



AGENDA

STAFF PRESENTATIONS

PUBLIC COMMENT

SHORELINE CITY COUNCIL VIRTUAL/ELECTRONIC REGULAR MEETING

Monday, October 5, 2020
7:00 p.m.

Held Remotely on Zoom
<https://zoom.us/j/95015006341>

In an effort to curtail the spread of the COVID-19 virus, the City Council meeting will take place online using the Zoom platform and the public will not be allowed to attend in-person. You may watch a live feed of the meeting online; join the meeting via Zoom Webinar; or listen to the meeting over the telephone.

The City Council is providing opportunities for public comment by submitting written comment or calling into the meeting to provide oral public comment. To provide oral public comment you must sign-up by 6:30 p.m. the night of the meeting. Please see the information listed below to access all of these options:



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Attend the Meeting via Zoom Webinar: <https://zoom.us/j/95015006341>



Call into the Live Meeting: 888-475-4499 or 253-215-8782
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[Click Here to Sign-Up to Provide Oral Testimony](#)

Pre-registration is required by 6:30 p.m. the night of the meeting.



[Click Here to Submit Written Public Comment](#)

Written comments will be presented to Council and posted to the website if received by 4:00 p.m. the night of the meeting; otherwise they will be sent and posted the next day.

Page Estimated
Time
7:00

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **REPORT OF THE CITY MANAGER**
4. **COUNCIL REPORTS**
5. **PUBLIC COMMENT**

Members of the public may address the City Council on agenda items or any other topic for three minutes or less, depending on the number of people wishing to speak. The total public comment period will be no more than 30 minutes. If more than 10 people are signed up to speak, each speaker will be allocated 2 minutes. Please be advised that each speaker's testimony is being recorded. Speakers are asked to sign up by 6:30 p.m. the night of the meeting via the [Remote Public Comment Sign-in form](#). Individuals wishing to speak to agenda items will be called to speak first, generally in the order in which they have signed.

6. **APPROVAL OF THE AGENDA** 7:20

7.	CONSENT CALENDAR		7:20
(a)	Approving Minutes of Regular Meeting of August 3, 2020	<u>7a1-1</u>	
	Approving Minutes of Regular Meeting of August 10, 2020	<u>7a2-1</u>	
(b)	Adopting Ordinance No. 894 - Granting a Non-Exclusive Franchise to Comcast to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline	<u>7b-1</u>	
(c)	Authorizing the City Manager to Execute a Contract with KPFF, Inc. in the Amount of \$174,500 for On-Call Survey Services	<u>7c-1</u>	
8.	STUDY ITEMS		
(a)	Discussing the 2019 Annual Traffic Report	<u>8a-1</u>	7:20
(b)	Discussing Emergency Resolution No. 466 – Revising the Implementation Plan and Adding Funds for the City’s CARES Act Relief Funds and Authorizing the City Manager to Amend the Interagency Agreement with the Washington State Department of Commerce for Coronavirus Relief Funds and Implement Subsequent Agreements	<u>8b-1</u>	7:50
(c)	Discussing Ordinance No. 905 - Authorizing a One-Year Extension to the Right-of-Way Franchise with Northwest Fiber LLC (dba Ziply) Originally Granted to Verizon Northwest Inc. (Ordinance 522) to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline	<u>8c-1</u>	8:10
(d)	Discussing Ordinance No. 900 - Amending SMC 8.12 to Establish the Purpose of and Authorizing Guidelines for Use of the Veteran’s Recognition Plaza at City Hall	<u>8d-1</u>	8:25
9.	ADJOURNMENT		8:40

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CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF REGULAR MEETING

Monday, August 3, 2020
7:00 p.m.

Held Remotely via Zoom

PRESENT: Mayor Hall, Deputy Mayor Scully, Councilmembers McConnell, McGlashan, Chang, Robertson, and Roberts

ABSENT: None.

1. CALL TO ORDER

At 7:00 p.m., the meeting was called to order by Mayor Hall who presided.

2. ROLL CALL

Upon roll call by the City Clerk, all Councilmembers were present.

(a) Proclaiming August 2020 as “Get to Know Your Neighbors Month”

Mayor Hall explained that, due to the COVID-19 pandemic, the City will not be sponsoring neighborhood watch parties this year and he spoke to the importance of building relationships with neighbors.

3. REPORT OF CITY MANAGER

John Norris, Assistant City Manager, provided information on COVID-19 guidance and restrictions and requirements, as well as reports and updates on various City meetings, projects and events.

4. COUNCIL REPORTS

Mayor Hall said he met with the State Auditor’s Office as part of a routine Risk Management audit of the City. He also said he has been appointed to the Urban Land Institute’s Transportation Oriented Design Product Development Council and heard a report on transit-oriented development in other cities, including ways to make it pleasing for the people who live there.

5. PUBLIC COMMENT

Dean Williams, speaking on behalf of Irons Brothers Construction, expressed support for Ordinance No. 896 and suggested changes to the proposed conditions. It was recognized that he had submitted written comments that elaborated on his opinions and observations.

Ann Bates, Shoreline resident, spoke to the importance of trees and forests and shared how development impacts trees. She asked what the City of Shoreline would do to preserve trees, taking into consideration the results of the Climate Impacts and Resiliency Study.

Kathleen Russell, Shoreline resident, speaking on behalf of Save Shoreline Trees, asked for additional efforts to save tall conifers. Ms. Russell said the Climate Impacts and Resiliency Study emphasizes the need to protect the environment, and that Save Shoreline Trees hopes the City team members will study the strategies presented in the Study.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Deputy Mayor Scully and seconded by Councilmember McConnell and unanimously carried, 7-0, the following Consent Calendar items were approved:

- (a) Adopting Ordinance No. 891 - Accepting a Corrected Survey and Plat for Short Plat No-98055 as Provided in RCW 58.10.030**

8. STUDY ITEMS

- (a) Discussing Ordinance No. 896 - Amending Certain Sections of Shoreline Municipal Code Title 20 to Permit Professional Offices in the R-8 and R-12 Zoning Districts

Steve Szafran, Senior Planner, delivered the staff presentation. He shared background on the history of the Comprehensive Plan Amendment passed in Ordinance No. 881, which added Professional Offices to the medium density land use category in Policy Land Use 2 (LU2). He listed the zones that Professional Offices are currently permitted and stated the use does not have indexed criteria to address impacts to adjacent residential uses. Ordinance No. 896 would implement LU2, clarify the definition of Professional Offices, define Outdoor Storage, add indexing criteria, and clarify Conditional Use Permit (CUP) procedures and requirements.

Mr. Szafran said the intent of the proposed definition 'Professional Office' is to ensure that professional offices are low-intensity and fit within the residential setting; and the intent of the proposed definition for 'Outdoor Storage' is to prohibit outdoor storage associated with a business or Professional Office. He described the proposed CUP amendments, which would create four new sections: suspension or revocation of permit, transferability, expiration, and extension. He noted the Planning Commission ultimately recommended that a CUP not be transferable or run with the land, but instead be issued to an applicant.

Mr. Szafran said Professional Offices with C-I would be added to the would be added to the R-8 and R-12 column in the Use Table, displayed the proposed indexed criteria that would mitigate the impacts of this use in R-8 and R-12 zones, and described the parcels that would potentially qualify. He said the Planning Commission determined that these proposed code amendments meet the Development Code Amendment Criteria and they recommend adoption.

Councilmember Roberts said 145th and 205th Streets are not classified in the City's zoning map because they border other cities, but it might be important to review those areas for parcels that might be eligible, as well. He drew attention to inequities in the vehicle and signage regulations between Home Occupation and Professional Office, and asked staff to check for consistency. He explained that he wants to ensure there is no unintentional harm done to someone who might be operating a home occupation business.

Councilmember Robertson expressed support for the Ordinance and asked if there has been communication with the property owners whose parcels would qualify for a Professional Office CUP, or to any of the adjacent neighbors. Mr. Szafran said there was no direct notification to those parcels, as is typical with development code amendments, but the City has received feedback from some residents. Councilmember Robertson said proactive communication would be a way to generate awareness and potentially receive valuable input. She said these amendments feel forward-thinking, considering the repercussions of the pandemic and the manner in which a lot of people are looking for ways to live, work, and find services close to home.

Deputy Mayor Scully agreed with Councilmember Robertson's observation that this is a timely consideration and shared some thoughts the public comment generated for him. He said he does not see these amendments as a way to allow more intense uses, but to be more flexible with the allowed uses while keeping the Shoreline neighborhood feel. The criteria are prescriptive and apply to a discreet number of parcels. While he thinks this is the right starting point, he indicated that perhaps over time some of the regulations could be relaxed, and hopes they are a first step towards evaluating the needs in other parts of the City.

Mayor Hall agreed with Councilmember Roberts' comments, saying it is his expectation that anything currently allowed under home occupation would be allowed in Professional Office with a Conditional Use Permit, and he asked for an amendment to be prepared to reflect this. He said he is also comfortable applying this to a broader geographic area and looks forward to considering this in the future.

Councilmember Chang expressed support for the Ordinance and appreciates the detail of the indexed criteria. She said it is important to be careful with what is initially permitted.

Councilmember McGlashan expressed support for the recommendation and said he agrees with the feedback already given. If the Ordinance passes, he asked for staff to schedule a follow-up with Council to review impacts and any issues identified.

Councilmember McConnell agreed that a follow up report would provide valuable information, especially as the ramifications on the work environment from the pandemic continue to be realized. She said she is glad there are specific definitions for outdoor storage and vehicle size, because without them, abuse of the permit is more likely to happen.

Mr. Szafran said he will return with amendments to reflect the Council direction to confirm that the standards for Professional Offices align with those of home occupation.

(b) Discussing the Results of the Climate Impacts and Resiliency Study

Autumn Salamack, Environmental Services Coordinator, delivered the staff presentation. Ms. Salamack said it is important to look at both mitigation and resiliency when talking about climate change. She said the 2018 Surface Water Master Plan indicates the City is prone to flooding in some areas and recognizes the possibility of increased rainfall in the future. She added that the plan identified the current and future needs of the Surface Water Utility and suggested the City conduct a study to look at climate change impacts to ensure a sustainable surface water system that is prepared for climate change. She said while the Climate Impacts and Resiliency Study was focused on identifying the current and future needs of the surface water system, it also identified climate change impacts and areas of vulnerability for the community in general. She said the study will be used to inform and help build resiliency features into future capital projects and planning efforts. Ms. Salamack introduced project consultants Christy Shelton, Cascadia Consulting Group; and Matt Fontaine, Herrera; to present the results of the study.

Ms. Shelton reviewed the project goals and scope. She displayed a timeline of the iterative work done and described the departmental involvement in the study. She said one of the first elements of this project was development of the Climate Impact Summary documents, and she shared the key findings, which include increasing temperature, increasing precipitation, changes in the timing of stream flows, and increasing flood risks in fall, winter, and spring and lower stream flows in the summertime. She said the watershed that supplies the City's drinking water is projected to be affected by reductions in snowpack, and sea level rise will increase the risk of coastal flooding and erosion.

Ms. Shelton described how the project defined and evaluated community vulnerabilities to the impacts and introduced the focus areas for assessment. Mr. Fontaine said the assessment focused on the areas of natural systems; built environment; public health, safety, and emergency services; and stormwater, and classified them by focus area and level of vulnerability. He said the five most vulnerable systems are low-lying areas which may flood, sensitive ecosystems, buildings and development, heat related illnesses, and air quality. He described the educational materials created and available on the City's storymap webpage and the online climate impacts tool designed to help staff consider some of the key climate change issues and considerations when identifying, planning, and designing capital projects. He displayed examples of the functionality of the tool, which includes surface water and urban heat island modules. He said the last piece of the technical analysis was to help the City identify actions it can take to reduce climate change vulnerability and climate impacts, with the outcome being a prioritized list of climate adaptation strategies for the City to revisit and revise over time.

Ms. Shelton said the final portion of this effort involves evaluating the resiliency strategies in terms of their applicability to other master planning efforts of the City. Ms. Salamack described the work yet to be done by City staff to utilize the tools and follow up on the study recommendations.

Deputy Mayor Scully said the data is very useful. He recognized that Shoreline is fortunate to not have large point source pollutants. He looks forward to updates on the report and hopes they will focus on the nonpoint areas that are probably Shoreline's greatest contributors. He observed that generally the climate change impacts in Shoreline will be a long slow degradation of quality

of life and emphasized the importance of continuing to identify and reduce contributing actions and factors. He said he is looking forward to gaining more information on the impacts of oil heat.

Councilmember McGlashan said he thought most of the areas that had residential flooding were under control and asked if the areas identified as low lying currently have problems or are identified as likely to be vulnerable in the future. John Featherstone, Surface Water Utility Manager, said that the surface water vulnerabilities displayed on the mapping tool are areas that have been identified proactively so project managers will be aware of areas in which future capacity improvements should be considered to be better prepared for climate changes.

Councilmember Robertson said she would also like a future discussion on oil heat and potential incentives. She said the section on trees was wonderfully done, with very specific, manageable actions to take, and she hopes the City moves forward aggressively implementing the suggestions. She said the heat island overlay was fascinating, and troubling. She observed that many of the identified zones were over and around schools and asked if that information has been shared with the property owners and users of those areas. She said she would like to add some goal metrics to the Soak It Up! Rebate Program and also encourage neighborhood members to help make a difference in their community by improving the stormwater infrastructure.

Councilmember Roberts said the interactive website is intuitive and has lots of good information; agreed with Councilmember Robertson's comments on trees; and asked for suggestions for reducing the heat island effect. Mr. Fontaine explained that the climate impacts tool the study created for staff use identifies five strategies for addressing the problem. Councilmember Roberts said he is not opposed to looking at the impacts of oil heat but added that it may be difficult for the City to find money for incentives to switch. He said he thinks it would be wise to consider the impacts of natural gas use, as well.

Mayor Hall agreed with Councilmember Roberts' comments regarding oil and gas, and elaborated that it seems crazy to burn fossil fuels to heat a home or to install fossil fuel infrastructure in new construction. He said it is important to do everything possible to mitigate community-based greenhouse gas emissions.

Mayor Hall asked for a summary of what the next climate-based projects will be. Ms. Salamack said the Greenhouse Gas Emissions Inventory is scheduled for updating in 2021 and will include a focus on strategies to reduce emissions. She said several activities are planned in advance of the next Climate Action Plan Update, including the current Shoreline Climate Challenge and an upcoming Climate Champions webinar series.

9. ADJOURNMENT

At 8:23 p.m., Mayor Hall declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, August 10, 2020
7:00 p.m.

Held Remotely via Zoom

PRESENT: Mayor Hall, Deputy Mayor Scully, Councilmembers McConnell, McGlashan, Chang, Robertson, and Roberts

ABSENT: None.

1. CALL TO ORDER

At 7:00 p.m., the meeting was called to order by Mayor Hall who presided.

2. ROLL CALL

Upon roll call by the City Clerk, all Councilmembers were present.

(a) Proclaiming “Celebrate Shoreline”

Mayor Hall said Shoreline is celebrating its 25th Birthday this month and spoke to the continued work in developing the City. He said that due to the guidelines against large gatherings during the pandemic, the City will not be hosting the normal celebratory events and he described the alternative ways the City is recognizing this milestone.

3. REPORT OF CITY MANAGER

John Norris, Assistant City Manager, shared an update on COVID-19 and provided reports and updates on various City meetings, projects and events. He described the events scheduled to “Celebrate Shoreline” and listed ways people can get involved.

4. COUNCIL REPORTS

Councilmember McConnell said she attended a joint meeting of the three Transportation Forums and said it was announced that King County Metro is in the midst of a General Manager transition. She shared updates on impacts to the transportation entities related to repercussions of COVID-19.

Deputy Mayor Scully said he attended one of the last meetings of the current iteration of the All Home Coordinating Committee. He said there continues to be a push for completion of the Regional Action Plan. He is not hopeful that there will be significant change in the level of service provided to North King County because this area has a lower proportion of homeless people than other parts of the County.

Councilmember Chang said she served on a panel discussion at Metro’s annual meeting and had the opportunity to express how much Metro services and transit-oriented development are an essential part of the City’s economy.

5. PUBLIC COMMENT

Corinne McKisson, Shoreline resident and Program Manager at COMPASS Housing Alliance at Ronald Commons, spoke on behalf of the community members who are without permanent shelter. She expressed support for the proposed shelter and described it as a successful model to fulfill a great unmet need.

David Lowe, Kenmore resident, spoke as a representative of the Kenmore/Bothell interfaith group. He shared his experiences working with Lake City Partners in hosting a temporary winter shelter and spoke in support of the proposed homeless shelter.

Meghan Peterka, Shoreline resident, shared that she is hearing an ‘us vs. them’ mentality in the community. She said it would be wise to recognize each other as friends and allies, and engage and participate with one another.

Stephanie Henry, Shoreline resident, said she has been the co-coordinator for the shelter at Ronald United Methodist Church and has volunteered at the Shoreline Emergency Shelter. She said the unhoused in the community should not have to uproot their connections and that a permanent shelter on the transit corridor is a critically needed resource. The opportunity at the Oaks is a perfect situation and she urged the Council to take the necessary steps to proceed with it.

Dawn Jordan, Shoreline resident, said her Black and Indigenous daughter was the victim of a retaliatory hate crime by an adult after peacefully protesting in her neighborhood. She said that following a community rally in support of her daughter, her family has faced backlash, harassment, and demands to be quiet. She shared the history of her experience in Shoreline and said she has never felt safe here. She said there has been no response from the Shoreline Police Department, and the entire community needs to be held accountable.

Vivian Korneliussen, Shoreline resident, spoke in strong support of the proposed 24/7 homelessness shelter and said it is important to provide stability to homeless people.

Bruce Amundson, Shoreline resident, spoke in support of the proposed gift of public art to the City and encouraged Council to accept the sculpture, explaining that it would complement the efforts to bring art to Aurora Avenue.

Sudeeptha Jothipraka said he supports the creation of a homeless shelter but opposes the proposed location. He said the decision should not be made in isolation, and that due diligence should be done in reviewing its proximity to other amenities in the community.

Joanne Godmintz, Shoreline resident, spoke in opposition of the homeless shelter, as proposed. She referenced her professional experience working with the homeless and mentally ill, and said her preference would be to dedicate the location to create housing for women and children.

Jen Britt commented on the possible closure of the dog park at Fircrest. She said it is very important to her life and encouraged the Council to keep it open.

Diane Pfeil, Shoreline resident, spoke in opposition of rezoning the Oaks Nursing Home parcel. She referenced Senate Bill 582, that would establish new sections to several areas of the Revised Code of Washington, regarding the citing of homeless encampments within 1000 feet of a public or private school or early learning facility. She listed the number of youth-based businesses and facilities near the proposed homeless shelter location and said that the low-barrier, minimum rules approach, may not guarantee the safety of the children who are in close proximity to the facility.

Kathleen Russell, Shoreline resident, spoke on behalf of Save Shoreline Trees. She said they have concern for several conifers at the development taking place at 2355 North 147th Street. She asked the City to explain how protection plans for trees at private construction sites can be enforced in a timely manner.

Stan Ciez, resident of Brier, said the property he owns in Shoreline is near the proposed homeless shelter. He described unnerving incidents that have occurred since the methadone clinic opened nearby and said he has had to install fencing to protect the equipment stored at his property. He said the decision on the shelter seems to be being pushed through quickly.

Gaurav Bansal, Shoreline resident, said he is in favor of a homeless shelter, but not at the proposed location. His concerns include the placement on Aurora and the proximity to a school and a park, and the fact that it may contribute to rising crime in the area.

Stephanie Angelis, Lake Forest Park resident, recognized that Shoreline is on stolen native land. She stated that as a long-time Shoreline resident and property owner, she supports providing housing for the homeless. She spoke in support of Dawn Jordan and her daughter related to the recent racial tensions and police response in their neighborhood. She listed ways in which she is requesting the City to take action in response to these events and urged the Council to use their voices and privilege and speak up.

Mayor Hall stated that there is no place for racism but recognized that it still exists and that there is a lot of work to be done.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Deputy Mayor and seconded by Councilmember McGlashan and unanimously carried, 7-0, the following Consent Calendar items were approved:

- (a) Approving Minutes of Regular Meeting of June 22, 2020**
- (b) Approving Expenses and Payroll as of July 24, 2020 in the Amount of \$2,222,335.66**
- (c) Authorizing the City Manager to Enter into a Conditional Gift Agreement for the Acceptance by Donation of the Sculpture Unofficially Titled “BIG RED”**

8. ACTION ITEMS

- (a) Public hearing to receive citizens comments on Ordinance No. 893 - Interim Regulations to Allow for Additional Extensions of Application and Permit Deadlines Beyond Those Provided for in SMC Title 20 Due to COVID-19 Impacts

Rachael Markle, Planning Director, delivered the staff presentation. Ms. Markle gave an overview of Ordinance No. 893, reviewed the interim regulations, and described the application and permit extensions that Ordinance No. 893 authorizes for a period of six months.

Mayor Hall opened the Public Hearing. Seeing no public testimony, he closed the Public Hearing. No additional action was taken.

- (b) Public hearing to receive citizens comments on Ordinance No. 895 - Interim Regulations for Outdoor Dining

Andrew Bauer, Senior Planner, delivered the staff presentation. Mr. Bauer gave an overview of Ordinance No. 895 and described the interim regulations established for a period of six months.

Mayor Hall opened the Public Hearing. Seeing no public testimony, he closed the Public Hearing. No additional action was taken.

- (c) Adopting Resolution No. 464 - Approving the Purchase of Real Property Located on the South Side of North 185th Street, Identified as Short Plat No. 98038, Recording No. 19991105900005; King County Tax Parcel Nos. 7276100015, 7276100016, 7276100017, 7276100018, and 727610TRCT; and Authorizing the City Manager to Take the Necessary Steps to Complete the Property Purchase

Nate Daum, Economic Development Program Manager, delivered the staff presentation. Mr. Daum said this land acquisition flows directly from the Parks, Recreation, and Open Spaces (PROS) Plan adopted in 2017. He shared background on the PROS Plan implementation and the association with Council Goals, provided an overview of the grant-supported financing plan, and described the parcels included in the purchase. He stated that Staff recommends the purchase and reviewed the next steps, which include a period for public comment.

Mayor Hall opened the Public Comment period. Seeing no one who wanted to comment, he closed the Public Comment period and recognized there was written comment submitted prior to the meeting.

Councilmember Chang moved to adopt Resolution No. 464, approving the purchase of real property located on the south side of North 185th Street and authorizing the City Manager to take the necessary steps to complete the property purchase. The motion was seconded by Councilmember Robertson.

There was general support expressed for Resolution No. 464.

Councilmember Chang said there are many positives about this acquisition, including location and the fact that it will be paid for by the King County Conservation Futures Tax Grant. She commended staff for the work behind securing this grant to add parkland to our system.

Councilmember Robertson said this is a wonderful addition to the network of parks and she looks forward to the naming process.

Councilmember Roberts said he has long recognized the potential of these parcels, and there is a great opportunity to maximize this natural space.

Councilmember McConnell agreed that this is a wonderful acquisition and conveyed concerns expressed to her about maintenance costs and the preference for expanding open space in areas of the city where it is not as available.

Mayor Hall said the park lands acquired since the 2006 Parks levy has preserved trees and allowed for substantial replanting in the City.

The motion passed unanimously, 7-0.

9. STUDY ITEMS

- (a) Update on City Council Goal #5, Action Step #7 - Siting a Shelter/Navigation Center in North King County to Serve Homeless Single Adults

Colleen Kelly, Community Services Manager, delivered the staff report. She was joined by Nora Gierloff, Planner Manager, who was available for Council questions. Ms. Kelly said staff is seeking Council direction related to public outreach and development of interim regulations to allow a Navigation Center to be located at 16357 Aurora Avenue North. She reviewed that Council Goal #5, Action Step #7 is to begin the process of developing partnerships in support of siting a 24/7 shelter/navigation center in North King County. She described the development of a North King County Shelter Task Force and recognized the importance of community outreach as a component of the work.

Ms. Kelly described the developments since early June toward siting the shelter, beginning with notification that the facility would be for sale and the announcement of a State of Washington Commerce Grant specifically focused on expanding shelter capacity around the state. She said these events prompted staff to inquire with King County about including funding to lease or purchase the facility in the Commerce Grant application. King County staff then reached out to King County Housing Authority to discuss the possibility of an acquisition partnership. As additional conversations occurred, the potential to continue moving forward remained plausible.

If the project stays on track, a 24/7 navigation center could be up and running by the start of 2021, directly achieving Council's Goal.

Describing the challenges of the project, Ms. Kelly said the majority of the proposed shelter site is zoned R-48, but homeless shelters are not an allowed use in R-48 or R-18 zones. She acknowledged that the pace at which things are developing has precluded the City from beginning a meaningful dialog with the community before now. And there is a time pressure since King County is seeking assurance that the City supports the proposed use at this site. She said staff recommends capitalizing on these unique circumstances, which center on a site that is basically shelter-ready and could function well within the COVID-19 social distancing guidelines, while working internally to develop and implement a community outreach plan, and develop interim regulations that would allow a Navigation Center to operate on this site. In conclusion, Ms. Kelly listed the proposed next steps if Council concurs with the recommendation to proceed.

Most Councilmembers expressed support for proceeding with the process.

Deputy Mayor Scully asked whether the City is committed to any financial outlay if the Council gives direction to proceed. Ms. Kelly said the City has no financial commitment at this point, since the funding for the purchase is coming from King County. He requested an estimate of the financial support that may be asked of Shoreline. Ms. Kelly said that an assumption was made on the Commerce Grant proposal that the Council would continue funding Lake City Partners at level they are currently receiving.

Deputy Mayor Scully said that during his time on the All Home Board he learned a lot about what is important in homelessness support and explained why "housing first" is the most successful approach. He said he supports putting a homeless shelter in Shoreline for humanitarian and public order reasons. The most important part of this proposal is that the City does not pay for it. He recognized the benefits of the site's proximity to Therapeutic Health Services, the Interurban Trail, and transit, but also acknowledged that this part of the City has a bit of a concentration, so it is important to do outreach and to listen to the public carefully in case anything is being overlooked. He said he cannot picture a more appropriate facility to get people the support and services they need.

Councilmember McConnell said she has identified pros and cons to the proposal and is still considering both. She wants to hear more from her colleagues and take time to read through the comments. She pointed out the location is near the Richmond Highlands fields where youth are present all day. She said on a positive side, it would be a stable use of the property, which has changed ownership several times over the years. She noted there is a fence the separates the property from single family residences, and she hopes it would remain in place. .

Councilmember Robertson acknowledged that this process is happening much faster than anticipated, but that it feels like a gift. She said that the need for a shelter is real, as are the concerns the community is expressing. She said that while housing is priority, support services are also critical. She wants to continue to evaluate the potential impact to the neighborhood.

Councilmember Chang asked if the capacity of the shelter would increase after the social distancing guidelines are lifted, and Ms. Kelly said that there is no plan to increase the number of residents, post-pandemic. Councilmember Chang asked for details on the requirements for entry to the shelter. Ms. Kelly said it would be low-barrier entry, meaning ease of access for as many people as possible. She said there will be a code of conduct that imposes limitations on site. Councilmember Chang asked about the impact on the nearby childcare facilities, and Ms. Gierloff said the current homeless regulations are based on operational considerations, not spacing.

Councilmember Chang confirmed that right now King County is asking if the City would be in support of a shelter/navigation center on the site. Her concern is that King County's long-term plans include eventually expansion to include supportive housing with a navigation center, so the navigation center would become a permanent part of the City. She said she understands the need and how the pieces have fallen into place, but when she agreed to including this as a Council Goal back in February, she thought Council would be discussing multiple sites and talking about the pros and cons of siting a facility. There are costs that have not been addressed, such as increased police and fire response, and there will be impact on the adjacent neighborhoods, and potentially Shoreline Place. She observed that there has been a lot of focus on rebuilding Shoreline and wondered if siting the shelter this close to the City would damage the potential for development. She said what bothers her the most is if Council gives the okay to proceed tonight, community outreach would happen after the fact. She concluded that she has concerns about concentrating human services in that part of the City and does not feel comfortable proceeding until she has a better understanding of the details and the long-term ramifications.

Councilmember McGlashan said he initially had some major concerns, but now agrees with Deputy Mayor Scully's observations. He thinks this opportunity has dropped in the City's lap. He reflected on the ways in which the community has supported those in need and said the current approach of "housing first" will make a difference. He does not want the area to be like Pioneer Square. He said the facility is ideal for the need and although the process is moving fast, any other time when opportunities knock, the Council does whatever they can to take advantage of them.

Councilmember Roberts said many of those who are living without a home in Shoreline are connected to the community and we need to do everything we can to support them, and housing comes first. He said the School District estimates that one student in every classroom has parents who are living in transitory housing. He wondered if there will be more people experiencing homelessness once the eviction moratorium ends. He said it should not be assumed that everyone who is without a home will commit a crime or abuse substances. He recognized that this parcel comes with challenges, but he knows Shoreline is a compassionate and welcoming community.

Mayor Hall said the City has been dealing with homelessness as a crisis for two decades, so while the site may have come up quickly, the issue has not. He said this is a chance for government to act quickly and efficiently but he does not want to shortcut the public process because the impact to neighbors is important to address. He said the Council is committed to the City's principles of equity and justice, and he spoke about economic justice. He said it will be important to understand how security will be managed. He concluded by asking "if not here,

where? If not us, who? If not now, when?” and said this is a chance to make the community a safer place by providing shelter.

Mayor Hall noted that this is not the end of a process, nor a final decision. He asked if anyone on the Council objects to informing King County that they support moving forward with next steps and public outreach.

Councilmember Chang said she does not agree with moving forward without more of a public process. She commented that while there has been a lot of talk about unsheltered children and families, this shelter is designed for single adults from all of North King County. She said she wants to make sure the neighborhood to the west is protected, because this will be a big change for them.

Deputy Mayor Scully asked staff to research the suggestion that the facility would generate an increase in police and fire response, and said since the facility’s current use is as a nursing home, it probably would not see an increase in need for emergency services.

Councilmember Roberts asked what the interim regulations mentioned in the staff report would cover, and what a rezoning process would entail. Ms. Gierloff said it would be a multi-step process, given the timeline that King County has requested. She explained that an interim ordinance would allow time to discuss criteria and conditions that might be included operationally as part of a navigation center. She said given that interim decisions are time limited, there would also need to be a follow up zoning code amendment process during which decisions would be made on the zoning for the property. Councilmember Roberts said he would hope that any application fees would be waived for this site-specific rezone. Ms. Gierloff added that the current underlying Comprehensive Plan would be compatible with the new zoning, so only a zoning change would be needed.

(b) Discussing Ordinance No. 898 - Amending SMC 8.12 Rules for Use of Shoreline Park Facilities

Eric Friedli; Parks, Recreation, and Cultural Services Director; delivered the staff presentation. He said the Ordinance proposes amendments to the established Park Field and Facility Rental Operations. He listed the facilities included in the facility rental programs and said in 2019 staff undertook a rental process review, which included the development of an operations manual and the review and clean-up of the Shoreline Municipal Code. He gave an overview of the Field and Facilities Rentals Operations Manual and described the efforts toward streamlining the permitting process. He said the PRCS Tree Board and staff recommend approval of Ordinance No. 898 when it returns to Council for action.

Councilmember Robertson commended the work done on streamlining and updating the processes.

It was agreed that the Ordinance would return as a Consent Item.

(c) Discussing the Eastside Off Leash Area Lease Agreement with the Washington State Department of Social and Health Services

Eric Friedli, Eric Friedli; Parks, Recreation, and Cultural Services Director; delivered the staff presentation and Nate Daum, Economic Development Program Manager was available for questions. Mr. Friedli reviewed the financial obligations of the new lease agreement, which he said was calculated by a fair market value assessment. The appraisal showed that Fair Market Value is \$4,356/month, which is a significant increase from the current lease amount of \$200/month. He described the termination policy and said if the decision is made to terminate, staff would recommend establishing James Keough Park as an interim off leash area and described the costs that would be associated with implementing the change. He said staff recommends accepting the lease rate for a limited amount of time until the City can negotiate reasonable rent with the State based on the results of the review appraisal contracted by the City. He offered the alternative approach of terminating the lease and vacating the area and working towards opening an interim off leash park at James Keough Park, dependent on funding.

Most Councilmembers expressed support for negotiating the rate of the lease agreement.

Councilmember Roberts asked if the City has contacted the City's Legislative Delegation for support. Mr. Norris replied that Jim Hammond, Intergovernmental Relations Manager, is aware of the issue, but because of the larger issues with the Fircrest Campus, Mr. Hammond is being cautious and is interested in the outcome of tonight's conversation. Councilmember Roberts said it is a popular and needed park and he likes the idea of the City maintaining a connection with the Fircrest Campus. He said this situation adds things to consider when discussing the next Parks bond.

Councilmember McGlashan asked about how much of James Keough Park would be sited as a dog park. Mr. Friedli said it would be about one third to one half of the property, which is like the size of the Fircrest dog park. Councilmember McGlashan asked if there was any consideration for using the North Hamlin property, as an eastside dog park. Mr. Friedli said James Keough and Ridgecrest Parks were considered because they were identified as sites for off leash areas in the concept design process several years ago. Councilmember McGlashan said he is a little concerned about the equity of removing an east side dog park. He does not want to site a permanent east side dog park on the west side. He wants to continue the lease, if negotiations have a reasonable outcome, while other east side sites are evaluated.

Councilmember Robertson agreed with the value of keeping a presence at Fircrest but said the rent increase is unsustainable for an extended amount of time. She wants to keep a dog park on the east side, but she would also like to see something done at James Keough, preferably without having to undo it later when other park improvements are made. She supports finding a new location for an east side off leash area as soon as possible if the lease negotiation is not successful. She observed that if dog parks are not available, people will use open spaces and parks that are not designated as such.

Councilmember McConnell said that, because of the drastic rent increase, it seems the State does not want to retain the Shoreline Dog Park as a tenant. She wants to keep a dog park on the east side and would consider continuing the lease if the negotiations were able to drop the lease to \$2000 a month or less. She commented that it would not be a good use of funds to spend \$75,000 to build an interim dog park

Councilmember Chang agreed that the proposed lease rate is not sustainable. She asked how else DSHS could use the area, based on current zoning. Mr. Daum said any use would have to be in accordance with the Campus designation. He commented that Fircrest is the only Campus Zone that does not yet have a Master Development Plan. Councilmember Chang asked why the increase is so high and about the availability of Ridgecrest during the nearby construction. Mr. Friedli said the land is available but there is only street parking. She said it seems like it should be considered, since it is on the east side. She also noted \$75,000 seems like a lot to spend on an interim park.

Deputy Mayor Scully said it is important to have dog parks that are easy to access. He said he is leaning towards doing what we can to keep the current facility open because of the access it provided, although he expressed frustration with the way the State is handling the lease.

Mayor Hall cautioned about using I-5 as the east/west dividing line for Shoreline, since Aurora is closer to the center of the City and pointed out that James Keough Park is east of the center point of the City. He said Council should be careful with the expectation of having every amenity available on both sides of I-5. He said the access to James Keough Park is not insurmountable. He agreed with Councilmember Robertson's observation that if off leash dog parks are not available, people will use any park they have access to, but also observed that people who do not follow the leash laws will continue to do so no matter where a dog park is located.

Mayor Hall summarized that a majority of the Council want to keep a dog park east of I-5. He said, based on conversations with State staff, it is his opinion that they do not want the dog park on the Fircrest Campus. He said location is not the biggest priority to him, but it is important to have two year-round off leash dog parks. He echoed Deputy Mayor Scully's frustration, but he does not want to punish dog owners, so he thinks the City should do everything it can to continue operations at a reasonable cost and immediately beginning the public process of relocation.

Mr. Friedli concluded that he will work with the Economic Development Manager and the Intergovernmental Relations Manager to negotiate a more reasonable lease rate and will start to look closer at potential locations, including Ridgecrest Park.

10. ADJOURNMENT

At 9:52 p.m., Mayor Hall declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adopting Ordinance No. 894 - Granting a Non-Exclusive Franchise to Comcast to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Christina Arcidy, Management Analyst
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

As per Shoreline Municipal Code (SMC) Section 12.25.010, all utilities using the City's rights-of-way for operation and maintenance of their facilities are required to have a non-exclusive franchise with the City. The City's current franchise with Comcast Cable Communications Management, LLC (Comcast), which was granted by Shoreline Ordinance No. 601, expires on October 3, 2020. The City and Comcast have been negotiating a renewal franchise agreement since 2019, which resulted in proposed Ordinance No. 894 (Attachment A).

This agreement provides for a 10-year franchise allowing Comcast to install, maintain, operate, replace, and repair a cable system over, along, under, and through designated public rights-of-way, with considerations for being allowed to do so. This staff report provides an overview of the proposed franchise and considerations Council must consider by Code in granting this franchise to Comcast.

Council discussed proposed Ordinance No. 894 at their September 28, 2020 meeting. Following this discussion, they directed staff to bring back this proposed Ordinance tonight for possible adoption.

RESOURCE/FINANCIAL IMPACT:

There is no fiscal impact to adopting proposed Ordinance No. 894. Comcast is currently assessed a 5% franchise fee, which is continued in this franchise renewal. However, FCC regulations that went into effect in January 2020 allows non-financial "in kind" contributions made by cable operators (such as complimentary basic cable service for governments) be assigned a value and counted against the 5% franchise fee. If Comcasts chooses to elect to count complimentary basic cable service against the franchise fee, the City will eliminate this service in its facilities. The City's Emergency Operations Center may continue to pay for basic cable services for the purposes of connectivity in an emergency through its own budget should it find it prudent to do so.

With these changes, there will not be a loss of City general fund revenue associated with franchise adoption.

The other revenue sources for the City of Shoreline tied to franchise issuance are the utility tax and the Education and Government Access (EG) fees collected from Comcast subscribers. Currently, the City of Shoreline is collecting a 6% utility tax and a fifteen (\$0.15) cents per subscriber per month EG fee from Comcast subscribers. These revenue collections will remain consistent if the proposed franchise is adopted.

RECOMMENDATION

Staff recommends that Council adopt Ordinance No. 894 granting a non-exclusive franchise to Comcast Cable Communications Management, LLC.

Approved by: City Manager **DT** City Attorney **MK**

BACKGROUND

Shoreline is currently served by two “land line” cable television providers, Comcast Cable and Ziplly (formerly Frontier Cable). While Ziplly only serves the northwestern portion of Shoreline, Comcast’s Service Area encompasses the entire City. The City’s ability to regulate cable service does not extend to broadband and other non-cable services. Comcast also provides Cable Internet and VoIP (Voice over Internet Protocol) Telephone to Shoreline residents. These services are not covered by this proposed franchise agreement.

Shoreline Municipal Code (SMC) Section 12.25.010 requires all utilities using the City’s rights-of-way for operation and maintenance of their facilities to have a non-exclusive franchise with the City. The City’s current franchise with Comcast expires on October 3, 2020. Comcast’s current franchise with the City can be found at the following link: [Franchise between Shoreline, Washington and Comcast Communications.](#)

The City and Comcast have been negotiating a renewal franchise agreement since 2019, which resulted in proposed Ordinance No. 894 (Attachment A). This agreement provides for a 10-year franchise allowing Comcast to install, maintain, operate, replace, and repair their cable system over, along, under, and through City of Shoreline rights-of-way, with considerations for being allowed to do so.

Council discussed proposed Ordinance No. 894 at its September 28, 2020, meeting. More information about that evening’s discussion can be found here: [Discussing Proposed Ord. 894 – Granting a Non-Exclusive Franchise to Comcast to Construct, Maintain, Operate, Replace and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline.](#)

DISCUSSION

Franchise Terms

The sections of the proposed Comcast franchise are generally similar to the current Comcast franchise. However, there is new franchise language throughout the franchise agreement to improve implementation or align with updated Federal Communications Commission (FCC) regulations, including amendments to the Cable Communications Policy Act of 1984 (Cable Act of 1984). The following information provides an overview of the major sections of the proposed franchise:

- **Section 1, Definitions.** This section provides the definitions of terms used throughout the franchise. There are no new definitions in this section, however some definitions were edited to provide further clarity or align with the Cable Act of 1984.
- **Section 2, Franchise Granted.** This section states that the City is granting Comcast a franchise to use the City’s rights-of-way, and the City still controls the right-of-way. The franchise is not exclusive. The term of the franchise is ten (10) years.

- **Section 3, Construction and Maintenance of the Cable System.** This is a significant section of the franchise that covers many topics regarding how Comcast can work and operate in the City's right-of-way. This section includes:
 - Permitting for work performed in the right-of-way by Comcast,
 - Conditions on occupying the public rights-of-way (such as relocation at the request of the City and restoration of rights-of-way), and
 - Compliance with safety requirements in the right-of-way and the City's ability to manage this safety.
- **Section 4, Service Obligations.** This section outlines the minimum cable service requirements to residential dwellings within the Franchise Area. It also updates the complimentary cable service section from previous franchises to acknowledge that if Comcast elects to offset the value of complimentary service against Franchise Fees payable to the City, Comcast will only do so after providing the City 120 days written notice. Offsetting the value of complimentary service against Franchise Fees is a change made by the FCC's recent 621 Order (FCC 19-80).
- **Section 5, Rates, Fees, Charges and Deposits.** This section outlines rate regulation, prohibition against rate discrimination, low income discounts, and late fees.
- **Section 6, Customer Service.** This section outlines that Comcast will comply with the FCC's rules and regulations regarding customer service and privacy protection. The Customer Service Standards will no longer be attached to the Franchise and instead are referenced.
- **Section 7, Oversight and Regulation.** This section outlines the Franchise Fees Comcast will pay to the City. This section was updated for clarity as well as reflecting the change in how complimentary cable service can offset Franchise Fees.
- **Section 9, Insurance.** This section outlines the levels of insurance Comcast must carry through a combination of Commercial General Liability and Umbrella/Excess Liability insurance to protection against risks in such amounts as are consistent with good utility practice.
- **Section 10, Description and System Facilities.** This section outlines the technological improvements, technical requirements, and performance testing Comcast's system facilities will undergo to ensure high quality performance of its cable system.
- **Section 11, Educational and Governmental Access.** Comcast will continue to provide a government access channel to the City, which shall be made available at no extra charge to cable subscribers at the lowest tier of service.
- **Section 12, Enforcement.** This section allows for the franchise to be terminated by the City or Comcast if there is a substantial breach of the terms of the agreement, but only after there has been time provided to cure the alleged breach.

