annual funding provided under Article IV for the succeeding fiscal year.

E. The City and the Grantee have entered into this Agreement under the federal and state laws in effect on the effective date of this Agreement, which allows the Jurisdictions to require cable operators to obtain cable services franchise agreements for use of the Jurisdictions' streets and public right-of-way, and to, among other things, pay franchise fees and the PEG Fee for such use. The City and Grantee agree to negotiate modifications to this Agreement to account for any changes in such federal, state, or local law which impair the City's ability to comply with the funding obligations set out in Article IV or impair Grantee's ability to provide the Scope of Work set out in Exhibit A. If no agreement is reached on such modifications, then the parties may agree to early termination of this Agreement in accordance with Article V(D).

## **ARTICLE V. ENFORCEMENT**

A. Compliance Remedies. If the Grant Manager reasonably determines Grantee's performance is inconsistent with any requirements of this Agreement, then the Grant Manager shall provide written notice of such determination to Grantee. Grantee shall have thirty (30) calendar days after receipt of the notice to cure the inconsistency and document such cure to the Grant Manager. The Grant Manager may shorten the cure period only in the event that funds are being misapplied. The Grant Manager may lengthen the cure period if Grantee demonstrates a good faith effort to cure and the time period to cure may reasonably require a longer period. If, after the cure period, the Grant Manager reasonably determines that Grantee's performance is inconsistent with the requirements of this Agreement, the City may seek a remedy until Grantee's performance is consistent with the requirements of this Agreement.

B. Termination for Cause. It shall be cause for termination of this Agreement if Grantee spends Operations Funds or Capital Funds outside the scope of this Agreement, or if Grantee fails to substantially comply with any other requirements under this Agreement. The City shall provide written notice to Grantee of such termination with a termination date no sooner than sixty (60) calendar days after receipt of the written notice by Grantee.

1. Upon notice of termination, Grantee shall not spend unused funds provided under this Agreement except as provided in Article V(B)(2).
2. In the event of termination in accordance with Article V(B), Grantee may use funds on hand for payment of costs reasonably incurred in performance of work under this Agreement prior to the termination date, including employee

payroll and benefits and outstanding contracts for services.

3. Nothing herein shall entitle the City to recover funds the Grantee acquired from sources other than the City; nor shall the City be entitled to any funds that the recovery of which would prevent full payment of amounts owing to creditors of the Grantee.

C. The City shall not consider the content of Grantee's programming, including the Grantee's or a producer's choice of subject matter and the point of view expressed, in making any decision regarding the termination of this Agreement in accordance with Article V(B).

D. Termination by Agreement or for Convenience. The City and Grantee may terminate this Agreement at any time by mutual written agreement.

## **ARTICLE VI. GENERAL GRANT PROVISIONS**

A. Amendments. Amendments must be in writing and executed by the authorized representatives of the parties.

B. Non-Discrimination. In carrying out activities under this Agreement, Grantee shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, familial status, sexual orientation or national origin. Grantee shall take actions to ensure that applicants for employment and employees are treated during employment, without regard to their race, color, religion, sex, age, handicap, familial status, sexual orientation or national origin.

C. Indemnification.

1. Grantee shall hold harmless, defend, and indemnify the City and its officers, agents, and employees against all claims, demands, actions and suits (including all costs) arising from the acts or omissions of Grantee or its officers, agents, employees, and contractors related to Grantee's performance under this agreement.

2. The City shall not be liable for any obligations incurred by the Grantee. The Grantee shall not represent to any person that the City is liable for any of Grantee's obligations.

D. Insurance. Grantee shall obtain and maintain in full force at its expense, throughout the duration of the Agreement and any extension periods, the required insurance identified below. The City reserves the right to require additional insurance coverage as required by statutory or legal changes to the maximum liability that may be imposed on Grantee during the term of this Agreement.

1. Workers' Compensation Insurance.

a. Grantee, its contractors, if any, and all employers working under this Agreement, are subject employers under the Oregon Workers'

Compensation law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject Workers. A certificate of insurance, or copy thereof, shall be attached to this Agreement and shall be incorporated herein and made a term and part of this Agreement. Grantee will maintain workers' compensation insurance coverage for the duration of this Agreement.

- b. In the event Grantee's workers' compensation insurance coverage is due to expire during the term of this Agreement, Grantee agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer provided by Chapter 656 of the Oregon Revised Statutes, before its expiration. Grantee will provide the City with certification of workers' compensation insurance renewals, as such insurance renewals occur.

