

Ordinance No. 121129

Council Bill No. 114531

AN ORDINANCE related to Cable Communications; authorizing an agreement to establish a cable subscriber service center at the City's Department of Neighborhoods facility at 23rd Avenue S. and S. Jackson Street; increasing an appropriation in the 2003 Department of Neighborhoods budget; and creating new positions in that department, all by a three-fourths vote of the City Council.

CF No. _____

Date Introduced:	APR 14 2003		
Date 1st Referred:	APR 14 2003	To: (committee) Police, Fire, Courts & Technology Committee	
Date Re - Referred:		To: (committee)	
Date Re - Referred:		To: (committee)	
Date of Final Passage:	4-21-03	Full Council Vote: 7-0	
Date Presented to Mayor:	4-22-03	Date Approved: 5-2-03	
Date Returned to City Clerk:	5-2-03	Date Published: 3	T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoed by Mayor:		Date Veto Published:	
Date Passed Over Veto:		Veto Sustained:	

The City of Seattle - Legislative Department
Council Bill/Ordinance sponsored by: [Signature]

Committee Action

Compton
Pogeler
Drago
McIver

4-21-03 Passed 7-0

(Excused: Conlon, Fields)

This file is complete and ready for presentation to Full Council.

LAW DEPT

LAW DEPT

Law Dept. Review

OMP
Review

[Signature]
City Clerk
Review

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by:

COMPTON

Councilmember

Committee Action:

Compton aye

Pogelher aye

Drago aye

McIver aye

4-21-03 Passed 7-0

(Excused: Conlon, Mills)

This file is complete and ready for presentation to Full Council.

Committee:

(Initial/Date)

LAW DEPT

LAW DEPT

Law Dept. Review

OMP
Review

City Clerk
Review

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ORDINANCE 121129

1 AN ORDINANCE related to Cable Communications; authorizing an agreement to establish a
2 cable subscriber service center at the City's Department of Neighborhoods facility at 23rd
3 Avenue S. and S. Jackson Street; increasing an appropriation in the 2003 Department of
4 Neighborhoods budget; and creating new positions in that department, all by a three-
fourth vote of the City Council.

5 WHEREAS Comcast of Washington IV, Inc. and Comcast of Washington I, Inc. ("Comcast")
6 and Millennium Digital Media Systems, LLC ("MDM") have cable franchises with the
7 City to provide cable television and Internet services; and

8 WHEREAS, the City of Seattle enacted Ordinance 119402, as amended by Ordinance 120775,
9 which established the Cable Customer Bill of Rights (codified at SMC 21.60.800 *et seq.*);
and

10 WHEREAS, SMC 21.60.820B requires that cable companies operating in Seattle shall provide at
11 least one (1) in-town customer service center for each seventy-five thousand (75,000)
12 customers served; and

13 WHEREAS, Comcast and MDM, pursuant to Section 10 1 (G) of their respective cable
14 franchises, are required to provide in-city subscriber service centers; and

15 WHEREAS, Comcast and MDM desire to fulfill their obligations for one of the service centers
16 required by SMC 21.60.820B and their respective cable franchises by establishing a
17 subscriber service center at the City of Seattle Department of Neighborhoods (DON)
18 facility at 23rd Avenue S. and S. Jackson Street ("Pay Station") for Comcast and MDM
customers ("Customers") in the City to make payments for cable television and Internet
services and limited equipment transactions; and

19 WHEREAS, the City wishes to enter into this arrangement with Comcast and MDM because
20 doing so will allow it to staff expanded hours of operation at the Central Neighborhood
21 Service Center, thereby enhancing customer access to all services the Central
Neighborhood Service Center provides; Now, therefore,

22 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

23 Section 1. The Director of the Department of Neighborhoods or her designee is
24 authorized to execute for and on behalf of the City of Seattle an agreement, substantially in the
25 form attached as Exhibit A ("Agreement"), with Millennium Digital Media Systems, LLC and
26
27
28



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1 Comcast of Washington IV, Inc. and Comcast of Washington, Inc., under which the City will
2 receive a total of Seventy Four Thousand Dollars (\$74,000) from the two cable operators
3 combined and the companies will receive services from the City. The Director of the Department
4 of Neighborhoods, in consultation with the City's Chief Technology Officer, is authorized to
5 extend this Agreement on an annual basis for the remainder of the respective franchises of the
6 two cable companies and upon a determination that such extensions are in the best interests of
7 the City.