Franchise Application Considerations

SMC Section 12.25.070 identifies the considerations the City should review when renewing a right-of-way franchise, which are consistent with the [Cable Act of 1984](#) (47 U.S.C. § 546). These considerations include:

1. The applicant's past service record in the city and in other communities.
2. The nature of the proposed facilities and services.
3. The proposed area of service.
4. The proposed rates (if applicable).
5. Whether the proposal would serve the public needs and the overall interests of the city residents.
6. That the applicant has substantially complied with the material terms of the existing franchise.
7. The quality of the applicant's service, response to consumer complaints, and billing practices.
8. That the applicant has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in the application.
9. The applicant's proposal is reasonable to meet the future community needs and interests, taking into account the cost of meeting such needs and interests.

Staff conducted a review and analysis of these considerations as part of Council's September 28, 2020, discussion. Staff concluded that Comcast's franchise renewal meets the criteria identified in SMC section 12.25.070, and their franchise should be granted.

RESOURCE/FINANCIAL IMPACT

There is no fiscal impact to adopting proposed Ordinance No. 894. Comcast is currently assessed a 5% franchise fee, which is continued in this franchise renewal. However, FCC regulations that went into effect in January 2020 allows non-financial "in kind" contributions made by cable operators (such as complimentary basic cable service for governments) be assigned a value and counted against the 5% franchise fee. If Comcasts chooses to elect to count complimentary basic cable service against the franchise fee, the City will eliminate this service in its facilities. The City's Emergency Operations Center may continue to pay for basic cable services for the purposes of connectivity in an emergency through its own budget should it find it prudent to do so. With these changes, there will not be a loss of City general fund revenue associated with franchise adoption.

The other revenue sources for the City of Shoreline tied to franchise issuance are the utility tax and the Education and Government Access (EG) fees collected from Comcast subscribers. Currently, the City of Shoreline is collecting a 6% utility tax and a fifteen (\$0.15) cents per subscriber per month EG fee from Comcast subscribers. These revenue collections will remain consistent if the proposed franchise is adopted.

RECOMMENDATION

Staff recommends that Council adopt Ordinance No. 894 granting a non-exclusive franchise to Comcast Cable Communications Management, LLC.

ATTACHMENTS

Attachment A: Ordinance No. 894 – Granting a Non-Exclusive Franchise to Comcast to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline

ORDINANCE NO. 894

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, GRANTING COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC, A WASHINGTON CORPORATION, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, MAINTAIN, OPERATE, REPLACE, AND REPAIR A CABLE COMMUNICATIONS SYSTEM, IN, ACROSS, OVER, ALONG, UNDER, THROUGH AND BELOW PUBLIC RIGHTS-OF-WAY OF THE CITY OF SHORELINE, WASHINGTON.

WHEREAS, the City of Shoreline (“City”) is a franchising authority in accordance with Title VI of the Cable Act, 47 U.S.C. § 522(10), and Washington State law; and

WHEREAS, Comcast Cable Communications Management, LLC (“Comcast”) is a provider of cable communications; and

WHEREAS, with the adoption of Ordinance 601, the City Council granted Comcast a seven (7) year non-exclusive franchise with an option for Comcast to extend for two (2) years which Comcast exercised so that the current franchise will expire on October 3, 2020, and the City Council has determined that the renewal of a nonexclusive franchise to Comcast is consistent with the public interest; and

WHEREAS, under the previous franchise, Comcast has installed a Hybrid Fiber Coax Cable System that occupies the rights-of-way within the City, and Comcast desires to continue to use the Hybrid Fiber Coax Cable System to provide cable services; and

WHEREAS, RCW 35A.11.020 grants the City broad authority to regulate the use of the public right-of-way and RCW 35A.47.040 authorizes the City “to grant nonexclusive franchises for the use of public streets, bridges or other public ways, structures or places above or below the surface of the ground for ... poles, conduits, tunnels, towers and structures, pipes and wires and appurtenances thereof for transmission and distribution of... signals or other methods of communication ...”; and

WHEREAS, the City Council desires to protect and manage the rights-of-way, require standards of customer service, receive financial compensation for Comcast’s use of the rights-of-way as provided by federal law, obtain use of educational and governmental channels, establish certain reporting and record access requirements, and provide for the future cable-related needs of its residents; and

WHEREAS, the City Council has identified the future cable-related needs and interests of the City, has considered the financial, technical and legal qualifications of Comcast, and has determined that Comcast’s cable system is adequate, in a full public proceeding affording due process to all parties; and

WHEREAS, the City Council, having determined that the financial, legal, and technical ability of Comcast is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to grant a franchise for the construction, operation, and maintenance of a cable communications system; and

WHEREAS, the City Council finds that it is desirable and in the best interests of the health, safety and welfare of residents of the Shoreline community to grant a non-exclusive franchise to Comcast Cable Communications Management, LLC for the operation of a cable service system within the City's rights-of-way; and

WHEREAS, the City and Comcast have reached agreement on the terms and conditions of a non-exclusive franchise and the parties have agreed to be bound by those terms and conditions; and

WHEREAS, in consideration of the renewal of a franchise to Comcast, Comcast's promise to provide cable service to residents of the City of Shoreline pursuant to and consistent with the Cable Act, 47 USC § 521 *et seq.*;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

A non-exclusive franchise authorizing the use of public rights-of-way for a cable service system is granted to Comcast Cable Communications Management, LLC under the terms and conditions stated below.

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Cable Franchise

SECTION 1. Definition of Terms

For the purpose of this Franchise, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them herein. The word "shall" is always mandatory and not merely directory.

- 1.1 “Access” means the availability for noncommercial use by various educational and governmental agencies, institutions and organizations in the community, including the City and its designees, of Channels on the Cable System designated for such use as permitted under applicable law:
- (A) “Educational Access” means Access where Schools are the primary users having editorial control over programming.
- (B) “Governmental Access” means Access where governmental institutions or their designees are the primary users having editorial control over programming.
- (C) “Educational and Governmental Access” or “EG Access” means the availability for noncommercial use of a Channel or Channels on the Cable System by various governmental and educational agencies including the City and its designees.
- 1.2 “Access Channel” means any Channel, or portion thereof, designated for noncommercial Access purposes or otherwise made available to facilitate or transport Access programming.
- 1.3 “Affiliate(s) or Affiliated Entity” means, when used in connection with Grantee, any Person who owns or controls, is owned by or controlled by, or is under common ownership or control with Grantee.
- 1.4 “Bad Debt” means amounts lawfully owed by a Subscriber and accrued as revenue on the books of Grantee, but not collected after reasonable efforts by Grantee.
- 1.5 “Basic Service” means the Cable Service Tier which includes, at a minimum, the retransmission of local television Broadcast Signals.
- 1.6 “Cable Act” means the Cable Communications Policy Act of 1984, as amended by the Cable Television Consumer Protection and Competition Act of 1992, and as amended by the Telecommunications Act of 1996, and any amendments thereto, 47 U.S.C. § 521 *et. seq.*
- 1.7 “Cable Operator” means any Person or group of Persons, including Grantee, who provide Cable Service over a Cable System and directly or through one or more Affiliates own a significant interest in such Cable System or who otherwise Control or are responsible for, through any arrangement, the management and operation of such a Cable System.

- 1.8 “Cable Service(s)” means (1) the one-way transmission to Subscribers of (a) video programming, or (b) other programming service, and (2) Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service, 47 U.S.C. § 522(6).
- 1.9 “Cable System” means Grantee’s facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and that is provided to multiple Subscribers within a community, but such term does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves Subscribers without using any public right-of-way; (3) a facility of a common carrier that is subject, in whole or in part, to the provisions of Title II of the federal Communications Act (47 U.S.C. § 201 *et seq.*), except that such facility shall be considered a cable system (other than for purposes of 47 U.S.C. § 541(c) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (4) an open video system that complies with § 653 of the Cable Act; or (5) any facilities of any electric utility used solely for operating its electric utility systems, 47 U.S.C. Sec. 522 (7). When used herein, the term “Cable System” shall mean Grantee’s Cable System in the Franchise Area.
- 1.10 “Channel” means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel, whether delivered in an analog or digital format.
- 1.11 “City” means City of Shoreline, a municipal corporation of the State of Washington.
- 1.12 “Control” means the ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Grantee’s affairs.
- 1.13 “Day” means calendar day unless otherwise provided.
- 1.14 “Dwelling Units” means any building or portion thereof that has independent living facilities, including provisions for cooking, sanitation and sleeping, and that is designed for residential occupancy.
- 1.15 “FCC” means the Federal Communications Commission or successor governmental entity thereto.
- 1.16 “Franchise” means this document and any amendments or modifications hereto.
- 1.17 “Franchise Area” means the area within the present legal boundaries of the City as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means.
- 1.18 “Grantee” means Comcast Cable Communications Management LLC, a Washington State for-profit corporation.

1.19 “Gross Revenues” means, and shall be construed broadly to include all revenues derived directly or indirectly by Grantee and/or an Affiliated Entity that is the cable operator of the Cable System, from the operation of Grantee’s Cable System to provide Cable Services within the City. Grantee will calculate gross revenues in accordance with General Accepted Accounting Principles (“GAAP”). Gross revenues include, by way of illustration and not limitation:

- monthly fees for Cable Services, regardless of whether such Cable Services are provided to residential or commercial customers, including revenues derived from the provision of all Cable Services (including but not limited to pay or premium Cable Services, digital Cable Services, pay-per-view, pay-per-event, and video-on-demand Cable Services);
- installation, reconnection, downgrade, upgrade, or similar charges associated with changes in Subscriber Cable Service;
- fees for service calls;
- fees for additional outlets;
- fees paid to Grantee for channels designated for commercial/leased access use and shall be allocated on a pro rata basis using total Cable Service subscribers within the City;
- converter, remote control, and other Cable Service equipment rentals, leases, or sales;
- Advertising Revenues as defined in this Section;
- late fees, convenience fees, administrative fees and other multiservice fees, which shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the City;
- revenues from program guides;
- Franchise Fees;
- FCC Regulatory Fees;
- 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 City;
- Revenue from the lease of the Cable System to provide Cable Services in the Franchise Area.

- Payments or other consideration received from programmers for carriage of programming on the Cable System and recognized as revenue under GAAP.
 - A. “Advertising Revenues” shall mean revenues derived from sales of advertising that are made available to Grantee’s Cable System subscribers within the City and shall be allocated on a pro rata basis using total Cable Service Subscribers reached by the advertising. Additionally, Grantee agrees that Gross Revenues subject to franchise fees shall include all commissions, representative fees, Affiliated Entity fees, or rebates paid to National Cable Communications and Comcast Spotlight or their successors or other affiliated advertising agencies associated with sales of advertising on the Cable System within the City allocated according to this paragraph using total Cable Service subscribers reached by the advertising.
 - B. “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 City;
 - any taxes/or fees on services furnished by Grantee which are imposed directly on any Subscriber or user by the State, City or other governmental unit and which are collected by Grantee on behalf of said governmental unit
 - Public, Educational and Governmental (PEG) Fees;
 - Launch fees and marketing co-op fees; and
 - unaffiliated third-party advertising sales agency fees which are reflected as a deduction from revenues.
 - C. For the purposes of this definition, if the Cable Service is bundled or integrated functionally with other services, capabilities, or applications, the Franchise Fee shall be applied only to the Gross Revenue attributable to the Cable Service. If Grantee bundles, integrates, ties, or combines Cable Services with nonvideo services creating a bundled package so that Subscribers pay a single fee for more than one class of service or receive a discount on video services, Gross Revenues shall be determined based on an equal allocation of the package discount, that is, the total price of the individual classes of service at advertised rates compared to the package price, among all classes of service comprising the package. If Grantee does not offer any component of the bundled package separately, Grantee shall declare a stated retail value for each component based on reasonable comparable prices for the product or service for the purpose of determining

Franchise Fees based on the package discount described above. It is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value.

- D. Grantee reserves the right to change the allocation methodologies set forth in this Section 1.28 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 document any changes to such allocation methodologies and Grantee will explain and document the required changes to the City as part of any audit or review of franchise fee payments, and any such changes shall be subject to 1.28(E) below. If new Cable Service revenue streams develop from Grantee’s operation of its Cable System within the City, those new revenue streams shall be included within Gross Revenues, unless the parties agree otherwise.
- E. 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 agree that reference shall be made to GAAP as promulgated and defined by the FASB, EITF and/or the SEC. Notwithstanding the forgoing, the City reserves its right to challenge Grantee’s calculation of Gross Revenues, including the interpretation of GAAP as promulgated and defined by the FASB, EITF and/or the SEC.
- 1.20 “Person” means any natural person or any association, firm, partnership, joint venture, corporation, limited liability company or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the City.
- 1.21 “Public Rights-of-Way” or “Rights-of-Way” means the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, lane, drive, circle or other public right-of-way, including, but not limited to, utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses now or hereafter held by the City in the Franchise Area, which shall entitle the City and Grantee to the use thereof for the purpose of constructing, installing, operating, repairing, upgrading and maintaining the Cable System. Public Rights-of-Way shall also mean any easement now or hereafter held by the City within the Franchise Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle Grantee to the use thereof for the purposes of constructing, installing, operating, and maintaining Grantee’s Cable System over existing poles and wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and appurtenant to the Cable System.
- 1.22 “School” means any State accredited K-12 educational institution, public or private, but excluding home schools.

- 1.23 “State” means the State of Washington.
- 1.24 “Subscriber” or “Customer” means a Person who lawfully receives Cable Service over the Cable System with Grantee’s express permission.

SECTION 2. Grant of Authority

- 2.1 Grant. The City hereby grants to Grantee under the Cable Act a nonexclusive Franchise authorizing Grantee to construct and operate a Cable System in, along, among, upon, across, above, over, under, or in any manner connected with Public Rights-of-Way within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in, on, over, under, upon, across, or along any Public Rights-of-Way and all extensions thereof and additions thereto, such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System.
- 2.2 Franchise Subject to Federal, State and Local Law. Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions now existing or hereafter amended of federal, State and generally applicable local laws and regulations.
- 2.3 Use of Rights of Way for non-Cable Service. This Franchise is an express authorization to provide Cable Services. Neither the City nor the Grantee waive any rights they may have under applicable law as to the lawful use of the Cable System for other services and the regulatory obligations related to such services. This Franchise is not a bar to the imposition of any lawful conditions on Grantee with respect to non-Cable Services, whether similar, different or the same as the conditions specific herein. However, this Franchise shall not be read as a concession by Grantee that it needs authorization to provide non-Cable Services.
- 2.4 No Rights by Implication. No rights shall pass to Grantee by implication. Without limiting the foregoing, by way of example and not limitation, this Franchise shall not include or be a substitute for:
- 2.4.1 Any other permit or authorization required for the privilege of transacting and carrying on a business within the City that may be required by the ordinances and laws of the City;
- 2.4.2 Any permit, agreement or authorization required by the City for Rights-of-Way users in connection with operations on or in Rights-of-Way or public property; or
- 2.4.3 Any permits or agreements for occupying any other property of the City or private entities to which access is not specifically granted by this Franchise.
- 2.5 Conveyance of Rights. This Franchise is intended to convey limited rights and interests only as to those Rights-of-Way in which the City has an actual interest. It is not a warranty

of title or interest in any Rights-of-Way; it does not provide the Grantee with any interest in any particular location within the Rights-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.

- 2.6 No Waiver. The failure of City on one or more occasions to exercise a right or to require compliance or performance under this Franchise, the Cable Act or any other applicable State or Federal law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the City nor to excuse Grantee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.
- 2.7 Other Ordinances. Grantee agrees to comply with the terms of any lawful, generally applicable provision of the Shoreline Municipal Code , In the event of a conflict between any ordinance and a specific provision of this Franchise, the Franchise shall control, provided however that the Grantee agrees that it is subject to the lawful exercise of the police power of the City.
- 2.8 Term of Franchise. The term of this Franchise and all rights, privileges, obligations and restrictions pertaining thereto shall be ten (10) years (the “Term”) from the Effective Date of this Franchise.
- 2.9 Effective Date.
- 2.9.1 This Franchise and the rights, privileges and authority granted hereunder shall take effect and be in force from and after the Effective Date of this Franchise. The Effective Date of this Franchise shall be the date upon which Grantee executes acceptance of this franchise agreement.
- 2.9.2 The City Clerk shall promptly forward a certified copy of Ordinance 894 approving the Franchise to Grantee. Within sixty (60) Days after the date of City Council approval of this Franchise and receipt of the approved document, Grantee shall signify its acceptance of this Franchise by executing this Franchise. Grantee shall return the executed Franchise along with any accompaniments as required by this Section 2.9.2 to the City Clerk. The executed Franchise shall be accompanied by the certificates of insurance specified in Section 9.2 and the evidence of the Security as specified in Section 9.4. This Franchise is voidable unless executed and returned with the required accompaniments as specified by this Section 2.9.2 by Grantee within this timeframe.
- 2.9.3 The grant of this Franchise shall have no effect on Grantee’s duty under the prior franchise, in effect prior to the Effective Date of this Franchise, to indemnify or insure the City against acts or omissions occurring during the period that the prior franchise was in effect, nor shall it affect Grantee’s liability to pay all Franchise Fees which were due and owed under a prior franchise.

- 2.10 Effect of Acceptance. By accepting the Franchise, Grantee: (1) acknowledges and accepts the City's legal right to issue and enforce the Franchise; (2) accepts and agrees to comply with each and every provision of this Franchise subject to applicable law; and (3) agrees that the Franchise was granted pursuant to processes and procedures consistent with applicable law, and that it will not raise any claim to the contrary.
- 2.11 Reservation of Authority. Nothing in this Franchise shall (1) abrogate the right of the City to perform any public works or public improvements of any description, (2) be construed as a waiver of any codes or ordinances of general applicability promulgated by the City, or (3) be construed as a waiver or release of the rights of the City in and to the Public Rights-of-Way.
- 2.12 Grant Not Exclusive. The Franchise and the rights granted herein to use and occupy the Rights-of-Way to provide Cable Services shall not be exclusive, and City reserves the right to grant other franchises for similar uses or for other uses of the Rights-of-Way, or any portions thereof, to any Person, or to make any such use themselves, at any time during the Term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System.
- 2.13 Grant of Other Franchises; Competitive Equity. Grantee acknowledges and agrees that the City reserves the right to grant one or more additional franchises subsequent to this Franchise to provide Cable Service within the Franchise Area; provided, the City agrees that it shall amend this Franchise to include any material terms or conditions that it makes available to the new entrant within ninety (90) Days of Grantee's request, so as to ensure that the regulatory and financial burdens on each entity are materially equivalent. "Material terms and conditions" include, but are not limited to: Franchise Fees; insurance; System build-out requirements; security instruments; Access Channel and support; customer service standards; required reports and related record keeping; and notice and opportunity to cure breaches. The parties agree that this provision shall not require a word-for-word identical franchise or authorization so long as the regulatory and financial burdens on each entity are materially equivalent. If any subsequent franchise is granted by the City or by transfer, extension or renewal which, in the reasonable opinion of Grantee, contains materially more favorable or less burdensome terms or conditions than this Franchise, the City agrees that it shall amend this Franchise to include any more materially favorable or less burdensome terms or conditions in a manner mutually agreed upon by City and Grantee.
- 2.13.1 In the event an application for a new cable television franchise is filed with the City proposing to serve the Franchise Area, in whole or in part, the City shall serve or require to be served a copy of such application upon Grantee by registered or certified mail or via nationally recognized overnight courier service.
- 2.13.2 In the event that a wireline multichannel video programming distributor provides video service to the residents of the City under the authority granted by federal or State legislation or other regulatory entity, Grantee shall have a right to request

Franchise amendments that relieve Grantee of regulatory burdens that create a competitive disadvantage to Grantee. In requesting amendments, Grantee shall file a petition seeking to amend the Franchise. Such petition shall: (1) indicate the presence of such wireline competitor; (2) identify the basis for Grantee's belief that certain provisions of the Franchise place Grantee at a competitive disadvantage; and (3) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage. The City shall not unreasonably withhold consent to Grantee's petition.

- 2.14 Conditions of Sale. If a renewal or extension of Grantee's Franchise is denied or the Franchise is lawfully terminated, and the City lawfully acquires ownership of the Cable System or by its actions lawfully effects a transfer of ownership of the Cable System to another party, any such acquisition or transfer shall be at the price determined pursuant to the provisions set forth in Section 627 of the Cable Act.
- 2.15 Transfer upon Revocation. Grantee and the City agree that in the case of a final determination of a lawful revocation of the Franchise, the City shall give Grantee at least one hundred twenty (120) Days to effectuate a transfer of its Cable System to a qualified third party. Furthermore, Grantee shall be authorized to continue to operate pursuant to the terms of its prior Franchise during this period. If, at the end of that time, Grantee is unsuccessful in procuring a qualified transferee or assignee of its Cable System which is reasonably acceptable to the City, Grantee and the City may avail themselves of any rights they may have pursuant to federal or State law. It is further agreed that Grantee's continued operation of the Cable System during the one hundred twenty (120) Day period shall not be deemed to be a waiver, nor an extinguishment of, any rights of either the City or Grantee.
- 2.16 Police Powers. Grantee's rights hereunder are subject to the police powers of City to adopt and enforce ordinances necessary to the safety, health and welfare of the public, and Grantee agrees to comply with all applicable laws, ordinances and regulations lawfully enacted pursuant to the police powers of City, or hereafter enacted in accordance therewith, by City or any other legally constituted governmental unit having lawful jurisdiction over the subject matter hereof. The City reserves the right to exercise its police powers, notwithstanding anything in this Franchise to the contrary.

SECTION 3. Construction and Maintenance of the Cable System

- 3.1 Permits and General Obligations. Grantee shall be responsible for obtaining, at its own cost and expense, all permits, licenses, or other forms of approval or authorization necessary to construct, operate, maintain or repair the Cable System, or any part thereof, prior to the commencement of any such activity. Construction, installation, and maintenance of the Cable System shall be performed in a safe manner using materials that meet or exceed industry standards. All facilities, poles, conduits, cables, and equipment installed by Grantee for use in the Cable System in accordance with the terms and conditions of this Franchise shall be located so as to minimize interference with the designated use of the Public Rights-of-Way at the time of Cable System facilities installation.

3.2 Conditions on Occupancy of Public Rights-of-Way.

3.2.1 Relocation at Request of City. Except as provided herein, upon ninety (90) Days prior written notice to Grantee, City shall have the right to require Grantee to relocate any part of Grantee's Cable System within the Public Rights-of-Way when the safety, health or welfare of the public requires such change, and the expense thereof shall be paid by Grantee. City is not required to provide ninety (90) Days prior written notice in the event of an emergency. Should Grantee fail to remove or relocate any such facilities by the date established by City, City may remove or relocate such facilities, and the expense thereof shall be paid by Grantee, including all costs and expenses incurred by City due to Grantee's delay. If City requires Grantee to relocate its facilities located within the Public Rights-of-Way, City shall make a reasonable effort to provide Grantee with an alternate location within the Public Rights-of-Way. This Section 3.2.1 does not apply to overhead facilities that are converted to underground facilities, consistent with Section 3.4. If public funds are available to any Person using such Public Rights-of-Way for the purpose of defraying the cost of any of the foregoing, the City shall upon written request of Grantee make application for such funds on behalf of Grantee.

3.2.2 Temporary Relocation at Request of Third Party. Grantee shall, upon reasonable prior written request of any Person holding a permit issued by the City to move any structure, temporarily move its facilities to permit the moving of such structure; provided (i) Grantee may impose a reasonable charge on any Person for the movement of its facilities, and such charge may be required to be paid in advance of the movement of its wires or cables; (ii) Grantee is granted a permit for such work by the City if a permit is needed; and (iii) Grantee is given not less than thirty (30) business days advance written notice to arrange for such temporary relocation.

3.2.3 Restoration of Rights-of-Way. Whenever Grantee disturbs the surface of any Rights-of-Way for any purpose, Grantee shall promptly restore the Rights-of-Way to a condition reasonably comparable to the condition of the Rights-of-Way immediately prior to such disturbance. When any opening is made by Grantee in a hard surface pavement in any Rights-of-Way, Grantee shall promptly refill the opening and restore the surface as required by its permit. If Grantee fails to promptly restore the Rights-of-Way, the City may, after providing reasonable notice to Grantee, refill or repave any opening made by Grantee in the Rights-of-Way, and the reasonable expense thereof shall be paid by Grantee. The City may, after providing reasonable notice to Grantee, repair any work done by Grantee that, in the determination of the City, does not conform to applicable City specifications. The reasonable cost thereof, including the costs of inspection and supervision, shall be paid by Grantee.

3.3 Safety Requirements. The Grantee shall, at its own cost and expense, undertake all necessary and appropriate efforts to maintain its work sites in a safe manner in order to

prevent accidents that may cause damage or injuries. All work undertaken on the Cable System shall be performed in substantial accordance with applicable FCC or other federal and State regulations. The Cable System shall not unreasonably endanger or interfere with the safety of Persons or property in the Public Rights-of-Way.

- 3.4 Aerial and Underground Construction. If all of the distribution lines of all of the wireline service providers, such as telecommunications service providers, as defined in RCW 35.99.010, a utility service provider or a Cable Operator (collectively “Service Providers”) in any portion of the Franchise Area are underground, Grantee shall place its Cable System’s distribution cables underground within that area; provided that such underground locations are actually capable of accommodating Grantee’s cable and other equipment without technical degradation of the Cable System’s signal quality. In any portion(s) of the Franchise Area where the distribution lines of any of the respective Service Providers are both aerial and underground, Grantee shall have the discretion to construct, operate, and maintain all of its distribution cables, or any part thereof, aerially or underground. In areas where a Service Provider’s wiring is aerial, Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation. In those areas where neither aerial or underground distribution lines of any of the respective Service Providers exists, Grantee shall place its Cable System’s distribution cables and other equipment underground. If funds exist, are set aside for such purpose, or provided by a third party, Grantee shall be entitled to seek reimbursement for its share of funds to offset the cost of placing its facilities underground. Grantee shall utilize existing conduit wherever possible.
- 3.4.1 The City shall not be required to obtain easements for Grantee. Grantee shall, to the extent economically feasible, participate with other providers in joint trench projects to relocate its overhead facilities underground and remove its overhead facilities in areas where existing overhead facilities, including utility poles, are being removed and converted to underground facilities.
- 3.4.2 Nothing in this Section shall be construed to require Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as Customer taps, line extenders, system passive devices, amplifiers, power supplies, fiber splices, nodes, pedestals, or other related equipment.
- 3.4.3 In the event of a City driven facilities relocation project that requires conversion of overhead facilities to underground for purposes of health, safety or public welfare, Grantee agrees to bear the costs of converting Grantee's Cable System from an overhead system to an underground system as follows:
- A. Utility Trench and Vault/Pedestal Engineering: To ensure proper space and availability in the supplied joint trench, Grantee shall only pay for the work hours necessary to complete Cable System related engineering coordination with the other utilities involved in the project.

B. Conduit and Vaults/Pedestals Placement: Grantee shall only pay for the direct cost of labor and materials it takes to place its conduits and vaults/pedestals in the supplied joint trench and/or solo cable trench as follows:

1. If the City contractor is completing this task, Grantee shall only pay the direct costs in accordance with Grantee's approved labor and materials exhibits at the time of the project.
2. If the direct costs of Grantee's approved labor and materials exhibits are not agreeable to the City or its contractor, Grantee shall have the option to hire its own contractor(s) to complete the work in accordance with Grantee's approved labor and materials exhibits at the time of the project.
3. If Grantee chooses to hire its own contractor(s), the City and its contractor(s) are responsible to coordinate with Grantee's contractor(s) to provide reasonable notice and time to complete the placement of Grantee's conduits and vaults/pedestals in the supplied joint trench.

C. Within the conversion area, Grantee shall not be responsible for any on-site coordination and performance of traffic control, trenching, backfill, and restoration, unless it is work related to solo cable trench. In those areas, Grantee shall pay the direct cost of labor and materials in accordance with the provisions listed in Section 3.4.3 B above.

3.4.4 In the event of a Local Improvement District (LID) project that requires relocation of Grantee's facilities, Grantee shall be reimbursed by the LID funding for all expenses incurred as a result of the project.

3.4.5 In the event an underground conversion of cable facilities is required as part of the street improvement condition(s) of a new subdivision and/or planned development, the developer shall be responsible for all time and material costs associated with the conditioned underground conversion of cable facilities.

3.4.6 Grantee shall utilize existing poles and conduit wherever possible.

3.5 Work of Contractors and Subcontractors. Grantee's contractors and subcontractors shall be licensed and bonded in accordance with the City's Ordinances, regulations and requirements. Work by contractors and subcontractors is subject to the same restrictions, limitations and conditions as if the work were performed by Grantee. Grantee shall be responsible for all work performed by its contractors and subcontractors and others performing work on its behalf as if the work were performed by it and shall ensure that all such work is performed in compliance with this Franchise and applicable law. Grantee

shall be jointly and severally liable for all property and personal damages and for correcting all damage caused by any contractor or subcontractor working on Grantee's behalf.

3.6 Construction and Maintenance.

- 3.6.1 Subject to applicable laws and this Franchise, Grantee shall perform all maintenance, construction, repair and upgrades necessary for the operation of its Cable System in the Rights-of-Way. All work regarding Grantee's System shall, regardless of who performs the work, be and remain Grantee's responsibility.
- 3.6.2 Grantee's Cable System shall be constructed and maintained in such a manner as not to interfere with sewers, water pipes or any other property of the City, or with any other pipes, wires, conduits, pedestals, structures or other facilities that may have been laid in Rights-of-Way by, or under, the City's authority.
- 3.6.3 Grantee shall provide and use any equipment necessary to control and carry Grantee's signals so as to prevent damage to the City's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities and equipment to keep them in good repair and in a safe and presentable condition.
- 3.6.4 Grantee's Cable System shall be located, erected and maintained so as not to endanger the lives of Persons, or to unnecessarily hinder or obstruct the free use of Rights-of-Way or other public property.
- 3.6.5 Grantee shall give reasonable notice to private property owners of construction work in adjacent Rights-of-Way.
- 3.6.6 In the event that emergency repairs are necessary, Grantee shall notify the City of the repairs made on the next business day. Grantee may initiate such emergency repairs and shall apply for appropriate permits within two (2) business days after discovery of the emergency, or as soon as reasonably practical.
- 3.7 One Call Notification. Prior to doing any work in the Rights-of-Way, Grantee shall follow established procedures, including contacting the Utility Notification Center in Washington and comply with all applicable State statutes. Grantee shall also comply with generally applicable ordinances and permitting requirements before digging in the Rights-of-Way.
- 3.8 Rights-of-Way Vacation. If any Rights-of-Way or portion thereof used by Grantee is vacated by the City during the Term of this Franchise, unless the City specifically reserves to Grantee the right to continue the use of vacated Rights-of-Way, Grantee shall, without delay or expense to the City, remove its facilities from such Rights-of-Way and restore, repair or reconstruct the Rights-of-Way where such removal has occurred. In the event of failure, neglect or refusal of Grantee to restore, repair or reconstruct such Rights-of-Way after ninety (90) Days written notice from the City, the City may do such work or cause it

to be done, and the reasonable cost thereof shall be paid by Grantee within ninety (90) Days of receipt of an invoice and documentation.

- 3.9 Standards. All work authorized and required hereunder shall be done in a safe, thorough and workmanlike manner. Grantee must comply with all federal, State and local safety requirements, rules, regulations, laws and practices, and deploy all necessary devices as required by applicable law during construction, operation and repair of its Cable System. By way of illustration and not limitation, Grantee must comply with the National Electrical Code, National Electrical Safety Code and Occupational Safety and Health Administration (OSHA) Standards in effect at the time of the work being performed.
- 3.9.1 Grantee shall ensure that all cable drops are properly bonded and grounded at the home, consistent with applicable code requirements. All non-conforming or non-performing cable drops shall be replaced by Grantee as necessary.
- 3.9.2 Grantee shall endeavor to maintain all equipment lines and facilities in an orderly manner, including, but not limited to, the removal of all bundles of unused cable.
- 3.9.3 All installations of equipment, lines and facilities shall be installed in accordance with good engineering practices and of sufficient height to comply with all federal, State and local regulations, ordinances and laws.
- 3.9.4 Any opening or obstruction in the Rights-of-Way or other public places made by Grantee in the course of its operations shall be guarded and protected at all times by the placement of adequate barriers, fences or boarding, the bounds of which, during periods of dusk and darkness, shall be clearly marked and visible at night.
- 3.9.5 Grantee and the City agree that nothing in this Franchise shall give Grantee the right to construct new poles without prior City approval. Furthermore, nothing contained in this Franchise gives Grantee a right of pole attachment to City facilities or facilities owned by third parties.
- 3.10 Stop Work. On notice from the City that any work is being conducted contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as determined by the City, or in violation of the terms of any applicable permit, laws, regulations, ordinances or standards, the work may immediately be stopped by the City. The stop work order shall:
- 3.10.1 Be in writing;
- 3.10.2 Be given to the Person doing the work and be posted on the work site;
- 3.10.3 Be sent to Grantee by overnight delivery at the address given herein;
- 3.10.4 Indicate the nature of the alleged violation or unsafe condition; and
- 3.10.5 Establish conditions under which work may be resumed.

- 3.11 Joint Trenching/Boring. To the extent it is technically and economically feasible, Grantee shall joint trench or share bores or cuts and work with other providers (such as, but not limited to, telecommunications, gas and electric companies), licensees, permittees and franchisees so as to reduce the number of Right-of-Way cuts within the City.
- 3.12 GIS Mapping. Upon thirty (30) Days written request by the City, Grantee shall provide a route map that depicts the general location of the Cable System facilities placed in the Right-of-Ways. The route map shall identify Cable System facilities as aerial or underground and is not required to depict cable types, number of cables, electronic equipment, and service lines to individual Subscribers. The Grantee shall also provide, if requested, an electronic format of the aerial/underground facilities in relations to a Right-of-Way centerline reference to allow the City to add this information to City's geographic information system (GIS) program.
- 3.13 Trimming of Trees and Shrubbery. Grantee shall have the authority to trim trees or other natural growth interfering with, damaging, or restricting access to any of its Cable System facilities in the Rights-of-Way. All such trimming shall be done at Grantee's sole cost and expense. Grantee shall be responsible for any damage caused by such trimming and shall make every attempt to trim such trees and shrubbery in a fashion that maintains their aesthetic appeal. Grantee shall comply with all local laws and regulations with respect to trimming of trees and shrubbery and with all generally applicable landscaping regulations.
- 3.14 Reservation of Rights-of-Way. Nothing in this Franchise shall prevent the City or public utilities from constructing any public work or improvement in the Public Rights-of-Way. 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.
- 3.15 Inspection of Facilities. Upon reasonable notice, the City may inspect any of Grantee's Facilities or equipment within the Rights-of-Way and on other public property. If an unsafe condition is found to exist, the City, in addition to taking any other action permitted under applicable law, may order Grantee to make the necessary repairs and alterations specified therein forthwith to correct the unsafe condition in a timely manner as directed by the City. The City has the right to inspect, repair and correct the unsafe condition if Grantee fails to do so, and to charge Grantee for the actual costs incurred to do so.
- 3.16 Removal of Property. In the event that the franchise has been terminated, Grantee shall, within 180 Days of prior written demand from the City, completely remove, at its expense, all property of Grantee's system. Post-removal, the Grantee must promptly restore the street or other affected areas to a condition satisfactory to the City.

SECTION 4. Service Obligations

- 4.1 General Service Obligation. Grantee shall make Cable Service available to every residential dwelling unit within the Franchise Area where the minimum density is at least twenty-five (25) Dwelling Units per strand mile in areas served by overhead facilities and sixty (60) Dwelling Units per strand mile in areas served by underground facilities. Subject

to this density requirement, Grantee shall offer Cable Service at standard installation rates to all new Dwelling Units or previously unserved Dwelling Units located within one hundred twenty-five (125) aerial feet or sixty (60) underground trench feet of the Grantee's distribution cable. Grantee may elect to provide Cable Service to areas not meeting the above density and distance standards. Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a line extension or a drop-in excess of the above standards. Any such additional charge shall be the fully allocated cost of the installation that exceeds the standards set forth above.

- 4.2 Obscenity. Grantee shall not transmit, or permit to be transmitted, over any Channel subject to its editorial Control any programming that is obscene under applicable federal, State or local laws.
- 4.3 Services for the Disabled. Grantee shall comply with the Americans with Disabilities Act and any amendments or successor legislation thereto.
- 4.4 Parental Control Device. Upon request by any Subscriber, Grantee shall make available at no charge a parental control or lockout device, traps or filters to enable a Subscriber to control access to both the audio and video portions of any Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter.
- 4.5 No Discrimination. Neither Grantee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area. It shall be the right of all Persons to receive all available services provided on the Cable System so long as such Person's financial, and other business obligations to Grantee are satisfied. Grantee shall not however be required to continue service to a Subscriber who cannot meet their financial obligations to Grantee or who is verbally or physically abusive, harassing, or threatening to Grantee or any of its employees, agents, representatives, contractors, subcontractors, or consultants. Nothing contained herein shall prohibit Grantee from offering bulk discounts, promotional discounts, package discounts, or other such pricing strategies as part of its business practice.
- 4.6 New Developments. The City shall provide Grantee with written notice of the issuance of formal approvals for new subdivisions and/or planned developments within the Franchise Area requiring underground installation and/or conversion of cable facilities as part of the approval condition(s). The City agrees to require the developer, as a condition of issuing land use and building permits, to give Grantee access to all open trenches for deployment of cable facilities throughout the development and at least ten (10) business days written notice of the date of availability of open trenches. The developer shall be responsible for the digging and backfilling of all trenches. Grantee shall be responsible for engineering and deployment of labor relative to its installation of cable facilities within the development.

SECTION 5. Rates, Fees, Charges and Deposits

- 5.1 Rate and Service Change Notification. Grantee shall provide advance notice of any changes in rates and services consistent with applicable federal law, including but not limited to 76.1603, as amended from time to time.
- 5.2 No Rate Discrimination. All rates and charges shall be published (in the form of a publicly available rate card) and shall be nondiscriminatory for all Persons of similar classes, under similar circumstances and conditions and without regard to neighborhood or income. Nothing herein shall be construed to prohibit:
- 5.2.1 The temporary reduction or waiving of rates or charges in conjunction with valid promotional campaigns;
- 5.2.2 The offering of reasonable discounts to similarly situated Persons;
- 5.2.3 The offering of bulk discounts for multiple Dwelling Units.
- 5.3 Low Income Discount. Grantee has historically granted a 30% discount to Subscribers who are low income and are aged 65 years or older or disabled to its Basic Cable Service (provided they are not already receiving a package discount and provided further they are the legal owner or lessee/tenant of the dwelling unit). Grantee, as a voluntary initiative, is encouraged to continue to offer a discount to these individuals. For purposes of this discount, Subscribers are considered low income if their combined disposable income from all sources does not exceed the Housing and Urban Development Standards for the Seattle/Everett Area for the current and preceding calendar year. As of the Effective Date of this Franchise, Grantee is offering this low income discount as described herein.
- 5.4 Leased Access Channel Rates. Grantee shall offer Leased Access Channel capacity on such terms and conditions and rates as may be negotiated with each lessee, subject to the requirements of Section 612 of the Cable Act. Upon request, Grantee shall provide a complete schedule of current rates and charges for any and all Leased Access Channels or portions of such Channels.
- 5.5 Late Fees. For purposes of this subsection, any assessment, charge, cost, fee or sum, however characterized, that Grantee imposes upon a Subscriber solely for late payment of a bill is a late fee and shall be applied in accordance with State law.

SECTION 6. Customer Service

- 6.1 Customer Service Standards. Grantee shall comply in all respects with the customer service standards set forth in Part 76, §76.309 of the FCC's rules and regulations, as amended from time to time.
- 6.2 Privacy Protection. Grantee shall comply with all applicable federal and State privacy laws, including Section 631 of the Cable Act and regulations adopted pursuant thereto.

SECTION 7. Oversight and Regulation

- 7.1 **Franchise Fees.** Grantee shall pay to the City a Franchise Fee in an amount equal to five percent (5%) of Gross Revenues derived from the operation of the Cable System to provide Cable Service in the Franchise Area (“Franchise Fee”). In accordance with Title VI of the Cable Act, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year provided, however, that Grantee shall not be compelled to pay any higher percentage of Franchise Fees than any other Cable Operator providing Cable Service in the same portion of the Franchise Area. If during the Term of this Franchise, the FCC, federal or State government, or the courts change the amount an City can collect for Franchise Fees, then this Franchise shall be amended and such change shall be imposed on all similarly situated Cable Operators operating in the same portion of the Franchise Area. Franchise Fees are not a tax.
- 7.2 **Payments.** The payment of Franchise Fees shall be made on a quarterly basis and shall be due forty-five (45) Days after the close of each calendar quarter. Grantee shall be allowed to submit or correct any payments that were inadvertently omitted, provided such correction is made within ninety (90) Days following the close of the calendar quarter for which such payments were applicable, without incurring any interest expenses pursuant to Section 7.5. At City’s option, if there are overpayments of Franchise Fees, City may choose to either refund any such overpayments to Grantee, or Grantee shall withhold future Franchise Fee payments until such time as said overpayment is recovered. If City chooses the option to refund such overpayments, then no interest shall accrue on such overpayments provided City refunds the overpayments within sixty (60) Days notice from Grantee. Notwithstanding the foregoing, the parties may agree on a different timeframe or terms of repayment.
- 7.3 **Additional Compensation.** In the event that Franchise Fees are prohibited by any law or regulation, Grantee shall pay to the City that amount, if any, which is required in accordance with applicable law.
- 7.4 **Quarterly Reports.** Each Franchise Fee payment shall be accompanied by a report prepared by a representative of Grantee showing the basis for the computation of the Franchise Fees paid during that period.
- 7.5 **Interest Charge on Late Payments.** Late payments for any Franchise Fees due pursuant to this Section, EG Fees due pursuant to Section 11.6 and liquidated damages due pursuant to Section 13.1.1 shall be subject to interest at the then-current rate set forth in RCW 19.52.020, which as of the date of execution of this Franchise is twelve percent (12%) per annum from the date that such payment is due.
- 7.6 **No Release.** The City’s acceptance of payment shall not be construed as an agreement that the amount paid was correct, nor shall acceptance be construed as a release of any claim which the City may have for additional sums due under this Franchise. The period of limitation for recovery of Franchise Fees payable hereunder shall be six (6) years from the date on which payment by Grantee was due.

7.7 No Limitation on Taxing Authority. Nothing in this Franchise shall be construed to limit any authority of the City to impose any tax, fee, or assessment of general applicability. Nothing in this Franchise is intended to preclude Grantee from exercising any right it may have to challenge the lawfulness of any tax, fee, or assessment imposed by the City or any State or federal agency or authority, or intended to waive any rights the Grantee may have under 47 U.S.C. § 542.