## 2. Commercial General Liability Insurance.

Grantee shall maintain commercial general liability and property damage insurance that protects Grantee and the City and its officers, agents and employees from all claims, demands, actions and suits for damage to property or personal injury, including death, arising from Grantee's work under this Agreement. Grantee's insurance shall also name as additional insureds the Cable Franchisee, as required under the Cable Franchise, with respect to any claim for injury, damage, loss, liability, cost or expense arising from programming or other transmission placed by Grantee on PEG Access channels (but not if arising out of any act done by the Cable Franchisee or its officers, agents or employees).

The insurance shall provide coverage for not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$2,000,000. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the City and its officers, agents and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that it shall not terminate or be canceled without thirty (30) calendar days' written notice first being given to the City. If the insurance is canceled or terminated prior to termination of the Agreement, Grantee shall provide a new policy with the same terms. Grantee agrees to maintain continuous, uninterrupted coverage for the duration of the Agreement.

3. Automobile Liability Insurance. Grantee shall have automobile liability insurance with coverage of not less than \$1,000,000 each accident. The insurance shall include coverage for any auto or all owned, scheduled, hired and non-owned autos. This coverage may be combined with the commercial general liability insurance policy.

6. Cablecaster's Errors and Omission Insurance. Grantee shall maintain insurance to cover the content of productions which are cablecast on an PEG Access channel in, at minimum, the following areas: libel and slander; copyright or trademark infringement; infliction of emotional distress or invasion of privacy; plagiarism; misuse of musical or literary materials. This policy shall not be required to cover individual access producers.
  7. Directors and Officers' Liability Insurance. Grantee shall maintain directors' and officers' liability insurance with coverage in an amount of not less than \$1,000,000, subject to a reasonable deductible which shall be determined by Grantee's Board of Directors.
  8. Officers', Directors', Trustees' and Employees' Fidelity Insurance. Grantee shall maintain fidelity insurance for all officers, directors, trustees and employees of the Grantee and all other persons handling or responsible for grant funds paid to or administered by the Grantee. The total amount of fidelity insurance coverage required shall be in an amount of the greater of either: (1) \$1,000,000; or, (2) the total sum of grant funds provided to Grantee in a fiscal year quarter during the prior calendar year. Such fidelity insurance shall name the Grantee as obligee and shall contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The insurance shall provide that it may not be canceled or substantially modified (including cancellation for nonpayment of a premium), without at least ten (10) business days' prior written notice to the City.
  9. Continuous Coverage: Notice of Cancellation. Grantee shall maintain continuous, uninterrupted coverage for the duration of the Agreement. There shall be no termination, cancellation, material change, potential exhaustion of aggregate limits or non-renewal of coverage without thirty (30) calendar days' written notice from Grantee to City. If the insurance is canceled or terminated prior to termination of the Agreement, Grantee shall immediately notify the City and provide a new policy with the same terms. Any failure to comply with this clause shall constitute a material breach of the Agreement and shall be grounds for termination for cause under Article V(B) of this Agreement.
  10. Certificates of Insurance: Grantee shall provide proof of insurance through acceptable certificates of insurance and a CG 2026 additional insured endorsement form (or an equivalent blanket additional insured form) to City on or before execution of the Agreement and prior to any commencement of work or delivery of goods or services under the Agreement or initial payment of funds. The certificate(s) will specify all parties endorsed on the policy as Additional Insureds (or Loss Payees). City reserves the right to require, at any time, complete and certified copies of the required insurance policies evidencing the coverage required.
- E. Grantee's Contractor: Non-Assignment. If Grantee utilizes contractors to complete its work under this Agreement, in whole or in part, Grantee shall require any of its contractors to agree, as to the portion contracted, to fulfill all obligations of the Agreement as specified in this Agreement. However, Grantee shall remain obligated for full performance hereunder, and the City

shall incur no obligation other than its obligations to Grantee hereunder. This Agreement shall not be assigned or transferred in whole or in part without prior written approval of the City.

