Multnomah County and Cities of Fairview, Gresham, Troutdale and Wood Village
c/o Office for Community Technology
City of Portland
1120 SW 5th Ave, Room 1305
Portland, OR  97204

Re:  I-Net Letter Agreement

Dear Multnomah County, Cities of Fairview, Gresham, Troutdale and Wood Village:

The purpose of this letter agreement is to set forth commitments between Comcast of Illinois/Ohio/Oregon, LLC, who is qualified to do business in Oregon, (hereinafter, “Comcast”) and Multnomah County and the cities of Fairview, Gresham, Troutdale and Wood Village (hereinafter collectively called “Jurisdictions”) that are in addition to the Franchise Agreement to be adopted by Ordinance or Resolution (hereinafter, “the Franchise”). These items have been negotiated in good faith and agreed to as part of the informal franchise renewal process pursuant to 47 U.S.C. 546(h), and specifically relate to unique community needs that exist in the Jurisdictions. This letter agreement shall become effective upon approval of the Franchise by the Jurisdictions’ City Council or County Board. Unless otherwise indicated, terms, phrases and their derivations in this letter agreement shall have the same meanings as in the Franchise.

A. Funding of Currently Planned I-Net Upgrade.

(1) The parties acknowledge that Grantee and the Commission have planned and authorized funding for an upgrade of the I-Net in place as of the effective date of the Franchise. The parties agree that funding of such I-Net upgrade shall be provided by Grantee from funds remaining at the conclusion of the prior cable franchise term (December 31, 2011) and which were otherwise retained by Comcast in an I-Net Fund (“I-Net End Fund”). The manner, timing and completion of the I-Net upgrade under the renewed Franchise shall be subject to ongoing oversight and approval by the Commission.

(2) Following completion of the I-Net upgrade, Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund for the approved I-Net upgrade. If the Commission has not required changes to the report or disallowed expenditures in accordance with the Franchise within 90 days of the Commission’s actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee’s I-Net End Fund.

B. Funding of Currently Planned I-Net Connections.

(1) The parties acknowledge that the Commission has requested, and will continue to request, cost estimates for certain new I-Net connections that will not be complete on the effective date of the renewed Franchise. The parties agree that the funding for these new I-Net connections shall be provided by Grantee from the I-Net End Fund, so long as the Commission’s request for a cost estimate is received by Grantee no later than December 31, 2011.

(2) Following completion of the connection by Grantee in accordance with the Franchise Section 6.4(D)(1), Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund in accordance with Franchise Section 6.4(D)(1). If the Commission has not required changes to the report or
disallowed expenditures within 90 days of the Commission's actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee's I-Net End Fund.

C. Additional I-Net End Fund Expenditures.

(1) In partial consideration of the parties agreeing upon the I-Net charges, Grantee shall be entitled to reduce the I-Net End Fund a total amount not to exceed four hundred thousand dollars ($400,000) over a period not to exceed thirty six (36) months from the effective date of the Franchise.

(2) Effective August 31, 2013, capital funds remaining in Grantee's I-Net End Fund may be used to offset construction costs of line extensions that exceed Grantee's capital contribution provided under Section 8.6, for the purpose of distributing services, including PEG Programming, within the Franchise Area. Grantee shall not have access to the I-Net End Fund for such purpose under this Section prior to September 1, 2013. All determinations regarding the use of the I-Net End Fund for line extensions shall be at Grantee's sole discretion. Grantee shall report on the use of the I-Net End Fund for line extensions within ninety (90) days of completion of the line extension. In addition, Grantee shall consider requests by the Jurisdictions authorized representatives for funding to specific line extensions consistent with the parameters of this Section C from the I-Net End Fund.

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

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

Acknowledged and agreed to this ___ day of __________, 2011.

Comcast of Illinois/Ohio/Oregon, LLC

By: 
Its: 
Date: 11/2/11

Multnomah County

By: 
Its: 
Date: 

City of Fairview

By: 
Its: 
Date:
City of Gresham

By: ____________________________  
It: ____________________________  
Date: __________________________

City of Troutdale

By: ____________________________  
It: ____________________________  
Date: __________________________

City of Wood Village

By: ____________________________  
It: ____________________________  
Date: __________________________