7.8 Additional Commitments Not Franchise Fees.

The PEG Capital Contribution pursuant to Section 11.6, as well as any charges incidental to the awarding or enforcing of this Franchise (including, without limitation, payments for bonds, security funds, letters of credit, insurance, indemnification, penalties or liquidated damage) and Grantee's costs of compliance with Franchise obligations (including, without limitation, compliance with customer service standards and build out obligations) shall not be offset against Franchise Fees. Furthermore, the City and Grantee agree that any local tax of general applicability shall be in addition to any Franchise Fees required herein, and there shall be no offset against Franchise Fees. Notwithstanding the foregoing, Grantee reserves all rights to offset cash or non-cash consideration or obligations from Franchise Fees, consistent with applicable law. The City likewise reserves all rights it has under applicable law. Should Grantee elect to offset the items set forth herein, or other franchise commitments against the Franchise Fees in accordance with applicable law, including any Orders resulting from the FCC, Grantee shall provide the City advance written notice and time to make an election as to an offset from franchise fees or modification of the obligation as set forth in applicable law but not to exceed 120 Days.

7.9 Franchise Fee Audit

7.9.1 Upon thirty (30) Days prior written notice, but not more often than once each calendar year, the City shall have the right to inspect Grantee's financial records necessary to enforce the provisions of the Franchise and to calculate any amounts determined to be payable pursuant to this Franchise. Provided Grantee cooperates in making all relevant records available upon request, the City will in good faith attempt to complete each audit within six (6) months, and the audit period shall not be any greater than the previous three (3) years, unless the City has information relating to previous years beyond the three (3) years which, in its reasonable judgment, raises doubt as to the accuracy of payments made under this or previous franchises, in which case an additional three (3) years may be audited. If the audit shows that there has been an underpayment of Franchise Fees by five percent (5%) or more in a calendar year, then Grantee shall pay the cost of the audit, such amount not to exceed Fifteen Thousand Dollars (\$15,000).

7.9.2 Upon the completion of any such audit by the City, the City shall provide to Grantee a final report setting forth the City's findings in detail, including any and all substantiating documentation. In the event of an alleged underpayment, Grantee shall have thirty (30) Days from the receipt of the report to provide the City with a written response agreeing to or refuting the results of the audit, including any

substantiating documentation. Based on these reports and responses, the parties shall seek to agree upon a “Final Settled Amount.” For purposes of this Section, the term “Final Settled Amount(s)” shall mean the agreed upon underpayment, if any, by Grantee to the City. If the parties cannot agree on a “Final Settled Amount,” either party may bring an action to have the disputed amount determined by a court of law.

7.9.3 Any “Final Settled Amount(s)” due to the City as a result of such audit shall be paid to the City by Grantee within sixty (60) Days from the date the parties agree upon the “Final Settled Amount.” Once the parties agree upon a Final Settled Amount and such amount is paid by Grantee, the City shall have no further rights to audit or challenge the payment for that period. If it was found that there was an underpayment of Franchise Fees pursuant to this Section, Grantee shall pay, in addition to the amount due, interest, calculated from the date the underpayment was originally due until the date payment is made by Grantee.

7.9.4 In the event the “Final Settled Amount(s)” is an overpayment by Grantee, the City shall either reimburse Grantee within sixty (60) Days of the date the parties agree upon the Final Settled Amount or, upon Grantee’s approval, the City may choose to have Grantee withhold future Franchise Fee payments until such time as said overpayment is recovered. If the City fails to refund the overpayment to Grantee within sixty (60) Days, then interest at the rate specified in Section 7.5 shall accrue beginning on the sixty-first (61st) day following the determination of the Final Settled Amount.

7.10 Maintenance of Books, Records, and Files.

7.10.1 Books and Records. Throughout the Term of this Franchise, Grantee agrees that the City, upon reasonable prior written notice to Grantee, may review Grantee’s books and records necessary to determine compliance with the terms of this Franchise. The review of such books and records shall occur at Grantee’s business office (unless a substitute location is otherwise agreed upon), during normal business hours, and without unreasonably interfering with Grantee’s business operations. Such books and records shall include any records required to be kept in a public file by Grantee pursuant to the rules and regulations of the FCC. All such documents pertaining to financial matters that may be the subject of an inspection by the City shall be retained by Grantee for a minimum period of six (6) years.

7.10.2 File for Public Inspection. Throughout the Term of this Franchise, Grantee shall maintain a file available for public inspection which shall include all documents required pursuant to the FCC’s rules and regulations. The public inspection file shall be maintained at Grantee’s business office and will be available to the public during normal business hours.

7.10.3 Proprietary Information. Notwithstanding anything to the contrary set forth in this Section, Grantee shall not be required to disclose information that it reasonably

deems to be proprietary or confidential in nature. The City agrees to treat any information disclosed by Grantee as confidential and only to disclose it to those employees, representatives, and agents of the City that have a need to know in order to enforce this Franchise and who agree to maintain the confidentiality of all such information. Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act or any other applicable federal or State privacy law. For purposes of this Section 7.10, the terms “proprietary or confidential” include, but are not limited to, information relating to the Cable System design, Customer lists, marketing plans, financial information unrelated to the calculation of Franchise Fees or rates pursuant to FCC rules, or other information that is reasonably determined by Grantee to be competitively sensitive.

7.10.4 Public Records Act. Notwithstanding anything to the contrary set forth in this Section, Grantee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature. That said, Grantee does agree to provide all information reasonably required to verify compliance with the material terms of the Franchise. The City agrees to keep confidential any proprietary or confidential books or records to the extent permitted by law. Grantee shall be responsible for clearly and conspicuously identifying the work confidential or proprietary and shall provide a brief written explanation as to why such information is confidential and how it may be treated as such under State or federal law. If the City receives a demand from any Person for disclosure of any information designated by Grantee as confidential, the City shall promptly advise Grantee and provide Grantee with a copy of any written request by the party demanding access to such information so that Grantee can take appropriate steps to protect its interests within ten (10) business days of receiving notification of the City’s intended disclosure. Nothing in the Section 7.2 prohibits the City from complying with RCW 42.56, or any other applicable law or court order requiring the release of public records, and the City shall not be liable to Grantee for compliance with any law or court order requiring the release of public records. The City shall comply with any injunction or court order requested by Grantee which prohibits the disclosure of any such confidential records; however, in the event a higher court overturns such injunction or court order, Grantee shall reimburse the City for any fines or penalties imposed for failure to disclose such records.

7.10.5 Records Required. Upon written request, but no more frequently than once a year, City may request a report which may include any or all of the following, depending on the needs of the City:

- (A) Records of all written complaints received by Grantee for a period of up to three (3) years. The term “complaint” as used herein refers to escalated concerns about any aspect of the Cable System or Grantee’s cable operations;
- (B) Records of outages for the previous year, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

(C) Records of service calls for repair and maintenance for the previous year, indicating the date and time service was required, the date of acknowledgment, the date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

(D) Records of installation/reconnection and requests for service extension for the previous year, indicating the date of request, date of acknowledgment, and the date and time service was extended;

(E) If specifically requested by the City:

1. The most recent annual report Grantee filed with the FCC.
2. The number of Subscribers with Basic Service; and

(F) Such other reports with respect to its local operation as are necessary to monitor compliance with this Franchise.

7.11 Performance Evaluations. Upon written notification, the City may hold performance evaluation sessions no more than once every twelve months to ensure proper performance of the provisions of this Franchise.

7.11.1 All evaluation sessions shall be open to the public.

7.11.2 Topics which may be discussed at any evaluation session include issues surrounding Grantee's performance of the terms and conditions of this Franchise and such other matters related to the provision of Cable Services, provided nothing in this subsection shall be construed as requiring the renegotiation of this Franchise, or any provision, term, or condition therein, and further provided that this subsection 7.11 need not be followed before other legal or equitable remedies within this Franchise may be sought.

7.11.3 Grantee agrees to participate in such evaluation sessions described in this Section 7.11 in good faith.

SECTION 8. Transfer or Renewal of Franchise

8.1 Franchise Transfer. Subject to Section 617 of the Cable Act, the Cable System and this Franchise shall not be sold, assigned, transferred, leased or disposed of, either in whole or in part, either by involuntary sale or by voluntary sale, merger or consolidation; nor shall title thereto, either legal or equitable, or any right, interest or property therein pass to or vest in any Person (hereinafter "Transfer of the Franchise") without the prior written consent of the City, which consent shall not be unreasonably withheld.

8.1.1 Grantee shall promptly notify the City of any actual or proposed change in, or transfer of, or acquisition by any other party of Control of Grantee. The word "control" as used herein is not limited to majority stock ownership but includes

actual working Control in whatever manner exercised. Every change, transfer or acquisition of Control of Grantee, except as noted in Section 8.1.7, shall make this Franchise subject to cancellation unless and until the City shall have consented thereto which consent shall not be unreasonably withheld.

- 8.1.2 The parties to the Transfer of the Franchise or change of Control shall make a written request to the City for its approval of the Transfer of the Franchise or change of Control and shall furnish all information required by applicable law. In reviewing a request related to a Transfer of the Franchise or change in Control, the City may inquire into any matter reasonably related to the ability and willingness of the prospective transferee or controlling party to perform, in accordance with 47 CFR § 76.502.
- 8.1.3 In seeking the City's consent to any change in ownership or Control, the proposed transferee or controlling party shall indicate whether, as applicable, it:
- (A) Has ever been convicted or held liable for acts involving deceit including any violation of federal, State or local law, or is currently under an indictment, investigation or complaint charging such acts;
 - (B) Has ever had a judgment in an action for fraud, deceit, or misrepresentation entered against it by any court of competent jurisdiction;
 - (C) Has pending any material legal claim, lawsuit, or administrative proceeding arising out of or involving a Cable System;
 - (D) Is financially solvent, by submitting financial data, including financial information as required by FCC Form 394; and
 - (E) Has the legal, financial and technical capability to enable it to maintain and operate the Cable System for the remaining Term of the Franchise.
- 8.1.4 In reviewing a request for the Transfer of the Franchise or change of Control, the City may inquire into the legal, technical and financial qualifications of the prospective controlling party or transferee, and Grantee shall assist the City in so inquiring. The City may condition said Transfer of the Franchise or change of Control upon such terms and conditions as it deems reasonably appropriate and as are consistent with federal law; provided, however, that any such terms and conditions so attached shall be related to the legal, technical and financial qualifications of the prospective controlling party or transferee. Additionally, such Person shall effect changes as promptly as practicable in the operation of the Cable System, if any changes are necessary to cure any violations or defaults presently in effect or ongoing.
- 8.1.5 The City shall act by ordinance or resolution on the request within one hundred twenty (120) Days of the request, provided it has received all information required

by law, such as a completed FCC Form 394. Subject to the foregoing, if the City fails to render a final decision on the request within one hundred twenty (120) Days, such request shall be deemed granted unless the requesting party and the City agree to an extension of time.

- 8.1.6 Within sixty (60) Days of Closing of any Transfer of the Franchise or change of Control, if approved or deemed granted by the City, Grantee shall file with the City a copy of the deed(s), agreement(s), lease(s) or other written instrument(s) evidencing such Transfer of the Franchise or change of Control, certified and sworn to as correct by Grantee and the transferee or new controlling entity. In the case of a Transfer of the Franchise or change of Control, the transferee or the new controlling entity shall upon request by the City file its written acceptance agreeing to be bound by all of the provisions of this Franchise, subject to applicable law.
- 8.1.7 Notwithstanding anything to the contrary in this Section 8.1, the prior approval of the City shall not be required for any sale, assignment or transfer of the Franchise or Cable System to an Affiliate; provided that the proposed assignee or transferee agree in writing to comply with all of the provisions of the Franchise, subject to applicable law. Further, Grantee may pledge the assets of the Cable System for the purpose of financing without the consent of the City; provided that such pledge of assets shall not impair or mitigate Grantee's responsibilities and capabilities to meet all of its obligations under the provisions of this Franchise. In the event of a change in Control, the Grantee will continue to be bound by all provisions of the Franchise.
- 8.1.8 The consent or approval of the City to any Transfer of the Franchise or change in Control shall not constitute a waiver or release of any rights of the City.

8.2 Renewal of Franchise.

- 8.2.1 The City and Grantee agree that any proceedings undertaken relative to the renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, as amended from time to time.
- 8.2.2 In addition to the procedures set forth in Section 626 of the Cable Act, the City shall notify Grantee of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Grantee under the current Franchise Term. The City further agrees that such assessments shall be provided to Grantee promptly so that Grantee has adequate time to submit a proposal under Section 626 of the Cable Act.
- 8.2.3 Notwithstanding anything to the contrary, Grantee and the City further agree that at any time during the Term of the current Franchise, while affording the public appropriate notice and opportunity to comment, the City and Grantee may agree to undertake and finalize informal negotiations regarding renewal of the Franchise and the City may grant a renewal thereof.

SECTION 9. Insurance and Indemnity9.1 Insurance Requirements.

9.1.1 General Requirement. Grantee shall maintain in full force and effect at its own cost and expense each of the following policies of insurance:

(A) Commercial General Liability coverage for bodily injury, personal injury, and property damage with limits of no less than two million dollars (\$2,000,000) per occurrence.

(B) Commercial Automobile Liability Insurance with minimum combined single limits of at least two million dollars (\$2,000,000) per occurrence.

(C) Employer's Liability with limits of at least one million dollars (\$1,000,000).

(D) Umbrella/Excess Liability Coverage in the amount of three million dollars (\$3,000,000).

(E) Workers' Compensation insurance shall be maintained during the Term of this Franchise to comply with State law.

9.1.2 Additional Insured. The City shall be included as an additional insured under each of the insurance policies required in this Section except Workers' Compensation and Employer's Liability Insurance. Except for Workers' Compensation and Employer's Liability Insurance, all insurance policies required hereunder shall provide or be endorsed so that the City is covered as, and have the rights of, an additional insured with respect to liability arising out of activities performed by, or on behalf of, Grantee under this Franchise or applicable law, or in the construction, operation, upgrade, maintenance, repair, replacement or ownership of the Cable System. Grantee shall provide to the City either (1) a true copy of an endorsement covering City as an Additional Insured for each insurance policy required in this Section and providing that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by City of any certificate showing less coverage than required is not a waiver of Grantee's obligations to fulfill the requirements. Grantee's insurance coverage shall be primary insurance with respect to the City. Any insurance or self-insurance maintained by the Additional Insureds shall be in excess of Grantee's insurance and shall not contribute to it. Grantee's insurance shall apply separately to each insured against whom a claim is made or lawsuit is brought, except with respect to the limits of the insurer's liability.

9.1.3 Each policy shall provide that the insurance shall not be canceled or terminated so as to be out of compliance with these requirements without forty-five (45) Days written notice first provided to the City via mail, and ten (10) Days notice for nonpayment of any premium. If the insurance is canceled or terminated so as to be

out of compliance with the requirements of this Franchise, Grantee shall provide a replacement policy. Grantee agrees to maintain continuous uninterrupted insurance coverage, in at least the amounts required, until all work required to be performed under the terms of this Franchise is satisfactorily completed and, in the case of Commercial General Liability Insurance, for at least one (1) year after expiration of this Franchise. Any failure of Grantee to comply with the claim reporting provisions of the policy(ies) or any breach of an insurance policy warranty shall not affect coverage afforded under the policy to protect the City. However, if coverage is not afforded under these circumstances, Grantee will indemnify the City for losses the City otherwise would have been covered for as an additional insured.

9.1.4 Grantee shall not cancel any required insurance policy without obtaining alternative insurance in conformance with this Franchise. Each of the required insurance policies shall be with sureties qualified to do business in the State of Washington with an A- or better rating for financial condition and financial performance by Best Key Rating Guide, Property/Casualty Edition.

9.2 Verification of Coverage. In addition to the other requirements of this Section, Grantee shall furnish the City with certificates of insurance reflecting at least the minimum coverage and policy limits required hereunder. The certificates for each insurance policy are to be on standard forms or such forms as are consistent with standard industry practices, and are to be received by the City within forty-five (45) Days of the time of acceptance of this Franchise by Grantee with existing insurance coverage to be maintained by Grantee until that date. Grantee hereby warrants that its insurance policies satisfy the requirements of this Franchise.

9.3 Indemnification.

9.3.1 Indemnity. Grantee agrees to indemnify, save and hold harmless, and defend the City, its elected officials, officers, authorized agents, boards and employees, acting in official capacity, from and against any liability, damages or claims, costs, expenses, settlements or judgments arising out of, or resulting from the granting of this Franchise or Grantee's activities, any casualty or accident to Person or property that occurs as a result of any construction, excavation, operation, maintenance, reconstruction or any other act done pursuant to the terms of this Franchise, provided that the City shall give Grantee prompt written notice of its obligation to indemnify the City. Notwithstanding the foregoing, Grantee shall not indemnify the City for any damages, liability or claims resulting from the willful misconduct, concurrent negligence, or breach of obligation of the City, its officers, authorized agents, employees, attorneys, consultants, or independent contractors for which the City is legally responsible, or for any activity or function conducted by any Person other than Grantee in connection with EG Access or EAS.

9.3.2 Defense of Claims. With respect to Grantee's indemnity obligations set forth in this Section 9.3, Grantee shall provide the defense of any claims or actions brought against the City. Nothing herein shall be deemed to prevent the City from

cooperating with Grantee and participating in the defense of any litigation by its own counsel at its own cost and expense; provided, however, that after consultation with the City, Grantee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Grantee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the City, and the third party is willing to accept the settlement, but the City does not consent to the terms of any such settlement or compromise, Grantee shall not settle the claim or action, but its obligation to indemnify the City shall in no event exceed the amount of such settlement.

- 9.3.3 Separate Representation. If separate representation to fully protect the interests of both parties is necessary, such as a conflict of interest between the City and the counsel selected by Grantee to represent the City, Grantee shall select other counsel without conflict of interest with the City.
- 9.3.4 Indemnification for Relocation. Subject to applicable law, Grantee shall indemnify the City for any damages, claims, additional costs or expenses assessed against, or payable by, the City related to, arising out of, or resulting from Grantee's failure to remove, adjust or relocate any of its facilities in the Rights-of-Way in accordance with this Franchise.
- 9.3.5 Duty of Defense. The fact that Grantee carries out any activities under this Franchise through independent contractors shall not constitute an avoidance of or defense to Grantee's duty of defense and indemnification under this Section 9.3.
- 9.3.6 Indemnification of Grantee. To the extent permitted by law, the City shall indemnify, defend and hold harmless Grantee for claims arising out of the City's use of the EG Access Channels and/or the Emergency Alert System.
- 9.3.7 Grantee's Further Responsibilities. Grantee shall indemnify and hold harmless the City from any workers' compensation claims to which Grantee may become subject during the Term of this Franchise. It is further specifically and expressly understood that, solely to the extent required to enforce the indemnification provided per this Franchise, Grantee waives its immunity under RCW Title 51; provided, however, the foregoing waiver shall not in any way preclude Grantee from raising such immunity as a defense against any claim brought against Grantee by any of its employees or other third party. This waiver has been mutually negotiated by the parties.
- 9.3.8 Concurrent Negligence. In the event that a particular activity conducted under this Franchise is subject to RCW 4.24.115, this Section 9.3.8 shall apply. Liability for damages arising out of bodily injury to persons, death, or damages to property caused by or resulting from the concurrent negligence of the Grantee and the City, Grantee's liability shall be only to the extent of Grantee negligence.

- 9.4 Security. Grantee shall provide a performance bond in the amount of twenty thousand dollars (\$20,000) (the “Security”) to ensure the faithful performance of its responsibilities under this Franchise and applicable law. Grantee may be required to obtain additional security, such as generally applicable construction bonds, in accordance with the City’s permitting requirements. Grantee shall pay all premiums or costs associated with maintaining the Security, and shall keep the same in full force and effect at all times. Except as expressly provided herein or as otherwise specified in the City’s construction permitting requirements, the Grantee shall not be required to obtain or maintain other security as a condition of being awarded the Franchise. System Description and System Facilities.

SECTION 10. System Description and System Facilities.

- 10.1 System Description. Prior to the Effective Date of this Franchise, Grantee undertook a voluntary upgrade of its Cable System to a hybrid fiber coaxial (HFC) fiber-to-the-node system architecture, with fiber optic cable deployed from its headend to nodes and tying into a coaxial system serving Subscribers. The Cable System is capable of delivering high quality signals that meet or exceed FCC technical quality standards regardless of any particular manner in which the signal is transmitted.
- 10.2 Technological Improvements. Throughout the Term of this Franchise, Grantee shall incorporate improvements in technology as necessary to reasonably meet the needs and interests of the community, in light of the cost thereof.
- 10.3 Technical Requirement. Grantee shall operate, maintain and construct the Cable System so as to continue the provision of high quality signals and reliable delivery of Cable Services. The Cable System shall meet or exceed any and all technical performance standards of the FCC, the National Electrical Safety Code, the National Electrical Code, and any other applicable federal law and the laws of the State of Washington, as amended (the “Technical Requirements”).
- 10.4 Cable System Performance Testing. Grantee shall perform all tests on its Cable System as required by the FCC and shall maintain written records of its test results. Copies of such test results will be provided to the City upon request. If the Cable System fails to meet any portion of a test, Grantee shall promptly take such measures as are necessary to correct any performance deficiencies identified as part of the technical testing. Sites shall be re-tested within five (5) Days following correction until correction has been confirmed and satisfactory results are obtained.
- 10.5 Additional Tests. Where there exists a pattern of poor technical performance or signal quality, the City may upon thirty (30) Days prior written notice, require Grantee to conduct performance testing. Grantee shall fully cooperate with the City in performing such testing and shall prepare the results and a report if requested, within thirty (30) Days after such testing. This report shall include the following information:

10.5.1 The nature of the complaint or problem which precipitated the special tests;

- 10.5.2 The Cable System component tested;
- 10.5.3 The equipment used and procedures employed in testing;
- 10.5.4 The method, if any, in which such complaint or problem was resolved; and
- 10.5.5 Any other information pertinent to said tests and analysis which may be required.
- 10.6 Standby Power. Grantee shall provide standby power generating capacity at the Cable System Headend capable of providing at least twelve (12) hours of emergency operation. Grantee shall maintain standby power supplies that supply back-up power for at least two (2) hours duration throughout the distribution networks and four (4) hours duration at all nodes and hubs.
- 10.7 Emergency Alert System. The Grantee shall provide an operating Emergency Alert System (EAS) in accordance with the provisions of State and federal laws, including FCC regulations.

SECTION 11. Educational and Governmental Access

- 11.1 Access Channels. In order to meet the demonstrated community need for Access Channels and programming, Grantee shall continue to make one Governmental Access Channel and one Educational Access Channel available to the City for its use throughout the Term of this Franchise. Access Channel(s) shall be made available at no extra charge to Subscribers on Grantee's lowest tier of service.
- 11.2 Change in Cable System Technology. In the event Grantee makes any change in the Cable System technology, which affects the signal quality or transmission of any Access Channel programming, Grantee shall take all necessary technical steps to ensure the delivery of Access programming is not diminished or adversely affected.
- 11.3 Management and Control of Access Channels. Grantee does not have any editorial Control over the Access Channel programming. The City may authorize Designated Access Providers to Control, operate, and manage the use of any and all Access facilities provided by Grantee under this Franchise, including, without limitation, the operation of the Access Channels. The City or its designee may formulate rules for the operation of the Access Channels. Nothing herein shall prohibit the City from authorizing itself to be a Designated Access Provider. Grantee shall cooperate with City and Designated Access Providers in the use of the Cable System for the provision of Access Channels.
- 11.4 Underutilized Access Channels. Grantee and the City agree that it is their mutual goal to fully and efficiently use the Channel capacity of the Cable System, which may include Grantee's use of underutilized Access Channels. If Grantee believes that any Access Channel is underutilized, it may file a request with the City to use that Access Channel. The City shall in its sole discretion render a decision regarding the matter within sixty (60) Days of receiving the request. Should the City find that the Access Channel may be used by Grantee, then Grantee may begin using such Channel ninety (90) Days after receipt of

the decision. If a Designated Access Provider wants to begin using the Channel and has adequate amounts of programming to place on the Channel, then upon sixty (60) Days written notice from the City, Grantee shall discontinue using the Access Channel.

- 11.5 Access Channel Location. Grantee will use reasonable efforts to minimize the movement of Access Channel assignments. Grantee shall provide to the City a minimum of sixty (60) Days notice, and use its best efforts to provide ninety (90) Days notice, prior to any relocation of its Access Channels, unless the change is required by federal law, in which case Grantee shall give the City the maximum notice possible. In the event of Access Channel relocation, Grantee shall provide notice to Subscribers in the same manner as notice is provided for any other Channel relocation.
- 11.6 Support for Access Capital Costs. In an effort to meet the demonstrated community need for Access programming, Grantee shall collect from Subscribers and remit to the City an EG Fee that may be used for Access related capital expenditures, such as production equipment or a studio.
- 11.6.1 As of the Effective Date of the Franchise, Grantee currently collects from Subscribers an amount of fifteen (\$.15) per month (“EG Fee”) in support of Access related capital expenditures. Upon 90 Days from the written notice, Grantee shall collect from Subscribers an amount twenty-five (\$.25) cents per Subscriber per month (“EG Fee”). Subsequently, this EG Fee amount may be modified or waived by the City as determined by the City Council no more than once each year, and the EG Fee shall be no greater than twenty-five (\$0.25) cents per Subscriber per month in the Franchise Area. Grantee shall remit the EG Fee at the same time as quarterly Franchise Fee payments.
- 11.6.2 Grantee shall not be responsible for paying the EG Fees with respect to gratis or Bad Debt accounts. The City can inquire as to the status of any such accounts, and Grantee agrees to meet with the City, upon request, to discuss such matters as necessary.
- 11.6.3 The City shall have the discretion to allocate the EG Fees in accordance with applicable law and shall submit a summary of capital expenditures from the EG Fees to Grantee within sixty (60) Days of the end of each calendar year. The summary shall include financial information showing all EG Fees received, EG expenses used for EG Access purposes and the ending balance.
- 11.6.4 To the extent the City makes Access capital investments using City funds prior to receiving the EG Fees, the City is entitled to apply the EG Fee payments from Grantee toward such City capital investments necessary for the programming of its Access Channels. The City and Grantee agree that any EG Fees shall be referred to on Subscribers’ bills as an “EG Fee,” or language substantially similar thereto.
- 11.6.5 The EG Fees provided for in this Section shall not be offset or credited against any Franchise Fee payments.

11.7 Return Connectivity.

11.7.1 Prior to the commencement of this Franchise, Grantee constructed and has maintained a fiber optic return line from City's EG origination site, 17500 Midvale Ave N, Shoreline WA, to its headend. Upon written request of the City, Grantee may construct and maintain additional EG origination sites at other locations within the Franchise Area, for the purpose of delivering Access programming. All costs for fiber optic connectivity to additional EG origination sites shall be paid by the City in advance of construction. All requests for construction of additional EG origination sites must be made one year prior to when construction would occur. Grantee may require that a reasonable deposit of the estimated project cost be paid in advance.

11.7.2 Upon completion of the requested work by the City and upon submission by Grantee of a proper invoice for payment of the cost incurred, City shall pay Grantee within thirty (30) Days of receipt. All work shall be performed in a cost-effective manner to minimize the costs to the City.

SECTION 12. Enforcement of Franchise

12.1 Notice of Violation or Default. In the event the City believes that Grantee has not complied with a term or provision of the Franchise, the City shall informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem within a reasonable time frame, the City shall then notify Grantee in writing of the exact nature of the alleged noncompliance (the "Noncompliance Notice").

12.2 Grantee's Right to Cure or Respond. Grantee shall have thirty (30) Days from the receipt of the City's Noncompliance Notice: (A) to respond to the City, contesting the assertion of the alleged noncompliance or default; (B) to cure such default; or (C) in the event that, by nature of the default, such default cannot be cured within the thirty (30) Day period, initiate reasonable steps to remedy such default and notify the City of the steps being taken and the projected date that they will be completed.

12.3 Public Hearing. In the event Grantee fails to respond to the City's Noncompliance Notice or that the alleged default is not remedied within thirty (30) Days or the date projected by Grantee (provided such projection is also acceptable to the City), the City may schedule a public hearing to investigate the alleged default. Such public hearing may be held no less than thirty (30) business days therefrom. The City shall notify Grantee in writing of the time and place of such hearing and provide Grantee with a reasonable opportunity to be heard, to present evidence in its defense, and to question witnesses.

12.4 Options Following Public Hearing. If, after the hearing, the City determines that a default exists, Grantee and the City may agree on a plan and schedule to cure the default. Absent such agreement, the City shall order Grantee to correct or remedy the default or breach within such reasonable timeframe as the City shall determine. In the event Grantee does not cure the default within such time to the City's reasonable satisfaction, the City may:

12.4.1 Pursue the revocation of this Franchise pursuant to the procedures in Section 13 in the event of a material breach of this Franchise; or

12.4.2 Pursue any other legal or equitable remedy available under this Franchise or any applicable law.

SECTION 13. Liquidated Damages

13.1 Liquidated Damages. The City and Grantee recognize the delays, expense and unique difficulties involved in proving in a legal proceeding the actual loss suffered by the City as a result of Grantee's breach of certain provisions of this Franchise. Accordingly, instead of requiring such proof, the City and Grantee agree that Grantee shall pay to the City, the sums set forth below for each Day or part thereof that Grantee shall be in breach of specific provisions of this Franchise. Such amounts are agreed to by both parties as a reasonable estimate of the actual damages the City would suffer in the event of Grantee's breach of such provisions of this Franchise.

13.1.1 Subject to the provision of written notice to Grantee and a thirty (30) Day right to cure period, the City may assess against Grantee liquidated damages as follows: one hundred dollars (\$100.00) per Day for failure to provide the Access Channel(s); one hundred fifty dollars (\$150.00) per Day for each material violation of the Customer Service Standards; fifty dollars (\$50.00) per Day for failure to provide reports or notices as required by this Franchise; and up to two hundred dollars (\$200.00) per Day for any other material breaches of the Franchise.

13.1.2 City shall provide Grantee a reasonable extension of the thirty (30) Day right to cure period described in Section 13.1.1 if Grantee has commenced work on curing the violation, is diligently and continuously pursuing the cure to completion and requested such an extension, provided that any such cure is completed within one hundred and twenty (120) Days from the written notice of default.

13.1.3 If liquidated damages are assessed by the City, Grantee shall pay any liquidated damages within forty-five (45) Days after they are assessed. Liquidated damages may be assessed for no more than seventy-five (75) Days for any individual incident.

13.1.4 In the event Grantee fails to cure within the specified cure period, or any agreed upon extensions thereof, liquidated damages accrue from the date the City notifies Grantee that there has been a violation.

13.2 Recovery of Amounts. The recovery of amounts under Section 9.4 and 13.1.1 shall not be construed as a limit on the liability of Grantee under the Franchise or an excuse of unfaithful performance of any obligation of Grantee. Similarly, the imposition of liquidated damages is not intended to be punitive, but rather, for City cost recovery purposes.

SECTION 14. Termination of Franchise

- 14.1 Revocation. This Franchise may be revoked and all rights and privileges rescinded if:
- 14.1.1 There is an uncured violation of any material obligation under this Franchise;
 - 14.1.2 Grantee attempts to evade any material provision of this Franchise or to practice any fraud or deceit upon the City or Subscribers;
 - 14.1.3 Grantee makes a material misrepresentation of fact in the negotiation of this Franchise;
 - 14.1.4 There is a foreclosure or involuntary sale of the Cable System;
 - 14.1.5 Grantee willfully fails to provide services as specified in this Franchise;
 - 14.1.6 Grantee becomes insolvent or if there is an assignment for the benefit of Grantee's creditors; or
 - 14.1.7 There is a pattern or practice of material violation of any requirement of this Franchise.
- 14.2 Grantee Without Fault. Notwithstanding Section 14.1, none of the foregoing shall constitute a material violation or breach if Grantee is without fault or if the violation or breach occurs as a result of circumstances beyond Grantee's reasonable Control. Grantee shall bear the burden of proof in establishing the existence of such circumstances.
- 14.3 Revocation Notice. Should the City seek to revoke this Franchise after following the procedures set forth in this Section 14, the City shall give written notice to Grantee of such intent to revoke this Franchise. This notice of intent to revoke ("Revocation Notice") is in addition to the Noncompliance Notice pursuant to Section 12.1. The Revocation Notice shall set forth the specific nature of the noncompliance. Grantee shall have thirty (30) Days from receipt of such Revocation Notice to object in writing and to state its reasons for such objection. In the event the City has not received a satisfactory response from Grantee, it may then seek revocation of the Franchise at a hearing in front of the City's Hearing Examiner (the "Revocation Hearing"). The City shall cause to be served upon Grantee at least thirty (30) Days prior to the Revocation Hearing a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.
- 14.4 Revocation Hearing. At the Revocation Hearing, Grantee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the testimony of Persons as permitted by law, and to question and/or cross examine witnesses. The Revocation Hearing shall be on the record and a written transcript shall be made available to Grantee within ten (10) business days.

- 14.5 Findings and Conclusions. Following the Revocation Hearing, the Hearing Examiner shall be provided up to thirty (30) Days to submit its proposed findings and conclusions in writing to the City Council and Grantee and thereafter the City Council shall determine (i) whether an event of default has occurred; (ii) whether such event of default is excusable; and (iii) whether such event or default has been cured or will be cured by Grantee. The City Council shall also determine whether to revoke the Franchise based on the information presented or, where applicable, grant additional time to Grantee to effect any cure. If the City Council determines that the Franchise shall be revoked, the City Council shall promptly provide Grantee with a written decision setting forth its reasoning. Grantee may appeal such determination of the City Council to an appropriate court, which shall have the power to review the decision of the City “de novo”. Grantee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within thirty (30) Days of Grantee’s receipt of the determination of the City.
- 14.6 Enforcement in Lieu of Revocation. The City may, at its sole discretion, take any lawful action which it deems appropriate to enforce the City’s rights under the Franchise in lieu of revocation of the Franchise.
- 14.7 Technical Violation. The City agrees that it is not its intention to subject Grantee to penalties, fines, forfeitures or revocation of the Franchise for so-called “technical” breach(es) or violation(s) of the Franchise, which shall include, but not be limited, to the following:
- 14.7.1 Instances or matters where a violation or a breach of the Franchise by Grantee was good faith error that resulted in no or minimal negative impact on the Subscribers within the Franchise Area or on the City; or
- 14.7.2 Where there existed circumstances reasonably beyond the Control of Grantee and which precipitated a violation by Grantee of the Franchise, or which were deemed to have prevented Grantee from complying with a term or condition of the Franchise.

SECTION 15. Miscellaneous Provisions

- 15.1 Authority and Changes in the Law. The City shall be vested with the power and right to administer and enforce the requirements of this Franchise and the regulations and requirements of applicable law, including the Cable Act, or to delegate that power and right, or any part thereof, to the extent permitted under law, to any agent in the sole discretion of the City. Grantee and the City shall be entitled to all rights and be bound by all changes in local, State and federal law that occur subsequent to the Effective Date of this Franchise. Grantee and the City acknowledge that their rights and obligations under this Franchise are explicitly subject to all such changes.
- 15.2 Actions of Parties. In any action by the City or Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner.

Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

- 15.3 Amendments. Amendments to this Franchise shall be mutually agreed upon, in writing by the parties.
- 15.4 Attorneys' Fees. If any action or suit arises in connection with this Franchise (excluding Franchise renewal proceedings), attorneys' fees, costs and expenses in connection therewith shall be paid in accordance with the determination by the court.
- 15.5 Binding Acceptance. This Franchise shall bind and benefit the parties hereto and their respective successors and assigns.
- 15.6 Captions. The captions and headings of Sections throughout this Franchise are intended solely to facilitate reading and reference to the sections and provisions of this Franchise. Such captions shall not affect the meaning or interpretation of this Franchise.
- 15.7 Costs to be Borne by Grantee. Grantee shall pay all costs of publication of this Franchise and any and all notices prior to any public meeting or hearing in connection with this Franchise. The City Clerk shall publish a summary of Ordinance 894 approving the Franchise shall in the official newspaper of the City with Grantee solely responsible for the cost of said publication.
- 15.8 Cumulative Rights. Subject to applicable law, all rights and remedies given to the City by this Franchise or retained by the City herein shall be in addition to and cumulative with any and all other rights and remedies, existing or implied, now or hereafter available to the City, at law or in equity, and such rights and remedies shall not be exclusive, but each and every right and remedy specifically given by this Franchise or otherwise existing or given may be exercised from time to time and as often and in such order as may be deemed expedient by the City and the exercise of one or more rights or remedies shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy.
- 15.9 Entire Franchise. This Franchise, including the Attachments, embodies the entire understanding and agreement of the City and Grantee with respect to the subject matter hereof and supersedes all prior understandings, agreements and communications, whether written or oral.
- 15.10 Force Majeure. Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, pandemic, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond Grantee's ability to anticipate

or Control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary.

- 15.11 Governing Law. This Franchise shall be governed, construed and enforced in accordance with the laws of the State of Washington as amended, federal law including the Cable Act as amended, any applicable rules, regulations and orders of the FCC as amended and applicable local laws now existing or hereafter amended or adopted.
- 15.12 Equal Employment Opportunity. Grantee shall comply with all applicable federal and State laws affording nondiscrimination in employment to all individuals regardless of their race, color, religion, age, sex, national origin, sexual orientation or physical disability.
- 15.13 Modification. No provision of this Franchise shall be amended or otherwise modified, in whole or in part, except by an instrument in writing, duly executed by the City and Grantee, which amendment shall be authorized on behalf of the City through the adoption of an appropriate resolution, ordinance or order by the City, as required by applicable law.
- 15.14 No Joint Venture. Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to, nor shall either party act toward third Persons or the public in any manner that would indicate any such relationship with the other.
- 15.15 Notices. All notices shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class, registered or certified mail, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:
- To the City:
City of Shoreline
Attn: City Manager
17500 Midvale Avenue N
Shoreline, WA 98133
- To the Grantee:
Comcast Cable Communications Management, LLC
15815 25th Ave. W.
Lynnwood, WA 98087
Attn: Government Affairs Dept.
- 15.16 No Third-Party Beneficiaries. Nothing in this Franchise is or was intended to confer third-party beneficiary status on any Person or any member of the public to enforce the terms of this Franchise.

- 15.17 Reservation of Rights. Nothing in this Franchise shall be construed as a waiver of any rights, substantive or procedural, Grantee or City may have under Federal or State law unless such waiver is expressly stated herein.
- 15.18 Preemption. In the event that federal or State law preempts a provision or limits the enforceability of a provision of this Franchise, the provision shall be read to be preempted to the extent required by law. In the event such federal or State law is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no reinstated under the law, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the City or Grantee.
- 15.19 Recitals. The recitals set forth in this Franchise are incorporated into the body of this Franchise as if they had been originally set forth herein.
- 15.20 Severability. If any section, subsection, sentence, clause, phrase, or other portion of this Franchise is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.
- 15.21 Venue. The venue for any dispute related to this Franchise shall be the United States District Court for the Western District of Washington, or the King County Superior Court.
- 15.22 Waiver. The failure of either party at any time to require performance by the other of any provision hereof shall in no way be a waiver thereof unless specifically waived in writing. Nor shall the waiver by either party of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself or any other provision.
- 15.23 Independent Review. The City and Grantee each acknowledge that they have had opportunity to receive independent legal advice in entering into this Franchise and that both the City and Grantee understand and fully agree to each and every provision of this Franchise.
- 15.24 Corrections by City Clerk. Upon approval by the City Attorney and Grantee, the City Clerk is authorized to make necessary corrections to Ordinance 894, including the correction of scrivener or clerical errors, references to other local, state, or federal laws, codes, rules, or regulations; or Ordinance numbering and section/subsection numbering and references.

PASSED BY THE CITY COUNCIL ON OCTOBER 5, 2020.

Mayor Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Date of Publication: , 2020
Effective Date: , 2020

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorizing the City Manager to Execute a Contract with KPFF, Inc. in the Amount of \$174,500 for On-Call Survey Services		
DEPARTMENT:	Public Works		
PRESENTED BY:	Tricia Juhnke		
ACTION:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

The City has multiple capital projects over the next two years requiring design-level surveys. This includes three projects that are primarily federally funded. An on-call survey contract will allow the City to more efficiently provide the required survey services in a timely manner to meet the scheduling needs of each project. A single on-call contract will be cost effective by combining administrative overhead and reducing the number of times the formal Request for Qualifications (RFQ) and interview process is conducted, which is a requirement of all federally funded projects. The City solicited qualifications for this work and KPFF, Inc. was selected as the most qualified to meet the City's needs for on-call survey support. Tonight, Council is being asked to authorize the City Manager to enter into a contract with KPFF, Inc. for on-call survey services. The proposed scope of work for this contract with KPFF is attached to this staff report as Attachment A.

RESOURCE/FINANCIAL IMPACT:

The cost of this contract will be supported by previously appropriated funds allocated to the individual capital projects. However, the total not-to-exceed amount is based on preliminary cost estimates for the five projects named in the RFQ, plus ten percent contingency. Following is a breakdown of the five projects and their respective primary funding:

Expenses:

Ridgecrest Safe Routes to School	\$7,000	Safe Routes to School
Meridian Ave Safety	\$16,500	HSIP
Midblock Crossing & Citywide RRFB & RSS	\$5,500	HSIP
195 th Street Sidewalk Connector	\$13,000	TIB
Annual Roads Surface Maintenance Program	\$71,000	Roads Capital Fund
Future projects to be identified	\$50,000	Roads Capital Fund
Contingency (10%)	\$11,500	Roads Capital Fund
Total Expense	\$174,500	

Revenues:

Safe Routes to School	\$7,000
Highway Safety Improvements Program (HSIP)	\$22,000
Transportation Improvement Board (TIB)	\$13,000
Roads Capital Fund	\$132,500
Total Revenue:	\$174,500

RECOMMENDATION

Staff recommends that City Council authorize the City Manager to execute a contract with KPFF, Inc. in the amount of \$174,500 for on-call survey services.

Approved By: City Manager **DT** City Attorney **MK**

INTRODUCTION

The City has multiple capital projects with a mix of local and federal funds scheduled for design over the next two years that require survey services. This contract covers survey services for the following projects:

- Ridgecrest Safe Routes to School (federal funds)
- Meridian Avenue Safety (N 155th Street to N 175th Street) (federal funds)
- Midblock Crossing & Citywide RRFB & RSS (federal funds)
- NE 195th Street Sidewalks (5th Avenue NE to Bridge) (local funds)
- Annual Road Surface Maintenance Program (mix of local and federal)
- Future projects to be identified

A vicinity map showing the locations of these various capital projects is attached to this staff report as Attachment B.

Having an on-call contract in place now will provide flexibility to meet each individual project's schedule as it develops. In addition, the projects with federal funds require formal RFQ and interview processes, which were undertaken during selection of a consultant for this contract.