- F. Independent Contractor Status. Grantee, and its contractors and employees, are not employees of the City and are not eligible for any benefits through the City, including without limitation, federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits. Grantee will be responsible for any federal, state or local taxes and fees applicable to payments hereunder.
- G. Oregon Laws and Forum. This Agreement shall be construed according to the laws of the State of Oregon without regard to its provisions regarding conflicts of law. Any litigation between the City and Grantee arising under this Agreement or out of work performed under this Agreement shall occur in Multnomah County, and if in the federal courts, in the United States District Court for the State of Oregon.
- H. Compliance with Law. Grantee and all persons performing work under this Agreement shall comply with all applicable federal, state and local laws and regulations. Grantee shall maintain its nonprofit and tax-exempt status during this Agreement.
- I. Severability. The City and Grantee agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.
- J. Merger. This Agreement contains the entire agreement between the City and Grantee and supersedes all prior written or oral discussions or agreements. There are no oral or written understandings that vary or supplement the conditions of this Agreement that are not contained herein.
- K. Third Party Beneficiaries. There are no third-party beneficiaries to this Agreement and the Agreement may only be enforced by the parties.
- L. Electronic Transaction: Counterparts. The parties agree that they may conduct this transaction, including any amendments, by electronic means, including the use of electronic signatures. This Agreement, and any amendment, may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument.

## **Signatures:**

**CITY OF Troutdale**

Name:

Title:

Date:

**Approved as to Form:**

City Legal Counsel

**METROEAST COMMUNITY MEDIA**

Name:

Title:

Date:

**Exhibit A: Scope of Work**  
**Exhibit B: Activity Reports**  
**Exhibit C: Capital Cost Guidelines**

## **EXHIBIT A - MetroEast/ City of Troutdale Agreement: Scope of Work**

Grantee shall provide the following services as follows:

### **1. Cable Franchise PEG Access Resources**

- A. Manage Cable Franchise assets and resources related to the provision of public, education, and government access (PEG Access) on behalf of the cities of Troutdale, Fairview and Wood Village, and Multnomah County (Jurisdictions).
- B. Participate in programming of and manage playback on the PEG Access channels and the community access network (CAN) channel on the Cable Franchisee cablesystem.
- C. Produce gavel-to-gavel video coverage and live cablecast of the Jurisdictions' regular twice-monthly city council meetings and county commission weekly regular board meetings and board briefings conducted at their respective regular meeting locations.

The content and intellectual property rights of a meeting video remain the property of the Jurisdiction. Grantee shall not edit meeting content unless technical issues make portions of the meeting unintelligible and/or unviewable and shall be held harmless in the event of loss of original video footage. The parties understand that Grantee is not subject to Oregon Open Meeting law requirements of the Jurisdictions. Grantee is not responsible for providing a meeting recording in response to a request. The Jurisdictions maintain sole responsibility for public records related to their meetings.

In order for Grantee to produce and cablecast the meetings described above, Grantee must house certain video production and distribution assets, which Grantee owns, maintains, and insures, at the Jurisdiction's meeting location, The Jurisdiction and Grantee shall have agreements, as necessary, separate from this Agreement, to provide secure, adequate space for the equipment at the Jurisdiction's regular meeting location.

- D. Acquire programming of interest to local communities, governments and educational institutions to promote civic dialogue and community-building.
- E. Manage the transmission of programming from the following hardwired live origination sites as provided under the Cable Franchise: Troutdale, Wood Village and Fairview city halls, and Multnomah County Building Board Room (Hawthorne Building).
- F. Manage the use of the access channel interconnections provided under the Cable Franchise.
- G. Develop and maintain any necessary operating agreements with Cable Franchisee resulting from Grantee's status as the designated PEG Access provider, consistent with the requirements of the Cable Franchises.

### **2. Digital Inclusion & Youth Media Literacy**

- A. Support culturally-responsive, relevant, affordable digital literacy and media training for people of color, English-language learners, people with disabilities, low-income residents, and other underserved groups to use media and broadband technologies

competently to gain essential digital skills for education, employment, and civic life.

- B. Provide low-barrier access to media and broadband content production equipment and facilities for use by non-profit organizations and residents who are certified by Grantee for such use.
- C. Provide distribution platforms, technology, and technical support to share community-produced content that elevates historically underrepresented perspectives.
- D. Partner with the Reynolds School District and schools and non-profit organizations to enable students to examine media critically and use media and broadband technology competently.
- E. Collaborate across Multnomah County to expand community media and digital literacy resources.

### **3. Documentation - Mt. Hood Cable Regulatory Commission Fund Reconciliation**

Grantee shall provide the following documentation, within related submission deadlines, to the City of Portland for it to reconcile and close-out the PEG Fee amounts paid to Grantee by the Mt. Hood Cable Regulatory Commission prior to June 30, 2026.

