

Comcast Arlington License Compliance Audit

October 19, 1995

Article 1 - Definitions

Section 1.1-Definitions

- (a) Basic Broadcast Service – That service tier which shall include at least the retransmission of local broadcast television signals and community programming (public, educational and governmental access channels), in accordance with the Cable Act of 1992.
- (g) Community Programming - Programming produced either by members of the community or jointly by community volunteers and employees of the Licensee.
- (l) Institutional Network (“I-Net”) – The separate cable which interconnects with the Subscriber Network and is available for two-way transmission of audio, date and video between and among certain designated points on the I-Net and transmits community events and government meeting from a point on the I-Net to Subscribers
- (p) Programming – Any video, audio, text or data coded signal carried over the Cable Communications System. Programming does not include municipal transmissions carried over the Institutional Network.

Article 3 – System Specifications and Construction

Section 3.3 – Subscriber Network Cable Drops [See G.L.c. paragraph 5(e)]

- (a) The Licensee shall install one (1) Drop, Three (3) Outlets and Basic Service to all municipal and school building listed in **Exhibit B** attached hereto and made a part hereof. The Issuing Authority or its designee shall consult with the appropriate individuals to determine the appropriate location for each Drop prior to requesting that the Licensee install the free service. The Licensee shall provide one (1) Drop, three (3) Outlets and Basic Service at no charge to any new municipal or school building which lies along its Subscriber Network upon written request of the Issuing Authority.
- (b) To foster and support public and educational uses of cable technology, the Licensee shall at the request of the Issuing Authority install additional cable Outlets beyond those required herein, to all municipal or school buildings, including private schools listed in **Exhibit B** at Licensee’s costs for labor and materials.

Section 3.4 – Institutional Network (“I-Net”) and Drops

- (a) The Licensee shall operate and maintain a separate 300 MHz bi-directional Institutional Network (“I-Net”) capable of transmitting thirty-six (36)

channels in each direction permitting on-way and two-way audio, data and video transmission from and among the municipal buildings listed in **Exhibit C** attached hereto and made a part hereof. The Licensee shall provide one (1) I-Net Drop at no charge to any new municipal or school building, which lines along its I-Net route, upon written request of the Issuing Authority.

- (b) The Town shall have the right to program up to three (3) upstream channels and three (3) downstream channels for non-commercial purposes, excluding person-person voice communications throughout the term of the Renewal License. In order to assist the Town and the schools in utilizing the I-Net for data purposes, the Licensee shall enroll at its sole cost and expense the locations listed in **Exhibit D**, attached hereto and made a part hereof, as a Subscriber to its high-speed (up to 10 Mbps), multi-megabit Ethernet Communications Service for a period of four (4) years commencing no later than one (1) year from the Effective Date of the Renewal License. The Licensee's high-speed Ethernet Communications Service includes: maintaining the physical I-Net plant and electronics, proactive status monitoring of data traffic flow, network management assistance, remote troubleshooting via dial-in access, on-site problem diagnosis/repair, user assistance with data transmission training and same day response to any reported problems, twenty-four (24) hours per day, seven (7) days a week. The Issuing Authority shall make every effort to designate a single technical expert within the School Department or Town Government to act as a liaison between the Town and Licensee regarding I-Net or Internet access issues. The Licensee further agrees not to pass-through the cost of the Ethernet Communications Service to Arlington Subscribers. After year four (4), the Licensee will continue to make the I-Net available free of charge for video transmission only among the institutions listed in **Exhibit C** attached hereto.

Article 4 – Technological and Safety Standards

Section 4.4 – Strand Maps

The License shall maintain a complete set of strand maps of the Town, on which will be shown those areas in which its facilities exist, the location of all streets and the locations of all residences. The strand maps will be available on a confidential basis for official use only by the Issuing Authority on request.

Section 4.6 – New Technology

- (a) In order to maintain a leadership position in providing cable television service in Arlington during the fifth (5) and seventh (7) year of the Renewal License, the Issuing Authority may require the Licensee to provide new technologies necessary to give the Cable Communications System the capability of offering services available in at least twenty-five percent (25%) of the Licensee's systems in the Greater Boston Area.
- (b) The Issuing Authority in the fourth (4) year or the sixth (6) year of the License, shall review with the Licensee changes in relevant cable technology,

and the current condition of community programming equipment, that might benefit Arlington Subscribers. For the purposes of the subsection, “relevant cable technology” shall be defined as technologies such as, but not limited to, installation of fiber-optic cable, converters compatible with video cassette recorders (“VCRs”) and cable-ready television sets, remote control devices, high definition television (“HDTV”), audio services, new scrambling/descrambling processes and interactive services (such as Internet access).