DISCUSSION

The City advertised a Request for Qualifications (RFQ) for on-call survey services with the Daily Journal of Commerce on June 18, 2020 and June 25, 2020. Eight (8) firms submitted qualifications in response to this RFQ. Submittals were reviewed based on related experience and references, and project manager and key staff experience. The top three firms were invited for telephone interviews. KPFF, Inc. was selected as the most qualified to meet the City's needs for on-call survey support. The scope of work and rate sheet for KPFF, Inc. are included as Attachment A to this staff report.

COUNCIL GOAL(S) ADDRESSED

Four of the five projects listed above are primarily focused on increasing pedestrian safety by improving sidewalks, curb ramps, and crosswalk safety. Survey is a crucial step in completing all these projects. These projects meet the following goals:

- Council Goal 2, Action Step 1: "Implement the new Sidewalk Construction Program"
- Council Goal 5, Action Step 5: "Continue addressing traffic issues and concerns in school zones and neighborhoods using the City's speed differential map and citizen traffic complaints."

RESOURCE/FINANCIAL IMPACT

The cost of this contract will be supported by previously appropriated funds allocated to the individual capital projects. However, the total not-to-exceed amount is based on preliminary cost estimates for the five projects named in the RFQ, plus ten percent contingency. Following is a breakdown of the five projects and their respective primary funding:

Expenses:

Ridgecrest Safe Routes to School	\$7,000	Safe Routes to School
Meridian Ave Safety	\$16,500	HSIP
Midblock Crossing & Citywide RRFB & RSS	\$5,500	HSIP
195 th Street Sidewalk Connector	\$13,000	TIB
Annual Roads Surface Maintenance Program	\$71,000	Roads Capital Fund
Future Federally funded projects to be identified	\$50,000	Roads Capital Fund
Contingency (10%)	\$11,500	Roads Capital Fund
Total Expense	\$174,500	

Revenues:

Safe Routes to School	\$7,000
Highway Safety Improvements Program (HSIP)	\$22,000
Transportation Improvement Board (TIB)	\$13,000
Roads Capital Fund	\$132,500
Total Revenue:	\$174,500

RECOMMENDATION

Staff recommends that City Council authorize the City Manager to execute a contract with KPFF, Inc. in the amount of \$174,500 for on-call survey services.

ATTACHMENTS

- Attachment A: KPFF, Inc. Contract Scope of Work
- Attachment B: Capital Projects Vicinity Map

Attachment A

Exhibit A

Scope of Work

KPFF Consulting Engineers shall provide On-Call Surveying services for City of Shoreline contract number 9675. The scope of work provided under this On-Call Agreement shall be included, but not be limited to, the following tasks.

Project Management

The Consultant shall prepare a project budget and manage the Professional Services Agreement between the Consultant and the City. All tasks and staff for survey services shall be managed by the Consultant. It is the responsibility of the Consultant to communicate with the City regarding survey issues, costs, and schedule. This shall include administering a monthly/final Consultant invoice to the City for the services provided. Invoices shall be issued on a per project basis and tracked independently from one another.

Records Research

Research of existing records (plats, legal descriptions, records of survey, right-of-way documents & utility records) shall be furnished by the Consultant. At the request of the Consultant, the City will provide title reports and record utility information. The Consultant shall have sufficient research, in combination with the found monumentation to establish the control, right-of-way, and abutting parcels.

Horizontal and Vertical Control

The datum for horizontal control shall be completed using Washington State Plane Coordinates (North Zone expressed in US Survey feet) NAD 83/11. The datum for the vertical control shall be NAVD 88. Sufficient control points will be added throughout the project limits to ensure that all areas within the project limits can be mapped. The Consultant shall tie into at least two (2) existing horizontal and vertical control points in order to establish the horizontal and vertical datums.

Topographic Survey

The Consultant shall perform a field topographic survey to identify existing surface conditions within the limits of the projects executed under this agreement. This shall be done using electronic surveying equipment and a one-person crew and/or two-person crew.

It is the responsibility of the Consultant to ensure that the work performed is done so in a safe manner that does not endanger the workers or pedestrian and vehicular traffic. It is assumed that no traffic control will be necessary for this project. KPFF may request City of Shoreline personnel to assist with

traffic control if it is deemed necessary to complete the work. All rights of entry agreements, if any, required to perform the work will be secured by the City prior to the survey.

Projects requiring full right of way survey will require, at least every 30', the following surface features shall be mapped in the topographic survey:

- a. Curb and gutters including flow line, front and back of curb tops
- b. Sidewalks, type specified, hatch if concrete
- c. Pavement, type specified, hatch if concrete
- d. Roadway pavement crown line
- e. Driveways, type specified, hatch if concrete
- f. Gravel areas
- g. Retaining walls including top and toe, type specified
- h. Storm drainage structures (including type of structure, invert elevation and direction, and rim elevation) Pipes, types and sizes
- i. Ditches and edges of water courses, top and bottom lines and any culvert type, size and invert elevation
- j. Sanitary sewer structures (including type of structure, invert elevation and direction, and rim elevation) Pipes, types and sizes
- k. Water utilities (valves, hydrants, blowoffs, etc.)
- l. Visible irrigation boxes
- m. Power structures, poles, guys, and lines (for aerial lines, show horizontal location for all lines on pole)
- n. Natural gas valves, lines, and blowoffs
- o. Telephone lines and structures
- p. Cable lines and structures
- q. Traffic signal and street lighting poles, conduit, and junction boxes
- r. Signage, development or community signs
- s. Plastic and painted Channelization, pavement markings, arrows and letters, crosswalks (striping including parking lot areas)

- t. Visible existing survey markers
- u. Vegetation (list trunk diameter and type for trees if 6" or greater)
- v. Fences and railings
- w. Mailboxes
- x. Bollards
- y. grade break lines, top and toe of slope lines
- z. identify and define edges of landscaped or areas of lawn and tended planted areas in or out of R/W if accessible
- aa. any other surface features or structures public, private or utility purveyor owned within the minimum survey area defined
- bb. Any existing paint locate markings identified by type

Projects requiring limited topographic area within the roadway driving surface specifically those project that are part of the ARSM will require at least every 30', the following surface features shall be mapped in the topographic survey and shall not extend beyond the edge of pavement or the back of curb whichever feature is furthest from centerline:

- a. Curb and gutters including flow line and top back of curb
- b. Pavement, type specified, hatch if concrete
- c. Roadway pavement crown line
- d. Storm drainage structures with rim elevation only, except where ADA ramps are to be improved in such case inverts of storm structures will be obtained.
- e. Sanitary sewer structures (including type of structure, invert elevation and direction, and rim elevation) Pipes, types and sizes
- f. Water utilities (valves, hydrants, blowoffs, etc.)
- g. Power structures within the roadway
- h. Natural gas valves, lines, and blowoffs
- i. Telephone structures within the roadway
- j. Cable structures within the roadway
- k. Plastic and painted Channelization, pavement markings, arrows and letters, crosswalks (striping including parking lot areas)

Base Map Preparation

The Consultant shall prepare a basemap in electronic format in Autocad 2018 using Carlson Surveying software, a surface file in Civil 3D format will be provided as well as a land XML file. This basemap shall include all surface features listed above, catch basin rims and invert elevations, a TIN Surface depicting one-foot contours, right-of-way lines, parcel lines, and parcel information (property owner name, address, parcel number) when required. Break lines shall be provided for all pertinent sections (at a minimum these shall include crown, flow line, curb, and any other vertical faces). The TIN shall include these break lines. All layers, blocks, text styles, point styles, and line types shall be derived from KPFF drawing standards. Point descriptions will follow Consultants point coding and a detailed list of codes will be provided to the City. At a minimum, a narrative explaining how the horizontal control was established will be included in the basemap. This shall include a description of the monuments and the basis for bearing. A minimum of .08" lettering at 1" = 20' scale shall be used in the drafted file. Utility and topographic notes shall be .08". Surveyor shall use KPFF drafting standards including symbology, line types and standard drawing layers in the file.

Deliverables will be an AutoCAD basemap in the formats listed above, PDF sheets sets or hard copies can be provided upon request by the City Project Manager

Easement Exhibits & Descriptions

The Consultant will prepare easement exhibit maps and descriptions to accompany the easement documents where required. The easements and descriptions will be prepared and written per the WSDOT LAG Manual Standards. All property owner negotiations, easement preparation, and recording of easement documents will be performed by the City of Shoreline or a right of way consultant contracted with the City.

ASSUMPTIONS

In addition to any assumptions previously made in this proposal, the following assumptions have been made in preparation of this scope of work:

- KPFF will be allowed unrestricted access to site during course of project.
- Where required, the City will secure rights of entry for adjacent properties.
- City will provide any record utility information within the project limits.

- Potholing utilities is not part of this scope. Should potholing be necessary to complete design, KPFF can provide a fee proposal for coordinating and locating utility potholes. Potholing for the shoring design will be coordinated by others.
- Underground utilities will be mapped based on locates painted on the ground, these locates are limited to conductible utilities only, ground penetrating radar will not be utilized for this project. Utilities may exist that are not conductible. In this case, KPFF will show surface features and supplement with record data provided by the City.
- Traffic control is not part of this scope. Should traffic control, including but not limited to, flaggers, and lane closures become necessary, KPFF will work with City crews to coordinate traffic control. At the request of the City, KPFF can hire a private consultant to perform the traffic control necessary to complete the scope of work.
- It is assumed the City will provide any necessary title reports required for the projects under this contract.

Rate Structure

All work performed under this contract will be performed at the hourly rates as listed below. These rates are based on KPFF’s audited overhead rates per the WSDOT annual audit. All rates herein are compiled assuming an overhead rate of 137.21% and a fixed fee of 30%.

Hourly Rates

Principle/Survey Manager	\$169.60/hr
Sr. Project Surveyor	\$117.17/hr
Project Surveyor	\$93.52/hr
Crew Chief	\$77.40/hr
Instrument Person	\$66.80/hr
CADD Tech	\$80.16/hr
Project Coordinator	\$66.80/hr
Admin	\$82.84/hr

The total estimated fee for the projects as understood by the consultant and the City of Shoreline, with the understanding that the consultant, at the time of this proposal does not have access to all potential project limits. Current project limits are defined for the following projects, ARSM, 195th Street, 5th Avenue to Pedestrian Bridge, Meridian Avenue N. Safety, Midblock Crossing on NW Richmond Beach Road, Ridgecrest Safe Routes to School, and up to 5 other projects may be added during the contract timeframe. Estimate fee will be **\$XXX,XXX**.

DELIVERABLES:

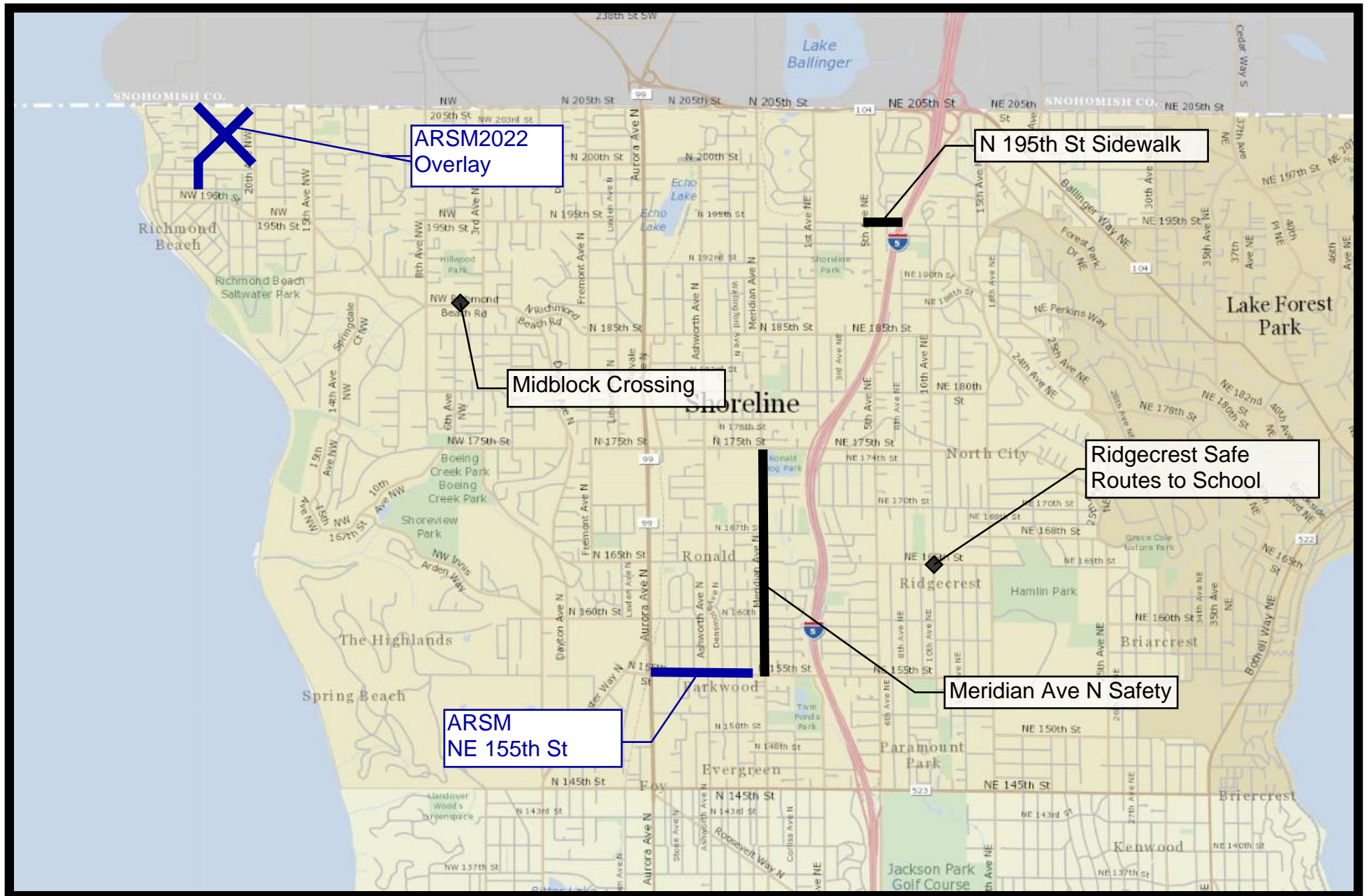
Each project will have deliverables of an AutoCAD basemap in 2018 format with a Civil 3D Surface file and an Land XML file. A PDF copy with sheet sets will be provide at the City Project Managers requests. KPFF will provide a preliminary copy of the survey basemap for the City's review. A final copy of the basemap will be provided once City comments are addressed.

RECEIVABLES:

City will provide to the KPFF an exhibit identifying the limits of survey. Title reports where adjacent properties will require a right of way acquisition or a temporary construction easement. Rights of Entry to private properties where access is required. Utility records including GIS and as built data within the project limits.

Attachment B

Vicinity Map



CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussion of the 2019 Annual Traffic Report
DEPARTMENT:	Public Works Police
PRESENTED BY:	Kendra Dedinsky, City Traffic Engineer Captain Anthony Garza, Shoreline Police
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Tonight, staff will present to Council highlights from the 2019 Annual Traffic Report (Attachment A). The purpose of this report and presentation is to:

- Share with Council the data and methodology that the Public Works and Police Departments use to identify and develop action plans to address collision trends and High Collision Locations within the City;
- Discuss specific recommendations to address collision trends and locations with significant collision history, consistent with Washington State’s Target Zero Strategic Highway Safety Plan, by implementing engineering improvements through Traffic Safety and Operations resources, targeted Police enforcement, education, and policy;
- Identify potential future capital projects to address high collision intersections or street segments. The Council is asked to consider these projects for potential incorporation into the annual Transportation Improvement Plan (TIP) and the Capital Improvement Program (CIP) process. Inclusion of the projects within the TIP establishes priorities for the pursuit of grant funding in future years;
- Update the Council on engineering, education and enforcement collision reduction countermeasures; and
- Provide an overview of other key traffic data including volumes, speeds, transit, and pedestrian and bicycle activity.

RESOURCE/FINANCIAL IMPACT:

There are no direct additional financial or resource impacts at this time. The Public Works and Police Departments will continue to use existing staff for engineering and enforcement needs. Based on the data in this report, larger projects identified as a priority would be considered as part of the Annual 2022-2027 TIP and the 2022-2023 CIP process. Projects would be presented for Council consideration on an individual basis as part of those TIP and CIP processes. Enforcement emphasis and small projects would be implemented using existing resources. The 2021-2026 CIP budget includes \$360,000 for the Traffic Safety Improvement Program in 2021-2022.

RECOMMENDATION

No action is required at this time; this item is for discussion only.

Approved By: City Manager: ***DT*** City Attorney: ***MK***

BACKGROUND

The purpose of the Annual Traffic Report is to provide Council with information and analysis of the data collected by the Shoreline Police Department and Shoreline Traffic Services staff. The report helps identify opportunities to improve the safety of our transportation system.

The results and recommendations contained in the Annual Traffic Report are utilized in the development of the annual Transportation Improvement Plan (TIP) and Capital Improvement Plan (CIP). This data is also used to identify and develop opportunities for grant funding.

The 2019 Annual Traffic Report (Attachment A) contains data including information on collisions, traffic speeds, traffic flow, transit use, and pedestrian and bicycle activity. Analysis of this data is then utilized to develop strategies and recommendations to reduce collisions and improve safety consistent with statewide Target Zero collision reduction strategies.

Target zero is Washington State's Strategic Highway Safety Plan for zero Fatal and Serious Injury collisions. Its purpose is to:

- Set statewide priorities for all traffic safety partners over a three to four year period.
- Provide strategies to address each emphasis area and factor.
- Help guide federal and state project funding toward the highest priorities and most effective strategies.
- Monitor outcomes at a statewide level for each priority area.

DISCUSSION

The Traffic Services Section and Police Department work closely in developing the recommendations of the Annual Traffic Report, with the Police Department focusing on enforcement and education opportunities and Traffic Services focusing on education and engineering solutions.

Key changes between the 2018 report and this year's report include:

- Expanded trendline monitoring for all high collision locations, providing for more robust tracking of progress on reducing collisions, and specifically injury collisions, over time.
- A detailed discussion on Aurora Avenue corridor collisions.
- A preliminary discussion of the Richmond Beach Road Rechannelization project's impact on the corridor's collision rates.

Recommendations included within the 2019 Annual Traffic Report are implemented through the following programs:

- Enforcement by the Police Department through current budget allocations.
- The CIP includes an annual program for Traffic Safety Improvements that can be used for implementing some engineering solutions. This program contains \$360,000 for the Traffic Safety Improvement Program in 2021-2022.

- Larger projects require separate funding. Projects of high priority are included in the TIP and are ultimately funded in the CIP as resources become available. These projects are often eligible and receive grant funding.
- The Traffic Services operating budget also supports some educational and minor operational upgrades, primarily related to pavement markings and signs.

The update to the Transportation Master Plan, set to kick off in the next quarter, will provide the opportunity to review and assess safety projects, and the prioritization of safety improvements against, capacity, pedestrian, bicycle and other projects.

RESOURCE/FINANCIAL IMPACT

There are no direct additional financial or resource impacts at this time. The Public Works and Police Departments will continue to use existing staff for engineering and enforcement needs. Based on the data in this report, larger projects identified as a priority would be considered as part of the Annual 2022-2027 TIP and the 2022-2023 CIP process. Projects would be presented for Council consideration on an individual basis as part of those TIP and CIP processes. Enforcement emphasis and small projects would be implemented using existing resources. The 2021-2026 CIP budget includes \$360,000 for the Traffic Safety Improvement Program in 2021-2022.

RECOMMENDATION

No action is required at this time; this item is for discussion only.

ATTACHMENTS

Attachment A – 2019 Annual Traffic Report



City of Shoreline
Annual Traffic Report
2019

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Introduction

This report provides an annual review and analysis of data collected by City of Shoreline Traffic Services staff and Shoreline Police Department. It summarizes collision, speed, volume, transit, pedestrian, and bike data, highlighting noteworthy trends. The data in this report guides the City's prioritization of Traffic Services capital improvement project resources, identifies potential projects for the upcoming year's Transportation Improvement and Capital Improvement plans, supports pursuit of grant opportunities, and identifies target enforcement areas for the Shoreline Police Department.

Engineering, enforcement, education and policy related improvement strategies generated by this report strive to accomplish the goal set by Washington State's Target Zero Plan to achieve zero fatal and serious injury collisions by the year 2030. In addition, this report which specifically identifies safety improvement strategies, supports many goals set by Shoreline's Comprehensive Plan, as well as City Council Goal 5 - to promote and enhance the City's safe community and neighborhood programs and initiatives.

This report strives to provide clear and usable traffic safety and operations information for reference by staff, Council, residents, and businesses of Shoreline. To request additional information, please contact the Public Works Department, Traffic Services section or visit the Traffic Services webpage at <http://shorelinewa.gov/government/departments/public-works/traffic-services>.

Executive Summary

In 2019, Washington State released its fifth version of the Target Zero Plan, the State's road map for achieving zero deaths and serious injuries on Washington's roadways by 2030. This most recent update shows that Washington's traffic fatality and serious injury trend is going in the wrong direction, also mirroring a national trend. With 2019 data, Shoreline's Serious and Fatal Injury trend also increased – previously striking a relatively flat trajectory at 0.11 new collisions per year, the new trend shows these types of collisions now increasing at a rate of 0.41 per year. Intersections and Pedestrian or Bicyclist collisions continue to represent the main focus areas with regard to injury collisions in Shoreline. While pedestrian and bicyclist collisions still account for a large portion of injury collisions, in 2019 they were at the lowest proportion in the 2010-2019 data set which is a step in the right direction for our most vulnerable roadway users. Notably too, the number of intersection locations averaging 3 or more collisions per year outside of the Aurora Corridor dropped from 17 to 12. Along the Aurora Corridor however, data now clearly shows the corridor's injury collisions are ticking up at a concerning rate. In 2019, Aurora corridor collisions accounted for more than 30% of the City's injury collisions, roughly doubling 2010 proportions. In 2020 and 2021, some strategic and relatively low cost mitigation strategies will be implemented (discussed in the "Location-Based Collision Reduction Strategies" section) but ultimately, broader measures such as speed limit reduction may be necessary to reduce injury collisions along the corridor, especially in consideration of the changing land uses adjacent to the corridor.

Related to changes in land use, traffic counts in Shoreline showed that daily trips increased significantly in 2019, up 3.5% in comparison to 2018. While this report focuses primarily on 2019 data, some traffic volume data for 2020 is also included this year given the significant impact COVID-19 has had on traffic patterns. Similar to regional trends, Shoreline saw a large dip in trips from March to May of 2020. It is unclear at this time whether trip patterns and volumes will return to relative "normal" or whether the global pandemic has shifted travel in a more permanent way, with many employees continuing to work remotely to reduce the costs of office space and travel. The 2020 Annual Traffic Report will provide more context on the pandemic's impact as the City works through this challenge of projecting future travel patterns during the Transportation Master Plan update starting this year.

The Transportation Master Plan update process will also present a unique opportunity for shaping how Shoreline addresses transportation safety, access and mobility citywide, setting updated policies and priorities for all modes of travel. As the City experiences significant growth over the next 20 years, we are faced with a significant challenge - to balance the efficient movement of people and goods with the safety of roadway users. If we are to reduce injury collisions on Shoreline streets in the face of increased growth, roadway user safety must be prioritized over the ability to drive fast.

Data Sources

This report summarizes collision data trends based on data from 2010 through 2019, with emphasis on years 2017 through 2019. Only collisions that occurred on City streets and are investigated by police officers are included in this report. Excluded are collisions on private property, locations outside of the City of Shoreline (i.e. N/NE 145th Street), collisions on I-5, phone reports, non-police investigated incidents, collisions under the threshold of \$1000 in damages, and other non-collision vehicle incident reports.

Collision data is obtained from the Washington State Department of Transportation (WSDOT). Data from WSDOT includes collisions investigated by other agencies such as Washington State Patrol. No citizen reports are included as WSDOT stopped providing this data to local jurisdictions on January 1, 2009. The data contained in this report is based on reportable collisions only, as defined in the following section. For consistency, data reported within this report begins in 2010 which is the first available year for all data with geocoded locations, and excluding citizen reported collisions.

Traffic volume and speed data presented in this report was collected and analyzed by Shoreline Traffic Services staff or its consultants.

Transit data was provided by King County Metro.

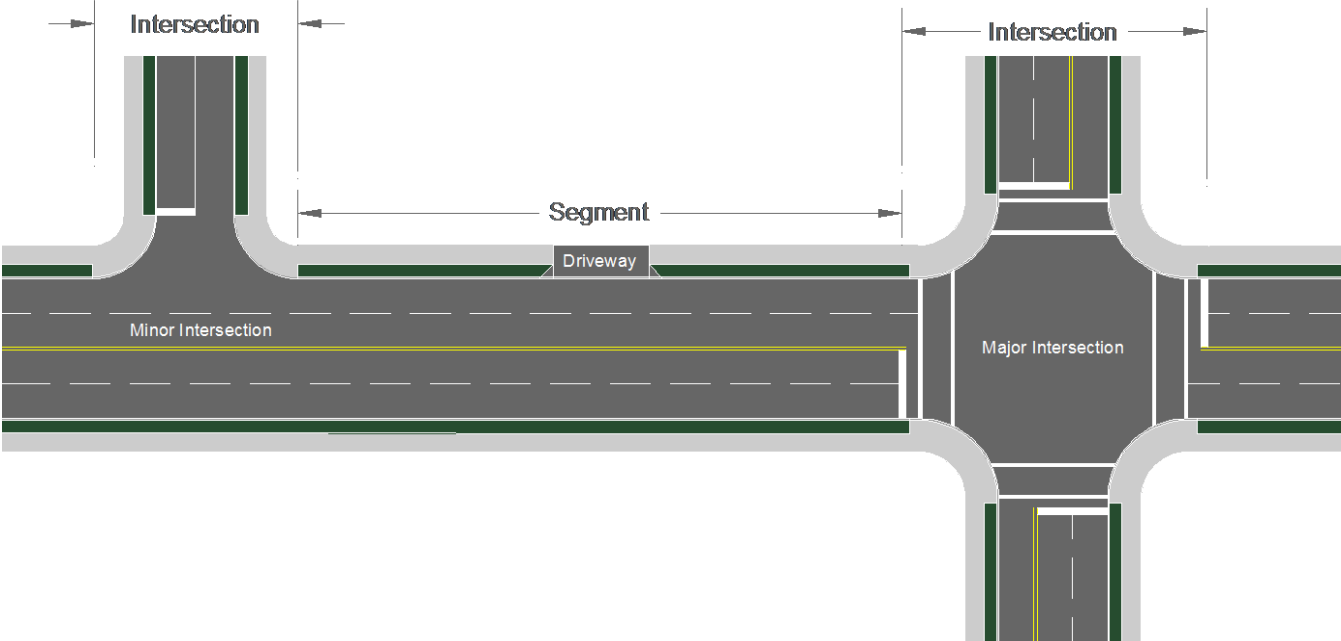
Population data was obtained from the United States Census Bureau.

Definitions

Reportable Collision	A collision which involves death, injury, or property damage in excess of \$1000 to the property of any one person.
Fatal Collision	Motor vehicle collision that results in fatal injuries to one or more persons.
Suspected Serious Injury Collision	Previously Serious Injury. A motor vehicle collision resulting in an injury assessed by the investigating officer as “any injury which prevents the injured person from walking, driving, or continuing normal activities at the time of the collision.”
Suspected Minor Injury Collision	Previously Evident Injury. A collision resulting in an injury assessed by the investigating officer as “any injury other than fatal or serious at the scene. Includes broken fingers or toes, abrasions, etc. Excludes limping, complaint of pain, nausea, momentary unconsciousness, etc.”
Possible Injury Collision	A collision resulting in an injury assessed by the investigating officer as “any injury reported to the officer or claimed by the individual as momentary unconsciousness, claim of injuries not evident, limping, complaint of pain, nausea, hysteria, etc.”

No Apparent Injury	Previously Property Damage Only. Motor vehicle collision in which there is no injury to any person, but only damage to a motor vehicle, or to other property, including injury to domestic animals.
Did Not Grant Right of Way	A contributing circumstance type which indicates that the driver failed to properly yield Right of Way; for example, a driver hitting a pedestrian in a crosswalk when the walk signal is on for the pedestrian movement.
High Collision Location	Locations with the highest number of reported collisions.
Collision Rate	For intersections, the number of collisions at an intersection divided by the average annual volume of vehicles entering the intersection. The resulting unit is collisions per million entering vehicles. For segments, the number of collisions along the segment divided by the length of the segment and the average annual volume of vehicles along the segment. The resulting unit is collisions per million vehicle miles.
85th Percentile Speed	The speed at which 85% of traffic is traveling at or below; a common traffic engineering benchmark for measuring and evaluating traffic speeds.
Target Zero	<p>Target zero is Washington State's Strategic Highway Safety Plan for zero Fatal and Serious Injury collisions by the year 2030. This plan:</p> <ul style="list-style-type: none"> • Sets statewide priorities for all traffic safety partners over a 3-4 year period. • Provides various strategies to address each emphasis area and factor. • Helps guide federal and state project funding toward the highest priorities and most effective strategies. • Monitors outcomes at a statewide level for each priority area. <p>Collision mitigation strategies include education, enforcement, engineering, policy and emergency medical service-based efforts. http://www.targetzero.com/</p>

For Collision Location analysis, intersections and segments are categorized as shown below.



Collision Summary

The following sections summarize collision data from public streets within the City of Shoreline from 2010 through 2019 with a focus on 2017-2019 collision data.

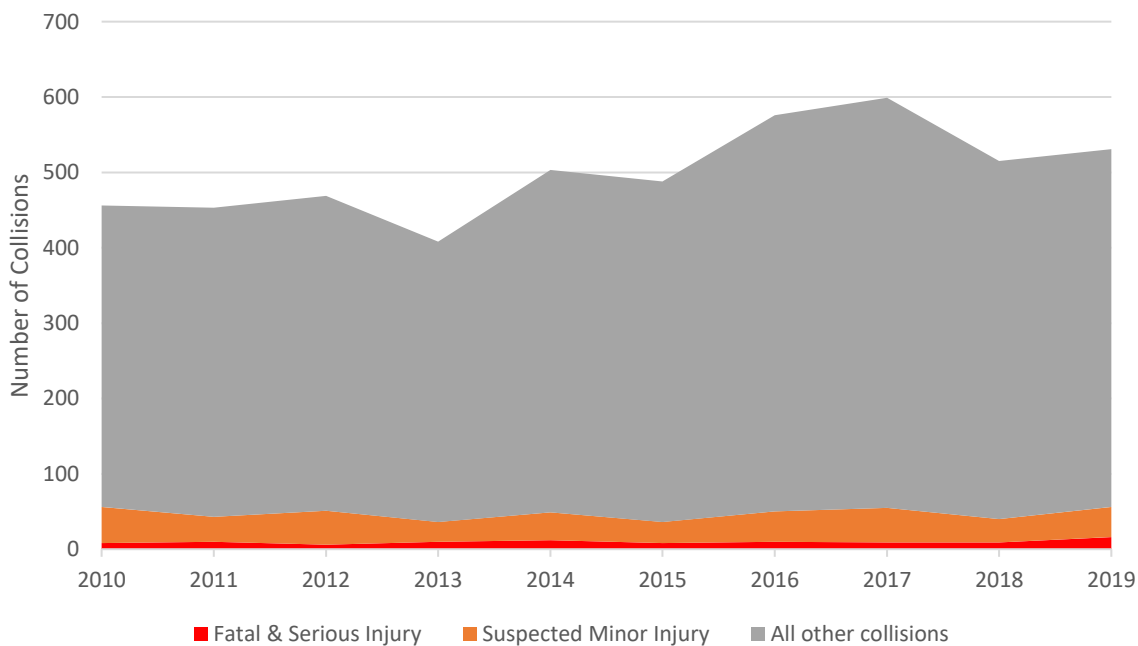
Total Collisions

There were 528 collisions reported on City of Shoreline streets in 2019. Below is a summary of collisions from 2010 through 2019.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fatal	2	1	1	1	1	1	1	0	1	1
Suspected Serious Injury	6	9	5	9	11	7	9	9	8	14
Suspected Minor Injury	48	33	45	26	37	28	40	46	31	40
Possible Injury	103	111	108	104	121	126	140	136	105	120
No Apparent Injury	286	290	302	264	318	317	374	399	355	346
Unknown	11	9	8	4	15	9	12	9	15	7
Total	456	453	469	408	503	488	576	599	515	528

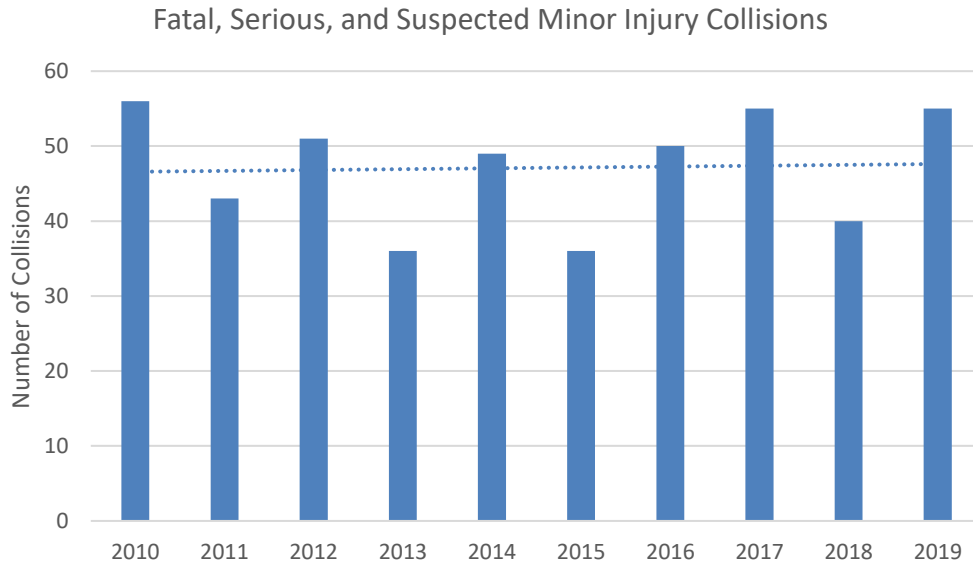
The total number of collisions in 2019 is up 2.5% from 2018 with the 10-year collision trend line resulting in an average increase of about 13.5 collisions per year. The projected trendline from 2018 was an increase of 16 collisions; the year end increase in 2019 was 13. Notably, the number of Suspected Minor Injury, Suspected Serious Injury, and Fatal collisions switched from a slightly downward trend to a slightly upward trend, generally accounting for about 10% of total collisions in 2019. Suspected Serious and Fatal Injury collisions alone account for under 3%, however the trend is rising slightly with the highest number of these collisions in the 2010-2019 data set reported in 2019.

Collisions by Year and Severity

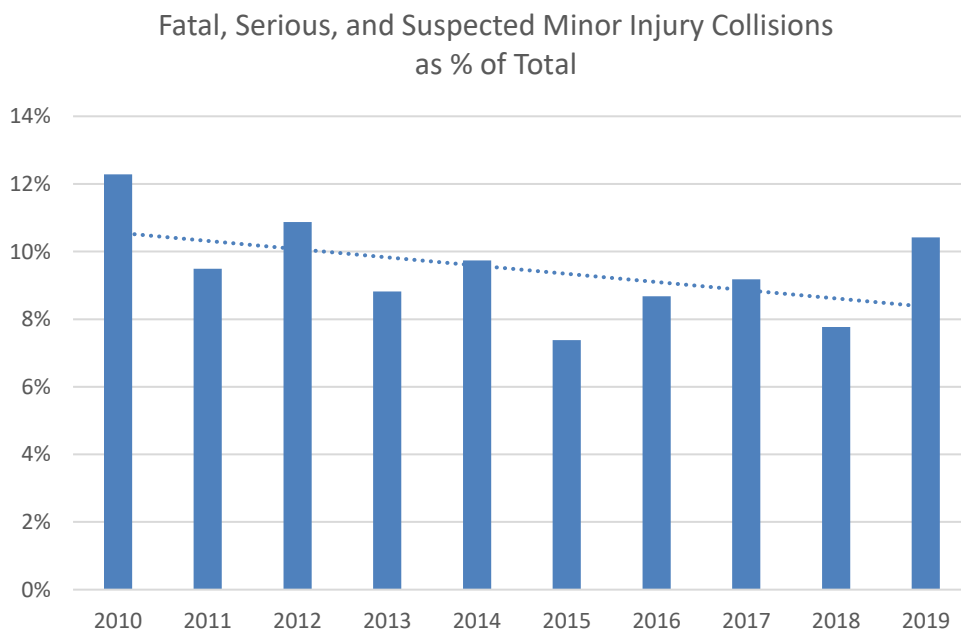


Injury Collisions

In this section, Fatal, Suspected Serious Injury, and Suspected Minor Injury collisions were analyzed, excluding Possible Injury collisions. As shown below, the trend for Injury Collisions is slightly up, with the trend increasing at about 0.10 additional injury collisions per year.

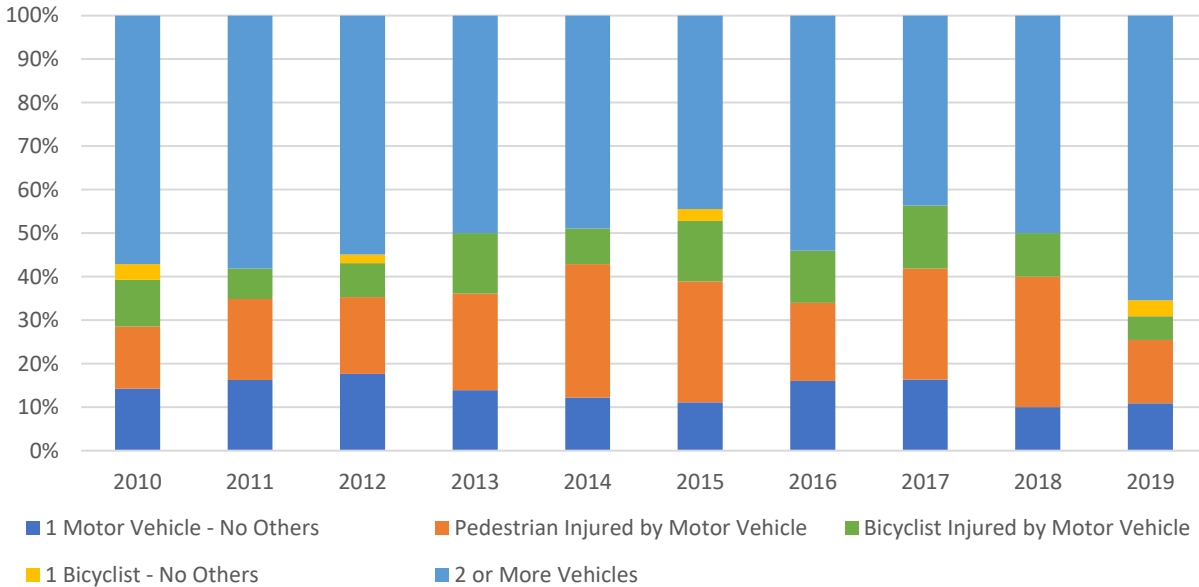


The proportion of injury collisions in comparison to total collisions continues to trend downward as shown in the chart below.



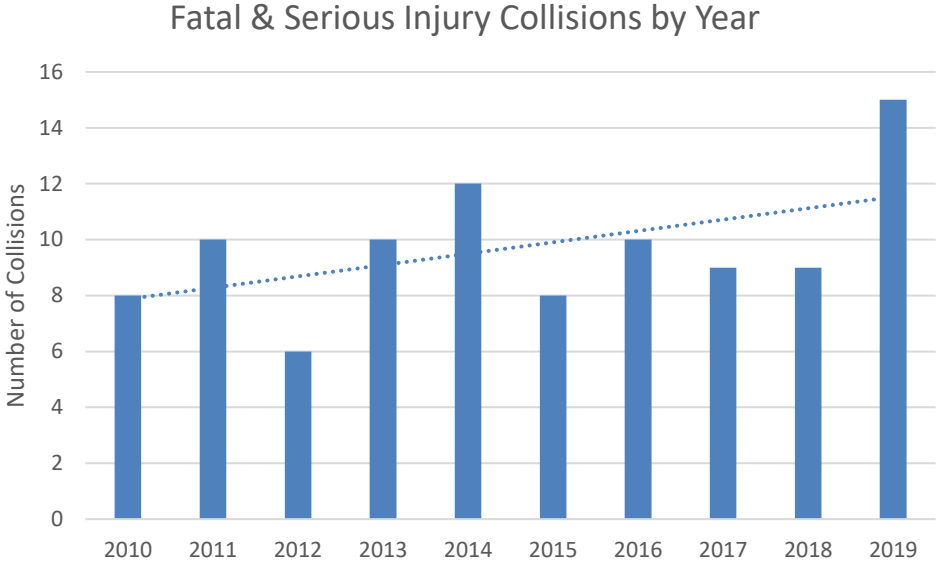
New analysis conducted this year shows injury collisions by mode, which includes collisions that involve just one driver in a single motor vehicle, pedestrians injured by a motor vehicle, bicyclists injured by a motor vehicle, bicyclists that crash (with no motor vehicles involved), and collisions involving 2 or more motor vehicles. Pedestrian collisions as a portion of all injury collisions are lowest in 2019 (in the 2010-2019 data set), with collisions involving 2 or more motor vehicles representing a higher proportion than in prior years.

Injury Collisions by Mode

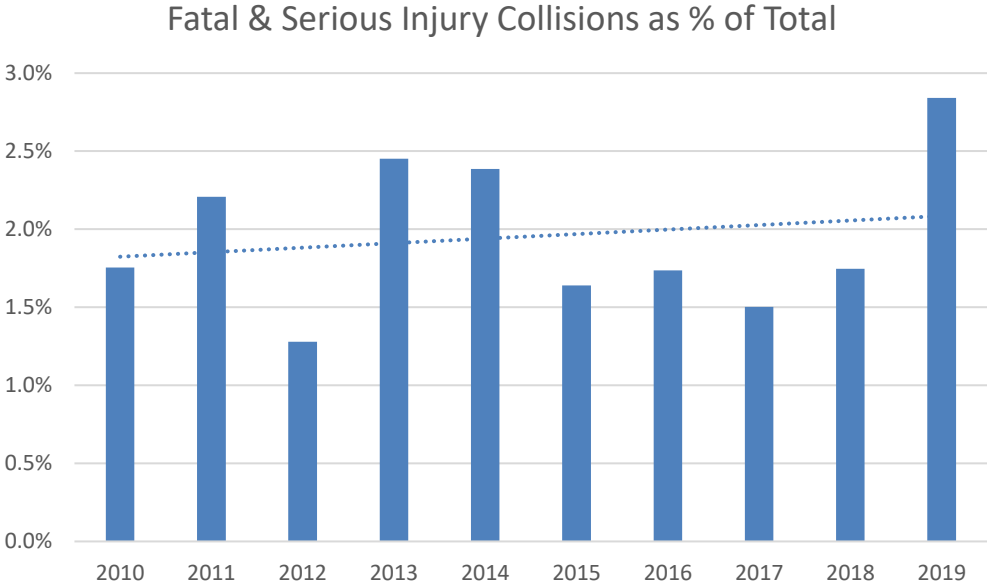


Suspected Serious & Fatal Injury Collisions

The following chart shows Fatal and Serious Injury Collisions by year. Notably, 2019 is the highest year in the 2010-2019 data set and shifts the trend from a 0.11 increase in Fatal and Serious Injury Collisions per year to a 0.41 increase in Fatal and Serious Injury Collisions per year. Additional details on contributing factors and location basis is provided in later sections.