- FY25-26 Year-End Capital Expenditure Report: Due by Aug. 28, 2026
- Jan-June 2026 Activity Report: Due by Aug. 28, 2026
- MetroEast FY2025-26 Audit: Due by Oct. 1, 2026

Grantee shall also provide additional Capital Expenditure & Activity Reports to close-out FY25-26 PEG Fee advance amount not spent by Grantee by year-end FY25-26 on the same schedule as above until all remaining amounts are fully expended and documented.

Grantee shall cooperate with the City on any reasonable additional documentation requests from Portland related to the advance PEG Fee amounts.

## **EXHIBIT B: MetroEast/City of Troutdale Agreement - Activity Reports**

Grantee shall submit to the Grant Manager an Activity Report in accordance with Agreement Article III(D)3, which shall contain, at a minimum, the following information for the reporting period, unless otherwise approved by the Grant Manager:

### **1. Cable Franchise PEG Access Resources**

- A. PEG Access Channels: For each PEG Access channel, the percentage of time averaged over the reporting period that the following types of programming were cablecast on the channel, including both in its original cablecast and any repeated playback:
  - Produced through Grantee's facilities;
  - Acquired from local Metro Area sources;
  - Acquired from non-local sources; and
  - Generated by a bulletin board, event listings, program listings or other types of character generated listings.
- B. Government Meeting Coverage: The total number of government meetings covered and number of hours cablecast plus online distribution, including both in its original cablecast and any repeated playback.
- C. Program Acquisition: list of acquired programming, including title and brief program description.
- D. Live Origination Sites: List of live origination sites used and programming activity from the sites.
- E. List of any operating agreements with Cable Franchisee.

### **2. Digital Inclusion & Youth Media Literacy**

- A. List of media education and digital literacy trainings, including topics and number of trainings offered; number and demographics of persons attending; and number, percentage and demographics of persons certified.
- B. Number of hours the facilities and equipment are used by non-profit organizations and residents based on the hours available for public use.
- C. List of platforms, technologies, and activities that support distribution of community-produced content (For example: streaming, social media, screenings, outreach materials or subtitles in languages other than English; closed captioning).
- D. Description of work with schools or other educational institutions focused on youth media education.
- E. List of activities and efforts to collaborate with other organizations throughout the Multnomah County area to build community media and digital literacy capacity.

## **EXHIBIT C: MetroEast/City of Troutdale Agreement - Capital Cost Guidelines**

This exhibit serves as a guide for acceptable capital cost expenditures by Grantee from the PEG Fees (Capital Funds) received from the City under Article IV(B) of this Agreement. Grantee is to expend Capital Funds in accordance with applicable restrictions of the Cable Franchise.

Cable Franchise Section 3.14 defines Capital Costs as “the expenditure of funds for services, products or other resources, whose useful life can be expected to exceed a period of one year or longer.”

Cable Franchise Section 3.2 and Section 6.1(A) requires the PEG Fees to be allocated for Capital Costs related to supporting various education, government, and public agencies, institutions and organizations, and individuals in the community to use channel capacity, facilities and equipment provided under the Cable Franchise.

Grantee shall use these guidelines to make expenditures from Capital Funds and to provide documentation of such expenditures in accordance with Article III(D)(5) of this Agreement.

### **Fixed Asset Accounting - Capitalization/Depreciation**

All fixed assets that are capitalized and depreciated over time in Grantee’s financial statements following GAAP guidelines are acceptable for the use of Capital Funds. These generally include property, facilities, equipment, internal use software, and personnel costs directly associated with other capitalized assets.

In determining what to capitalize, Grantee shall follow GAAP guidelines for nonprofit organizations and Grantee’s financial policies as approved by its Board of Directors.

### **Cable Franchise Capital Costs**

In addition to capitalized fixed assets described above, certain services, products, resources, personnel and overhead costs are eligible for the use of Capital Funds in accordance with the Cable Franchise but aren’t accounted for as a fixed asset according to GAAP.

Costs eligible for the use of Capital Funds but not capitalized include:

- An expense or a group of expenses with a useful life expectancy of more than one year that costs less than \$1000.
- Training costs associated with the installation and/or implementation of capital equipment, software, etc., or associated with improvements and/or renovations of capital assets that substantially extend the asset’s expected useful life and/or current functionality.
- Software-as-a-Service (SaaS) costs for services that are directly related to the installation or maintenance of fixed assets. Overhead SaaS is excluded because overhead is handled separately (see Overhead costs section below).