- (c) In order for the Issuing Authority to exercise the new technology determination pursuant to the Section, the following requirements must be met:
 - 1) At the request of the Issuing Authority, the Licensee within sixty (60) days, shall conduct at its expense a statistically valid survey of Arlington Subscribers describing the new technology and the cost to Subscribers associated with that new technology.
 - 2) The Issuing Authority shall conduct a public hearing to consider the need and uses for the additional channel capacity and need and uses of any new technologies. If the Issuing Authority holds a public hearing a period of at least sixty (60) days notice will be provided to the Licensee, and all interested parties including the Licensee shall be given an opportunity to be heard.
 - 3) The new technology shall be economically feasible. Standard GAAP depreciation schedules shall be used to amortize the costs of the new technology. If the Licensee is unable to make a reasonable return on its investment within the time remaining on the license term, taking into account all revenue sources, expenses and other financial data, the Licensee and the Issuing Authority may agree to amend the License to extend the term.
- (d) In the event the Issuing Authority determines that new technology is needed pursuant to this Section and the Licensee disagrees with the Issuing Authority’s determination as to technical and/or economic feasibility, the Licensee may, by giving the Issuing Authority notice thereof within fourteen (14) days after the Issuing Authority notifies the Licensee of its determination, require that the disagreement be settled by arbitration pursuant to the then prevailing rules of the American Arbitration Association or by an arbitrator mutually agreed to by the Issuing Authority and the Licensee.
- (e) In any event, the Licensee shall have twelve (12) months from the final determination to make the new technology available within the Town.

Article 5 – Community Channel(s)

Section 5.1

- (a) The Licensee shall provide two (2) community channels for use by the residents of the Town, the educational authorities and local government

officials. The Licensee shall also make available one (1) additional channel for such uses upon a showing by the Town that the following formula has been met. An additional community programming channel shall be made available when the existing channel is programmed with “live” or taped full-motion video programming on Monday through Friday for eighty percent (80%) of the time during any consecutive eighth-hour period for eight (8) consecutive weeks. The Licensee shall have six (6) months following a request by the Issuing Authority in which to make such new channel available.

- (b) The Licensee shall not charge residents of the Town, educational authorities or local government for non-commercial use of the community programming channel(s). The Licensee shall continue to maintain the equipment necessary for the production of programming for the community channel(s).
- (c) Rules shall be established by the Licensee in cooperation with the Community Television Council regarding community programming, priority of use of the community programming channel(s), the prohibition of lottery information and obscene or indecent matter (modeled after prohibitions found in other FCC rules and regulations), and permitting public inspection of a complete record of names and addresses of all persons or groups requesting time on the community programming channel(s).
- (d) The Licensee agrees to provide adequate community programming staff who will coordinate community programming and be responsible for community outreach in the Town.
- (e) The Licensee shall regularly provide training in the use of television production equipment to interested residents and organizations in Arlington.
- (f) The Licensee shall provide the schools with reasonable production support and assistance.
- (g) The Licensee will continue to provide coverage of regularly scheduled Board of Selectmen Meetings, School Committee Meetings, Town Meetings, the annual Town Day Celebration, Town Elections, Arlington High School Sports and other major events of importance to the community as requested by the Issuing Authority.
- (h) All obligations hereunder shall be for the term of the Renewal License unless otherwise specified.

Section 5.2 – Community Studio and Equipment

- (a) The Licensee shall continue to maintain, manage, and operate a complete National Television Standards Code color television studio for the production of community programming by residents and organizations serving the Arlington community. The community programming studio will have the capacity to playback, edit and transmit “live” and recorded programs.
- (b) The Licensee shall construct a new community television studio within a municipal site to be determined by the Issuing Authority or other applicable Town authority after consultation with the Licensee. The Licensee shall expend a maximum of One Hundred and Fifty Thousand Dollars (\$150,000)

to construct the studio, which amount shall not constitute a pass-through on the Subscriber's bill provided that the studio is located in a municipal building or an office currently leased by the Licensee. However, if the municipal building is not ready for the studio at the expiration of the Licensee's lease at the current studio location, the Licensee shall temporarily operate the studio at the Licensee's office located at 88 Sherman Street in Cambridge until the municipal building is available. Furthermore, if no municipal building will be available within two (2) years from the expiration of the Licensee's current lease or such longer period as mutually agreed, the Licensee shall construct the community studio in either privately leased space in Arlington, provided that the rental expense does not exceed the lower range of the prevailing fair market rent for suitable space or with the Issuing Authority's approval, at Licensee's office at 88 Sherman Street in Cambridge. In the event the Licensee leases private space in Arlington, the entire One Hundred and Fifty Thousand Dollars (\$150,000) cost of constructing the studio, the monthly rental cost including utilities, maintenance, etc. shall be deemed an external cost pursuant to FCC rules.