Provided for context is the proportion of Fatal and Serious Injury Collisions as part of the total number of collisions. The average proportion moved from 1.9% to 2.0% with 2019 collision data, with 2019 accounting for the highest proportion in the 2010-2019 data set.

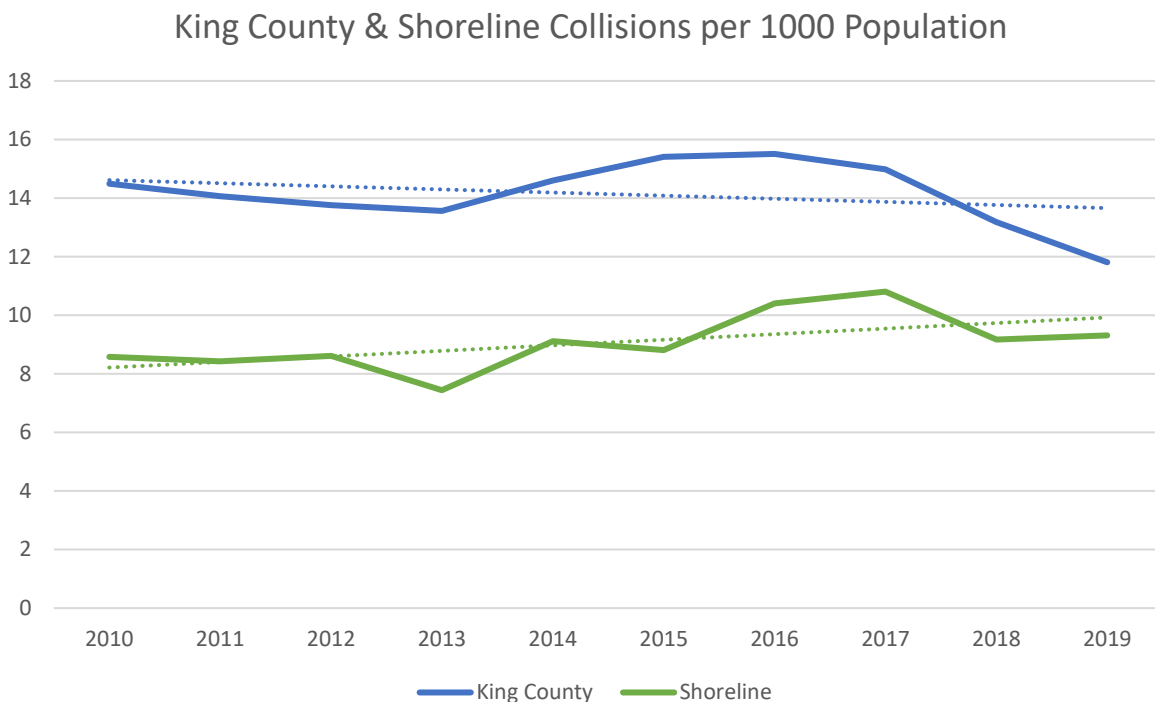


Regional Comparison

This section provides a comparison between King County collision data and cities comparable to Shoreline in population within King County.

Total Collision Regional Comparison

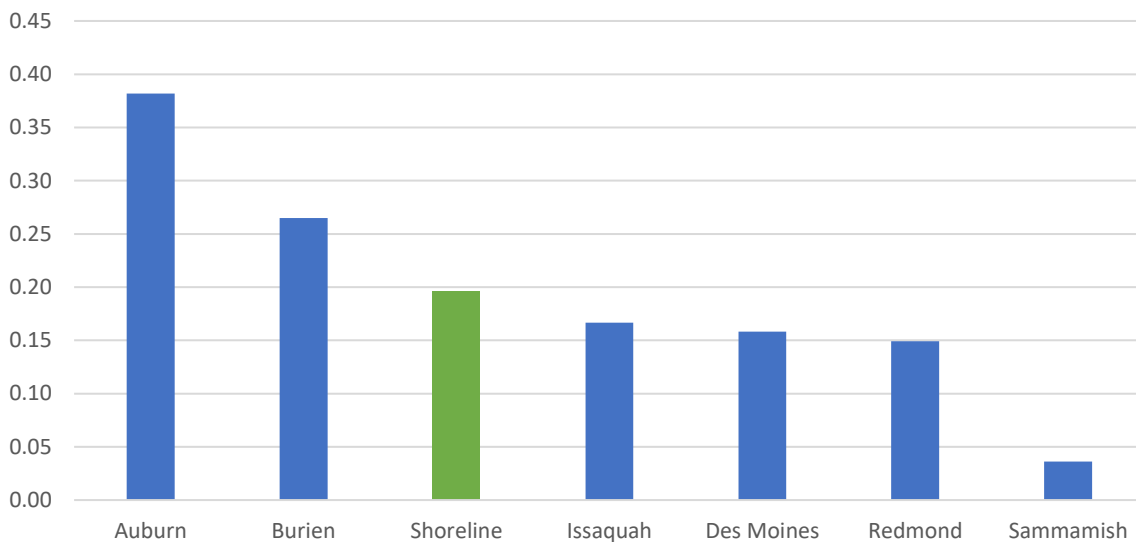
To better understand how collision trends in Shoreline relate to the broader region, a comparison to King County collision data was prepared. Notably, with the addition of 2019 data, the trend for King County collisions per 1000 population (omitting City of Shoreline collision data and population) is showing a downward trend for the first time, while Shoreline’s overall collision trend continues to rise slightly. Overall, however, Shoreline’s collision per 1000 population rate remain lower than the King County rate by approximately 2.5 collisions per 1000 population in 2019.



Suspected Serious & Fatal Injury Collision Regional Comparison

Data was obtained for cities within a population range of 25,000 +/- of Shoreline within King County. The rates of Serious and Fatal Injury Collisions per thousand population were compared for the 2017-2019 analysis period. Given the significant jump in Fatal and Serious Injury Collisions in Shoreline for 2019, Shoreline has moved from the second lowest rate to the third highest rate.

Fatal & Serious Injury Collisions Per 1000 Population
(2017-2019 Average)



Societal Costs

Traffic collisions have considerable impact not only on the people directly involved in the collision but also on the community as a whole. Below is the Washington State Department of Transportation’s assessment of motor vehicle collision costs by severity. The information provided includes estimates for the average economic cost per death, per injury, and per property damage collision. The economic cost estimates are a measure of the productivity lost and expenses incurred because of the collision; they do not reflect what society is willing to pay to prevent a statistical fatality or injury.

- Fatality \$2,000,000
- Suspected Serious Injury \$1,000,000
- Suspected Minor Injury \$100,000
- Possible Injury \$70,000
- No Apparent Injury \$10,000

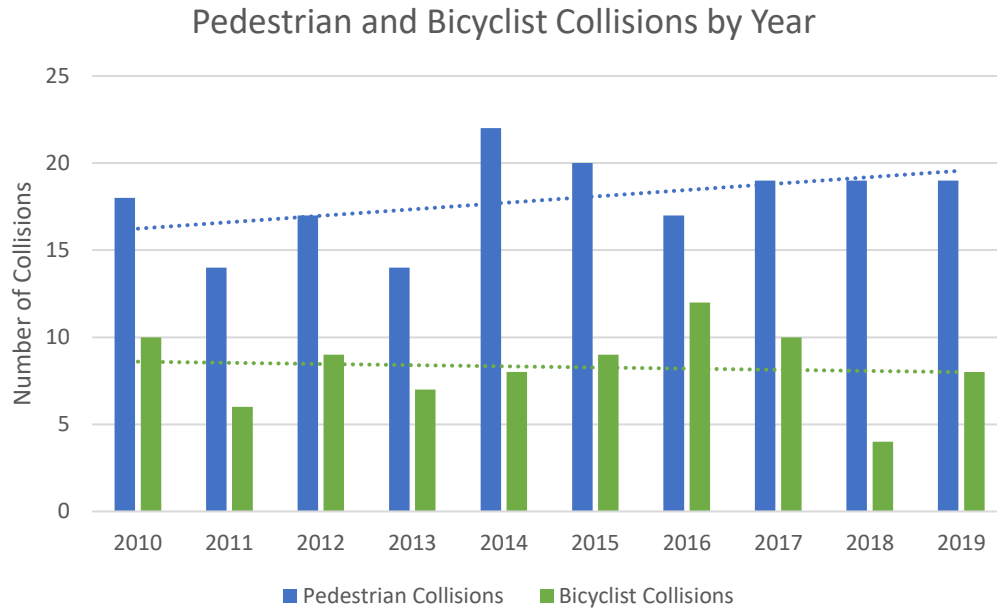
Source: WSDOT Traffic Safety Management Office

Below is a summary of societal costs for collisions in Shoreline from 2017 through 2019. The overall societal cost is up from 2017 and 2018, due to an increase in serious injury collisions.

	2017	2018	2019
Fatal	\$0	\$2,000,000	\$2,000,000
Suspected Serious Injury	\$9,000,000	\$8,000,000	\$14,000,000
Suspected Minor Injury	\$4,600,000	\$3,100,000	\$4,000,000
Possible Injury	\$9,520,000	\$7,350,000	\$8,400,000
No Apparent Injury	\$3,990,000	\$3,550,000	\$3,460,000
Total Societal Cost	\$27,110,000	\$24,000,000	\$31,860,000

Pedestrian and Bicycle Collisions

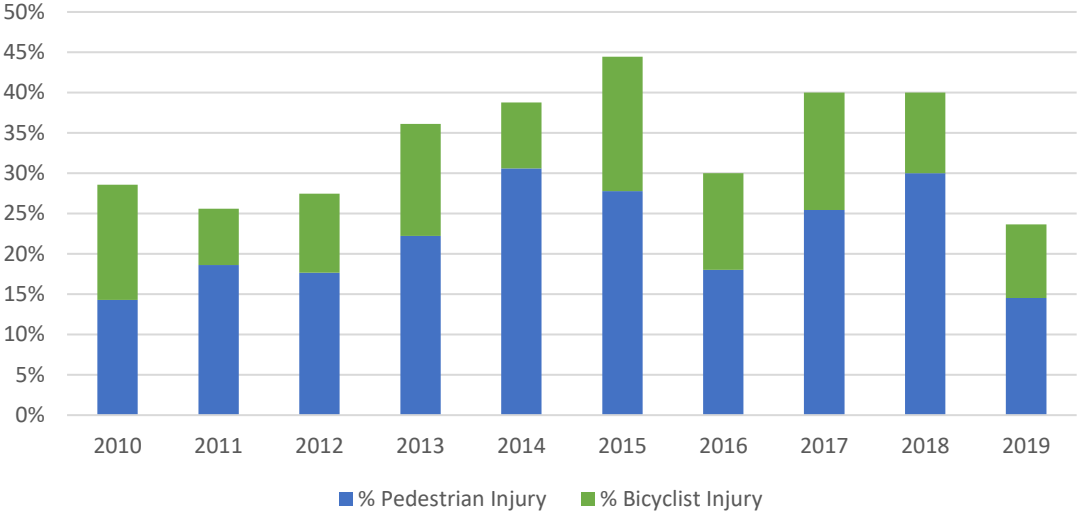
Pedestrian versus motor vehicle collisions for 2019 remain level with 2018 numbers at 19, with a continued upward trend since 2010. In 2019, bicyclist collisions (alone or with motor-vehicle) set an encouraging new downward trend. Additional information regarding pedestrian and bicycle collision locations is provided in the *Collision Location Analysis* section of the report, and in Appendices C & D.



	Pedestrian Collisions	Bicyclist Collisions
2010	18	10
2011	14	6
2012	17	9
2013	14	7
2014	22	8
2015	20	9
2016	17	12
2017	19	10
2018	19	4
2019	19	8

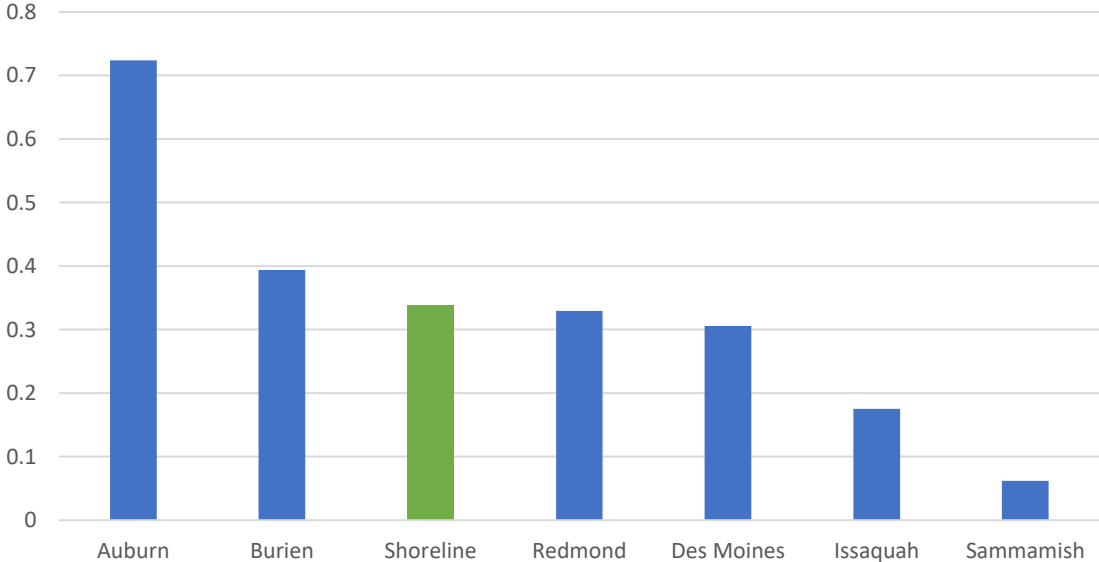
Together, pedestrian and bicyclist injury collisions (including minor injury) accounted for the lowest proportion of injury collisions in the 2010-2019 data set, at less than 25%.

Pedestrian & Bicyclist Injury Collisions (as % of Total Injury Collisions)



Similar to the Serious and Fatal Injury Collision comparison, Shoreline’s pedestrian collision rate per 1000 population has moved from 3rd least to 3rd most, out of 7 total jurisdictions.

Pedestrian Collisions Per 1000 Population (2017-2019 Average)

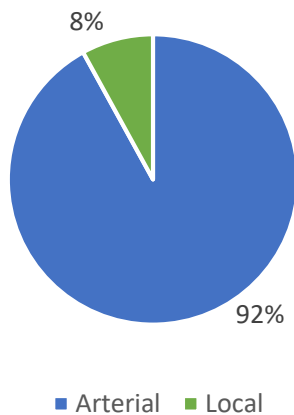


Collisions by Street Classification

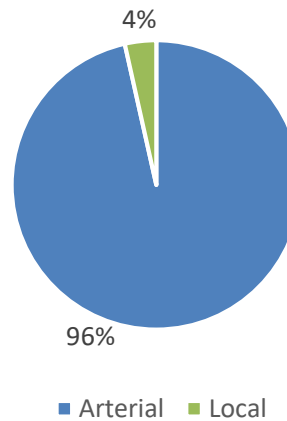
In Shoreline, all local streets are 25 mph and carry significantly less traffic volume than arterial streets, representing less opportunity for collisions to occur, and less severe outcomes when they do. Arterials in Shoreline account for only 27% of the total roadway centerline miles, however from 2017-2019, 92% of injury collisions, and 96% of pedestrian collisions occurred on arterial streets as shown in the following table and charts.

	Avg Injury Collisions/Year	Avg Pedestrian Collisions/Year
Arterial	46	18
Local	4	Less than 1

Injury Collisions by Street Class (2017-2019)



Pedestrian Collisions by Street Class (2017-2019)



In early 2020, the city’s Neighborhood Traffic Safety Program (NTSP) was discontinued as an on-demand, standalone program in order to focus the limited Capital Improvement Program funds on locations with known collision history, as identified by this report. Previously, a significant proportion of the funding and staff resource available for traffic safety efforts were being used to facilitate the on-demand NTSP, resulting in less resource to address known collision hot-spots. Additional details regarding the decision to discontinue the NTSP can be found online at:

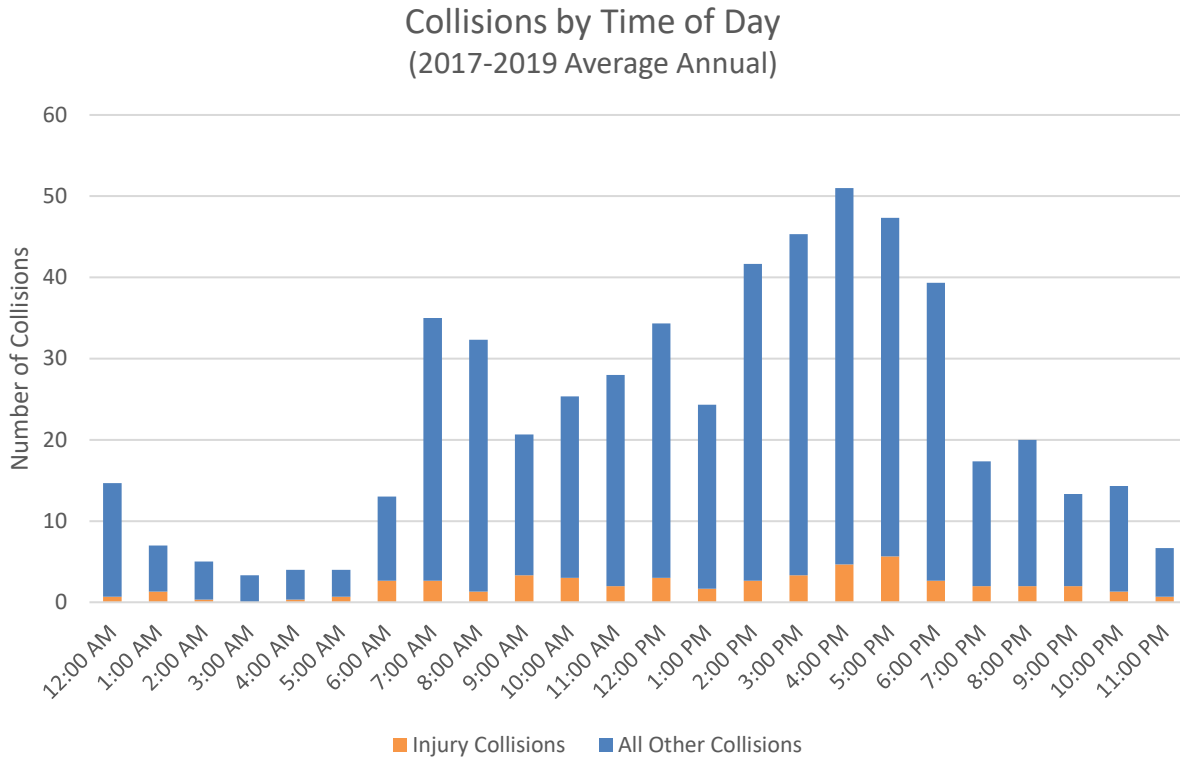
<https://www.shorelinewa.gov/government/departments/public-works/traffic-services/neighborhood-traffic-safety>

Other Collision Factors

Month and Time of Day

November is the month with the highest overall and injury collisions, consistent with the statewide trend. The fewest collisions occur in the month of August. Collisions in Shoreline most often occur during the PM peak hour of 5 to 6 PM. Injury collisions most often occurred during the PM peak as well.

The largest proportion of injury collisions compared to total collisions occurs at 6 AM.



Light

Most collisions occur during daylight hours, with injury collisions following a similar trend. The proportion of Pedestrian Collisions occurring during dark or dusk lighting conditions, at 10% more than the general collision rate. There is also a noteworthy spike in Serious and Fatal Injury collisions, with 39% occurring during dark or dusk lighting conditions.

	2017-2019 All Collisions	2017-2019 Injury Collisions	2017-2019 Pedestrian Collisions	2017-2019 Serious/Fatal Collisions
Dark/Dusk	27%	31%	37%	39%
Daylight/Dawn	71%	69%	63%	58%
Unknown	2%	1%	0%	3%

Collision Contributing Circumstances

This section examines factors influencing a collision such as behavior, crash type and road user focusing on priorities identified by the Washington State Target Zero Plan.

Target Zero Emphasis Priorities

Washington State's Target Zero Plan sets statewide traffic safety priorities based upon the most frequently cited contributing factors in statewide Serious and Fatal Injury collisions. The following table represents behavior, crash type and road user Target Zero priorities consistent with the 2019 Target Zero Draft Plan Update, with 1 being the highest priority.

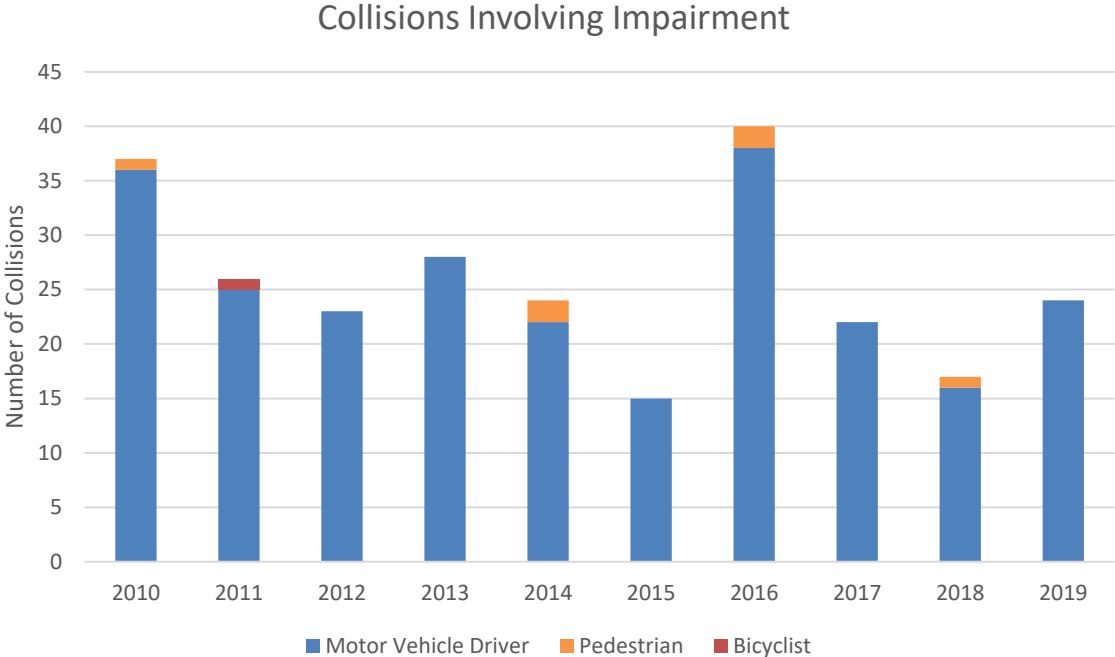
Emphasis Areas	Priority
Impairment	1
Distraction	1
Speeding	1
Lane Departure	1
Intersection	1
Young Drivers 16-25	1
Unrestrained Occupants	2
Pedestrians & Bicyclists	2
Motorcyclists	2
Older Drivers 70+	2
Heavy Truck	2

In Shoreline, the main Target Zero priorities represented within injury collision data continue to be intersections and pedestrians/bicyclists. There is also significant overlap between the two, with more than 70% of pedestrian collisions occurring at intersections.

Target Zero Emphasis Priority	TZ Priority % of Total Collisions 2017-2019 Average	TZ Priority % of Serious, Fatal, & Minor Injury Collisions 2017-2019 Average	TZ Priority % of Serious & Fatal Injury Collisions 2017-2019 Average
Intersection	56%	65%	58%
Pedestrians & Bicyclists	5%	26%	39%

Impairment

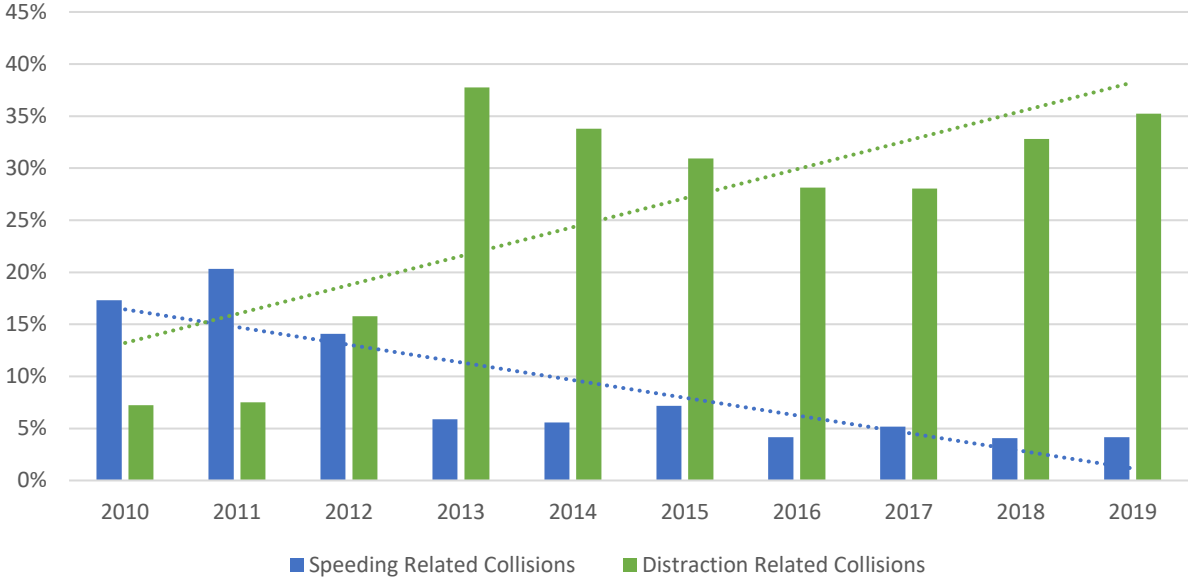
There were 24 total collisions in Shoreline involving impairment, up from 16 in 2018. In King County, 20% of Serious and Fatal Injury collisions involve impairment. For the 2017-2019 period in Shoreline, impairment contributed to 12% of Serious and Fatal Injury collisions. It is important to note that impairment related crashes are thought to be underreported; according to the State Target Zero Plan, for Serious Injury crashes, law enforcement officers don't always interpret events as rising to the level of vehicular assault, a designation which allows for a blood draw.



Distracted Driving & Speeding

Shoreline’s distribution of distracted driving related collisions is 35% in 2019, an increase in comparison to the preceding 2 years. In King County, distracted driving accounts for 29% of Serious and Fatal Injury collisions. In Shoreline, from 2017-2019, distraction was a factor in 15% of Serious and Fatal Injury collisions. The following chart displays the trend of distracted driving related collisions versus speeding related collisions as they both relate to common enforcement emphasis patrols.

Distracted Driving & Speeding Related Collisions by Year (as % of Total Collisions)



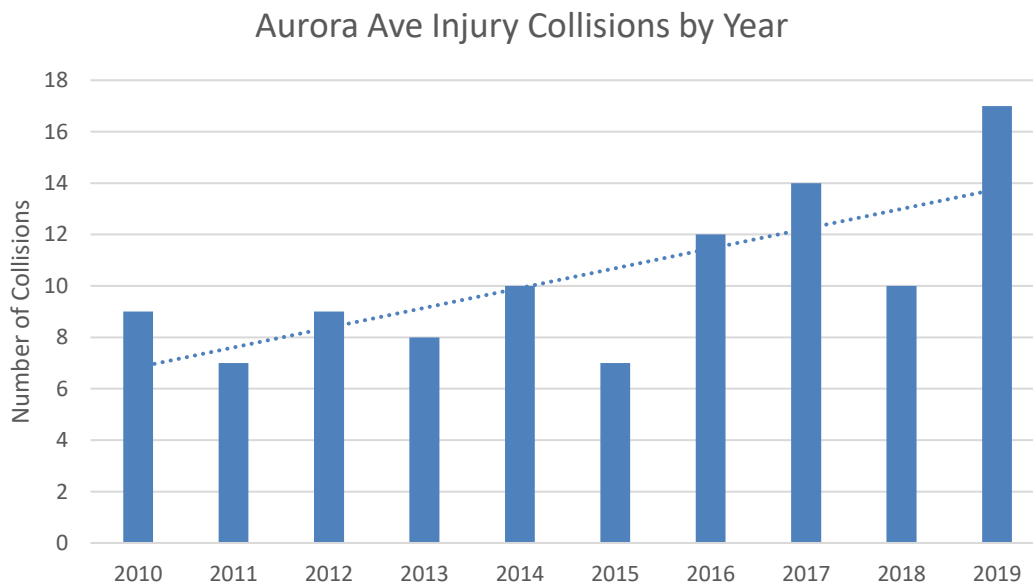
Collision Location Analysis

This section provides location-based analysis of collisions. There is no specific industry standard as to what number of collisions or collision rate is considered “high” for a location. Engineering guidelines do provide some thresholds for potential traffic control device revisions such as stop sign installation or signal phase changes based on the presence of 3 correctable collisions in 12-month period or 5 correctable collisions in a 24-month period. In order to best target mitigations, locations with an average of 3 or more collisions per year (9 total in the 3-year period) have been highlighted for additional analysis. Locations are sorted by total number of collisions and injury collision data is provided for context. Highest Injury Collision locations generally correlate to locations with highest total collisions; all locations with 3 or more injury collisions in the 3-year period are represented in the following section, with the primary goal being reduction of injury collisions. New GIS analysis enabled analysis of location collision trends using the entire 2010-2019 dataset. This 10-year analysis provides a more robust benchmark for determining whether progress is being made toward reducing overall and injury collisions at each location and will help staff to track progress on collision countermeasures.

The following sections organize top collision locations as they relate to intersections, segments (sections of roadway between intersections), pedestrians, and bicyclists. Aurora Ave N collisions are also discussed in the following section as they comprise a major portion of the City’s overall and injury collisions. In addition to the following tables, Total, Injury (including Minor Injury), Serious & Fatal, Pedestrian, and Bicycle collisions are displayed on maps in Appendices A-E.

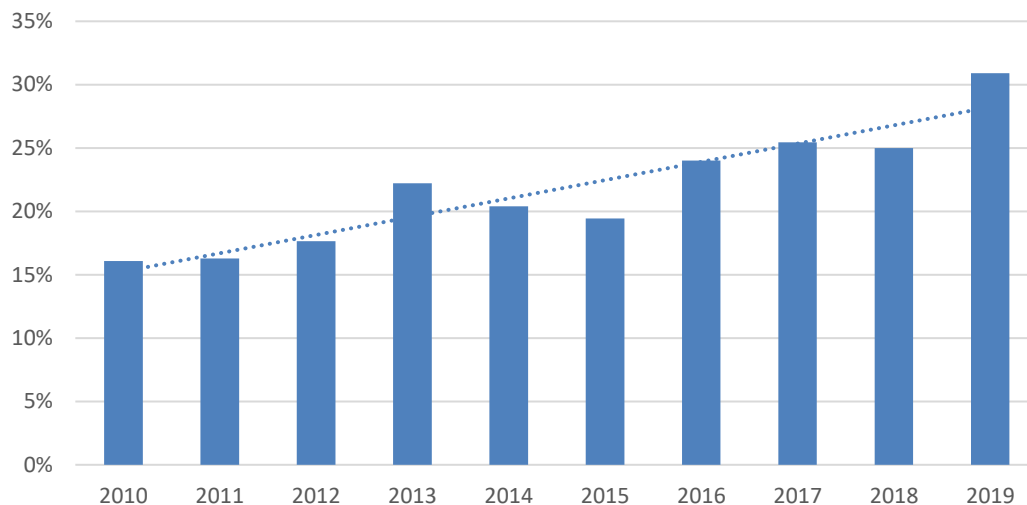
Aurora Ave N Collisions (2017-2019)

With the completion of the Aurora corridor project in early 2016, injury collision trends the last several years show cause for concern. In order to reduce the number of injury collisions, some focus on additional safety measures for the corridor will be necessary. The following chart shows injury collisions along Aurora Ave N by year; revealing a clear uptick in injury collisions, and a high in 2019.



In addition, proportionally the Aurora corridor accounts for a significant and increasing amount of injury collisions in comparison to citywide totals. These increasing injury collision trends on the corridor are likely due in part to changes in adjacent land use along the corridor; with more turns to and from the corridor and an increase in pedestrian and bus ridership, there are more opportunities for collision in comparison to prior years.

Proportion of Injury Collisions on Aurora Ave N



There are 8 intersections and 11 segments with 9 or more collisions. The table below focuses on the locations with the highest number of injury collisions. Potential safety improvement actions are further discussed in the Location-Based Collision Reduction Strategies section.

Location	2017-2019	10-Year	2017-2019	10-Year
	Total Collisions	Trend ¹	Injury Collisions	Injury Trend
Aurora Ave N & N 185th St	17	↓ -0.53	5	↑ 0.24
Aurora Ave N from N 170th St to Ronald PI N	21	↑ 0.44	3	↑ 0.10
Aurora Ave N & N 198th St	18	↑ 0.28	3	↑ 0.10
Aurora Ave N & N 160th St	19	↑ 0.40	3	↑ 0.08
Aurora Ave N & N 155th St	24	↓ -0.19	3	↓ -0.04
Aurora Ave N & N 175th St	18	↓ -0.50	2	↑ 0.05
Aurora Ave N & N 163rd St	17	↓ -0.04	2	↑ 0.01

¹ Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 total collision data.

² Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 injury collision data.

Intersection Collision Locations (2017-2019)

The following table shows intersections with 9 or more collisions over the 3-year period, excluding locations on Aurora Ave N. The number of intersections with 9 or more collisions in this 3-year period has decreased from 17 to 12 in comparison to 2016-2018. Of the 12 locations, 5 show a decrease in injury collision trend while 7 show an increase.

Location	2017-2019 Total Collisions	10-Year Trend ¹	2017-2019 Injury Collisions	10-Year Injury Trend ²
15 th Ave NE & Ballinger Way	24	↓ -1.02	1	↓ -0.04
3 rd Ave NW & NW Richmnd Bch Rd	16	↓ -0.28	4	↓ -0.02
10 th Ave NE & NE 175 th St	15	↑ 0.42	3	↑ 0.03
Meridian Ave N & N 175 th St	14	↓ -0.53	1	↑ 0.06
Meridian Ave N & N 185 th St	14	↓ -0.01	1	↓ -0.01
Midvale Ave N & N 175 th St	14	↑ 0.38	0	↓ -0.10
Fremont Ave N & N 200 th St	13	↑ 0.39	0	↑ 0.02
15 th Ave NE & NE 175 th St	12	↑ 0.15	1	↑ 0.01
19 th Ave NE & Ballinger Way	12	↑ 0.01	3	↑ 0.04
15 th Ave NE & NE 168 th St	10	↓ -0.04	3	↑ 0.11
Ashworth Ave N & NE 185 th St	9	↑ 0.35	1	↑ 0.03
Meridian Ave N & N 155 th St	9	→ 0.00	1	↓ -0.01

¹ Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 total collision data.

² Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 injury collision data

Segment Collision Locations (2017-2019)

The following table shows roadway segments with 9 or more collisions from 2017-2019, Aurora locations excluded. All 6 of these segments shown an increasing trend in both total and injury collisions.

Location	2017-2019 Total Collision	10-Year Trend	2017-2019 Injury Collision	10-Year Injury Trend
15 th Ave NE from Forest Prk Dr NE to Ballinger Wy	14	↑ 0.53	0	↑ 0.02
15 th Ave NE from NE 172 nd St to NE 175 th St	10	↑ 0.28	3	↑ 0.08
Ballinger Wy NE from 19 th Ave NE to 15 th Ave NE	29	↑ 0.22	2	↑ 0.05
Ballinger Way NE from 22 nd Ave NE to 19 th Ave NE	10	↑ 0.35	1	↑ 0.05
NE 175 th St from 12 th Ave NE to 15 th Ave NE	9	↑ 0.24	1	↑ 0.05
NW Richmnd Bch Rd from 3 rd Ave NW to 8 th Ave NW	10	↑ 0.02	2	↑ 0.05

¹ Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 total collision data.

² Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 injury collision data.

Pedestrian Collision Locations (2015–2019)

The following table shows locations with 3 or more pedestrian collisions from 2015–2019, all with an increasing 10-year trend.

Location	2015–2019 Pedestrian Collisions	10-Year Trend
Aurora Ave N & N 160 th St	5	↑ 0.12
Aurora Ave N & N 192 nd St	5	↑ 0.16
Aurora Ave N & N 185 th St	4	↑ 0.08
Aurora Ave N & N 165 th St	3	↑ 0.01

¹ Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 pedestrian collision data.

Bicyclist Collision Locations (2015–2019)

The following table shows locations with 3 or more bicyclist collisions from 2015–2019. Each location shows an upward 10-year trend.

Location	2015–2019 Bicyclist Collisions	10-Year Trend
Meridian Ave N & N 185 th St	4	↑ 0.07
Aurora Ave N & N 160 th St	3	↑ 0.04
Midvale Ave N & N 175 th St	3	↑ 0.07

¹ Annual increase/decrease trend based on slope of linear trendline equation for 2010 through 2019 bicyclist collision data.

Richmond Beach Road Rechannellization Project Corridor

In 2018, the City of Shoreline implemented a traffic safety lane reduction rechannellization on the NW Richmond Beach Road/ NW 195th St/ NW 196th St corridor to address safety and mobility issues. The striping was changed from two lanes in each direction, to one lane in each direction, a center turn lane, and bike lanes in each direction. The project limits extended from 1st Avenue NW to 24th Avenue NW – a distance of approximately 1.7 miles. Construction began in April of 2018 and ended in early July 2018.

As part of the project, the City committed to studying project outcomes. The first study was presented to Council in May of 2019 and can be found online at:

<http://www.shorelinewa.gov/government/projects-initiatives/richmond-beach-road-rechannelization>

At the time of the first study, it was too soon to gauge the project impact on corridor collision trends. Now the City has obtained after data spanning from August 2018 to May 2020 in order to start looking at preliminary collision data results. It is still very early to gauge safety impacts as there are only 22 months of data available in the “after” period, however compared to the broader “before” data from January 2010 through March of 2018, rates for all collisions types are lower than the after period as shown in the table below.

	Total	Injury	Pedestrian	Bicyclist
Collisions Before Project (1/2010 - 3/2018)	165	23	12	3
Before Rate (collisions/month)	1.67	1.05	0.55	0.14
Collisions Before Project (1/2016-3/2018)	45	6	3	0
Before Rate (collisions/month)	1.67	0.22	0.11	0.00
Collisions After Project (8/2018 - 5/2020)	28	8	1	0
After Rate (collisions/month)	1.27	0.36	0.05	0.00

Looking at a smaller snapshot of before data (January 2016 through March 2018), all rates of collision are lower or the same, with the exception of injury collisions which are higher in the after. The City will provide an update to this data in the 2020 Annual Traffic Report which will provide a better comparison as additional after data will be available.

Collision Reduction Strategies

The preceding *Collision Summary* provided analysis of collisions on Shoreline’s public streets, tracking overall and injury collision data from 2010 through 2018 and highlighting specific and significant contributing factors, locations, and trends. The following *Collision Reduction Strategies* section describes the City’s ongoing efforts and recommended future actions for reducing collisions.

Contributing Circumstance Collision Reduction Strategies

The City of Shoreline strives to reduce overall, injury, and fatality collisions on its roadways consistent with the Washington State Strategic Highway Safety Plan’s Target Zero Plan. The top two injury collision risk-factors in Shoreline continue to be collisions at intersections and collisions with pedestrians or bicyclists. To address these top priorities holistically and Citywide, staff continues to regularly update policies and design standards to align with Target Zero key countermeasures, especially as they relate to intersections, pedestrians and bicyclists. Some examples of City standards and policies created within the last few years that align with Target Zero Key Countermeasures are shown below.

Intersections:

Key TZ Countermeasure	Responsive Shoreline Policy/Design Standard
Roundabouts	<ul style="list-style-type: none"> APWA 33.31 & APWA 33.20 – Require evaluation of roundabout as preferred intersection control method where traffic signal or all way stop control warrants are met.
Signal Operations Improvements	<ul style="list-style-type: none"> APWA 33.22 – Describes the City’s practice for reviewing performance and clearance intervals for all traffic signals on a 3-year cycle.

Pedestrians & Bicyclists:

Key TZ Countermeasure	Responsive Shoreline Policy/Design Standard
Separated infrastructure and complete networks	<ul style="list-style-type: none"> SMC 12.50 Complete Streets – requires roadway improvement projects to consider how all modes of transportation will be accommodated safely or documentation of any exceptions. Engineering Development Manual (EDM) 12.6 – requires pedestrian connections between dead end streets where applicable
Designing to reduce speeds	<ul style="list-style-type: none"> EDM 12.2 – lane width standards allow for narrower lanes, based on street context. EDM 13.4 – design curb radii reduced for slower turn speeds.
Address crossings	<ul style="list-style-type: none"> EDM 7.9 – standards added for illumination of pedestrian/bicyclist crossings. EDM Appendix F – curb bulbs required at all intersections where applicable to reduce pedestrian crossing distance, reducing pedestrian exposure.

Location-Based Collision Reduction Strategies

Shoreline Police and Public Works staff work together to review the identified highest collision locations each year. This data-driven approach to collision reduction facilitates strategic and systematic prioritization of limited City resources. The top locations were prioritized based on number of collisions, with consideration of injury collisions. The goal in prioritizing locations with significant collision history is to maximize the benefit of safety improvements in order to decrease the number of overall and injury collisions.

Referencing analysis from the Collision Summary section and drawing from specific strategies outlined in the Target Zero Plan, recommendations were developed to address identified collision patterns. In some cases, greater resource than currently available is needed to address a location's need. These locations are added to the Transportation Improvement Plan (TIP) to identify potential project funding sources and to position the City for grant opportunities.