- SaaS contracts that are “in service” for more than one year and/or provide a clear future benefit to Grantee and exceed the \$1000 threshold. Overhead SaaS is excluded because overhead is handled separately (see Overhead costs section below).
- Select Personnel Costs (see section below).
- Select Overhead costs (see section below).

Personnel Costs. Certain personnel costs are eligible for use of Capital Funds that aren’t capitalized according to GAAP:

- Time spent on initial training to use new technology or software.
- Time spent configuring devices or software to put into use.
- Time spent researching and/or purchasing software, equipment or other fixed assets that will be placed into service during the current fiscal year.
- Time spent scheduling or managing contractors who are working on capital projects.
- Time spent interfacing with vendors for significant upgrades/repairs, or sale and disposal of idle assets.
- Time spent conducting research and performing due diligence into preventative maintenance issues, programs, systems, and methods to ensure the building, property and/or assets work efficiently and effectively for the duration of their useful life.

For Grantee employee positions where a major or consistent component of their work time is eligible for the use of Capital Funds, Grantee shall document hours as a percentage of time worked each month. For positions where eligible Capital Fund activities are project-based, hours shall be documented by project.

Overhead. Overhead costs are assessed as a percentage of PEG Fees received at an annual rate of up to 15%. “Overhead” refers to indirect expenses that are necessary for acquiring and maintaining fixed assets, but not directly related to an asset, group of assets, or capital project. Examples include, but are not limited to: accounting and audit services, insurance, rent, legal services, utilities, and administration. Overhead also includes SaaS that is not related to the installation or maintenance of fixed assets and is used for Grantee’s general operations (i.e Quickbooks used for bookkeeping).

Statement of Activities. Costs that are eligible for the use of Capital Funds but not capitalized on Grantee’s financial statements shall be expensed as incurred on Grantee’s Statement of Activities. If the expense is a prepaid expense, it shall be released over the course of the service period on the Statement of Activities



# STAFF REPORT

<b>Subject:</b>	A Resolution Providing For Current Fiscal Year 2025-2026 Budget Transfers and Making Appropriation Changes
<b>Meeting Date:</b>	June 23, 2026
<b>Department/Affiliation:</b>	Finance
<b>Meeting Type:</b>	City Council - Regular Meeting
<b>Presenter:</b>	Erich Mueller, Finance Director
<b>Public Hearing:</b>	No
<b>Action Required:</b>	Resolution
<b>Committee/Commission Recommendation:</b>	N/A
<b>Staff Recommendation:</b>	Adopt the proposed Budget transfer resolution for FY 2025-2026.

**Exhibits:**

- A. Resolution - FY 2025-2026 Budget Transfers

**Subject Relates to:**

Council Goals                      Legislative                      Land Use / Development                      x                      Other (describe below)

*Maintain compliance with Oregon Local Budget Law, and the Oregon Municipal Audit Law*

**Discussion Points:**

- The Oregon Local Budget Law, ORS 294 provides for transfer of appropriations by Council resolution.
- Transfers recognizes previously unbudgeted resources and provides for their necessary appropriations in the current fiscal year 2025-2026.
- Funding by transfer and reallocations of available budgeted contingency appropriations.
- Funding by transfer of previously budgeted appropriations from one fund to different fund.
- Funding by transfer of previously budgeted appropriations between budget categories within the same fund.
- Routine year end balancing of available budget appropriations.
- Maintains budget compliance and avoids repeat audit findings.
- Recognizing carryover funds for prior year expenditures incurred in the current fiscal year

**Background:**

Oregon Revised Statutes (ORS), Chapter and Sections 294.305 to 294.565, known as the Local Budget Law governs the City's budget process.

By the end of each fiscal year many changes have occurred in plans, events, and circumstances during the 15 months since the Budget Committee reviewed and approved the budget. These changes impact actual spending and routinely cause budget variances requiring budget transfers to cover necessary expenditures that were unknown at the time of budget adoption. In aggregate we are under budget, however many individual components are over, or under, so we need to shift appropriations around, as expected by the Local Budget Law, to remain in compliance.

Attached is a resolution providing transfers of existing budget appropriations between departments for the current Fiscal Year 2025-2026. The total appropriation level is not increased with the shifting from Contingency existing budget from one unit to another.

Some of the transfers result from Council direction during the fiscal year, many are for necessary items unknown during budget adoption, and a few the Finance Director is requesting just as precautionary transfers. As part of the annual audit the auditors compare expenditures to budget appropriations by category and or department. In a prior year we missed transferring available appropriations and it was cited in the Audit Report for noncompliance with part of the Local Budget Law.