8
9 Section 2. Contingent upon the execution of the agreement authorized in Section 1
10 above, and in order to pay for necessary costs and expenses for which insufficient appropriations
11 were made, the appropriation for the following in the 2003 Budget is increased from the fund
12 shown, as follows:

Fund	Department	Budget Control Level	Amount
General Subfund (00100)	Department of Neighborhoods	Customer Service (I3200)	\$74,000

16
17 The appropriation of funds in this ordinance shall carry forward from year to year unless
18 expressly abandoned by ordinance.

19 Section 3. To carry out the purpose of the agreement authorized in Section 1, and
20 contingent upon the execution of that agreement, the following positions are created in the
21 Department of Neighborhoods, such positions to continue only so long as funding therefor is
22 available from said agreement or from a similar agreement:

Position Title	Position Status	Budget Control Level
Customer Service Representative	Part-time	Customer Service (I3200)
Sr. Customer Service Representative	Part-time	Customer Service (I3200)

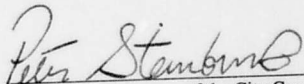
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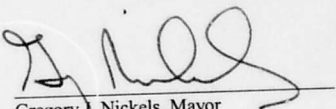


Section 4. Any acts consistent with the authority granted by and prior to the effective date of this ordinance, are hereby ratified and confirmed.

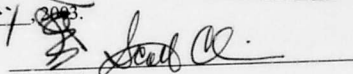
Section 5. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by a three-fourths (3/4) vote of all the members of the City Council the 21st day of April, 2003, and signed by me in open session in authentication of its passage this 21st day of April, 2003.


President _____ of the City Council


Gregory J. Nickels, Mayor

Filed by me this 2 day of May, 2003.


City Clerk

(Seal)

Attachment
Exhibit A: Agreement

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Exhibit A
PAY STATION AGREEMENT

This Pay Station Agreement (the Agreement) is entered into this ____ day of 2003, by and between the City of Seattle ("City"), Millennium Digital Media Systems, LLC ("MDM") and Comcast of Washington IV, Inc. and Comcast of Washington I, Inc. (collectively for convenience, "Comcast").

RECITALS

WHEREAS, AT&T Broadband provided cable television and Internet service in the City under Ordinance 117956, as amended, and subsequent agreements (the "AT&T Broadband Franchise"); and

WHEREAS, on June 24, 2002, City Council authorized the transfer of control of the AT&T franchise to Comcast, pursuant to Ordinance 120835; and

WHEREAS, MDM provides cable television and Internet service in the City under Ordinances 118361 and 117955, as amended, and subsequent agreements (the "MDM Franchises"); and

WHEREAS, the City of Seattle adopted the Cable Customer Bill of Rights, SMC 21.60.800-21.60.830; and

WHEREAS, the Cable Customer Bill of Rights requires that cable companies operating in Seattle shall provide at least one (1) service center for each seventy-five thousand (75,000) customers served; and

WHEREAS, Comcast and MDM desire to comply with and avoid any disputes regarding the obligations of SMC 21.60.820(B) by establishing a subscriber service center at the City of Seattle Department of Neighborhoods facility at 23rd Avenue S and S Jackson Street ("Pay Station") for Comcast and MDM customers ("Customers") in the City to conduct payment for cable television and Internet services and limited equipment transactions; and

WHEREAS, the parties entered into this Agreement with the understanding that this Agreement will provide a one year temporary alternative (with the possibility of renewal) to: (1) Comcast's requirement to provide a second in-city subscriber service center, set forth at Section 10.1(G) of Ordinance No. 117956 and the provisions of Seattle Municipal Code Section 21.60.820(B); and (2) MDM's requirement to maintain an in-city office, set forth at Section 10.1 (g) of Ordinance 117955, and the provisions of Seattle Municipal Code Section 21.60.820 (B). In approving this alternative, the City does not waive any right to enforce the provisions of the foregoing after the one year period. In agreeing to this alternative, Comcast and MDM do not waive any rights to contest the interpretation or applicability of any provision.