Aurora Ave N Corridor (2017-2019)

With the completion of the Aurora corridor project in early 2016, injury collision trends the last several years show cause for concern. Two specific locations at access points at N 198th Street and N 163rd Street have shown an uptick in both total and injury collisions. Many of these collisions involve violation of the right curb lane when left turners collide with a general-purpose driver who continues straight through the intersection instead of turning right as required. To strengthen the regulatory message for the BAT Lane, the left sign assembly stating "Right Lane No Thru Except Buses" will be installed, replacing the "Right Lane Must Turn Right Message" currently present. In addition, warning signs (yellow sign) will be added to the left turn pocket to heighten awareness of the third travel lane. These signs will be in place by the end of October 2020.



Pedestrian collisions, often resulting in injury, are also disproportionately occurring along the Aurora Corridor. In 2021, staff will work to upgrade 2 to 4 signal controllers in order to implement leading pedestrian interval phasing which is shown to greatly reduce the occurrence of pedestrian collisions.

Traffic speed is a primary contributing factor to injury accidents. If injury collisions continue to trend upward, evaluating a lower speed limit, may be the most effective way to achieve a significant decrease in injury collisions. This strategy has been utilized somewhat recently on a number of other State Route corridors like SR 104 in Edmonds and SR 522 in Bothell

Intersection Collision Location Recommendations (2017-2019)

The following table provides mitigation strategies for intersections with the most collisions outside of the Aurora Corridor.

Location	Potential Action
15 th Ave NE & Ballinger Way	Total & Injury collisions trending down - continue to monitor. Project need for this area of Ballinger as described in the TIP.
3 rd Ave NW & NW Richmond Bch Rd	Total & Injury collisions trending down - continue to monitor. Richmond Beach Road Rechannelization completed Summer 2018.
10 th Ave NE & NE 175 th St	Total & Injury collisions trending slightly up - consider adding 4 to 3 lane conversion project to the TIP, which would provide a turn pocket and improve safety at this intersection.
Meridian Ave N & N 175 th St	Improvement project design currently in progress - https://www.shorelinewa.gov/government/projects-initiatives/175th-street-corridor-improvements-project
Meridian Ave N & N 185 th St	Signal phase changes were recently implemented as part of Sound Transit LLE project - continue to monitor. Long term, the Meridian Ave N/N 185 th Street growth project will address bike improvements through at the intersection as described within the 185th Corridor Strategy.
Midvale Ave N & N 175 th St	Injury collisions trending down slightly - continue to monitor and consider upgrading signal controller to implement Leading Pedestrian/Bike Interval in 2022.
Fremont Ave N & N 200 th St	LED border stop signs recently implemented to improve stop sign visibility - continue to monitor.
15 th Ave NE & NE 175 th St	Improvements to add an eastbound right turn pocket and phase changes recently implemented. Centerline curb will be installed by Fall 2021 on south leg to mitigate driveway related collisions near this intersection.
19 th Ave NE & Ballinger Way	Signal phase changes recently implemented which decreased total and injury collisions significantly over the last several years - continue to monitor. Project need for this area of Ballinger described in the TIP.
15 th Ave NE & NE 168 th St	Evaluate pavement marking and signage improvements.
Ashworth Ave N & NE 185 th St	Pedestrian crossing improvements will be implemented by the end of 2021 which will also improve intersection visibility.
Meridian Ave N & N 155 th St	Signal improvement project completed in 2019 - continue to monitor.

Segment Collision Location Recommendations (2017-2019)

The highest priority segment locations outside of the Aurora Corridor and associated recommendations are shown in the following table.

Location	Potential Action
15 th Ave NE from Forest Prk Dr NE to Ballinger Wy	Pavement marking improvements completed in 2020 - continue to monitor.

15 th Ave NE from NE 172 nd St to NE 175 th St	Centerline curb will be added to this segment by Fall 2021 to address driveway related collisions.
Ballinger Wy NE from 19 th Ave NE to 15 th Ave NE	Project need for this area of Ballinger described in the TIP, currently unfunded.
Ballinger Way NE from 22 nd Ave NE to 19 th Ave NE	Project need for this area of Ballinger described in the TIP, currently unfunded.
NE 175 th St from 12 th Ave NE to 15 th Ave NE	Consider adding project to TIP to implement 4 to 3 lane conversion on NE 175 th St from 5 th Ave NE to 15 th Ave NE.
NW Richmond Bch Rd from 3 rd Ave NW to 8 th Ave NW	Richmond Beach Road Rechannelization project completed in 2018. Additional pedestrian crossing and lighting improvements slated for 2021.

Pedestrian Collision Recommendations (2015-2019)

The table below provides collision reduction strategies for locations with 3 or more pedestrian collisions in a five-year period.

Location	Potential Action
Aurora Ave N & N 160 th St	Upgrade signal controller to implement Leading Pedestrian Interval phasing.
Aurora Ave N & N 192 nd St	Upgrade signal controller to implement Leading Pedestrian Interval phasing.
Aurora Ave N & N 185 th St	Schedule 2022 upgrade of signal controller to potentially implement Leading Pedestrian Interval phasing.
Aurora Ave N & N 165 th St	Schedule 2022 upgrade of signal controller to potentially implement Leading Pedestrian Interval phasing.

Bicyclist Collision Recommendations (2015-2019)

The table below shows locations with 3 or more bicyclist collisions in a five-year period and associated recommendations.

Location	Potential Action
Meridian Ave N & N 185 th St	Long term, the Meridian Ave N/N 185 th Street growth project will address bike improvements through the intersection. Consider green bike lane treatment through the intersection as part of the 2021 striping season and as Traffic Safety resources allow.
Aurora Ave N & N 160 th St	Road improvement projects to be implemented with the Community Renewal Area redevelopment will improve bike connections at this location, providing a bike facility through the private lot to/from the Interurban Trail.
Midvale Ave N & N 175 th St	Schedule controller upgrade for 2022 to potentially implement Leading Pedestrian/Bike Interval phasing.

Completed Transportation Safety Efforts

In addition to the ongoing efforts described in the *Contributing Circumstance Collision Reduction Strategies* section, the following section describes recently completed transportation safety roadway improvements, studies, and enforcement efforts.

Public Works

The following are traffic safety efforts completed by the City of Shoreline Public Works Department. Low-cost improvements such as pavement markings, signs, flashing beacons, or minor traffic signal phase changes are primarily completed by the Traffic Safety Program, (a CIP program funded by Roads Capital), however some of the larger efforts are typically funded by grant opportunities such as Safe Routes to School or the City Safety Program (a Federal program administered by WSDOT).

Collision Countermeasure - Improve Pedestrian Crossings

- Various pavement marking improvements including 6 new crosswalks and 3 new stop lines, and intersection alignment improvements at 3 intersections.

Collision Countermeasure – Signal Operations Improvements

- 15th Ave NE and NE 175th Street eastbound right turn pocket and signal timing and phase changes.
- The Meridian Ave N and N 155th Street Signal Improvement project was completed which converted the signal to protected/flashing yellow arrow operation, updated curb ramps for ADA compliance, and upgraded pedestrian signals.
- Meridian Ave N and NE 185th Street signal phase changes as part of Sound Transit mitigation.

Collision Countermeasure – Install Roundabouts

- 10th Ave NE and NE 185th Street converted from all way stop to roundabout as part of required Sound Transit construction mitigation.

Collision Countermeasure – Design to Reduce Speeds

- Echo Lake Elementary School Zone Flashers were implemented and will reduce driver speeds during school drop off and pick up times.

Collision Countermeasure – Speed Limits

- A review of speed limits on some key arterial corridors is nearly complete. Any recommended changes will be presented to council by early 2021.

Collision Countermeasure – Intersection Visibility

- LED border stop signs were installed at 200th and Fremont to increase stop sign visibility to address an increasing trend of collisions at the intersection.

Shoreline Police Department

Summary traffic enforcement statistics for Shoreline Police Department are provided in the table below.

	Traffic Citations	Arrest	Warning
2019	4,117	214	1,940
2018	5,196	335	2,461
2017	5,324	367	2,321
2016	3,458	411	3,969
2015	5,108	445	3,812
2014	3,649	401	2,897

Washington Traffic Safety Commission (WTSC) Grants

WTSC funded multiple grant related emphasis efforts in conjunction with Target Zero enforcement strategies. In addition, patrol officers were sent to training which educates officers on the involuntary signs/symptoms of an individual on a drug, how to determine impairment, and investigation steps.

Parking Enforcement & Abandon Vehicles

Shoreline Police Department and the City's Code Enforcement & Customer Response Team (CECRT) created a new system to better streamline the abandon vehicle process. Now all abandon reports are received via Coplogic and 911 calls are processed first through CECRT. Those that remain unresolved are assigned to the Police Department.

Year	Abandon Vehicle / Impounds
2019	456/52
2018	211/25
2017	335 / 34
2016	322 / 54
2015	172 / 41
2014	196 / 48

Shoreline PD continue to respond to an increasing number of parking related complaints in 2019, as shown in the following table.

Year	Parking Tickets Issued
2019	1,110
2018	985
2017	528

The City's first parking study, which focused primarily on Light Rail Station Subareas, outlined several steps address parking related concerns and included a recommendation to fund a dedicated parking enforcement position. In 2020, the Model Traffic Ordinance was revised to increase parking violation monetary penalties in order to begin offsetting the cost of parking enforcement activities to prepare for a new dedicated enforcement position. More information is available online at:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2020/staffreport060120-8c.pdf>

School Education

School education and outreach programs continued in 2019 at Shorecrest High School, Shorewood High School, and Shoreline Community College.

Traffic Speed Summary

The City of Shoreline Traffic Services and Police departments have been working together to identify and target speed enforcement. Speed data is collected throughout the year and compared to the posted speed limit in order to identify streets where speeding is a problem.

Appendix F is the Traffic Speed Differential Map which shows the difference between the measured 85th percentile speed and the posted speed limit. Shoreline Police will use this data, as well as a mid-year update to it, to guide speed emphasis patrols.

In addition, Traffic Services will continue to rotate radar speed trailers and radar speed carts to help with the driver education component of speed reduction on problem corridors.

The street segments shown in the table below represent the locations with the highest difference between posted and measured travel speeds.

Streets with Differential Speed 8 mph or More Over Posted Limit

20 th Ave NW from NW 195 th St to NW 205 th St
N 200 th Street from Aurora Ave N to Meridian Ave N
Midvale Ave N from N 175 th St to N 185 th St
Forest Park Dr NE from 15 th Ave NE to 19 th Ave NE
NE Perkins Way from 10 th Ave NE to 15 th Ave NE
NW 175 th Street from 10 th Ave NW to 14 th Ave NW
6 th Ave NW from NW 175 th Street to NW 180 th St
Carlyle Hall Rd from Dayton Ave N to N 175 th St
15 th Ave NE from NE 175 th St to NE 180 th St
NE 165 th St from 5 th Ave NE to 15 th Ave NE
Dayton Ave N from N 165 th St to St. Luke Pl N
N 165 th St from Dayton Ave N to Aurora Ave N
5 th Ave N from NE 145 th St to NE 155 th St

Traffic Volume Summary

Traffic volume data is regularly collected at eight (8) locations in the City. They are:

- Aurora Ave N south of N 175th St
- Meridian Ave N south of N 175th St
- NW Richmond Beach Rd east of 3rd Ave NW
- 5th Ave NE south of NE 175th St
- 15th Ave NE south of NE 172nd St
- 25th Ave NE south of NE 171st St
- NE 175th St west of 5th Ave NE
- NW 175th St west of 3rd Ave NW

Below is a summary of data collected at these locations. As shown in the table, average weekday daily traffic volumes are up significantly in 2019, compared to 2018, by 3.5%. AM peak volumes are up by 2.2% and PM peak volumes are down by -.5%, likely due to peak hour spreading. The Puget Sound Region gained another 68,740 people in the last year, a 1.7% increase from 2018-2019. (Source: Washington State Office of Financial Management)

	2015	2016	2017	2018	2019	5 Year Average
AM Peak Aggregate AAWDT	6,399	6,528	6,632	6,651	6,798	6,602
PM Peak Aggregate AAWDT	8,033	8,197	8,380	8,201	8,162	8,195
Daily Aggregate AAWDT	99,719	101,426	102,546	101,548	105,142	102,076

See Appendix G for the 2019 Traffic Flow Map which shows average daily weekday traffic volumes on additional City of Shoreline Streets.

COVID-19 Traffic Volume Impacts

The Annual Traffic Report focuses primarily on prior year data (2019) however staff has collected preliminary data on COVID-19 impacts to travel patterns in Shoreline. As shown in the following table, traffic volumes were significantly lower in 2020 from March to May but are slowly climbing back up. Shoreline's data trend mirrors regional patterns, which show the same significant dip in trips from March-May, with volumes starting to climb back up in July and August.

	Baseline Avg Weekday Daily Traffic	March	April	May	June	July	August
Aurora Ave N	35,452	26,915	21,614	25,219	28,353	30,213	29,996
		-24%	-39%	-29%	-20%	-15%	-15%
15th Ave NE	14,385	8,648	6,746	6,715	8,269	9,339	10,095
		-40%	-53%	-53%	-43%	-35%	-30%
NE 175th St	14,443	10,675	8,258	9,822	9,822	13,209	13,602
		-26%	-43%	-32%	-32%	-9%	-6%
Richmond Bch Rd	16,213	11,793	9,198	10,677	13,098	13,743	13,739
		-27%	-43%	-34%	-19%	-15%	-15%

WSDOT has created a robust data dashboard for tracking COVID-19 impacts statewide which is available to the public online at:

<https://www.wsdot.wa.gov/about/covid-19-transportation-report/>

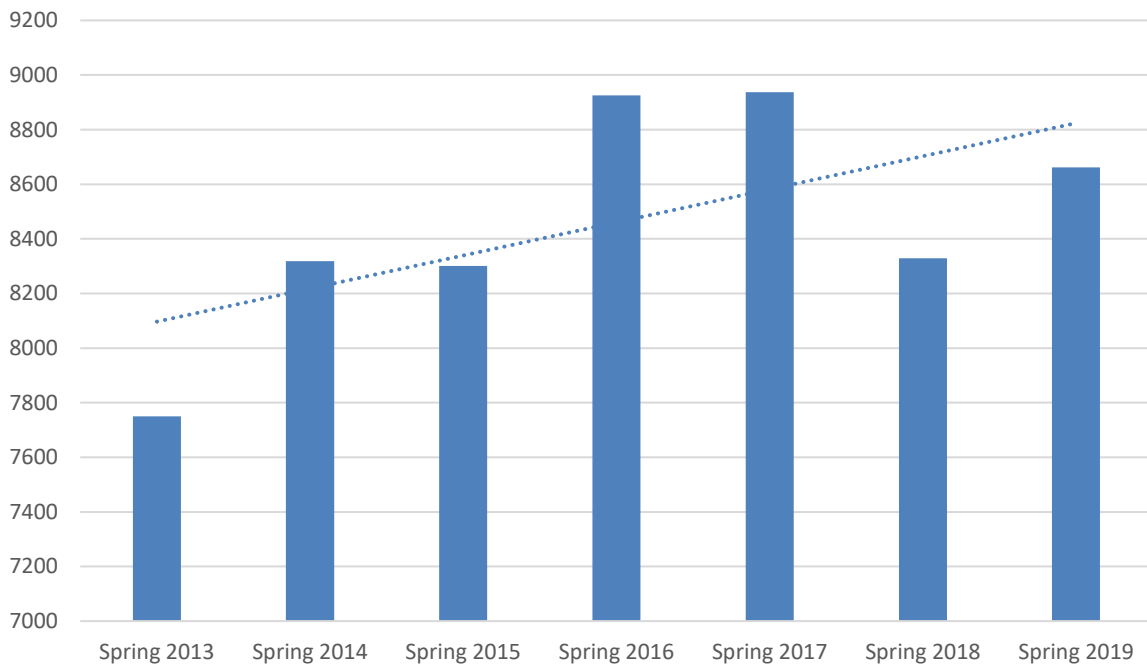
Transit Summary

King County Metro ridership was up from 2018, however still lower than 2016 and 2017 ridership. Overall, the trendline remains on the uptick in the 2013-2019 monitoring period.

	Average Daily Transit Boardings in Shoreline	% Change
Spring 2019	8662	3.9%
Spring 2018	8329	-6.8%
Spring 2017	8937	0.13%
Spring 2016	8925	7.5%
Spring 2015	8301	-0.2%
Spring 2014	8318	7.3%
Spring 2013	7750	-

**King County Metro data only*

Average Daily Transit Boardings in Shoreline



COVID-19 Transit Impacts

This report focuses primarily on the prior year of data however King County Metro provided some context for COVID-19 impacts to transit ridership on August 7th, 2020. Some key takeaways from this review of ridership are as follows.

- ✚ From July 27-31, the average weekday bus ridership was estimated to be about 144,000, compared to 395,000 for the same time in 2019, or a 63% drop.
- ✚ An estimated 61% fewer passengers used Metro’s Access paratransit service from July 27-31 compared to a year ago. Water taxi route ridership has increased slightly recently, carrying an

estimated 80% fewer riders compared to last year—about 500 riders per weekday compared to 2,500.

- ✚ Riders continue to board primarily at the rear doors and fare collections remain suspended through August.
- ✚ Buses remain limited to 12-18 passengers depending on the size of the coach to support physical distancing and to limit the spread of COVID-19.

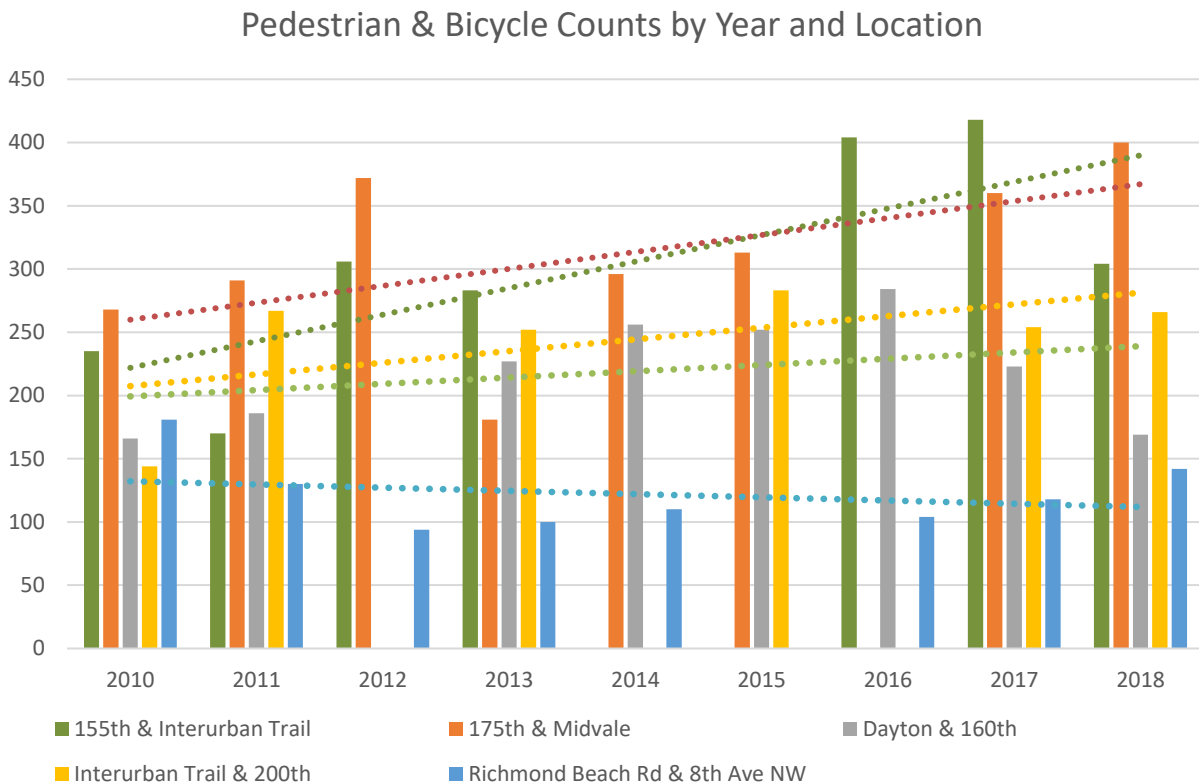
Specific data for the RapidRide E Line, which serves Shoreline, was also included in this summary and showed that 48% of normal ridership was retained in the last week of July (52% lower than normal). Additional information is available on King County Metro's blog at:

<https://kingcountymetro.blog/2020/08/07/covid-19-update-summer-ridership-remains-steady-masks-required-when-riding-transit/>.

Pedestrian and Bicycle Count Summary

The Washington State Bicycle and Pedestrian Documentation Project collects bicycle and pedestrian data in cities throughout the State. This typically occurs annually each fall, however no new data was collected in 2019. As such, the information shown below is a duplicate of data presented in the 2018 Annual Traffic Report, which shows that pedestrian and bicycle activity is on the rise at most locations throughout the City.

The chart summarizes 2 hours for both the AM and PM peak (4 hours total) for pedestrian and bicyclist counts at these locations.



**Some years omitted due to incomplete data*

More information about the Washington State Bicycle and Pedestrian Documentation Project can be found online at: <http://www.wsdot.wa.gov/bike/Count.htm>

Appendix

Appendix A – 2017-2019 Total Collisions Map

Appendix B – 2017-2019 Injury Collisions Map

Appendix C – 2015-2019 Pedestrian Collisions Map

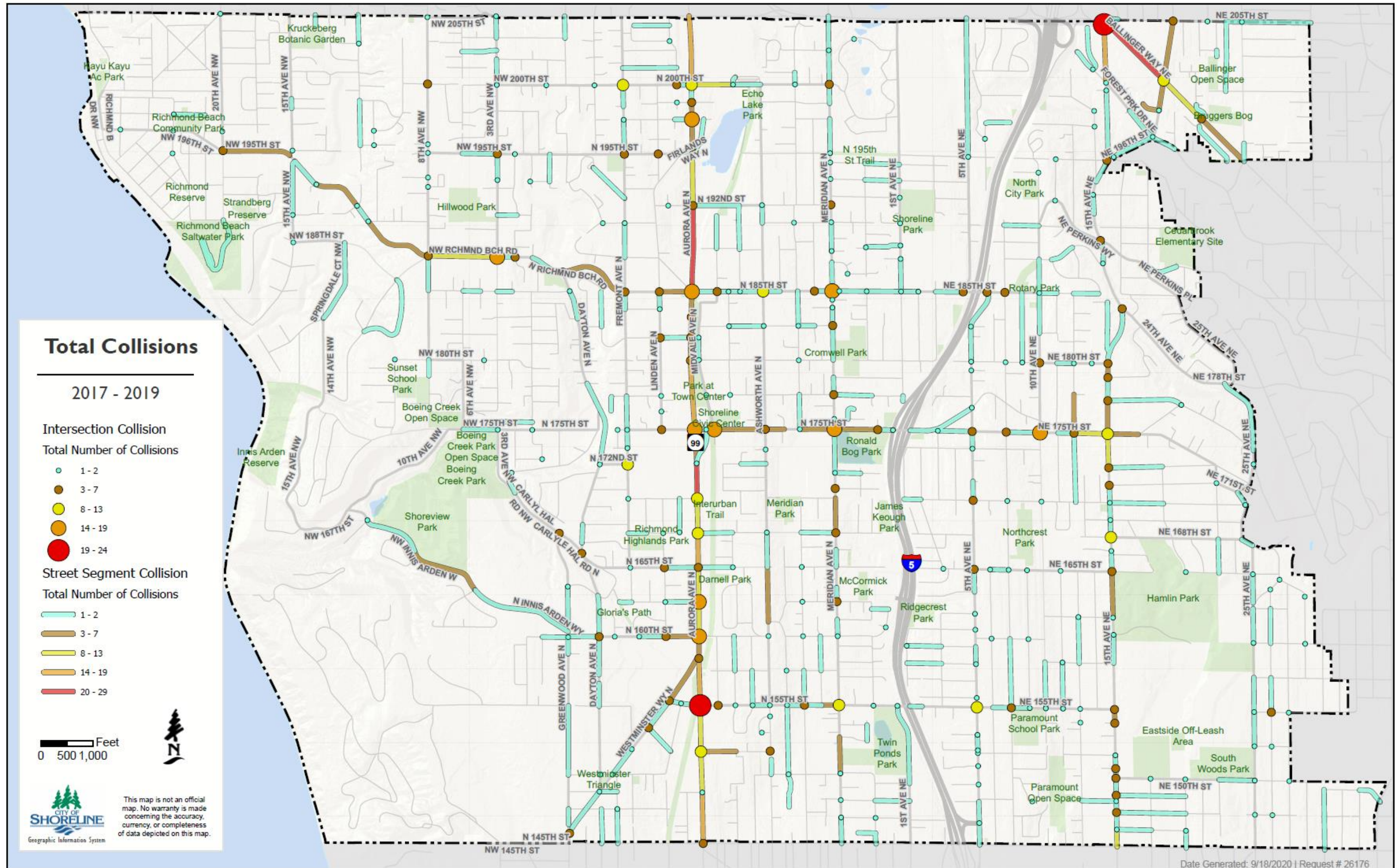
Appendix D – 2015-2019 Bicyclist Collisions Map

Appendix E – 2015-2019 Fatal and Serious Injury Collisions Map

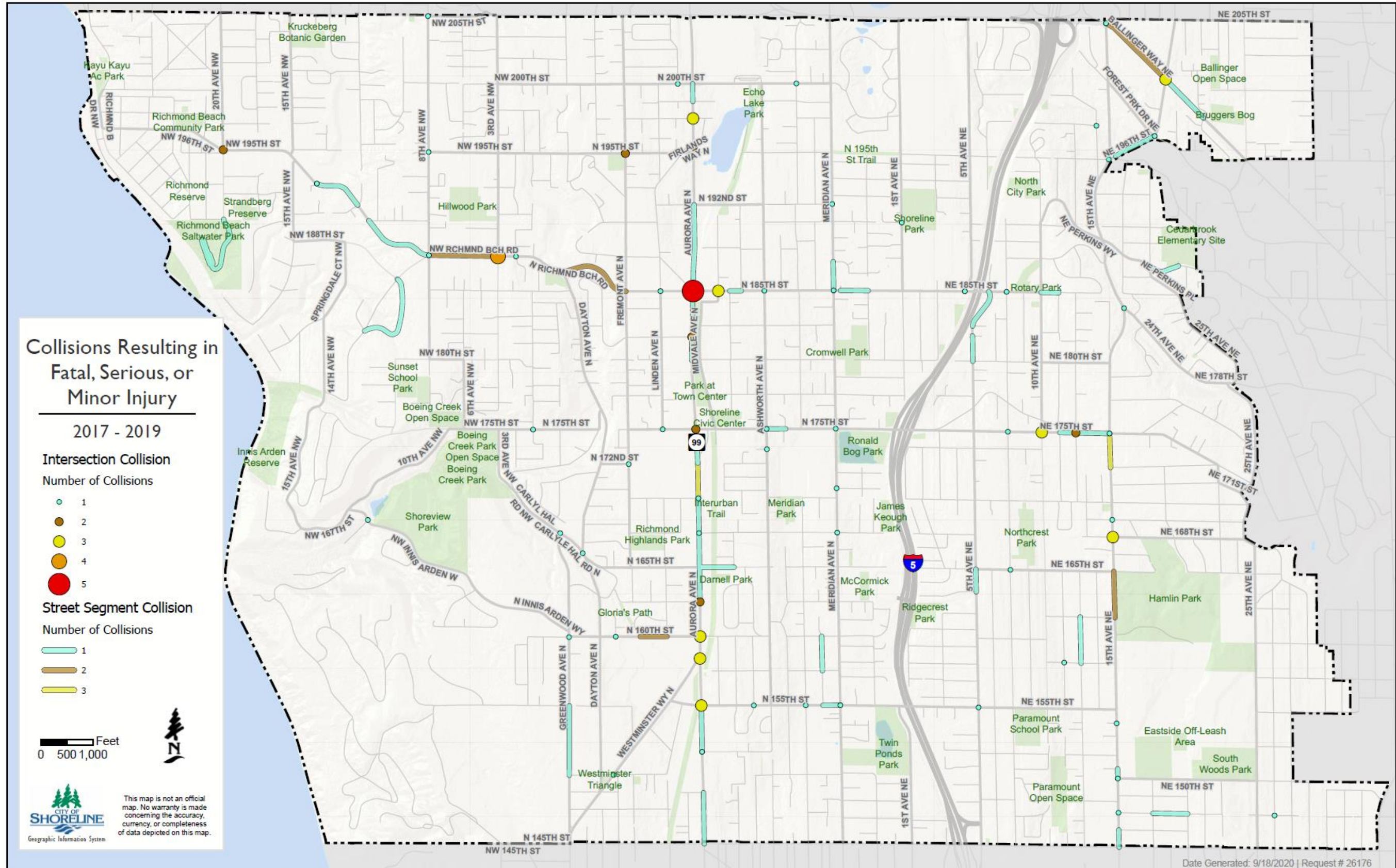
Appendix F – 2019 Traffic Flow Map

Appendix G – 2019 Speed Differential Map

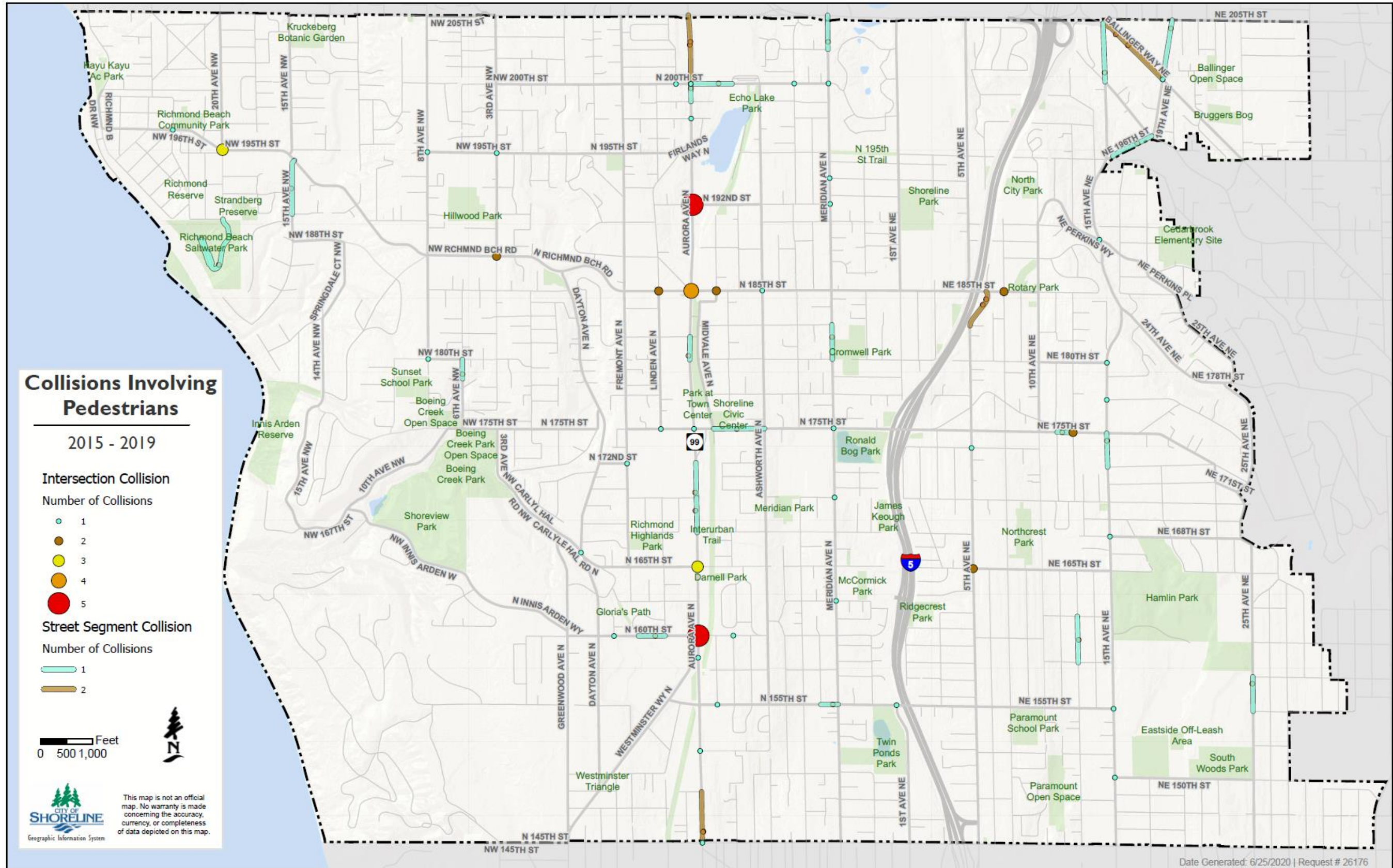
Appendix A - 2017-2019 Total Collisions Map



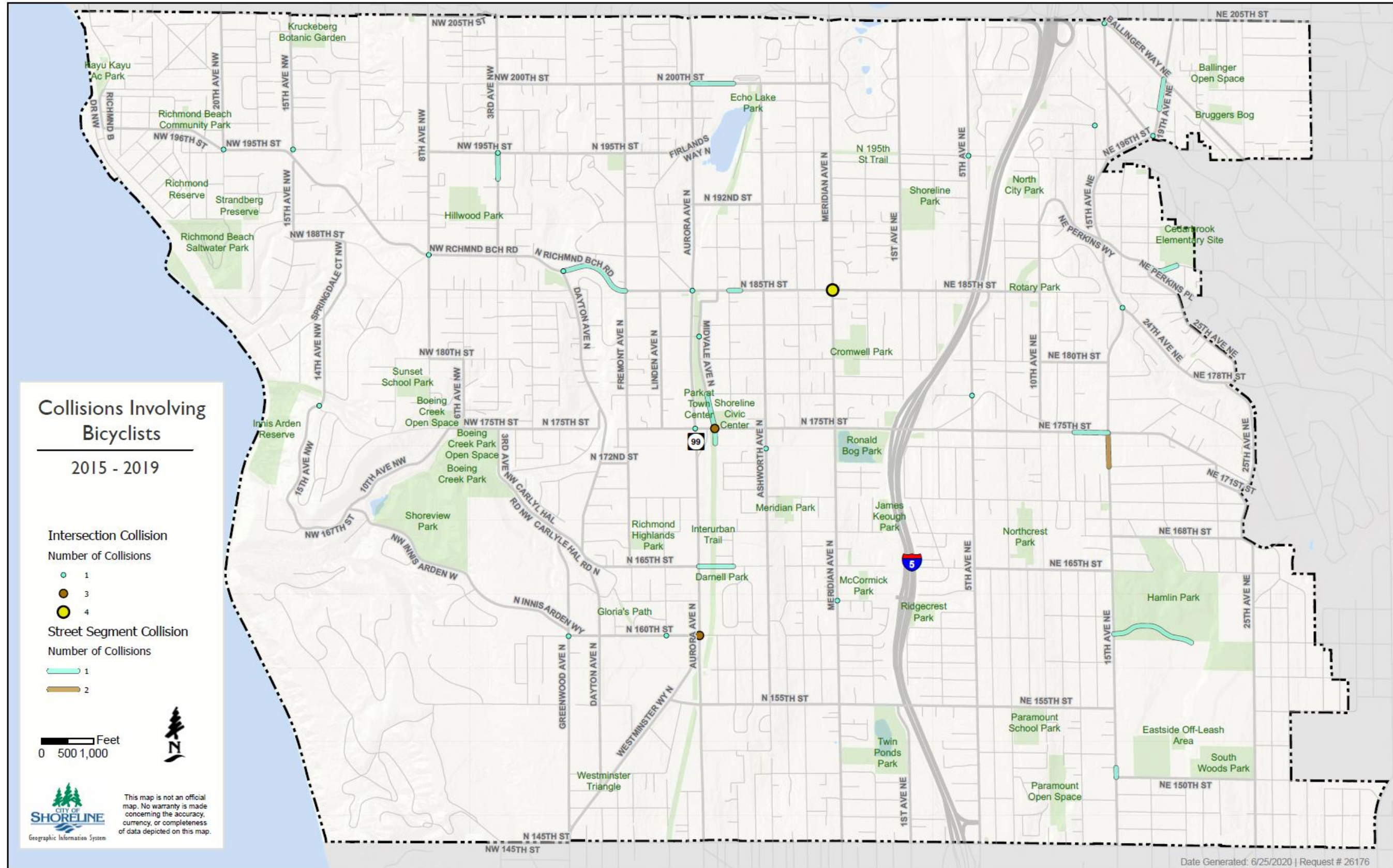
Appendix B - 2017-2019 Injury Collisions Map



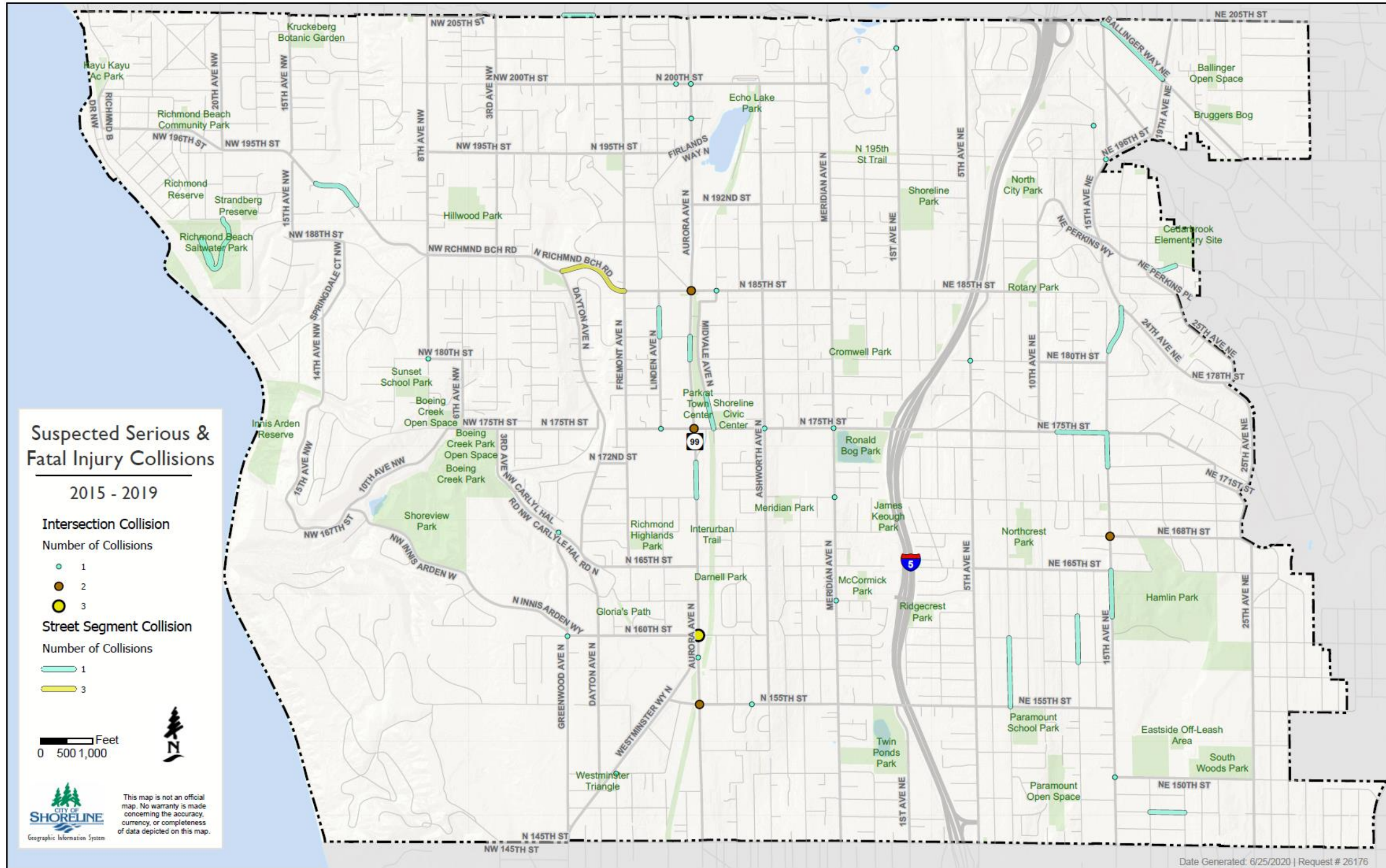
Appendix C - 2015-2019 Pedestrian Collisions Map



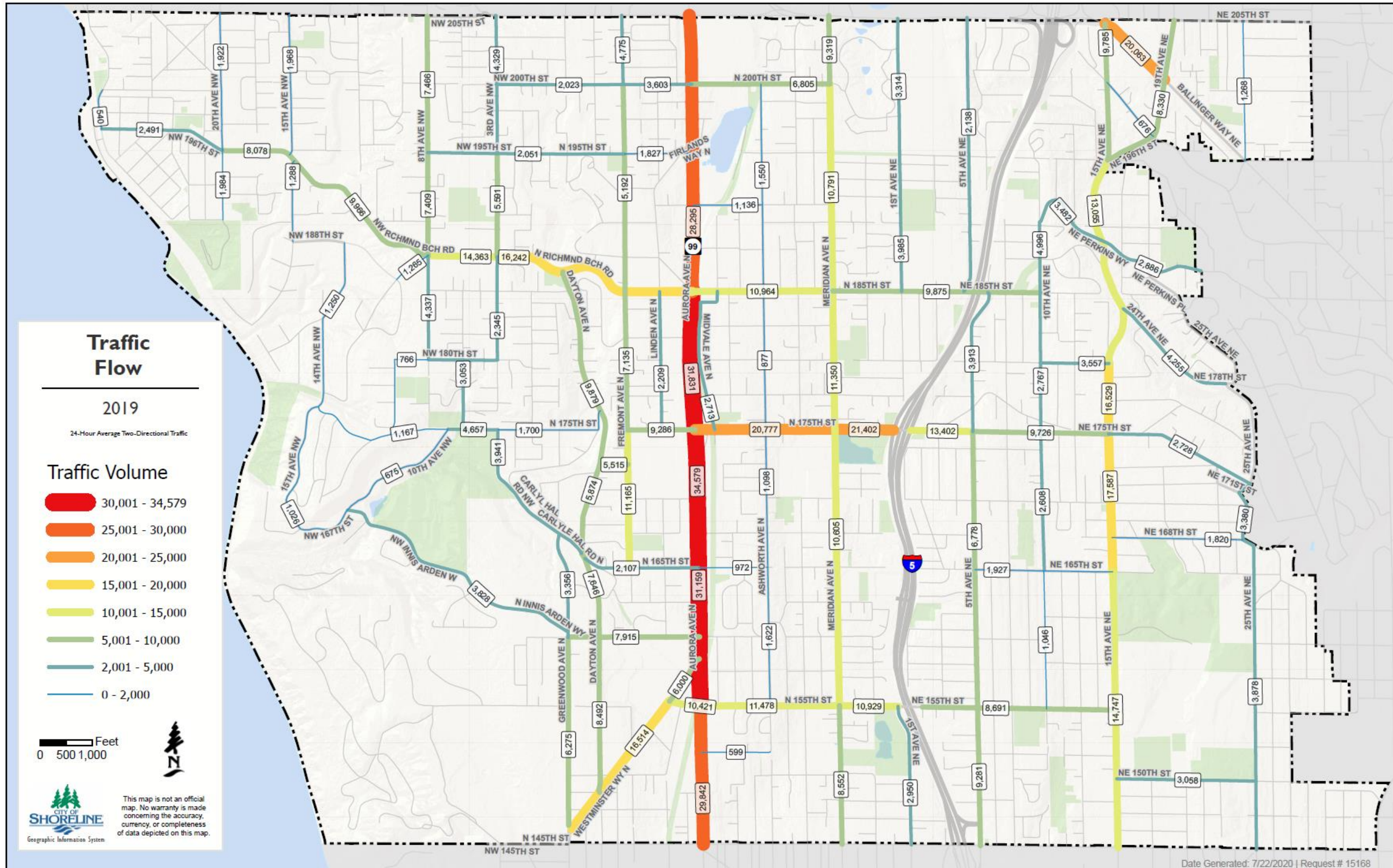
Appendix D - 2015-2019 Bicyclist Collisions Map