- (c) In the event that the community studio is located in a municipal/school building, it is the intent of the Issuing Authority and the Licensee that the studio space shall be at no cost, exclusive of utilities and construction, in exchange for the Town's free use of the I-Net for data purposes and free, (for) shared Internet access for the remainder of the Renewal term. Notwithstanding the above, the Issuing Authority or appropriate municipal official, board or committee having jurisdiction over such building may negotiate a different lease arrangement, which may include cash payment or other good or services in lieu of cash. If the Licensee discontinues the market availability of Internet access, the parties shall negotiate a service of comparable value.
- (d) In year five (5) of this Renewal License, the Licensee shall expend Twenty-five Thousand Dollars (\$25,000) to upgrade and replace equipment in the Licensee's community programming studio.
- (e) Within twelve (12) months of the Effective Date of this Renewal License, the Licensee shall expend Twenty Thousand Dollars (\$20,000) for the purchase of audio and video production equipment to be located at the School Committee's Meeting Room in Arlington High School. At its option, the School Committee may direct the Licensee to designate the entire amount, or any balance thereof, for the purchase of other equipment or to further fund the Educational Technology Grant.
- (f) Upon execution of this Renewal License, the Licensee will provide the Town with a character generator and the related equipment valued at Six Thousand Dollars (\$6,000), which will enable the Town to override the educational channel for the purpose of disseminating municipal information and public safety messages. In addition to the equipment, the Licensee will assist the Town in determining the appropriate location for the equipment and to train designated Town employees on its use.

Section 5.3 – Community Television Council

- (a) The Licensee will continue to encourage and support Arlington Cable Access (“ACA”), the Town’s community television council which renders advice and assistance in community programming. Composed of representative of Arlington’s community agencies and organizations and interested individuals who live or work in Arlington, ACA will continue to work with the Licensee to develop operating rules, policies, procedures, and guidelines for community use of production facilities and designated community programming channels. In addition, ACA will work with the Licensee to gather information concerning public interest in and need for community television programming, and encourage community use of the channels and facilities.
- (b) To assist ACA in promoting the concept of community television in Arlington, as well as assisting the Licensee with community outreach and volunteer retention projects, the Licensee shall establish a Five Thousand Dollar (\$5,000) per year operating fund. Any unexpended funds each year will be carried over to subsequent years for ACA to utilize.

Section 5.4 – Educational Technology Grant

- (a) Upon execution of the Renewal License, the Licensee will establish an Educational Technology Grant in the total amount of One Hundred and Fifty Thousand Dollars (\$150,000) for use by the School Department for the purchase or lease of such items as RF data modems, data bridges and routers, headend equipment, television production equipment and computers, and additional cable outlets in the schools. To expend the funds, the School Department must present a plan to the Issuing Authority and the Licensee outlining the intended use of the funds. The Licensee shall apply such funds as requested by the Issuing Authority to the acquisition or lease of equipment as outlined in the School Department’s plan. The Issuing Authority and the Licensee must act within sixty (60) days of the School Department’s submission of the said plan and approval should not be unreasonably withheld or denied.
- (b) The Licensee shall provide the nine (9) schools, two (2) public libraries, Town Hall, and the Community Safety Building with shared high-speed access to the Internet in the event it becomes available on the Arlington Cable Communications System. Said Internet access will be made available free of charge for a period of four (4) years and shall commence within twelve (12) months of the availability of Internet service in Arlington. As used herein, the term “Internet access” shall mean high-speed (minimum of up to 10 MBPS) connectivity to the Internet and customer support, but shall not include any necessary end-user equipment or software. The Issuing Authority will make every effort to designate a single technical expert within the School Department or Town Government to act as a liaison between the Town and Licensee regarding I-Net or Internet access issues. Further, the Licensee shall

not pass-through the cost of the Internet service provided to municipal and school building to its subscribers.

Section 5.5 – Emergency Use

In case of any civil emergency or disaster, the Licensee shall, upon request of the Issuing Authority, make available to the Town a channel for use during the civil emergency or disaster period.