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Now, therefore,

AGREEMENT

In consideration of the mutual covenants made by the parties hereto, and of other good and valuable consideration as provided in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

SERVICES

The City, as a part of this Agreement, agrees to provide on behalf of Comcast and MDM the following services:

- 1.) Staffing, using normal City personnel practices and policies, the Pay Station as set forth in this Agreement.
- 2.) Accepting, in accordance with normal City practice, policy and procedures, all forms of payment (except credit cards) from Customers and making necessary cash change for Customers. However, the City is not authorized to negotiate adjustments, on behalf of MDM and Comcast, to the total amount owing on Customer billing statements.
- 3.) Except for "drop box" payments, issuing Customer receipts.
- 4.) After 3:00 P.M. daily, collecting, batching, posting and electronically transferring all payment transactions by name, account number and payment amount to First Data Corporation, or any other mutually agreeable payment processing vendor as may be engaged from time to time.
- 5.) Depositing all customer receipts on a daily basis to appropriate MDM and Comcast bank accounts.
- 6.) As necessary for additional service, directing customers to the courtesy phone located in the Pay Station office to speak with the appropriate MDM or Comcast representatives.
- 7.) Serving as a limited equipment drop off location. The City is authorized and agrees to collect MDM and Comcast equipment from Customers. Upon receipt of Customer equipment, the City is authorized and agrees to issue a receipt to the Customer. The City does not accept responsibility for condition of equipment returned by the Customer.
- 8.) The City will segregate the returned equipment by ownership and shall store all equipment in a secure location. At least once per week and not more than three times per week, MDM and Comcast shall arrange for the pick up by motor carrier of all equipment collected by the City.
- 9.) The City is authorized and agrees to provide a locked payment drop box where Customers may make payment for services. The payment box shall be in a location accessible to all Customers. Access to the payment box shall be by lock

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and key, and the City shall make reasonable efforts to prevent unauthorized access to the payment box.

Under this Agreement MDM and Comcast agree to:

- 1.) Ensure substantially equivalent services to those provided by company offices, including same day credit for customer payments. Where same day credit is requested by the Customer, the City shall initiate a contact with the appropriate Cable Operator on behalf of the Customer. Once the City has made an effort to contact the company office to verify customer payment, the Cable Operator shall be obligated to provide same day credit.
- 2.) Adopt common procedures for receipt of Customer payments and drop-off of equipment, and to train and work closely with City staff on the services described above. In the event of inconsistent procedures between the City and either of the Cable Operators, the City's procedures and/or contractual labor practices shall be made known to MDM and Comcast and take precedence, however, where the City's procedures result in failure to adhere to service standards set forth in this Agreement, in a franchise agreement, or in the Cable Customer Bill of Rights, the affected Cable Operator shall not be considered to be out of compliance with the relevant obligation.
- 3.) In cooperation with the City and property owner, develop and place appropriate signage at the Pay Station identifying the Cable Operators.
- 4.) In cooperation with the City, promote the Pay Station location, services provided and hours of operation via customary communications to Customers. Such promotion shall, at a minimum, include mailed notice (e.g. such as a bill message and bill insert) to all customers.
- 5.) Install a courtesy phone for Customer calls to local MDM and Comcast offices, supply a shelf, desk, and provide promotional materials. MDM and Comcast shall pay any local monthly phone charges for courtesy phone used as authorized under this Agreement.
- 6.) Provide supplies of Customer receipts and other necessary business forms to the City.

TERM

The term of this Agreement shall be for a period of one year from the execution of this Agreement by all parties. At least 120 days prior to the expiration of this Agreement, the parties shall provide written notice to each other indicating their intent to renew or terminate this Agreement. In the event that all parties express the intent to renew the Agreement, the parties shall take steps to determine whether this Agreement shall be continued, and to propose and come to terms on any desired amendments. In the event one or more parties do not desire to renew the Agreement, it shall expire at the end of the term; provided, however, termination by one Cable Operator shall not prevent the other Cable Operator from entering into or continuing contract renewal negotiations with the City if both remaining parties so desire.

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At such time as the Agreement expires or terminates, Comcast and Millennium Digital Media shall have the immediate obligation to comply with the franchise requirements in Section 10.1 (G) of their respective franchises. Failure to comply with the requirements in Section 10.1 (G) of their respective franchises shall be considered an immediate violation of the franchise and subject each Cable Operator to the remedial provisions of its franchise agreement. As long as this Agreement shall continue in effect, it shall meet obligations for compliance of one office as required under Section 10.1 (G) of their respective franchises and under SMC 21.60.820 (B).

In the event that either Cable Operator fails to make timely payment, the City may immediately cease performing the services provided herein for the nonpaying Cable Operator and said Cable Operator shall be deemed to be in violation of its franchise and the Cable Customer Bill of Rights and shall be subject to the damages/penalties provided therein. Further, in order to collect on payments owed by said Cable Operator, the City may reimburse itself from security funds under the franchise agreement and/or the Cable Customer Bill of Rights.