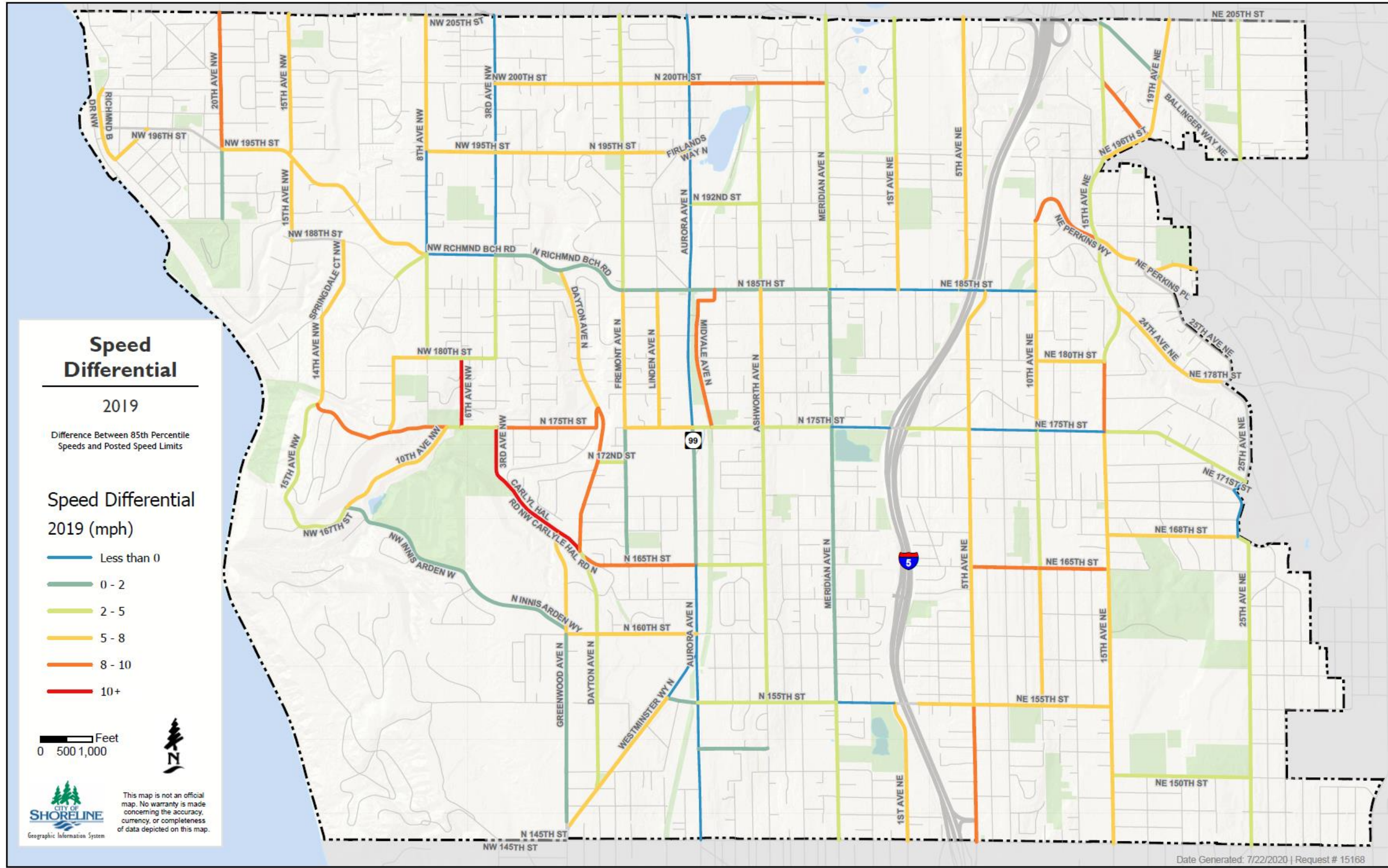
Appendix E - 2015-2019 Fatal and Serious Injury Collisions Map



Appendix F - 2019 Traffic Flow Map



Appendix G - 2019 Speed Differential Map



CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussion of Emergency Resolution No. 466 – Revising the Implementation Plan and Adding Funds for the City’s CARES Act Relief Funds and Authorizing the City Manager to Amend the Interagency Agreement with the Washington State Department of Commerce for Coronavirus Relief Funds and Implement Subsequent Agreements
DEPARTMENT:	Recreation, Cultural and Community Services
PRESENTED BY:	Bethany Wolbrecht-Dunn, Community Services Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

On April 27, 2020, Governor Inslee announced that the State would award almost \$300 million in Federal Coronavirus Aid, Relief and Economic Security Treasury Relief Funds (CARES Funds) to local governments not eligible to receive a direct allocation. Shoreline’s original award was \$1,691,100. The Washington State Department of Commerce recently notified the City that it will be receiving an additional \$845,550 in Federal CARES Act Coronavirus Relief Funds (CARES Act funds). Commerce has also extended the incurred expenses period to November 30, 2020. Along with the original allocation of \$1,691,100, the City now has access to \$2,536,650 in CARES Act funding to aid in our emergency response to the COVID-19 pandemic.

At the June 8, 2020 Council meeting through Emergency Resolution No. 460, the City Council approved the planned use of CARES Act funds in the following manner:

- \$981,100 for City direct COVID-19 Response
- \$410,000 for a Small Business Support Program
- \$300,000 for a Human Services Support Program

The addition of \$845,550 in CARES Act funds requires Council programmatic and financial approval. In line with community needs, staff recommends the following update to the CARES Act Implementation Plan:

- \$1,374,381 for City direct COVID-19 Response
- \$676,206 for a Small Business Support Program
- \$486,063 for a Human Services Support Program

As in most emergencies, the City’s COVID-19 response is fluid, and staff wants to ensure some flexibility to make changes in the programs in order to maximize the funding in this short time period. The proposed Resolution includes a provision that the City Manager can approve any changes to the program allocations.

Tonight, Council is discussing proposed Emergency Resolution No. 466 (Attachment A) which will revise the City's CARES Act Implementation Plan as noted above. Approval of proposed Emergency Resolution No. 466 is currently scheduled for Council action on October 12, 2020.

RESOURCE/FINANCIAL IMPACT:

Proposed Emergency Resolution No. 466 identifies an additional \$845,550 in CARES Act funds allowing for total program expenditures in the amount of \$2,536,650 for COVID-19 related expenditures through November 30, 2020. The City is anticipating reimbursement of these fund by the State by the end of 2020.

RECOMMENDATION

No action is required tonight; staff recommends that the City Council discuss Emergency Resolution No. 466, which includes a revised implementation plan and adds funds for the City's CARES Act Relief Program. The Resolution will also authorize the City Manager to amend the Interagency Agreement with the Washington State Department of Commerce for Coronavirus Relief Funds and to implement the program components and agreements as necessary. Staff further recommends that the City Council adopt Emergency Resolution No. 466 when it is brought back to Council on October 12, 2020.

Approved By: City Manager ***DT*** City Attorney ***JA-T***

BACKGROUND

A federally declared disaster related to the COVID-19 health emergency was declared by President Trump on March 13, 2020. Since that time, Congress has taken three legislative actions in response to this emergency. The third action, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, was signed into law on March 27, 2020. The CARES Act funds approximately \$2 trillion in funding to assist individuals, businesses and governments respond to the health crisis.

The CARES Act established the Coronavirus Relief Fund through the US Treasury Department to provide payments to state, local and tribal governments. Payments are based on population; local governments with a population of over 500,000 receive direct payments and states receive payments reduced by the aggregate amount of the payments disbursed to eligible local governments within that state.

Under the CARES Act, the Coronavirus Relief Funds may be used to cover costs that:

1. Are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19); AND
2. Are not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government. The “most recently approved budget” refers to the enacted budget for the relevant fiscal period for the particular government. A cost meets this requirement if:
 - a. The cost cannot lawfully be funded using a line item, allotment, or allocation within that budget; OR
 - b. The cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.
3. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Further guidance from the US Treasury Department provides six categories of primary allowable cost categories:

- Medical expenses,
- Public health expenses,
- Payroll expenses,
- Expenses of actions to facilitate compliance with COVID-19-related public health measures,
- Expenses associated with the provision of economic support (including grants to small businesses to reimburse the cost of business interruption), and
- Any other COVID-19-related expenses reasonably necessary to the function of government.

Stated ineligible costs include:

- Damages covered by insurance,
- Expenses that have been or will be reimbursed under any federal program,
- Severance pay, and
- Legal settlements.

Washington State Award of Relief Funds

On April 27, 2020, Governor Inslee announced that the State would award almost \$300 million in CARES Act Coronavirus Relief Funds (CARES Act funds) to local governments not eligible to receive a direct allocation from Treasury. Shoreline's award was \$1,691,100. These funds are to be used for Shoreline's response to the COVID-19 emergency through the limited timeframe of March 1, 2020 to October 31, 2020.

At the June 8, 2020 Council meeting, the Council approved the planned use of the City's CARES Act funds in the following manner:

- \$981,100 for City direct COVID-19 Response
- \$410,000 for a Small Business Support Program
- \$300,000 for a Human Services Support Program

The staff report for this Council action can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2020/staffreport060820-8a.pdf>.

As was discussed at the June 8th Council meeting, these funding allocations are targets and the City may need to shift funding to some degree as the end of the eligibility period moves closer. The table below shows updated information on the CARES Act funds spending plan as of September 11, 2020.

	Planned	Current	Notes
City Direct	\$981,100	\$601,830	Includes Extra Duty/Premium and COVID sick pay, other personnel, technology and FEMA match
Small Business Support	\$410,000	\$401,909	\$12,000 grant outstanding
Human Services Support	\$300,000	\$191,063	Includes Personal Protective Equipment (PPE) of \$8,027, food gift cards of \$148,036 and \$35,000 for food
TOTAL	\$1,691,100	\$1,194,802	

DISCUSSION

Following the initial CARES Act funding provided to the City, the Washington State Department of Commerce notified the City that we would be receiving an additional \$845,550 in CARES Act funding and extending the deadline for use to November 30, 2020, bringing the total available to \$2,536,650 to assist in the City's emergency response to the COVID-19 pandemic. The addition of \$845,550 in CARES Act funds requires Council programmatic and financial approval. In line with community needs, staff recommends these additional funds be allocated as follows to the CARES Act Implementation Plan:

- \$393,281 for City direct COVID-19 Response
- \$266,206 for a Small Business Support Program
- \$186,063 for a Human Services Support Program

Proposed Emergency Resolution No. 466 (Attachment A) would revise the City's CARES Act Implementation Plan as noted above.

As in most emergencies, the City's COVID-19 response is fluid and staff want to ensure that there is some flexibility to make changes in the programs in order to maximize the funding in this short time period. Proposed Emergency Resolution No. 466 includes a provision that the City Manager can approve any changes to the program categories and provide the Council details of this in a monthly report.

The following section of this staff report provides greater detail regarding the revised proposed expenditure areas, as well as updates on implementation of the original plan.

City Direct COVID-19 Response Program (Additional \$393,281; Total Funding of \$1,374,381)

In order to protect the health and safety of the Shoreline community and staff, the City has taken many actions as it relates to the COVID-19 emergency. While some costs may be reimbursable through the Federal Emergency Management Agency (FEMA) Public Assistance (PA) Program, the PA program has a narrow definition for payment of emergency protective measures and the CARES Act funds have broader eligibility.

Within the City, staff expects to be reimbursed for the following categories of COVID-related expenditures (staff has highlighted in *italics* additions to this list from the June 8, 2020 staff report):

- Payroll expenses incurred to respond to the COVID-19 emergency.
- Expenses for paid sick leave and paid family/medical leave to City Employees.
- Unemployment insurance costs.
- Expenses for additional disinfection of public areas and facilities.
- Modification to City buildings for employee and public safety purposes, such as adding plexiglass guards to certain work stations.
- Telework expenses.
- A portion of the COVID-19 Emergency Community Response Grant Program, which was established by Council on March 30, 2020.
- Business outreach and communication.
- Purchase of personal protective equipment (PPE) for City staff.
- *Cleaning and staffing of the homeless shower program at the Spartan Recreation Center.*
- *Expenditures related to the Fall Distance Learning Camp to allow for fee waivers to eligible students.*
- *Truck rentals to allow for social distancing of maintenance staff.*
- *Computer upgrades to support telecommuting needs of staff.*
- *Extra sanitation activities, as needed.*

Small Business Support Program (Additional \$266,206; Total Funding of \$676,206)

Many Shoreline businesses have been unable to access initial CARES Act or other funds before programs were closed due to high demand, while others have found the impact to their business from the COVID-19 pandemic much larger than the CARES Act

funding made available thus far. To help address this shortfall, staff developed a Small Business Support Program (SBSP) to support Shoreline small businesses.

On June 8, 2020, Council approved the SBSP as follows:

- \$500,000 City-administered grant fund for small businesses (defined as businesses with fewer than 25 employees, counting business owners) using both Relief Funds (\$413,909) and \$86,091 in King County funding allocated by the King County Council for local business support. (Amount shown in the June 8 staff report was an estimate of the King County funding; \$86,091 was the actual funding amount.)
- Grant awards would be up to \$20,000; partial grants could also be awarded to maximize the reach of available funds.
- Grant applications would be reviewed by staff with a recommendation to the City Manager and the City Manager would make award decisions.
- Grant recipients would be required to enter into a Grant Agreement with the City which will require the filing of a report on how the funds were spent. If a business does not utilize all the grant funds received, the business would be required to return the excess funds to the City. As well, if a business does not utilize the grant funds for eligible expenses as identified below, the business would be required to reimburse the City for those amounts of grant funds.

Based on Council's approval of the SBSP, a staff review team was convened to manage the process and make funding recommendations to the City Manager. The process opened on June 12th and closed on June 22nd, with 70 applications received for a total request of \$1,201,518 in grant awards. Of those, two were duplicate entries. The team scored applications based on their financial loss, recovery plan, and potential jobs lost, as well as if it is an independent or placemaking business. The result of the review was City Manager approval of 35 business receiving grant awards ranging from \$3,500 to \$20,000.

As part of the review process, the staff review team also developed recommendations for the City Manager to consider should additional CARES Act funds be made available. Allocating an additional \$262,297 to the SBSP will allow for full funding for several businesses that the City did not have enough allocation to fully fund their request during the initial process. There are also seven currently unfunded businesses that are recommended to receive support; bringing the total businesses grant awards to 42.

Human Services Support Program (Additional \$186,063; Total Funding of \$486,063)

On March 30, 2020, when the early impacts of COVID-19 were already emerging, the City Council established via Resolution No. 457 a \$100,000 COVID-19 Emergency Community Response Grant Program. As the demand for that funding support was high and the dollars went quickly, the Council subsequently added \$50,000 to the program. This program supported Shoreline community-based organizations in their efforts to provide new or ongoing critical services to Shoreline residents.

As the needs continued in the community, additional funding was allocated for Human Services in the CARES Act Program. The approved Human Services program under the initial CARES Act was as follows:

Initial Human Services Funding Allocation	
Shoreline School District Summer Sack Lunch and Breakfast Program	\$10,000
Food Gift Card Program	\$150,000
Senior Center Meal Deliver Program	\$25,000
Non-Profit PPE Program	\$115,000
Total	\$300,000

Staff's revised proposal takes into account the ongoing needs related to food access and also includes the eligible funding provided through the Emergency Community Response Program (which is not eligible for FEMA reimbursement).

Revised Initial Human Service Funding Allocation	
Shoreline School District Summer Sack Lunch and Breakfast Program	\$5,500
Hunger Intervention Program Summer Meals Distribution	\$4,500
Food Gift Card Program	\$148,036
Senior Center Meal Deliver Program	\$25,000
Non-Profit PPE Program	\$8,027
Initial Human Services Program Implementation Total	\$191,063
Reimbursements of Grants Provided Under the City's COVID-19 Emergency Community Response Grant Program	\$30,000
Additional Food Gift Card Program	\$225,000
Food Access with Community Partners	\$40,000
Added Human Services Programs Total	\$295,000
New Human Services Program Total	\$486,063

Regarding the original Human Services Program implementation, the Shoreline School District found they did not require their initial request amount of \$10,000, so the City was able to provide \$4,500 of their allocated funding to the Hunger Intervention Program to also provide summer meals to the community. As well, the PPE program was not used to the extent staff anticipated since agencies were either receiving donations for their needed PPE, or some services were now being provided in ways that PPE was not necessary. Thus, much of this funding was able to be reallocated in the "added programs" as noted above.

Staff has continued to work with community partners regarding needs related to food access, which remains a high need in the community. To that end, staff recommends additional funds for the food gift card program and to expand the reach with partnerships with the Shoreline/Lake Forest Park Senior Center and other agencies. Additional funds will be available for agencies to increase food access.

Tonight's Council Meeting

Tonight, Council is scheduled to discuss proposed Emergency Resolution No. 466, which will revise City's CARES Act implementation plan as noted above. Approval of

proposed Emergency Resolution No. 466 is currently scheduled for Council action on October 12, 2020.

RESOURCE/FINANCIAL IMPACT

Proposed Emergency Resolution No. 466 identifies an additional \$845,550 in CARES Act funds allowing for total program expenditures in the amount of \$2,536,650 for COVID-19 related expenditures through November 30, 2020. The City is anticipating reimbursement of these fund by the State by the end of 2020.

RECOMMENDATION

No action is required tonight; staff recommends that the City Council discuss Emergency Resolution No. 466, which includes a revised implementation plan and adds funds for the City's CARES Act Relief Program. The Resolution will also authorize the City Manager to amend the Interagency Agreement with the Washington State Department of Commerce for Coronavirus Relief Funds and to implement the program components and agreements as necessary. Staff further recommends that the City Council adopt Emergency Resolution No. 466 when it is brought back to Council on October 12, 2020.

ATTACHMENTS

Attachment A: Emergency Resolution No. 466

Attachment B: Washington State Department of Commerce Amendment 1 to Agreement for Coronavirus Relief Fund for Local Governments

RESOLUTION NO. 466

A PUBLIC HEALTH EMERGENCY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, REVISING THE PROGRAM FUNDING AND IMPLEMENTATION PLAN ADOPTED BY RESOLUTION 460 TO PROVIDE FOR ADDITIONAL CARES ACT RELIEF FUNDS ALLOCATED TO THE CITY OF SHORELINE.

WHEREAS, due to the COVID-19 public health emergency, the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, which provides funding to assist individuals, businesses, and governments in responding to COVID-19; these funds are administered by the U.S. Treasury Department; and

WHEREAS, the U.S. Treasury Department has provided six (6) categories of primary allowable expense categories for CARES Funds: medical; public health; payroll; COVID-19 public health compliance measures; economic support; and other expenses necessary to the function of government; and

WHEREAS, for Washington cities such as Shoreline, CARES funds are distributed via the State of Washington's Department of Commerce which initially awarded Shoreline \$1,691,100 in funding based on its population; and

WHEREAS, with the adoption of Resolution 460 in June 2020, the City Council established a Program Funding and Implementation Plan allocating funds for a City-direct response program; a small business support program; and a human services support program; and

WHEREAS, the Department of Commerce recently notified the City that an additional \$845,550 can be provided to assist with the City's emergency response to the COVID-19 pandemic; and

WHEREAS, the City Council desires to allocate the additional \$845,550 in CARES Act funding amongst the programs established by Resolution 460 and provide for City Manager authority to execute all agreements, documentation, purchase orders, and contracts to accept, distribute, and be reimbursed and to transfer funds between the programs to serve the best interests of the City and its citizens;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES:

Section 1. City of Shoreline's CARES Act Relief Fund Program Funding and Implementation Plan.

- A. The CARES Act Relief Fund Program Funding and Implementation Plan established by Resolution 460 is amended in an amount equal to the additional funding amount distributed to the City of Shoreline by Washington State in CARES Act funding and denoted as such in the accounting records of the City. The City Manager is directed to distribute the additional CARES Act Relief funds, totaling approximately \$845,550, in the following manner:

- | | |
|--|-----------|
| 1. City-Direct COVID-19 Response Program | \$393,281 |
| 2. Small Business Support Program | \$266,206 |
| 3. Human Services Support Program | \$186,063 |

Section 2. Administration Procedures.

- A. The additional funding provided by this Resolution, along with the remaining amounts of the original funding provided by Resolution 460, shall be utilized for expenditures allowed pursuant to the CARES Act and guidance issued by the U.S. Treasury Department from March 1, 2020 through November 30, 2020, unless another date is established by the U.S. Treasury Department or State of Washington.
- B. The City Council authorizes the City Manager, or designee, to execute any and all amendments to agreements and related documentation necessary to receive these additional funds, including but not limited to an amendment to the City’s existing agreement with the State of Washington. This authority includes the execution of any and all documentation to ensure full and complete reimbursement of the CARES Act Relief Funds allocated to the City as provided by this Resolution.
- C. The City Council authorizes the City Manager, or designee, to execute any and all purchase orders or contracts with third-party vendors or organizations to distribute the City’s CARES Act Relief Funds in excess of the signing authority for such purchase orders or contracts set forth in chapter 2.60 of the Shoreline Municipal Code.
- D. If by October 31, 2020, any programs have funds that have not been distributed or encumbered, the City Manager is authorized to transfer the remaining balance, or any portion thereof, for use by any other program at the discretion of the City Manager.

Section 3. Reporting. The City Manager shall provide a monthly report at the first regularly scheduled meeting of the City Council each month regarding utilization of the CARES Act Relief funds in the prior month and, shall include the businesses and human services providers that received funding. If the City Manager transfers funds as provided in Section 2(E) of this Resolution, then the monthly report shall also detail this transfer.

Section 4. Effective date. This Resolution shall take effect and be in full force immediately upon passage by the City Council.

Passed by majority vote of the City Council in an open meeting this 12th day of October, 2020.

Will Hall, Mayor

ATTEST:

Jessica Simulcik Smith, City Clerk

Washington State Department of Commerce
 Local Government Division
 Community Capital Facilities Unit
 Coronavirus Relief Fund for Local Governments

1. Contractor City of Shoreline 17500 Midvale Ave N SHORELINE, Washington 98133-4905		2. Contractor Doing Business As (optional)	
3. Contractor Representative (only if updated) Bethany Wolbrecht-Dunn Grants Administrator (206) 801-2331 bwolbrec@shorelinewa.gov		4. COMMERCE Representative (only if updated) Tryg Hoff Project Manager (360) 725-2779 Fax 360-586-5880 tryg.hoff@commerce.wa.gov	
5. Original Contract Amount (and any previous amendments) \$1,691,100.00	6. Amendment Amount \$845,550.00	7. New Contract Amount \$2,536,650.00	
8. Amendment Funding Source Federal: X State: Other: N/A:		9. Amendment Start Date Date of Execution	10. Amendment End Date November 30, 2020
11. Federal Funds (as applicable): \$2,536,650.00	Federal Agency: US Dept. of the Treasury	CFDA Number: 21.019	
12. Amendment Purpose: To provide additional funding for costs incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) during the period of March 1, 2020 thru November 30, 2020. Final invoices must be received by December 15, 2020.			

COMMERCE, defined as the Department of Commerce, and the Contractor, as defined above, acknowledge and accept the terms of this Contract As Amended and attachments and have executed this Contract Amendment on the date below to start as of the date and year referenced above. The rights and obligations of both parties to this Contract As Amended are governed by this Contract Amendment and the following other documents incorporated by reference: Contractor Terms and Conditions including Attachment "A" – Scope of Work, Attachment "B" – Budget & Invoicing, Attachment "C" – A-19 Certification, Attachment "D" – A-19 Activity Report. A copy of this Contract Amendment shall be attached to and made a part of the original Contract between COMMERCE and the Contractor. Any reference in the original Contract to the "Contract" shall mean the "Contract as Amended".

FOR CONTRACTOR _____ Debra Tarry, City Manager _____ Date	FOR COMMERCE _____ Mark K. Barkley, Assistant Director, Local Government Div _____ Date APPROVED AS TO FORM ONLY _____ Sandra Adix Assistant Attorney General _____ 3/20/2014 Date
--	---

Amendment

This Contract is **amended** as follows:

Contract amount has been increased by \$845,550.00.

Contract end date has been extended from October 31, 2020 to November 30, 2020.

Final reimbursement request must be received by December 15, 2020.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN IN FULL FORCE AND EFFECT.

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussion of Ordinance No. 905 - Authorizing a One-Year Extension to the Right-of-Way Franchise with Northwest Fiber LLC (dba Zply) Originally Granted to Verizon Northwest Inc. (Ordinance No. 522) to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Christina Arcidy, Management Analyst
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

As per Shoreline Municipal Code (SMC) Section 12.25.010, all utilities using the City's rights-of-way for operation and maintenance of their facilities are required to have a non-exclusive franchise with the City. The City's existing non-exclusive right-of-way franchise with Northwest Fiber LLC (NW Fiber) to construct, maintain, operate, replace, and repair a cable system within the City expires November 4, 2020. The franchise was originally granted to Verizon Northwest Inc. (Verizon) via Ordinance No. 522 and was then transferred to Frontier Communications Corporation (Frontier) via Resolution No. 289. The franchise was then transferred to NW Fiber via Resolution No. 443, which was adopted on September 16, 2019.

Prior to NW Fiber's acquisition of Frontier, the City had begun franchise negotiations with Frontier. Once the City received notice that Frontier would be acquired by NW Fiber, the City attempted to start franchise negotiations with NW Fiber. NW Fiber is not yet able to begin franchise negotiations and have asked for an extension of the existing franchise.

Proposed Ordinance No. 905 would provide a one-year extension to the existing franchise agreement with NW Fiber and would terminate November 4, 2021, or upon the effective date of a new franchise, whichever occurs first. All terms and conditions of the proposed one-year extension are unchanged from the existing franchise; only the term (length of the agreement) has been changed. The proposed one-year extension being discussed tonight would allow staff to negotiate a new long-term franchise agreement for cable service in the City.

RESOURCE/FINANCIAL IMPACT:

This franchise extension will have no financial impact to the City. The fees and taxes that the City currently receives from NW Fiber will continue under this one-year extension of the existing franchise agreement.

RECOMMENDATION

No formal action is required at this time. Staff recommends that Council discuss the various aspects of the proposed ordinance granting this limited franchise extension and determine if there are any further questions or information that staff should bring back for Council consideration. Council is currently scheduled to consider adoption of proposed Ordinance No. 905 on October 19, 2020.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

As per Shoreline Municipal Code (SMC) Section 12.25.010, all utilities using the City's rights-of-way for operation and maintenance of their facilities are required to have a non-exclusive franchise with the City. The City's existing non-exclusive right-of-way franchise with NW Fiber (dba Ziplly) granted by Ordinance No. 522 (Attachment A) to construct, maintain, operate, replace, and repair a cable system within the City expires November 6, 2020.

Council granted the cable franchise to Verizon Northwest Inc. (Verizon) on October 27, 2008 via Ordinance No. 522 for a term of twelve (12) years. More information can be found in this [staff report](#). Frontier Communications Corporation (Frontier) bought the Verizon wireline services in 14 Western States, including Washington, in 2009. Council subsequently granted a requested transfer of the franchise from Verizon to Frontier via [Resolution No. 289](#). More information can be found in this [staff report](#). On May 28, 2019, Frontier entered into a purchase agreement with NW Fiber and became the successor-in-interest to the assets of Frontier, which prompted a transfer of Frontier's franchise to NW Fiber via [Resolution No. 443](#). More information can be found in this [staff report](#).

Prior to NW Fiber's acquisition of Frontier, the City had begun franchise negotiations with Frontier. Once the City received notice that Frontier would be acquired by NW Fiber, the City attempted to start franchise negotiations with NW Fiber. NW Fiber is not yet able to begin franchise negotiations and have asked for an extension of the existing franchise.

DISCUSSION

Proposed Ordinance No. 905 (Attachment B) would provide a one-year extension to the existing franchise agreement with NW Fiber. All terms and conditions of the proposed one-year extension are unchanged from the existing franchise except for the term, which is extended by one year and would terminate November 4, 2021, or upon the effective date of a new franchise, whichever occurs first.

New Franchise Agreement Consideration

While a competitive cable provider may apply for a franchise at any time, the City must go through the renewal process with each existing cable operator. The City cannot deny renewal to an existing cable operator except for specific criteria set forth in the Cable Act.

As a reminder, the City cannot tell a cable operator which television programs to carry or regulate non-cable services. Cable operators have First Amendment protections, so the City has very limited authority to regulate the type of cable channels carried or the content of cable television programming Comcast makes available in Shoreline. The City does not have authority to regulate non-cable services (e.g., high-speed Internet access and telephone service) provided by NW Fiber. Federal law allows only for regulation of cable television services.

The Shoreline Municipal Code (SMC) section 12.25.070 identifies the considerations the City should review when renewing a right-of-way franchise, which are consistent with the [Cable Act of 1984](#) (47 U.S.C. § 546). These considerations include:

1. The applicant's past service record in the city and in other communities.
2. The nature of the proposed facilities and services.
3. The proposed area of service.
4. The proposed rates (if applicable).
5. Whether the proposal would serve the public needs and the overall interests of the city residents.
6. That the applicant has substantially complied with the material terms of the existing franchise.
7. The quality of the applicant's service, response to consumer complaints, and billing practices.
8. That the applicant has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in the application.
9. The applicant's proposal is reasonable to meet the future community needs and interests, taking into account the cost of meeting such needs and interests.

Due to the substantial capital investment required to construct a modern cable system, the Cable Act gives cable companies certain advantages in renewing their franchises. The law limits the City's ability to deny renewal of a cable franchise. Even where the City can regulate, the federal government has established provisions that may limit the City's authority.

While NW Fiber is a new cable provider company, the executive board and staff have worked in the industry for many years in the Puget Sound region. They have shared their interest in building a better fiber network for the region, though no plans have yet been made available to extend service within Shoreline. Staff is cautiously optimistic that negotiations will go smoothly with NW Fiber in the year ahead. Frontier, the previous provider was in substantial compliance with the criteria identified in SMC Section 12.25.070, which is why staff believe this one-year extension to the franchise should be granted when proposed Ordinance No. 905 is brought back for Council action on October 19, 2020.

RESOURCE/FINANCIAL IMPACT

This franchise extension will have no financial impact to the City. The fees and taxes that the City currently receives from NW Fiber will continue under this one-year extension of the existing franchise agreement.

RECOMMENDATION

No formal action is required at this time. Staff recommends that Council discuss the various aspects of the proposed ordinance granting this limited franchise extension and determine if there are any further questions or information that staff should bring back for

Council consideration. Council is currently scheduled to consider adoption of proposed Ordinance No. 905 on October 19, 2020.

ATTACHMENTS

- Attachment A: Ordinance No. 522, Granting a Franchise to Verizon Northwest Inc. to Operate a Cable System in the Public Rights-of-Way to Provide Cable Services in the City of Shoreline for a Twelve-Year Term
- Attachment B: Proposed Ordinance No. 905, Authorizing a One-Year Extension to the Right-of-Way Franchise with Northwest Fiber LLC (dba Ziplly) Originally Granted to Verizon Northwest Inc. (Ordinance 522) to Construct, Maintain, Operate, Replace, and Repair a Cable System Over, Along, Under, and Through Designated Public Rights-of-way in the City of Shoreline

ORDINANCE NO. 522

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON GRANTING A FRANCHISE TO VERIZON NORTHWEST INC. TO OPERATE A CABLE SYSTEM IN THE PUBLIC RIGHTS-OF-WAY TO PROVIDE CABLE SERVICES IN THE CITY SHORELINE FOR A TWELVE YEAR TERM

WHEREAS, the City of Shoreline (“City”) has negotiated a Franchise Agreement with Verizon Northwest Inc. (“Verizon”), granting Verizon a franchise, authority, right and privilege for a period of twelve (12) years to construct, maintain, operate and repair a cable television system in the City, as set forth in the Franchise Agreement attached hereto, labeled Exhibit A and hereby incorporated by reference; and

WHEREAS, Verizon has requested that the City grant it a new franchise for the provision of cable television services within the City; and

WHEREAS, pursuant to RCW 35A.11.030, 35A.47.040 and 47 U.S.C. section 541(a)(1), the City has the power to grant franchises; and

WHEREAS, the City has analyzed and considered the technical ability, financial condition, legal qualifications, general character of Verizon, and all other conditions resulting from the grant of this Franchise, and has determined that it is in the best interest of the City and its residents to grant a cable Franchise to Verizon;

WHEREAS, Verizon and the City agree to be bound by the conditions hereinafter set forth;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

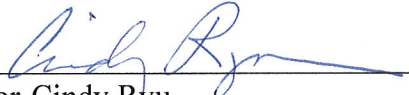
Section 1. Grant of Franchise. Pursuant to RCW 35A.11.030 and 35A.47.040, the City of Shoreline hereby grants a nonexclusive franchise to Verizon Northwest Inc. according to the terms and conditions set forth in Exhibit A attached hereto and incorporated herein by the reference as if set forth in full. Subject to the provisions therein, the term of the franchise shall be for a period of twelve (12) years from the effective date of the franchise, as defined in Exhibit A, and shall grant Verizon the right, privilege and authority to construct, maintain, operate, and repair a cable system in, on, across, over, along, under, upon, through and below the public rights-of-way to provide cable services in the City of Shoreline, all as provided in Exhibit A.

Section 2. Acceptance of Franchise. The franchise granted by Section 1 of this Ordinance shall be void and of no effect unless Verizon Northwest Inc. files with the City Clerk a signed franchise agreement accepting all of its terms and conditions within thirty (30) days after the Effective Date of this Ordinance.

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

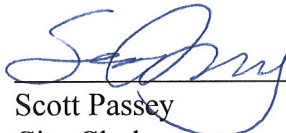
Section 4. Effective Date. Pursuant to RCW 35A.47.040, this ordinance has been passed at least five days after its first introduction and by a majority of the whole membership of the City Council at a regular meeting. A summary of this ordinance consisting of the title shall be published in the official newspaper and the ordinance shall take effect five days after publication; provided that this Ordinance and the franchise granted hereby shall become null and void, if the requirements of Section 2 are not met.

ADOPTED BY THE CITY COUNCIL ON OCTOBER 27, 2008



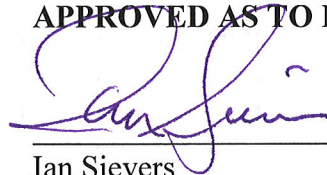
Mayor Cindy Ryu

ATTEST:



Scott Passey
City Clerk

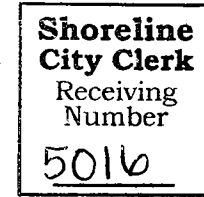
APPROVED AS TO FORM:



Ian Sievers
City Attorney

Publication Date: October 30, 2008
Effective Date: November 4, 2008

Ord. 522



CABLE FRANCHISE AGREEMENT

BETWEEN

THE CITY OF SHORELINE

AND

VERIZON NORTHWEST INC.

2008

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THIS CABLE FRANCHISE AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the City of Shoreline a duly organized city under the applicable laws of the State of Washington (the Local Franchising Authority or the “LFA”) and Verizon Northwest Inc., a corporation duly organized under the applicable laws of the State of Washington (the “Franchisee”).

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable communications system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a “franchising authority” in accordance with Title VI of the Communications Act (*see* 47 U.S.C. § 522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Washington State law and federal law;

WHEREAS, Franchisee is in the process of installing a Fiber to the Premise Telecommunications Network (the “FTTP Network”) in the Franchise Area for the transmission of Non-Cable Services pursuant to authority granted by the state of Washington;

WHEREAS, Franchisee intends to construct, install, maintain, and extend the FTTP Network pursuant to Title II of the Communications Act (*see* 47 U.S.C. § 201 *et seq.*), and has requested a cable franchise from the LFA to operate a Cable System over, under, and along the Public Rights-of-Way within the LFA’s jurisdiction, in accordance with Title VI of the Communications Act (*see* 47 U.S.C. § 521 *et seq.*);

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network once installed to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee’s plans for its Cable System are adequate, in a full public proceeding affording due process to all parties;

WHEREAS, the LFA desires to protect and manage the Public Rights-of-Way, require high standards of customer service, receive financial compensation relating to Franchisee’s use of the Public Rights-of-Way as provided by federal law, obtain educational and governmental channels, establish certain reporting and record access requirements, and provide for the future cable-related needs of its residents;

WHEREAS, the LFA has found Franchisee to be financially, technically, and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise Area of the LFA pursuant to and consistent with the Communications Act (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE PARTIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

Except as otherwise provided herein, the definitions and word usages set forth in the Communications Act (as hereinafter defined) are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1 *Access Channel*: A video Channel, which Franchisee shall make available to the LFA without charge for non-commercial Educational or Governmental use for the transmission of video programming as directed by the LFA.

1.1.1 *Educational Access Channel*: An Access Channel available for the use solely of the local schools (schools shall include any educational institution, public or private, but excluding home schools) in the Franchise Area.

1.1.2 *Government Access Channel*: An Access Channel available for the use solely of the LFA.

1.1.3 *EG*: Educational and Governmental.

1.2 *Additional Service Area*: Shall mean any such portion of the Service Area added pursuant to Section 3.1.3 of this Agreement.

1.3 *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with Franchisee.

1.4 *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the EG Channels required by this Franchise.

1.5 *Cable Operator*: Shall be defined herein as it is defined under section 602 of the Communications Act, 47 U.S.C. § 522(5), but does not include direct broadcast satellite providers.

1.6 *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under section 602 of the Communications Act, 47 U.S.C. § 522(6).

1.7 *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), meaning, “a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community, but such term does not include (A) a facility that serves only to retransmit the television signals of 1 or more television broadcast stations; (B) a facility that serves subscribers without using any public right-of-way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of title II of this Act, except that such facility shall be considered a cable system (other than for purposes of section 621(c)) to the extent such facility is used in the transmission of video programming directly to subscribers, unless the extent of such use is solely to provide interactive on-demand services; (D) an open video system that complies with section 653 of this title; or (E) any facilities of any electric utility used solely for operating its electric utility systems.” The Cable System shall be limited to the optical spectrum wavelength(s), bandwidth or future technological capacity that is used for the transmission of Cable Services directly to Subscribers within the Franchise/Service Area and shall not include the tangible network facilities of a common carrier subject, in whole or in part, to Title II of the Communications Act or of an Information Services provider.

1.8 *Channel*: Shall be defined herein as it is defined under section 602 of the Communications Act, 47 U.S.C. § 522(4).

1.9 *Communications Act*: The Communications Act of 1934, as amended by, among other things, the Cable Communications Policy Act of 1984, the Cable Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996, as it may be further amended from time to time.

1.10 *Control*: The ability to exercise de facto or de jure control over day-to-day policies and operations or the management of Franchisee’s affairs.

1.11 *FCC*: The United States Federal Communications Commission or successor governmental entity thereto.

1.12 *Fiber to the Premise Telecommunications Network (“FTTP Network”)*: The Franchisee’s network that transmits Non-Cable Services pursuant to the authority granted under the laws of the state of Washington and under Title II of the Communications Act (which Non-Cable Services are not subject to Title VI of the Communications Act), and that supports the Cable System.

1.13 *Force Majeure*: Force Majeure is an event or events reasonably beyond the ability of Franchisee to anticipate and control, such as:

(a) severe or unusual weather conditions, fire, flood, or other acts of God, strikes, labor disturbances, lockouts, war or act of war (whether an actual declaration of war is made or not), insurrection, riots or act of a public enemy;

(b) actions or inactions of any government instrumentality or public utility including condemnation, accidents for which Franchisee is not primarily responsible or work delays caused by waiting for other utility providers to service or monitor utility poles to which

Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary; and

(c) telephone network outages only when such outages are outside the control of Franchisee.

1.14 *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA and such additional areas as may be included in the corporate (territorial) limits of the LFA during the term of this Franchise.

1.15 *Franchisee*: Verizon Northwest Inc., and its lawful and permitted successors, assigns and transferees.

1.16 *Gross Revenue*: All revenue, as determined in accordance with generally accepted accounting principles, which is derived by Franchisee and/or its Affiliates from the operation of the Cable System to provide Cable Service in the Service Area. Gross Revenue shall include but may not be limited to the following items so long as all other Cable Operators in the Service Area include the same in Gross Revenues for purposes of calculating franchise fees:

- (a) fees charged for Basic Service;
- (b) fees charged to Subscribers for any service tier other than Basic Service;
- (c) fees charged for premium Channel(s), e.g. HBO, Cinemax, or Showtime;
- (d) fees charged to Subscribers for any optional, per-channel, or per-program services;
- (e) charges for installation, additional outlets, relocation, disconnection, reconnection, and change-in-service fees for video or audio programming;
- (f) fees for downgrading any level of Cable Service programming;
- (g) fees for service calls;
- (h) fees for leasing of Channels;
- (i) rental of customer equipment, including converters (e.g. set top boxes, high definition converters, and digital video recorders) and remote control devices;
- (j) advertising revenue as set forth herein;
- (k) revenue from the sale or lease of access Channel(s) or Channel capacity;
- (l) revenue from the sale or rental of Subscriber lists;
- (m) revenues or commissions received from the carriage of home shopping channels;

- (n) fees for any and all music services that are deemed to be a Cable Service over a Cable System;
- (o) revenue from the sale of program guides;
- (p) late payment fees;
- (q) forgone revenue that Franchisee chooses not to receive in exchange for trades, barter, services, or other items of value;
- (r) revenue from NSF check charges;
- (s) revenue received from programmers as payment for programming content cablecast on the Cable System; and
- (t) Franchise Fees hereunder.