The budget for FY 2025-2026 was adopted by the City Council on June 10, 2025, by Resolution No. 2654.

**Discussion Points:**

The Local Budget Law, Oregon Revised Statutes ("ORS") Chapter 294, in sections 294.463(1)-(3), provides for the transfer of existing appropriations, and from Contingency, when authorized by official resolution of the governing body, to provide for expenses of unknown amounts, unexpected needs, or to expend certain funds not anticipated, at the time the budget was adopted.

Attached is a resolution providing transfers of existing budget appropriations between funds, departments, divisions, and categories for the current Fiscal Year 2025-2026. The total appropriation level is not increased with the shifting from Contingency existing budget from one unit to another.

**GENERAL FUND**

Budget transfer from Contingency to the **Tourism and Economic Development** division to provide for the unanticipated additional expenses associated with the recent Council action for the \$7,500 sponsorship of the Mt. Hood Jazz Festival, and \$15,000 Cascadia Arts Association 2026 summer art walk festival sponsorship and in-kind staff costs.

Budget transfer from Contingency to the **Administration** division to provide for the unanticipated additional expenses associated with the retirement recognition events of the prior City Manager and retirement transition costs, and for the overlap of two City Manager salaries during the transition period.

Budget transfer from Contingency to the **Municipal Court** division to provide for the unanticipated additional expenses associated with the temporary labor coverage cost for employees on Family and Medical Leave (FMLA) status and related payroll taxes estimate.

Budget transfer from Contingency to the **Police Operations** division to provide for the unanticipated and necessary additional expenses associated with the temporary labor coverage cost for employees on FMLA status and related payroll taxes estimate.

Budget transfer from Contingency to the **Police Building Operations** division to provide for the unanticipated and necessary additional expenses associated with the drainage related sink hole which occurred in the Troutdale Community Police Center parking lot, and the repairs and component replacements of the HVAC compressor and related controls.

Budget transfer from Contingency to the **Fire Protection Services** division to provide for the unanticipated and necessary additional expenses the increase of the final amount for 1 year extension of the Intergovernmental Agreement for Gresham Fire Services which was determined after the budget was approved.

Budget transfer from Contingency to the **Tourism and Economic Development** division to provide for the unanticipated and necessary additional expenses associated with community events costs for First Fridays in 2025, Tree Lighting and Windy Wonderland 2025 events and for additional Visitors Center Greeter labor costs and other division and fund staff labor costs associated with city events.

After the above Contingency transfers totaling \$174,500, the General Fund is projected to end the fiscal year approximately \$2.4 million **under** budget.

### **STREET FUND**

Budget transfer from Contingency to provide for the unanticipated and necessary additional expenses associated with the temporary labor coverage expense required for the summer pavement preservation crack sealing and seal coating neighborhood street project which was moved from outside contractor to an internally conducted project, and for employees on FMLA status, and additional wage and benefit costs, and changes to fund payroll allocations, transferring \$60,000 from Contingency and \$80,000 from Materials and Services as a total transfer of \$140,000 to Personnel Services. After these transfers, the fund is projected to end the fiscal year approximately \$2.4 million **under** budget.

### **SEWER UTILITY FUND**

Budget transfer from Contingency to provide for the unanticipated and necessary additional expenses associated with the temporary labor coverage expense for employees on FMLA

status, and increased labor costs resulting from Oregon Department of Environmental Quality (DEQ) domestic wastewater system Operator Certification program advancement, the additional wage and benefit costs associated with union collective bargaining agreement job family advancements, and changes to fund payroll allocations, transferring \$55,000 from Contingency to Personnel Services. After these Contingency transfers, the fund is projected to end the fiscal year approximately \$2.2 million **under** budget.

**STORM WATER UTILITY FUND**

Budget transfer from Contingency to provide for the unanticipated and necessary additional expenses associated with the temporary labor coverage expense for employees on FMLA status, and increased labor costs resulting from the DEQ domestic wastewater system Operator Certification program advancement, the additional wage and benefit costs associated with union collective bargaining agreement job family advancements, and changes to fund payroll allocations, transferring \$40,000 from Contingency to Personnel Services. After the transfer, the fund is projected to end the fiscal year approximately \$2.3 million **under** budget.

**Summary:**

The Oregon Budget Law provides for transfers of appropriations in the current fiscal year budget between funds and between categories within funds, as approved by Council resolution.