COST

The total annual cost of the service for the year beginning on _____ 2003 under this Agreement to MDM and Comcast shall be \$74,000.00. The cost shall be divided between Comcast and MDM on a pro rata basis using the number of payments processed for each party as the determining factor. On an annual basis, the City may adjust the cost to cover reasonable adjustments in compensation. Cost adjustments subsequent to the initial term of this Agreement shall be subject to negotiation by the parties.

HOURS OF OPERATION

The Pay Station will be open Monday-Friday from 8:00 a.m.-7:00 p.m. and Saturdays from 9:00 a.m.-5:00 p.m. The Pay Station will be closed on Sundays and Holidays as designated by the City. The City of Seattle shall have exclusive authority for determining whether any modification of required hours is warranted. If Pay Station hours are reduced and if the City's costs have been covered, to the extent that there is a subsequent reduction in costs, such reduction shall result in a proportionate reduction in the compensation paid to the City under this Agreement by the Cable Operators.

PAYMENT & REPORTING

The City will separately invoice MDM and Comcast for services on a quarterly basis. The invoice shall include a report showing the total number of payment transactions by month, processed by the City, broken out by entity and the associated total monthly costs for each party based on the pro rata basis described above. Reimbursement shall be due to the City within 30 days of receipt of invoice. The City shall maintain, in accordance

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with standard government accounting principles and practices uniformly and consistently applied in a format that will permit audit, accurate records of all equipment and payments accepted by it from Customers. The City agrees that such records will be available for audit by MDM and Comcast or their agents at all reasonable times during the term hereof and up to six (6) months after termination of this Agreement.

SURRENDER OF RECORDS

Upon termination of this Agreement for any cause whatsoever, the City shall immediately surrender to MDM and/or Comcast full, true and complete copies of records in connection with this Agreement, working papers and other property of MDM and/or Comcast used or kept by the City, as well as all amounts collected by City from MDM and/or Comcast's Customers.

CONFIDENTIALITY

The City acknowledges that all information relating to customers' bills, payment history, level of broadband cable television and/or Internet services received or any other "personally identifiable information," as that term is defined in 47 U.S.C. § 551, is confidential and the City will only release such information to the Cable Operator, the customer who is the holder of the account, or by order of a court. Any other requests for such information should be directed to MDM or Comcast representatives, as may be appropriate.

INDEMNIFICATION

MDM and Comcast shall indemnify, defend, and hold the City, its elected officials, officers, employees and agents harmless from any and all claims, actions, suits, proceedings, damages, costs, and expenses (including reasonable fees of attorneys and paralegal assistants) whatsoever arising out of any act or omission of MDM and/or Comcast or any of their officers, employees, agents, licensees, or invitees under this Agreement including patent, trademark and copyright infringement; or arising out of or relating to any concurrent act or omission of MDM and/or Comcast or any of their officers, employees, contractors or agents and the City or any City officer, elected official, employee or agent; Provided, that nothing herein shall be construed as requiring MDM and Comcast to indemnify the City against liability for bodily injury or damage to property caused by or resulting from the sole negligence of the City or of any of its officers, elected officials, employees, or agents. MDM and Comcast waive any immunity under industrial insurance, Title 51 RCW, they may have to claims brought against it by the City in connection with this Agreement. The indemnification obligation set forth herein shall survive the expiration or earlier termination of this Agreement.

Losses in cable funds as a result of outside theft or robbery shall be the responsibility of MDM and Comcast.

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INSURANCE

A. GENERAL

Prior to providing any service under this Agreement, the Contractor shall obtain and file with the City, acceptable evidence of a policy or policies of insurance as enumerated below. A copy of the current franchise required policy, with an addendum insuring the Central Neighborhood Service Center at 2301 S. Jackson, shall suffice.

Failure of the Contractor to fully comply with the insurance requirements of the Agreement will be considered a material breach of contract and, at the option of the City, will be cause for such action as may be available to the City under other provisions of the Agreement or otherwise in law, including immediate termination of the Agreement.

The cost of furnishing insurance shall be included in the contract price bid by the Contractor for the various services listed in the Bid Form.