Section 5.6 – Commercial Access

The Licensee shall make channel capacity available as required by federal law for commercial access cablecasting to any person, group, organization, or entity upon reaching an appropriate agreement. Rates for use of commercial access channels shall be negotiated between the Licensee and the commercial user in accordance with federal regulation.

Section 5.7 – Equal Opportunity [See G.L.c. 166A paragraph 5(j)]

If the Licensee permits any person who is a legally qualified candidate for any public office to employ the facilities of its Cable Communications System to originate and disseminate political campaign material, it shall afford equal opportunities to all other such candidates for the same office. If the Licensee permits any person to originate and disseminate any views concerning a controversial issue of public importance, it shall afford reasonable opportunity for the presentation over its facilities of contrary points of view on the same terms and conditions. The conduct of the Licensee with respect to all program origination within its control shall be consistent with, and guided by, the rules and regulations of the FCC, found in 47 CFR paragraphs 76.205 and 76.209 (**Exhibit E**) and any and all other applicable laws and regulations.

Section 5.8 – Programming Exclusivity and Non-Competition

The Town agrees that it will not use its designated community channel (s) or other facilities to provide for-profit commercial services which have the effect of competing with the Licensee's telecommunications business. In addition, any programming produced under the provisions of this Section or produced by the Licensee in any of its facilities shall not be commercially distributed without the consent of the Licensee.

Article 8
Regulatory Oversight

Section 8.4 – License Fees

- (a) During the term of the Renewal License the annual license fee payable to the Town shall be no less than fifty cents (\$.50) per Subscriber served as of the last day of the preceding calendar year, payable on or before March 15th of the said year.
- (b) In accordance with state and/or federal law, the Issuing Authority may at its discretion, after holding a public hearing, direct the Licensee to pay a license fee that shall not exceed five percent (5%), or higher if applicable law permits, of the Licensee's Gross Annual Revenues less any deductions allowed by law.

Section 8.5 – Reports [See G.L.c. 166A paragraphs 8 and 10]

- (a) The Licensee shall file annually with the Commission and the Issuing Authority on forms prescribed by the Commission, a sworn statement of its revenues and expenses for official use only. In addition, the Licensee shall also file with the Commission, a financial balance sheet and statement of ownership which shall be supplied upon request of the Issuing Authority. These requirements shall be subject to the regulation of the Commission.
- (b) As provided by law and applicable regulations, every three (3) months the Licensee shall notify the Issuing Authority and the Commission, on forms prescribed by the Commission, of complaints of Subscribers received during the reporting period and the manner in which the complaints have been met, including the time required to make any necessary repairs or adjustments.
- (c) In addition, the Licensee shall maintain for public inspection all records required by the FCC and as specified in 47 CFR paragraph 76.305 (**Exhibit H**) in the manner prescribed therein.

EXHIBIT B

List of Designated Locations For Free Drop, Outlet and Basic Service

Arlington High School
Ottoson Junior High School
Bishop School
Brackett School
Dallin School
Hardy School
Stratton School
Pierce School
Thompson School
Arlington Center Fire Station
Community Safety Building
Highland Fire Station
Park Circle Fire Station
Robbins House
Town Hall
Town Yard
Water Department
Robbins Library
Fox Branch Library
Jarvis House
Arlington Boys & Girls Club
Veterans Sports Arena
Arlington Senior Center
Arlington Catholic High School
St. Agnes School
Chestnut Manor Senior Citizens Housing (Recreation Room)
Winslow Towers (Recreation Room)
Hauser Senior Citizens Housing (Recreation Room)
Cusack Senior Citizens Housing (Recreation Room)

EXHIBIT C

List of Designated Service Points on the Institutional Network

Town Hall
Arlington Center Fire Station
Highland Fire Station
Park Circle Fire Station
Community Safety Building
Town Yard
Robbins Library (Main)
Fox Brach Library
Central School/Senior Center
Arlington High School
Gibbs Junior High School/Center for the Arts
Ottoson Junior High School
Bishop School
Brackett School
Dallin School
Hardy School
Stratton School
Pierce School
Thompson School
Jarvis House
Arlington Boys & Girls Club
Veterans Sports Arena
Arlington Catholic High School
Robbins House
Water Department
Spy Pond Field House

EXHIBIT D

**List of Designated Points
For “Ethernet Communications Service”**

Town Hall
Robbins Library
Fox Branch Library
Arlington High School
Ottoson Junior High School
Bishop School
Brackett School
Dallin School
Hardy School
Stratton School
Pierce School
Thompson School
Community Safety Building