The resolution also provides basic budget transfers within funds. All the funds before and after these transfers are expected to end the fiscal year under budget in total. The transfers are necessary to move the appropriations into the correct category to comply with the Local Budget Law requirements.

**Pros & Cons:**

- **A.** Approve the proposed budget transfer resolution providing appropriation authority for FY 2025-2026 maintaining compliance with ORS 294 Local Budget Law.
- **B.** Do not approve the proposed budget transfer resolution creating a violation of ORS 294 the Local Budget Law resulting in audit findings and expose the City to potential penalties from the Department of Revenue, and penalties under ORS 297 the Oregon Municipal Audit Law.

**Oversight:**

*Budget Impact:*                    x    Yes, current year                    Yes, future year                    N/A

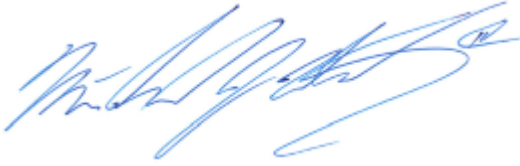
*Describe:* Authorizes the budget transfer of appropriations for FY 2025-2026 using a portion of budgeted contingency. This resolution relates to current year appropriations and has no impact on future year appropriations.

*Community Involvement Process:*                    Yes                    x    N/A

*Describe:*

*Approval by City Attorney:* No

**Approved By the City Manager:**

A handwritten signature in blue ink, appearing to be "Mark G. ...", is written over the "Approved By the City Manager:" text.

## **RESOLUTION NO.**

### **A RESOLUTION PROVIDING FOR CURRENT FY 2025-2026 BUDGET TRANSFERS AND APPROPRIATION CHANGES.**

#### **THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. That the Fiscal Year 2025-2026 budget was adopted by the City Council on June 10, 2025, by Resolution No. 2654.
2. Oregon Revised Statutes (“ORS”) 294.463(2) provides that appropriation authority is available from budgeted Contingency and provides for the transfer of Contingency appropriation and that such transfers may be made within funds when authorized by official resolution of the governing body.
3. That appropriation authority is available that ORS 294.463(3) provides for the transfer of available appropriations and that such transfers may be made between funds when authorized by official resolution of the governing body.
4. That appropriation authority is available that ORS 294.463(1) provides for the transfer of available appropriations and that such transfers may be made between categories, and departments/divisions within a fund when authorized by official resolution of the governing body.
5. That budget appropriations within the General Fund between divisions are needed to provide for the unanticipated and necessary expenses or to expend certain funds not anticipated at the time the budget was adopted pursuant to ORS 294.463.
6. That budget appropriation transfers for unanticipated and necessary expenses associated with the temporary labor coverage cost for employees on Family and Medical Leave (FMLA) status in the General Fund Municipal Court Division and Police Operations Division, the Streets Fund, Sewer Utility Fund, and Stormwater Utility Fund.
7. That a budget appropriation transfer is needed to provide for the unanticipated and necessary additional expenses in the General Fund Tourism and Economic Development Division for the Mt. Hood Jazz Festival Sponsorship, and the Cascadia Arts Association summer art walk festival sponsorship payments.

8. That a budget appropriation transfer is needed to provide for the unanticipated and necessary additional expenses in the General Fund Police Building Operations division associated with the drainage related sink hole which occurred in the Troutdale Community Police Center parking lot, and the repairs and component replacements of the HVAC compressor and related controls.

9. That a budget appropriation transfer is needed to provide for the unanticipated and necessary additional expenses in the General Fund Administration division associated with the retirement recognition events of the prior City Manager and retirement transition costs, and for the overlap of two City Manager salaries during the transition period.

10. That budget appropriation transfers for unanticipated and necessary expenses associated with the increase of the final amount for 1 year extension of the Intergovernmental Agreement for Gresham Fire Services which was determined after the budget was approved.

11. That budget appropriation transfers for unanticipated and necessary expenses associated with the temporary labor the temporary labor coverage expense for required for the summer pavement preservation crack sealing and seal coating neighborhood street project in the Streets Fund and changes to fund payroll allocations.

12. That budget appropriation transfers for unanticipated and necessary expenses of increased labor costs resulting from Oregon Department of Environmental Quality (DEQ) domestic wastewater system Operator Certification program advancement and union collective bargaining agreement job family advancements in both the Sewer Utility and Stormwater Utility Funds.

13. That a budget appropriation transfer is needed to provide for the unanticipated and necessary additional expenses in the General Fund Tourism and Economic Development Division for additional Visitor Center Greeter labor costs, and other division and fund staff labor costs associated with city events.