B. REQUIRED COVERAGES

The insurance shall contain the following types of coverage and minimum dollar limits:

1. Commercial General Liability: A policy of Commercial General Liability insurance, written on an industry standard occurrence form (ISO form CG 00 01) or equivalent, including all the usual coverage known as:
 - a. Premises/Operations Liability
 - b. Products/Completed Operations
 - c. Personal/Advertising Injury
 - d. Contractual Liability
 - e. Independent Contractors Liability

Such policy shall provide the following minimum coverage for Bodily Injury and Property Damage:

- | <u>Bodily Injury and Property Damage</u> | |
|--|--|
| a. | \$ 2,000,000 General Aggregate |
| b. | \$ 2,000,000 Products & Completed Operations Aggregate |
| c. | \$ 1,000,000 Personal & Advertising Injury |
| d. | \$ 1,000,000 Each Occurrence |
| e. | \$ 100,000 Fire Damage Legal |

2. Commercial Automobile Liability: A policy of Commercial Automobile Liability written on an insurance industry standard form (ISO form CA 00

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01) or equivalent, including coverage for owned, non-owned, leased or hired vehicles.

Such policy(ies) must provide the following minimum limit:

Bodily Injury and Property Damage
\$ 1,000,000 per accident

C. DEDUCTIBLES AND SELF INSURED RETENTIONS

If the Contractor's insurance contains a deductible or self-insured retention amount the Contractor shall:

1. Disclose such amount.
2. Be responsible for payment of any claim equal to or less than the deductible or self-insured retention amount.

The City reserves the right to reject insurance policies with a deductible or self-insured retention amount in excess of \$25,000 for which adequate financial strength of the Contractor cannot be demonstrated to the satisfaction of the City.

D. CONDITIONS

The insurance policy or policies, endorsements thereto, and subsequent renewals shall:

1. Be subject to approval by the City as to company, form and coverage. The insurance company shall be:
 - a. Rated A- VII or higher in the A.M. Best's Key Rating Guide.
 - b. Licensed to do business in the State of Washington or be filed as surplus lines by a Washington broker.
2. Be primary as respects the City. Any other insurance maintained by the City shall be excess and not contributing insurance with the Contractor's insurance.
3. Be maintained in full force and effect throughout the term of the Agreement.
4. Protect the City of Seattle within the policy limits from any and all losses, claims, actions, damages, and expenses arising out or resulting from the Contractor's performance or lack of performance under this Agreement.

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5. Name the City of Seattle as an additional insured pursuant to the requirements of the Agreement and include the Central Neighborhood Service Center, 2301 S. Jackson, Suite 208, as an insured location.
6. Include a provision (whether by endorsement or otherwise) indicating that, except with respect to the limits of insurance and any rights or duties specifically assigned to the first named insured, the insurance shall apply:
 - a. As if each party insured thereunder (whether as a named insured, additional named insured, or additional insured) were the only party insured by such policy.
 - b. Separately to each insured against whom a claim is made or a suit is brought.

E. EVIDENCE OF INSURANCE

In many cases, evidence of insurance may be demonstrated by submitting a copy (photocopy or facsimile acceptable) of the declarations pages of the policy and the additional insured endorsement. The declarations pages shall clearly show the policy effective dates, limits and schedule of forms and endorsements. Any reference to premiums may be blacked out. However at the option of the City, the Contractor may be required to submit a copy of the insurance policy, all referenced endorsements, or both. Certificates of Insurance (ACORD forms) will not be accepted as evidence of insurance.

Evidence of insurance for each policy shall:

1. Be submitted to the City with the signed Agreement.
2. Comply with all of the requirements for insurance required by the Agreement.
3. Comply with one of the following requirements regarding naming The City of Seattle as an additional insured:
 - a. Insurance Services Office (ISO) Standard Endorsement: An additional insured endorsement issued on an ISO form (i.e. CG 20 10 11/85 or CG 20 26) shall name "The City of Seattle, its officers, elected officials, employees, agents, and volunteers" as additional insureds. The endorsement shall
 - (1) Be signed by an authorized representative of the insurance company.
 - (2) Include the policy number and name of the insured on the endorsement.

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b. Non-ISO Endorsements: For Non-ISO endorsements any of the following options are acceptable:

- (1) A blanket clause (in the policy or endorsement) adding, without undue restriction of coverage, as additional insured anyone for whom the Contractor is required to provide insurance under a contract or permit.
- (2) An additional insured endorsement on a non-ISO endorsement form containing the following provision:

"The City of Seattle, its officers, elected officials, employees, agents, volunteers are an additional insured for all coverage provided by this policy and shall be fully and completely protected to the extent provided in said policy for any and every injury, death, damage and loss of any sort sustained by any person, organization or corporation in connection with any activity performed by the Contractor by virtue of the provisions of the Agreement between The City of Seattle and Millennium Digital Media Systems, LLC and Comcast."

"In accordance with RCW 48.18.290, the coverage provided by this policy to The City of Seattle shall not be terminated, reduced or otherwise materially changed without providing at least forty-five (45) days prior written notice to The City of Seattle."

- (3) Any other additional insured endorsement form or clause approved by the City.

NOTICES

The Department of Information Technology shall retain regulatory authority under this contract. Accordingly, MDM and Comcast shall notify in writing the Department of Information Technology of any changes either proposes to this contract as per Terms above. Notwithstanding the foregoing, the Department of Neighborhoods may speak on behalf of the Department of Information Technology. Any notices pursuant to this Agreement shall be validly given or served if in writing and sent by registered or certified mail postage prepaid, to the following addresses:

If to MDM:

Millennium Digital Media
3633 136th Place SE, Suite 107
Bellevue, WA 98006
Attn: Mike O'Herron



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If to Comcast: 22025 30th Drive SE
Bothell, WA 98021-4444
Attn: Executive Director, Government Affairs

With a copy to: Comcast Cable Communications, Inc.
1500 Market Street
Philadelphia, PA 19102
Attn: General Counsel

If to the City: City of Seattle
Dept. of Information Technology
Key Tower
700 Fifth Avenue, Suite 2700
Seattle, WA 98104-5065
Attn: Office of Cable Communications

City of Seattle
Department of Neighborhoods
700 3d Avenue Suite 400
Seattle, WA 98104
Attn: Customer Service Division Director

MISCELLANEOUS

It is expressly understood that the parties are acting as independent contractors and nothing in this Agreement is intended or shall be construed to create a joint venture, partnership or other similar business arrangement or relationship. Under no circumstances shall any of the employees of one party be deemed employees of any other for any purpose. The City assumes full responsibility for the acts of City employees staffing the Pay Station and shall be responsible for the maintenance of Workers Compensation insurance and for payment of all unemployment, social security, and other payroll taxes for such personnel.

Notwithstanding anything in this Agreement to the contrary, the parties hereto understand and acknowledge that the interests and obligations of MDM and Comcast are to be treated as separate and distinct, and there shall be no joinder of said parties or joint and several liability accruing to them for failure to carry out their respective, individual obligations under this Agreement, and such failure by one party shall not constitute a breach of this Agreement by a non-breaching party or an obligation under the Comcast Franchise or the MDM Franchises, as may be applicable.

This Agreement constitutes the entire Agreement between the parties with respect to the subject matter and supersedes any previous discussions regarding the subject matter, whether written or oral and may only be modified in writing signed by all appropriate parties.



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All parties hereby acknowledge that they participated equally in the negotiation and drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than another.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the month, day and year first written above.

City:

City of Seattle – Department of Neighborhoods

By: _____
Printed Name: _____
Its: _____

Comcast:

Comcast of Washington IV, Inc.

By: _____
Rick Germano
Its: Senior Vice President

Comcast of Washington I, Inc.

By: _____
Rick Germano
Its: Senior Vice President

MDM:

Millennium Digital Media Systems, LLC

By: _____
Michael D. O'Herron
Its: President, Northwest Region

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Sara Levin
4-2-03
Cable Payment Center Ordinance
Version #1

Fiscal Note

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Department of Neighborhoods	Hazel Bhang, 615-0885 DaVonna Johnson, 684-0261	Sara Levin, 684-8691

Legislation Title:

AN ORDINANCE related to Cable Communications; authorizing an agreement to establish a cable subscriber service center at the City's Department of Neighborhoods facility at 23rd Avenue S. and S. Jackson Street; increasing an appropriation in the 2003 Department of Neighborhoods budget; and creating new positions in that department, all by a three-fourths vote of the City Council.

Summary of the Legislation:

This proposed legislation authorizes the execution of an agreement (Exhibit A) between the City of Seattle, Millennium Digital Media Systems, LLC ("MDM") and Comcast of Washington IV, Inc. and Comcast of Washington I, Inc. ("Comcast") for financial assistance to establish a cable subscriber service at the City's Department of Neighborhoods facility at 23rd and Jackson Street. The cable companies will compensate the City for cable payment services to be provided at this facility. This legislation increases the 2003 Department of Neighborhoods budget by \$74,000 and adds 1.25 FTE to the department to carry out the responsibilities involved with the cable payment station.