14. That the City desires to conduct these Fiscal Year 2025-2026 Budget appropriation transfers and to implement all such actions necessary to ensure budgetary compliance with the Oregon Local Budget Law and the Oregon Municipal Audit Law, and that doing so is in the best interest of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:**

Section 1. The following appropriation adjustments to the Fiscal Year 2025-2026 Budget are required to provide for unknown amounts, unexpected needs, or to expend certain funds not anticipated at the time the budget was adopted and are hereby authorized in accordance with ORS 294.463(1), (2) & (3).

Section 2. The following appropriation adjustments to the Fiscal Year 2025-2026 Budget expenditures are required to provide for unexpected needs or to expend certain funds not anticipated at the time the budget was adopted and are hereby authorized in accordance with ORS 294.463.

Section 3. The Fiscal Year 2025-2026 Budget is adjusted within the General Fund by transfer of existing Contingency appropriation totaling \$174,500 which is allocated to divisions as follows: \$25,000 Judicial, \$37,000 Administration, \$10,000 Police Operations, \$45,000 PD Building Operations, Fire Protection Services \$20,000, and \$37,500 Tourism and Economic Development.

GENERAL FUND	CURRENT BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
Legislative	35,149	-	35,149
Judicial	208,458	25,000	233,458
Legal	256,289	-	256,289
General Government	439,536	-	439,536
Administration	1,306,450	37,000	1,343,450
Community Services	321,982	-	321,982
Information Services	449,232	-	449,232
Finance	939,996	-	939,996
Police Operations	6,696,681	10,000	6,706,681
PD Building Operations	144,786	45,000	189,786
Solid Waste/Recycling	80,086	-	80,086
Fire Protection Services	3,230,030	20,000	3,250,030
Planning	859,477	-	859,477
Tourism & Economic Dev.	785,073	37,500	822,573
Parks & Greenways	1,876,853	-	1,876,853
Facilities	2,431,041	-	2,431,041
Transfers to Other Funds	897,368	-	897,368
Contingency	3,000,000	-174,500	2,825,500
All other appropriations	-	-	-
Total General Fund Appropriations	23,958,487	-	20,300,227

Section 4. The Fiscal Year 2025-2026 Budget is adjusted within the Sewer Fund by transfer of existing Contingency appropriation totaling \$55,000 which is allocated to the Personnel Services budget category.

	CURRENT	INCREASE /	REVISED
SEWER FUND	BUDGET	(DECREASE)	BUDGET
Personnel Services	969,828	55,000	1,024,828
Contingency	800,000	-55,000	745,000
All other appropriations	4,359,394	-	4,359,394
Total Fund Appropriations	6,129,222	-	6,129,222

Section 5. The Fiscal Year 2025-2026 Budget is adjusted within the Street Fund by transfer of existing Contingency appropriation of \$60,000 and transfer of existing Materials and Services appropriation of \$80,000, totaling \$140,000 which is allocated to the Personnel Services budget category.

	CURRENT	INCREASE /	REVISED
STREET FUND	BUDGET	(DECREASE)	BUDGET
Personnel Services	600,604	140,000	740,604
Materials & Services	1,375,137	-80,000	1,295,137
Contingency	1,200,000	-60,000	1,140,000
All other appropriations	1,885,028	-	1,885,028
Total Fund Appropriations	5,060,769	-	5,060,769

Section 6. The Fiscal Year 2025-2026 Budget is adjusted within the Storm Sewer Utility Fund by transfer of existing Contingency appropriation totaling \$40,000 which is allocated to Personnel Services budget category.

	CURRENT	INCREASE /	REVISED
STORM SEWER UTILITY FUND	BUDGET	(DECREASE)	BUDGET
Personnel Services	383,429	40,000	423,429
Contingency	1,260,162	-40,000	1,220,162
All other appropriations	2,554,828	-	2,554,828
Total Fund Appropriations	4,198,419	-	4,198,419

Section 7. These Fiscal Year 2025-2026 Budget transfers shall cause the appropriation by division, department, and budget unit within each fund to be increased and appropriated.

Section 8. The Finance Director is authorized and directed to implement all such actions necessary to ensure budgetary compliance.

Section 9. Upon adoption, this Resolution shall be effective as of July 1, 2025.

**YEAS:**  
**NAYS:**  
**ABSTAINED:**

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**David Ripma, Mayor**

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**Date**

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**Sarah Skroch, City Recorder**  
**Adopted:**