Appropriations (in \$1,000's):

Fund Name and Number	Department	Budget Control Level*	2003 Appropriation	2004 Anticipated Appropriation
General Subfund 00100	Department of Neighborhoods	Customer Service (13200)	74	
TOTAL			74	

* This is line of business for operating budgets, and program or project for capital improvements

Notes:

Expenditures (in \$1,000's):

Fund Name and Number	Department	Budget Control Level*	2003 Expenditures	2004 Anticipated Expenditures
General Subfund 00100	Department of Neighborhoods	Customer Service (13200)	48	26
TOTAL			48	26

* This is line of business for operating budgets, and program or project for capital improvements

Notes:

Revised January 17, 2003



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Sara Levin
4-2-03
Cable Payment Center Ordinance
Version #1

Anticipated Revenue/Reimbursement (in \$1,000's):

Fund Name and Number	Department	Revenue Source	2003 Revenue	2004 Revenue
General Subfund 00100	Department of Neighborhoods	Customer Service (13200)	48	26
TOTAL			48	26

Notes: The Department of Neighborhoods will be billing MDM and Comcast on a quarterly basis, following execution of the agreement. The above breakdown between 2003 and 2004 revenues is an estimate, and will be based on the date at which the agreement is executed.

Total Permanent Positions Created Or Abrogated Through Legislation, Including FTE Impact; Estimated FTE Impact for Temporary Positions:

Fund Name and Number	Department	Position Title*	2003 FTE	2004 FTE
General Subfund 00100	Department of Neighborhoods	Customer Service Representative, Sr	.75	
General Subfund 00100	Department of Neighborhoods	Customer Service Representative	.50	
TOTAL			1.25	

* List each position separately

Do positions sunset in the future?

Yes. These positions will sunset if the agreement between the City and the cable companies is not renewed. The term of the initial agreement is 12 months from the date the agreement is signed, with the option to renew.

Background

The Office of Cable Communications in the Department of Information Technology and the Department of Neighborhoods, together with Comcast and MDM have developed a program for these cable companies to satisfy franchise and Cable Customer Bill of Rights (CCBOR) obligations to provide in-city cable bill paying opportunities. Section 21.60.820 B of the Seattle Municipal Code requires cable companies operating in Seattle to have two in-town customer service offices. The agreement attached to this legislation allows Seattle citizens to pay their Comcast and MDM Cable payments in person, at the Central Neighborhood Service Center (NSC) located at 23rd Avenue S. and S. Jackson. Customers will also be able to obtain same-day credit for their payments, thereby stopping potential shut-off of cable service. As a result of this agreement, the Central NSC will be open 23 additional hours per week, providing cable payment and enhancing customer access to all services the Central Neighborhood Service Center provides.



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Cable Payment Center Ordinance
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The financial cost of not implementing the legislation

If the legislation is not implemented, Comcast and MDM will continue to be in violation of SMC 21.60.820 B, and will be subject to damages owed to the City. This legislation allows the Department of Neighborhoods to open the Central Neighborhood Service Center to the public for 23 additional hours a week at no additional cost to the City.

Possible alternatives to the legislation which could achieve the same or similar objectives

Comcast and MDM could decide to find another location at which to provide these services.

Is the legislation subject to public hearing requirements?:

No

Other Issues (including long-term implications of the legislation):

If either Comcast, MDM, or the City of Seattle does not agree to renew the agreement to provide pay in person services at the Central Neighborhood Service Center the .5 FTE Customer Service Rep and the .75 Senior Customer Service Rep positions will sunset at the end of the agreement.

FOR CAPITAL PROJECTS ONLY

Background

N/A

Project Name:	Project Location:	Start Date:	End Date:

Spending Plan and Future Appropriations for Capital Projects

Spending Plan and Budget	2003	2004	2005	2006	2007	2008	Total
Spending Plan							
Current Year Appropriation							
Future Appropriations							

Key Assumptions:

Funding source:

Funding Source	2003	2004	2005	2006	2007	2008	Total
TOTAL							



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Cable Payment Center Ordinance
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Bond Financing Required:

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
TOTAL					

Uses and Sources for Operation and Maintenance Costs for the Project

O&M	2003	2004	2005	2006	2007	2008	Total
Uses							
Start Up							
On-going							
Sources (itemize)							

Key Assumptions:

N/A

Periodic Major Maintenance costs for the project:

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL			

Funding sources for replacement of project:

N/A

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City of Seattle

Gregory J. Nickel, Mayor

Office of the Mayor

April 7, 2003

Honorable Peter Steinbrueck
President
Seattle City Council
Municipal Building, 11th Floor

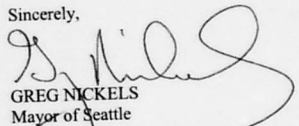
Dear Council President Steinbrueck:

The attached ordinance will provide Seattle citizens with the ability to pay Comcast and Millennium Digital Media cable bills in a centrally located site within the City of Seattle. The Office of Cable Communications in the Department of Information Technology has been working with the Department of Neighborhoods (DON), Comcast, and Millennium Cable to develop a program for Comcast and Millennium to satisfy franchise and Cable Customer Bill of Rights obligations to provide in-city bill paying opportunities. This ordinance and the attached agreement establish a pay station at the Central Neighborhood Service Center (NSC) located at 23rd Avenue S. and S. Jackson.

Under this agreement DON will expand hours of operation at the Central NSC by 23 hours per week, thereby enhancing customer access to all services the NSC provides. This agreement will also allow Seattle residents to make cable payments in person at a safe and conveniently located site, and will allow them to get same-day credit for their payments, thereby stopping potential shut-off of cable service. The cable companies have agreed to fully fund the incremental cost of additional staff and the technology to offer this service, which is estimated at \$74,000 for twelve months.

Thank you for your consideration of this legislation. Should you have questions please contact Hazel Bhang at 615-0855 or DaVonna Johnson at 684-0261.

Sincerely,


GREG NICKELS
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

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STATE OF WASHINGTON - KING COUNTY

--SS.

No. TITLE ONLY ORDINANCE

158138
City of Seattle, Clerk's Office

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CTOT:ORDINANCE 121124-28

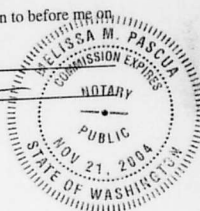
was published on

5/7/2003

Subscribed and sworn to before me on

5/7/2003

Notary public for the State of Washington,
residing in Seattle



Affidavit of Publication

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State of Washington, King County

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on April 21, 2003, and published here by title only, will be emailed upon request, or can be accessed electronically at <http://clerk.ci-seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 121124

AN ORDINANCE amending the 2002 Budget; increasing appropriations for a department in the 2002 Budget; all by a three-fourths vote of the City Council.

ORDINANCE NO. 121125

AN ORDINANCE relating to the Department of Parks and Recreation, Zoo Program; providing for various matters that will allow a smooth transition from Zoo employment of the remaining twenty-eight (28) City employees holding positions within the Department of Parks and Recreation, Zoo Program; providing for waivers of cash payments for accumulated sick leave and vacation balances for such employees who choose to transfer to Zoo Society employment; authorizing an amendment to the Employee Transition Agreement; amending SMC 4.36.199 and authorizing the withdrawal of certain amounts from the Seattle City Employees' Retirement System for such employees who choose to transfer to Zoo Society employment; authorizing and ratifying a Memorandum of Understanding between the City and the bargaining representatives of the employees of the Department of Parks and Recreation, Zoo Program; and abrogating all remaining positions within the Department of Parks and Recreation, Zoo Program, as such positions become vacant on or by December 31, 2003, whichever is sooner.

ORDINANCE NO. 121126

AN ORDINANCE relating to the 2003 Budget; carrying forward certain unexpended appropriations from the 2002 budget of various departments and funds for both capital and non-capital purposes; all by a three-fourths vote of the City Council.

ORDINANCE NO. 121127

AN ORDINANCE relating to the City's Adopted 2003-2008 Capital Improvement Program; abandoning certain unspent appropriations.

ORDINANCE NO. 121128

AN ORDINANCE relating to the Fire Department; accepting funds from non-City sources; increasing the appropriation in the 2003 budget of the Fire Department and the Department of Information Technology; and creating positions in the Fire Department; all by a three-fourths vote of the City Council.

ORDINANCE NO. 121129

AN ORDINANCE related to Cable Communications; authorizing an agreement to establish a cable subscriber service center at the City's Department of Neighborhoods facility at 22nd Avenue S. and S. Jackson Street; increasing an appropriation in the 2003 Department of Neighborhoods budget; and creating new positions in that department; all by a three-fourths vote of the City Council.

ORDINANCE NO. 121132

AN ORDINANCE appropriating money to pay certain entitled claims and ordering the payment thereof.

Publication ordered by JUDITH PIPPIN, City Clerk.

Date of publication in the Seattle Daily Journal of Commerce, May 7, 2003.

87(158128)

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