Advertising commissions paid to independent third parties shall not be deducted from advertising revenue included in Gross Revenue. Advertising revenue is based upon the ratio of the number of Subscribers as of the last day of the period for which Gross Revenue is being calculated to the number of Franchisee's Subscribers within all areas covered by the particular advertising source as of the last day of such period, e.g., Franchisee sells two ads: Ad "A" is broadcast nationwide; Ad "B" is broadcast only within Washington. Franchisee has one hundred (100) Subscribers in the Franchise Area, five hundred (500) Subscribers in Washington, and one thousand (1,000) Subscribers nationwide. Gross Revenue as to LFA from Ad "A" is ten percent (10%) of Franchisee's revenue therefrom. Gross Revenue as to the LFA from Ad "B" is twenty percent (20%) of Franchisee's revenue therefrom.

Notwithstanding the foregoing, Gross Revenue shall not include:

1.16.1 Revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System;

1.16.2 Bad debts written off by Franchisee in the normal course of its business, provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected;

1.16.3 Refunds, rebates or discounts made to Subscribers or other third parties;

1.16.4 Any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders, provided that if any such services are Cable Services at any future time pursuant to applicable law, revenues derived from such services shall be included in Gross Revenues;

1.16.5 Payments by Subscribers for merchandise purchased from any home shopping channel offered as part of the Cable Services; provided, however, that commissions or other compensation paid to Franchisee by such home shopping channel for the promotion or exhibition of products or services shall be included in Gross Revenue;

1.16.6 Revenues from the sale of Cable Services on the Cable System to a reseller, when the reseller pays the cable Franchise fees on the resale of Cable Services;

1.16.7 Any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable franchise fees), provided however, as set forth in Section 1.16(t), Franchise Fees under this Agreement are included in Gross Revenues;

1.16.8 Any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise; provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue;

1.16.9 Sales of capital assets or sales of surplus equipment;

1.16.10 Reimbursement by programmers of marketing costs incurred by Franchisee for the introduction of new programming pursuant to a written marketing agreement;

1.16.11 Directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing;

1.16.12 Any fees or charges collected from Subscribers or other third parties for EG Grant.

1.17 *Information Services*: Shall be defined herein as it is defined under Title I, Section 3 of the Communications Act, 47 U.S.C. §153(20).

1.18 *Initial Service Area*: The portion of the Franchise Area as outlined in Exhibit A.

1.19 *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.20 *Local Franchise Authority (LFA)*: The City of Shoreline or the lawful successor, transferee, or assignee thereof.

1.21 *Non-Cable Services*: Any service that does not constitute the provision of Video Programming directly to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

1.22 *Normal Operating Conditions*: Those service conditions which are within the control of the Franchisee. Those conditions which are not within the control of the Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages (to the extent such outages are on non-Verizon networks or caused by Force Majeure), and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System. *See* 47 C.F.R. § 76.309(c)(4)(ii).

1.23 *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.24 *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.25 *Service Area*: All portions of the Franchise Area where Cable Service is being offered, including the Initial Service Area and any Additional Service areas.

1.26 *Service Date*: The date that the Franchisee first provides Cable Service on a commercial basis directly to multiple Subscribers in the Franchise Area. The Franchisee shall memorialize the Service Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

1.27 *Service Interruption*: The loss of picture or sound on one or more cable channels.

1.28 *Subscriber*: A Person who lawfully receives Cable Service over the Cable System with Franchisee's express permission.

1.29 *Telecommunications Facilities*: Franchisee's existing Telecommunications Services and Information Services facilities and its FTTP Network facilities.

1.30 *Telecommunications Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46).

1.31 *Title II*: Title II of the Communications Act.

1.32 *Title VI*: Title VI of the Communications Act.

1.33 *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20).

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1 *Grant of Authority:* Subject to the terms and conditions of this Agreement and the Communications Act, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2 *LFA's Regulatory Authority:* The parties recognize that Franchisee's FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or extension of its existing Telecommunications Facilities for the provision of Non-Cable Services. The jurisdiction of the LFA over such Telecommunications Facilities is also governed by federal and state law, and the LFA shall not assert jurisdiction over Franchisee's FTTP Network in contravention of those laws. Therefore, as provided in Section 621 of the Communications Act, 47 U.S.C. § 541, the LFA's regulatory authority under Title VI of the Communications Act is not applicable to the construction, installation, maintenance, or operation of Franchisee's FTTP Network to the extent the FTTP Network is constructed, installed, maintained, or operated for the purpose of upgrading and/or extending Verizon's existing Telecommunications Facilities for the provision of Non-Cable Services. Nothing in this Agreement shall affect the LFA's authority, if any, to adopt and enforce lawful regulations with respect to Franchisee's Telecommunications Facilities in the Public Rights-of-Way.

2.3 *Term:* This Franchise shall become effective on November 6, 2008 (the "Effective Date"). The Term of this Franchise shall be twelve (12) years from the Effective Date unless the Franchise is earlier revoked as provided herein.

2.4 *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use themselves, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise.

2.5 *Franchise Subject to Federal and State Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of federal law and state law as they may be amended, including but not limited to the Communications Act and any applicable rules, regulations, and orders of the FCC, as amended.

2.6 *No Waiver:*

2.6.1 The failure of the LFA on one or more occasions to exercise a right or to require compliance or performance under this Franchise, the Communications Act or any other applicable state or federal law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the LFA nor to excuse Franchisee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2 The failure of Franchisee on one or more occasions to exercise a right under this Franchise or applicable law, or to require performance under this Franchise, shall not

be deemed to constitute a waiver of such right or of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or performance has been specifically waived in writing.

2.7 *Construction of Agreement:*

2.7.1 The provisions of this Franchise shall be liberally construed to effect their objectives.

2.7.2 Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545.

2.8 *Police Powers:* In executing this Franchise Agreement, the Franchisee acknowledges that its rights hereunder are subject to the lawful police powers of the LFA. Franchisee agrees to comply with all lawful and applicable general laws and ordinances enacted by the LFA pursuant to such power. Nothing in the Franchise shall be construed to prohibit the reasonable, necessary and lawful exercise of the LFA's police powers. However, if the reasonable, necessary and lawful exercise of the LFA's police power results in any material alteration of the terms and conditions of this Franchise, then the parties shall modify this Franchise to the mutual satisfaction of both parties to ameliorate the negative effects on the Franchisee of the material alteration. Any modifications shall be in writing and signed by both parties. If the parties cannot reach agreement on the above-referenced modification to the Franchise, the parties agree to submit the matter to mediation. The matter submitted to mediation shall be limited to what effect, if any, the LFA's exercise of police powers has on the terms of the Franchise. In the event mediation does not result in an agreement, then the Franchisee may terminate this Agreement without further obligation to the LFA or, at Franchisee's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association (but not necessarily administered by the American Arbitration Association) or as otherwise mutually agreed by the parties. The matter submitted to arbitration shall be limited to what effect, if any, the LFA's exercise of police powers has on the terms of the Franchise.

2.9 *Termination of Telecommunications Services:* Notwithstanding any other provision of this Agreement, if Franchisee ceases to provide Telecommunications Services over the FTTP Network at any time during the Term and is not otherwise authorized to occupy the Public Rights-of-Way in the Franchise Area, the LFA may regulate the FTTP Network as a cable system to the extent permitted by Title VI.

3. PROVISION OF CABLE SERVICE

3.1 *Service Area:*

3.1.1 *Initial Service Area:* Franchisee shall offer Cable Service to significant numbers of Subscribers in residential areas of the Initial Service Area and may make Cable Service available to businesses in the Initial Service Area, within twelve (12) months of the Service Date of this Franchise, and shall offer Cable Service to all residential areas in the Initial Service Area within thirty-six (36) months of the Service Date of the Franchise, except: (A) for periods of Force Majeure; (B) for periods of delay caused by LFA; (C) for periods of delay

resulting from Franchisee's inability to obtain authority to access rights-of-way in the Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot access under reasonable terms and conditions after good faith negotiation, as determined by Franchisee; and (F) in developments or buildings that Franchisee is unable to provide Cable Service for technical reasons or which require non-standard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density requirements set forth in Section 3.1.2.

3.1.2 *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than thirty (30) residential dwelling units per mile, as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Initial Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Sections 3.1.1 and 3.1.2 respectively, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from LFA that the density requirements have been met.

3.1.3 *Additional Service Areas:* Except for the Initial Service Area Franchisee shall not be required to extend its Cable System or to provide Cable Services to any other areas within the Franchise Area during the term of this Franchise or any Renewals thereof except as set forth in this Section 3.1.3. The parties agree that if any land is annexed by the LFA during the term of this Agreement, such annexed areas shall become part of the Franchise Area and Franchisee shall be required to extend Cable Service within a reasonable time to such annexed area (subject to the exceptions in Section 3.1.1 above), provided that such annexed area: (a) is contiguous to the LFA, (b) is within Franchisee's Title II service territory, and (c) is served by the video-enabled FTTP Network. If Franchisee intends to serve Additional Service Areas within the Franchise Area, Franchisee shall notify the LFA in writing of such Additional Service Area at least ten (10) days prior to providing Cable Services in such areas.

3.2 *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1 and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service. Franchisee shall not deny access to Cable Services to any group of potential residential Subscribers because of the income of the residents of the local area in which the group resides. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within one hundred fifty (150) feet of trunk or feeder lines not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, actual costs incurred for residential dwelling unit connections that exceed one hundred fifty (150) feet and actual costs incurred to connect any non-residential Subscriber.

3.3 *Complimentary Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide without charge within the Service Area, one service outlet (unless otherwise specified in Exhibit B) activated for Basic Service to each public school, police and fire station, public library, government offices and other offices used for municipal government

administration as set forth in Exhibit B, and also required of other cable operators in the Franchise Area, provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than one hundred fifty (150) feet solely to provide service to any such school or public building, the LFA or other appropriate entity shall have the option either of paying Franchisee's direct costs for such extension in excess of one hundred fifty (150) feet, or of releasing Franchisee from the obligation to provide service to such building. Furthermore, Franchisee shall be permitted to recover, from any school or other public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet or concealed inside wiring, or a service outlet requiring more than one hundred fifty (150) feet of drop cable; provided, however, that Franchisee shall charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen, or damaged due to the negligence or other wrongful acts of the LFA.

4. SYSTEM OPERATION

As provided in Section 2.2, the parties recognize that Franchisee's FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or extension of its existing Telecommunications Facilities. The jurisdiction of the LFA over such Telecommunications Facilities is restricted by federal and state law, and LFA does not and will not assert jurisdiction over Franchisee's FTTP Network in contravention of those limitations.

5. SYSTEM FACILITIES

5.1 *Technical Requirement:* Franchisee shall operate, maintain, construct and extend the Cable System so as to provide high quality signals and reliable delivery of Cable Services for all cable programming services. The Cable System shall meet or exceed any and all applicable technical performance standards of the FCC, the National Electrical Safety Code, the National Electrical Code and any other applicable federal law and the laws of the State of Washington to the extent not in conflict with federal law and regulations.

5.2 *System Characteristics:* Franchisee's Cable System shall meet or exceed the following requirements:

5.2.1 The System shall be designed with an initial digital carrier passband between fifty (50) and eight hundred sixty (860) MHz.

5.2.2 The System shall be designed, constructed and maintained to be an active two-way plant for subscriber interaction, if any, required for selection or use of Cable Service.

5.3 *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

5.4 *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and state law in order that emergency messages may be distributed over the System in video and audio formats as required by state and federal law.

6. EG SERVICES

6.1 Access Channels:

6.1.1 In order to ensure availability of educational and government programming, Franchisee shall provide, without charge to the LFA, on the Basic Service Tier one (1) dedicated Educational Access Channel and one (1) dedicated Government Access Channel (collectively, "EG Channels"); and Franchisee shall reserve on its Basic Service Tier for LFA's future use a total of two (2) additional dedicated Channels for Educational Access and/or Government Access (the "Reserve Channels") (the EG Channels and the Reserve Channels are collectively referred to as the "Access Channels").

6.1.2 The parties agree that Franchisee shall retain the right to utilize all such Access Channels, in its sole discretion, during the term of this Franchise until such time that Franchisee activates LFA's Access Channels pursuant to Section 6.1 and/or if LFA ceases to use the Access Channels during the Term of this Agreement. The LFA shall comply with applicable law regarding the use of EG Channels. Franchisee shall only be required to provide the Reserve Channels so long as the other Cable Operators in the Franchise Area are also providing similar channels.

6.1.3 Upon the signing of this Agreement, the LFA hereby notifies Franchisee of its intent to provide programming to be carried on the Government and Educational Access Channels; such notification shall constitute authorization to the Franchisee to transmit such programming within and outside of the LFA.

6.1.4 The LFA may activate the Reserve Channels during the Term by providing the Franchisee with written notice of the need for additional Access Channel capacity at least one hundred eighty (180) days prior to the date it intends to activate the Reserve Channel, demonstrated by a programming schedule for EG programming on the existing Government or Educational Access Channel, as applicable, consisting of at least six (6) hours per day, which programming for purposes of this calculation shall not include repeat programming generated per day or character-generated programming. Such written notice shall authorize the Franchisee to transmit the Reserve Channel within and outside of the LFA.

6.1.5 The Franchisee specifically reserves the right to make or change channel assignments in its sole discretion and shall provide notice of such changes as set forth in the Customer Service Standards, Exhibit D, Sections 10.E and 10.G.4. The Access Channels shall be used for community programming related to Educational and/or Governmental activities. The LFA shall have complete control over the content, scheduling, and administration of the Access Channels and may delegate such functions, or a portion of such functions, to an appropriate designee upon written notice from the LFA to Franchisee. The Franchisee shall not exercise any editorial control over Access Channel programming.

6.1.6 The LFA shall provide and ensure suitable video and audio signals for the Access Channels to Franchisee at City Hall, 17544 Midvale Avenue N, Shoreline, WA 98133) or an alternative location mutually agreeable to the LFA and Franchisee (the "EG Channel Origination Site"). Upon completion of the new City Hall and with ninety (90) days prior

written notice from the LFA that video and audio signals will be available at the new City Hall, the EG Channel Origination Site can be changed to 17500 Midvale Avenue N, Shoreline, WA, 98133. The Franchisee's obligations under this Section 6.1, including its obligation to provide upstream equipment, lines and facilities necessary to transmit those video and audio signals, shall be subject to the provision by the LFA, to the extent applicable and without charge to the Franchisee, of:

- (1) access to the EG Channel Origination Site facility;
- (2) access to any required EG equipment within the EG Channel Origination Site facility and suitable required space, environmental conditions, electrical power supply, access, and pathways within the EG Channel Origination Site facility;
- (3) video and audio signals in a mutually agreed upon format suitable for EG Access Channel programming;
- (4) any third-party consent that may be necessary to transmit EG signals (including, without limitation, any consent that may be required with respect to third-party facilities, including the facilities of the incumbent cable provider, used to transmit EG content to the EG Channel Origination Site from auxiliary locations); and
- (5) any other cooperation and access to facilities as are reasonably necessary for the Franchisee to fulfill the obligations stated herein.

To the extent suitable video and audio signals are provided to Franchisee and the foregoing conditions in Section 6.1 are met, Franchisee shall, within one hundred eighty (180) days of written notice or provision of suitable video and audio signals, whichever is later, provide, install, and maintain in good working order the equipment necessary for transmitting the EG signal to Subscribers.

6.2 EG Grant:

6.2.1 The Franchisee shall provide a grant to the LFA, or its designee, to be used in support of the production of local EG programming (the "EG Grant"). Such grant shall be used by the LFA for EG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of EG access facilities.

6.2.2 The EG Grant as of the Effective Date is \$0.00 per Subscriber, per month. Subsequently, such amount can be modified as determined by the City Council no more than once each year and the EG Grant shall be no greater than \$1.00, per Subscriber, per month in the Service Area, and shall be the same amount required of all other Cable Operators in the Franchise Area. Franchisee's obligation under this Section 6.2.2. is contingent upon all other Cable Operators making the same grant payment on a per Subscriber, per month basis. The LFA shall give Franchisee sixty (60) days prior written notice before changing the amount of the EG Grant under this Section. The EG Grant payment, shall be delivered to the LFA concurrent with the Franchise Fee payment. Calculation of the EG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area

6.2.3 The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 6.2.2.

6.3 LFA shall require all local producers and users of any of the EG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA, from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owed to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a EG facility or Channel. LFA shall establish rules and regulations for use of EG facilities, consistent with, and as required by, 47 U.S.C. § 531.

6.3.1 To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of an EG Grant or any other costs arising from the provision of EG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill.

7. **FRANCHISE FEES**

7.1 *Payment to LFA:* Franchisee shall pay to the LFA a Franchise fee of five percent (5%) of annual Gross Revenue ("Franchise Fee"). In accordance with Title VI of the Communications Act, the twelve-month (12) period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be made no later than forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were inadvertently omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

7.2 *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report that is verified by a financial manager of Franchisee showing the basis for the computation, substantially similar to that set forth in Exhibit D. No later than forty-five (45) days after the end of each calendar year, Franchisee shall furnish to the LFA an annual summary of Franchise Fee calculations.

7.3 *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be four (4) years from the date on which payment by Franchisee is due.

7.4 *Interest Charge on Late Payments:* Late payments for any (i) Franchise Fees due pursuant to Section 7, (ii) EG Grant due pursuant to Section 6, (iii) Franchise Grant due pursuant to Section 14, and (iv) liquidated damages due pursuant to Section 13 shall be subject to the interest at the then-current rate set forth in RCW 19.52.020, which as of the date of execution of

this Agreement is twelve percent (12%) per annum from the due date to the date that such payment is made.

7.5 *No Release:* LFA's acceptance of payment shall not be construed as an agreement that the amount paid was correct, nor shall acceptance be construed as a release of any claim which the LFA may have for additional sums due under provisions of this Section 7.

7.6 *No Limitation on Taxing Authority:* Nothing in this Franchise shall be construed to limit any authority of the LFA to impose any tax, fee, or assessment of general applicability. Nothing in this Franchise is intended to preclude Franchisee from exercising any right it may have to challenge the lawfulness of any tax, fee, or assessment imposed by the LFA or any state or federal agency or authority, or intended to waive any rights the Franchisee may have under 47 U.S.C. § 542.

7.7 *EG Grant and Franchise Grant Not Franchise Fees:* Franchisee agrees that the EG Grant and Franchise Grant set forth in Sections 6 and 14 respectively, shall in no way modify or otherwise affect Franchisee's obligation to pay Franchise Fees to the LFA. Franchisee agrees that although the sum of Franchise Fees and the EG Grant and Franchise Grant may total more than five percent (5%) of Franchisee's Gross Revenues in any twelve-month (12) period, the additional commitments are not to be offset or otherwise credited in any way against any Franchise Fee payments under this Franchise.

7.8 *Audits:*

7.8.1 The parties shall make every effort to informally consult and resolve any questions or issues regarding Franchise Fee or EG Grant payments and nothing herein shall be construed to preclude such informal consultations or review of Franchisee's books. LFA may audit or conduct a Franchise Fee review of Franchisee's books and records no more than once every three (3) years during the Term, provided that the LFA shall require all other Cable Operators in the Franchise Area to be subject to competitively equitable audit requirements in any renewal or initial granting of such franchises after the Effective Date.

7.8.2 All records reasonably necessary for any such audit shall be made available by Franchisee to LFA within thirty (30) days of LFA's request.

7.8.3 Each party shall bear its own costs of an audit; provided, however, that if the results of any audit indicate that Franchisee underpaid the Franchise Fees by five percent (5%) or more, then Franchisee shall pay the reasonable, documented, out-of-pocket costs of the audit up to ten thousand dollars (\$10,000).

7.8.4 If the results of an audit indicate an overpayment of Franchise Fees, the parties agree that any undisputed overpayment shall be offset against future payments if applicable, within forty-five (45) days. If the results of an audit indicate an underpayment of Franchise Fees, the parties agree that any undisputed underpayment shall be paid within forty-five (45) days along with interest as set forth in Section 7.4.

7.8.5 Any audit shall be conducted by an independent third party. Any entity employed by the LFA that performs the audit or Franchise Fee review shall not be permitted to

be compensated on a success based formula, *e.g.* payment based on an underpayment of fees, if any.

7.9 *Bundled Services*: If Cable Services subject to the Franchise Fee required under this Article 7 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with applicable federal or state laws, rules, and regulations, or Washington Utilities and Trade Commission regulations, standards or orders. Franchisee shall not allocate revenue between Cable Services and Non-Cable Services with the purpose of evading or substantially reducing the Franchisee's Franchise Fee obligations to the LFA.

7.10 *Alternative Fees*: In the event that Franchise Fees are prohibited by any law or regulation, Franchisee agrees to pay any substitute fee or amount allowed by law up to a maximum amount of five percent (5%) of Gross Revenues, so long as the substitute fee is imposed on all other Cable Operators in the Franchise Area and Franchisee is given thirty (30) days notice of the substitute fee by the LFA.

8. CUSTOMER SERVICE

Customer Service Requirements are set forth in Exhibit D, which shall be binding unless amended by written consent of the parties.

9. REPORTS AND RECORDS

9.1 *Open Books and Records*: Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during normal business hours (those hours during which most similar businesses in the community are open to serve customers) and on a nondisruptive basis, at a mutually agreed upon location in the Franchisee's Title II territory in Washington, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years, provided that if, as a result of reviewing Franchisee's records, LFA identifies specific records and requests that such records be retained beyond the six-year (6) period, Franchisee shall retain those records for an additional twelve (12) months. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and only disclose it to employees, representatives, and agents thereof that have a need to know, or in order to enforce the provisions hereof, unless otherwise required by law whereupon the LFA will notify Franchisee pursuant to Section 9.2. Franchisee shall not be required to provide Subscriber information in violation of section 631 of the Communications Act, 47 U.S.C. § 551.

9.2 *Public Disclosure:* If, in the course of enforcing this Franchise or for any other reason, the LFA believes it must disclose any Franchisee confidential information pursuant to Washington law, the LFA shall provide reasonable advance notice of such disclosure so that Franchisee can take appropriate steps to protect its interests.

9.3 *Records Required:* Franchisee shall at all times maintain:

9.3.1 Records of all written complaints for a period of three (3) years after receipt by Franchisee. The term “complaint” as used herein refers to complaints about any aspect of the Cable System or Franchisee’s cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

9.3.2 Records of outages for a period of three (3) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

9.3.3 Records of service calls for repair and maintenance for a period of three (3) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

9.3.4 Records of installation/reconnection and requests for service extension for a period of three (3) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

9.3.5 A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

10. INSURANCE AND INDEMNIFICATION

10.1 *Insurance:*

10.1.1 Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

10.1.1.1 Commercial General Liability Insurance in the amount of two million dollars (\$2,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System and the conduct of Franchisee’s Cable Service business in the LFA.

10.1.1.2 Automobile Liability Insurance in the amount of two million dollars (\$2,000,000) combined single limit for bodily injury and property damage.

10.1.1.3 Workers’ Compensation Insurance meeting all legal requirements of the state of Washington.

10.1.1.4 Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; and (C) Bodily Injury by Disease: \$2,000,000 policy limit.

10.1.1.5 Umbrella or excess liability insurance in the amount of three million dollars (\$3,000,000).

10.1.2 The LFA shall be included as an additional insured under each of the insurance policies required in this Article 10 except Worker's Compensation and Employer's Liability Insurance. Franchisee shall provide to the LFA a copy of the blanket additional insured endorsements for General and Auto liability, or similar documentation demonstrating compliance. Receipt by an LFA of any certificate showing less coverage than required is not a waiver of Franchisee's obligations to fulfill the requirements.

10.1.3 Each of the required insurance policies shall be with insurers qualified to do business in the State of Washington with an A.M. Best Financial Strength rating of A- or better.

10.1.4 Franchisee shall not cancel any required insurance policy without obtaining alternative insurance in conformance with this Agreement. In the event that the insurance company cancels the policy, Franchisee will work diligently to obtain replacement insurance so there is no gap in coverage.

10.1.5 Franchisee shall deliver to LFA Certificates of Insurance showing evidence of the required coverage.

10.1.6 The limits required above may be satisfied with a combination of primary and excess coverage.

10.2 *Indemnification:*

10.2.1 Franchisee agrees to indemnify, save and hold harmless, and defend the LFA, its elected officials, officers, agents, boards and employees, from and against any liability, damages or claims, settlements approved by Franchisee pursuant to Section 10.2.2 or judgments, arising out of, or resulting from, the Franchisee's activities pursuant to this Franchise, provided that the LFA shall give Franchisee written notice of its obligation to indemnify the LFA within ten (10) days of receipt of a claim or action pursuant to this Section, (or up to thirty (30) days as long as such notice causes no prejudice to the Franchisee). Notwithstanding the foregoing, Franchisee shall not indemnify the LFA, for any damages, liability or claims resulting from the willful misconduct, negligence, or breach of obligation of the LFA, its officers, agents, employees, attorneys, consultants, or independent contractors, for which the LFA is legally responsible, or for any activity or function conducted by any Person other than Franchisee in connection with EG Access or EAS.

10.2.2 With respect to Franchisee's indemnity obligations set forth in Section 10.2.1, Franchisee shall provide the defense of any claims or actions brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not unreasonably be withheld. Nothing herein shall be deemed to prevent the LFA

from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA, and the third party is willing to accept the settlement, but the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

11. TRANSFER OF FRANCHISE

11.1 Transfer of the Franchise means:

11.1.1 Any transaction in which:

11.1.1.1 an ownership or other interest in Franchisee, the Franchise or the Cable System is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

11.1.1.2 the rights held by Franchisee under the Franchise are transferred or assigned to another Person or group of Persons.

11.1.2 However, notwithstanding Sections 11.1.1.1 and 11.1.1.2 above, a Transfer of the Franchise shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

11.2 Subject to section 617 of the Communications Act, 47 U.S.C. § 537, no Transfer of the Franchise shall occur without the prior written consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned so long as the transferee assumes the obligations of the Franchisee hereunder. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or otherwise for transactions otherwise excluded under Section 11.1.2 above.

12. RENEWAL OF FRANCHISE

12.1 The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of section 626 of the Communications Act, 47 U.S.C. § 546.

12.2 In addition to the procedures set forth in said section 626 of the Communications Act, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under

the then-current Franchise term. The LFA further agrees that such assessments shall be provided to Franchisee promptly so that Franchisee has adequate time to submit a proposal under 47 U.S.C. § 546 and pursue renewal of the Franchise prior to expiration of its term.

12.3 Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

12.4 Franchisee and the LFA consider the terms set forth in this Article 12 to be consistent with the express provisions of 47 U.S.C. § 546.

13. ENFORCEMENT AND TERMINATION OF FRANCHISE

13.1 *Security*: Within thirty (30) days following the Effective Date of this Agreement, Franchisee shall provide to LFA security for the faithful performance by Franchisee of all material provisions of this Agreement. Franchisee shall maintain the Security at twenty thousand dollars (\$20,000) throughout the term of this Agreement, so long as all other Cable Operators in the Franchise Area are providing competitively equitable security within six (6) months of the Effective Date of this agreement, as evidenced by appropriate written notice from the LFA to the Franchisee. The form of the security may, at Franchisee's option, be a performance bond, letter of credit, cash deposit, cashier's check or any other security acceptable to LFA (the "Security").

13.1.1 If the Franchisee posts a performance bond, it shall be substantially in the form of Exhibit E.

13.1.2 In the event the Security provided pursuant to the Agreement is not renewed, is cancelled, is terminated or is otherwise impaired, Franchisee shall provide new security pursuant to this Article within sixty (60) days of notice.

13.1.3 Neither cancellation, nor termination nor refusal by surety to extend the bond, nor inability of Franchisee to file a replacement bond or replacement security for its obligations, shall constitute a loss to the LFA recoverable under the bond.

13.2 Liquidated Damages:

13.2.1 In the event the LFA determines that Franchisee has breached this Agreement, after following the procedures in Sections 13.3 and 13.4, the LFA may assess the following as liquidated damages, provided that the LFA shall require all other Cable Operators in the Franchise Area to be subject to competitively equitable liquidated damages in any renewal or initial granting of such franchises after the Effective Date:

13.2.1.1 Two hundred fifty dollars (\$250) per day for failure to provide EG Access Channels as set forth herein;

13.2.1.2 One hundred fifty dollars (\$150) per day for material breach of the customer service standards set forth in Exhibit D;

13.2.1.3 One hundred dollars (\$100) per day for failure to provide reports as required by the Franchise; or

13.2.1.4 Up to two hundred fifty dollars (\$250) per day for any other material breaches or defaults of this Agreement.

Franchisee shall pay any liquidated damages assessed by LFA within thirty (30) days after they are assessed. Liquidated damages shall accrue starting on the first date of the occurrence of the noncompliance. If liquidated damages are not paid within the thirty (30) day period, LFA may proceed against the Security. Total liquidated damages shall not exceed twenty thousand dollars (\$20,000) in any twelve-month (12) period.

13.2.2 Assessment of liquidated damages shall not constitute a waiver by LFA of any other right or remedy it may have under this Franchise or applicable law except as set forth in this Agreement, including without limitation its right to recover from Franchisee such additional damages, losses, costs and expenses, as may have been suffered or incurred by City by reason of or arising out of such breach of this Franchise. Notwithstanding the foregoing, if LFA elects to assess liquidated damages pursuant to this Section, such election shall constitute LFA's exclusive remedy for the violation for which the liquidated damages were assessed for a period of sixty (60) days. Thereafter, the remedies provided for in this Agreement are cumulative and not exclusive; the exercise of one remedy shall not prevent the exercise of another remedy, or the exercise of any rights of the LFA at law or equity, provided that the cumulative remedies may not be disproportionate to the magnitude and severity of the breach for which they are imposed.

13.2.3 Subject to Sections 13.3 and 13.4, and subject to the assessment of any liquidated damages pursuant to Section 13.2, LFA may elect to pursue other legal and equitable remedies at any time during the term of this Franchise.

13.3 *Notice of Violation:* In the event LFA believes that Franchisee has not complied with the terms of the Franchise, failed to perform any obligation under this Agreement or has failed to perform in a timely manner, LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem within twenty (20) days, LFA shall notify Franchisee in writing, stating with reasonable specificity the nature of the alleged violation (the "Noncompliance Notice").

13.4 *Franchisee's Right to Cure or Respond:* Franchisee shall have thirty (30) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such thirty (30) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which cure is projected to be completed. Upon cure of any noncompliance, LFA shall provide written confirmation that such cure has been effected.

13.5 *Remedies:* Subject to applicable federal and state law, in the event the LFA, after the procedures set forth in Sections 13.3 and 13.4, determines that Franchisee is in default of any material provision of this Franchise, the LFA may take the following actions:

13.5.1 Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages;

13.5.2 Seek liquidated damages as set forth herein;

13.5.3 Commence an action at law for monetary damages or seek other equitable relief;

13.5.4 In the case of a substantial material default of the Franchise, seek to revoke the Franchise in accordance with Section 13.6.

13.6 *Revocation:*

13.6.1 As set forth in this Section 13.6, the LFA may seek to revoke this Franchise in the event of a substantial material default of this Franchise. Should the LFA seek to revoke this Franchise after following the procedures set forth in Sections 13.3 and 13.4, the LFA shall give written notice to Franchisee of such intent to revoke this Franchise. This notice of intent to revoke is in addition to the Notice of Noncompliance pursuant to Section 13.3. The notice shall set forth with reasonable specificity the reasons for revocation. The Franchisee shall have thirty (30) days to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a public hearing. The LFA shall notify the Franchisee in writing of the time and place of the public hearing at least thirty (30) days prior to the public hearing.

13.6.2 At the revocation hearing, Franchisee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce relevant evidence, to compel the testimony of persons as permitted by law, and to question and/or cross examine witnesses. The revocation hearing shall be a public hearing at which members of the public may testify under oath. A complete verbatim record shall be made of the revocation hearing by a court reporter. The costs of such court reporter shall be shared equally by the parties.

13.6.3 Following the public hearing, Franchisee may submit its proposed written findings and conclusions within twenty (20) days of the close of the public hearing. Thereafter, the LFA shall determine: (i) whether an event of default has occurred; (ii) whether such event of default should be excused; and (iii) whether such event of default has been cured or will be cured by the Franchisee; and (iv) whether to revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that the Franchise shall be revoked, the LFA shall promptly provide Franchisee with a written decision setting forth its reasoning. Franchisee may appeal such determination of the LFA to an appropriate court within thirty (30) days of notice of the LFA's decision.

13.6.4 The LFA may, at its sole discretion, take any lawful action which it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

13.7 *Franchisee Termination:* Franchisee shall have the right to terminate this Franchise and all obligations hereunder within ninety (90) days after the third anniversary of the

Service Date of this Franchise, if at the end of such three (3) year period Franchisee does not then in good faith believe it has achieved a commercially reasonable level of Subscriber penetration on its Cable System. Franchisee may consider subscriber penetration levels outside the Franchise Area but within the Puget Sound metropolitan area in this determination. Notice to terminate under this Section 13.7 shall be given to the LFA in writing, with such termination to take effect no sooner than one hundred and twenty (120) days after giving such notice. Franchisee shall also be required to give its then current Subscribers not less than ninety (90) days prior written notice of its intent to cease Cable Service operations.

13.8 The LFA specifically does not by any provision of this Franchise, waive any immunity or limitation of liability under state or federal law, including but not limited to, section 635 A of the Communications Act.

14. MISCELLANEOUS PROVISIONS

14.1 *Franchise Grant*: Franchisee shall pay LFA six thousand (\$6,000) (the “Franchise Grant”). The Franchise Grant shall be payable sixty (60) days from the Effective Date, which may be used for any lawful purpose. The LFA agrees to require competitively similar obligations from other Cable Operators upon the future grant or renewal of a franchise agreement for the provision of Cable Service. To the extent permitted by federal law, Franchisee shall be allowed to recover this amount from Subscribers and may line-item or otherwise pass-through this amount to Subscribers. The reference to the line item shall accurately describe its purpose.

14.2 *Equal Employment Opportunity*: Franchisee shall comply with all applicable federal and state laws affording nondiscrimination in employment to all individuals regardless of their race, color, religion, age, sex, national origin, sexual orientation or physical disability.

14.3 *Actions of Parties*: In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

14.4 *Binding Acceptance*: This Agreement shall bind and benefit the parties hereto and their respective successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

14.5 *Preemption*: In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA or Franchisee.

14.6 *Force Majeure*: Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or liquidated

damages relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

14.7 *Good Faith Error*: Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to liquidated damages, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers.

14.8 *Notices*: Unless otherwise expressly stated herein, notices required under the Franchise shall be deemed effective three (3) days after having been deposited by first class, postage prepaid, registered or certified mail, return receipt requested or one (1) day after having been deposited with any nationally recognized overnight courier for next day delivery, and addressed to the addressees below. Each party may change its designee by providing written notice to the other party.

14.8.1 Notices to Franchisee shall be mailed to:

Verizon Northwest Inc.
Attn: Tim McCallion, President
112 Lakeview Canyon Road, CA501GA
Thousand Oaks, CA 91362

with a copy to:

Mr. Jack H. White
Senior Vice President & General Counsel - Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

Notices to the LFA shall be mailed to:

City of Shoreline
Attn: City Manager
17544 Midvale Avenue N
Shoreline, WA 98133

14.9 *Entire Agreement*: This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA, and supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any ordinances or parts of ordinances that conflict with the provisions of this Agreement are superseded by this Agreement.

14.10 *Amendments*: Amendments to this Franchise shall be mutually agreed to in writing by the parties. No amendment will take effect if it will impair the security set forth in Section 13, unless otherwise agreed by the parties.

14.11 *Captions*: The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

14.12 *Severability*: If any section, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise.

14.13 *Recitals*: The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

14.14 *FTTP Network Transfer Prohibition*: Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services.

14.15 *No Joint Venture*: Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to nor shall either party act toward third persons or the public in any manner that would indicate any such relationship with the other.

14.16 *Independent Review*: LFA and Franchisee each acknowledge that they have received independent legal advice in entering into this Agreement. In the event that a dispute arises over the meaning or application of any term(s) of this Agreement, such term(s) shall not be construed by the reference to any doctrine calling for ambiguities to be construed against the drafter of the Agreement.

14.17 *Venue*: The venue for any dispute related to this Franchise shall be in the United States District Court for the Western District of Washington in Seattle, provided it has subject matter jurisdiction; if no jurisdiction exists, then venue shall be in the Superior Court for King County.

14.18 *Attorneys' Fees*: If any action or suit arises between Franchisee and LFA for breach of this Franchise, the prevailing party, either the LFA or Franchisee, as the case may be, shall be entitled to recover all of its reasonable attorneys' fees, costs and expenses in connection therewith along with such other relief as the court deems proper.

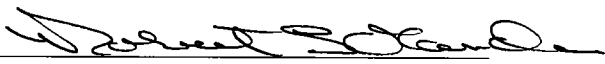
14.19 *Publication Costs*: Franchisee shall pay for all costs of publication of this Franchise and any and all notices prior to any public meeting or hearing provided for pursuant to this Franchise.

14.20 *Singular and Plural*: Except where the context indicates otherwise, words used herein, regardless of the number specifically used, shall be deemed and construed to include any other number, singular or plural as is reasonable in the context.

SIGNATURE PAGE FOLLOWS

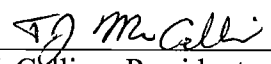
AGREED TO THIS 27 DAY OF October, 2008.


LFA

By: 
Robert L. Olander
City Manager

 to form

Verizon Northwest Inc.

By:  10/22/08
Tim McCallion, President


FORM APPROVED
Attorney
Date 10/20/08

EXHIBITS

Exhibit A: Initial Service Area

Exhibit B: Municipal Buildings and Schools to be Provided Free Cable Service

Exhibit C: Remittance Form

Exhibit D: Customer Service Standards

Exhibit E: Performance Bond

EXHIBIT A

INITIAL SERVICE AREA

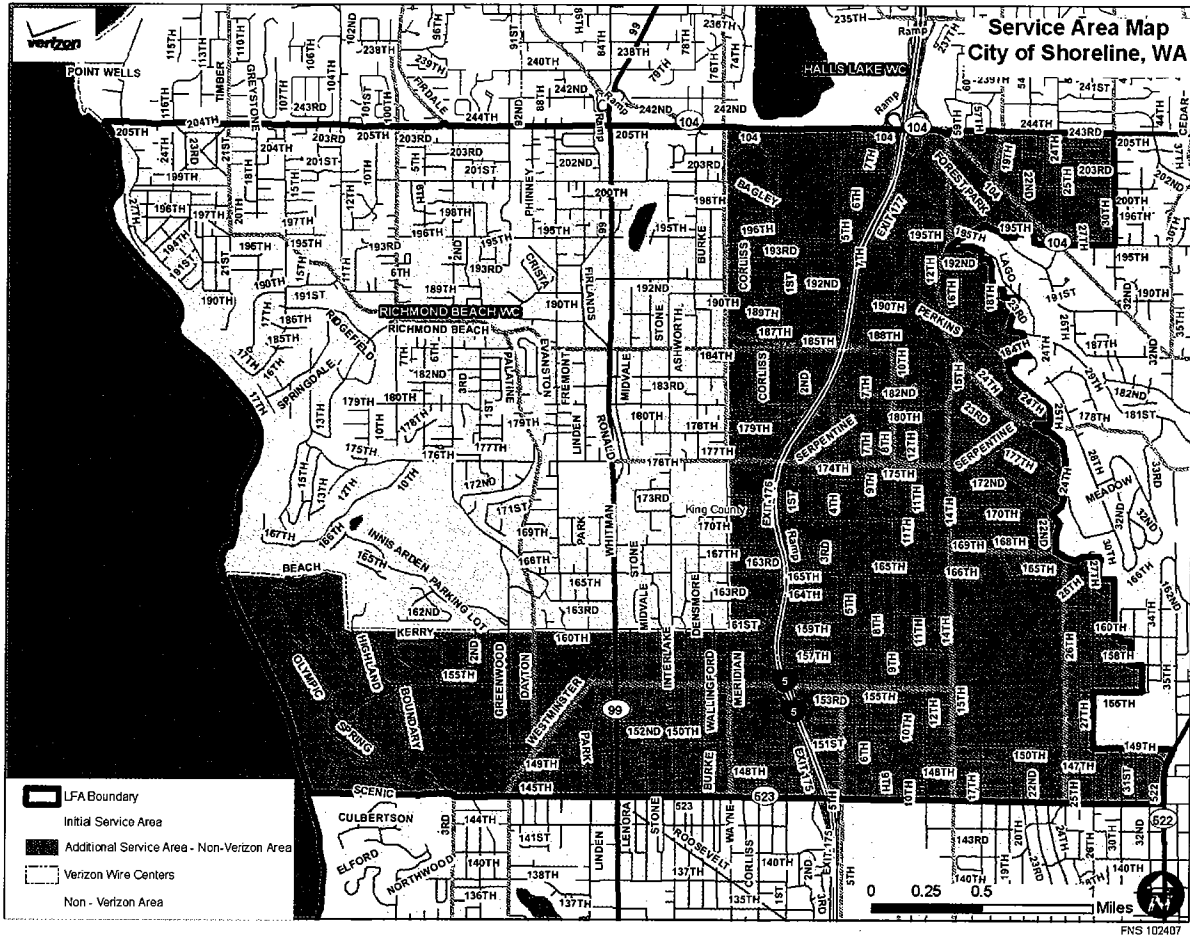


EXHIBIT B

MUNICIPAL BUILDINGS AND SCHOOLS TO BE PROVIDED FREE CABLE SERVICE

Existing Buildings:

City Hall
17544 Midvale Avenue N
Shoreline, WA 98133

City Hall Annex
1110 N 175th Street
Shoreline, WA 98177

Shoreline Police Station
1206 N 185th Street
Shoreline, WA 98133

Shoreline Police Neighborhood Center
624 Richmond Beach Road
Shoreline, WA 98177

Richmond Highlands Community Center
16554 Fremont Avenue N
Shoreline, WA 98133

Fire District Headquarters
17525 Aurora Avenue N
Shoreline, WA 98133

Fire Station 62
1851 NW 195th Street
Shoreline WA 98177

Fire Station 64
719 N 185th Street
Shoreline, WA 98133

Echo Lake Elementary
19345 Wallingford Avenue N
Shoreline, WA 98133

Einstein Middle School
19343 3rd Avenue NW

Shoreline, WA 98177

Highland Terrace Elementary
100 N 160th Street
Shoreline, WA 98133

Meridian Park Elementary
17077 Meridian Avenue N
Shoreline, 98133

Shoreline Children's Center
1900 North 170th Street
Shoreline, WA 98133

Shorewood High School
17300 Fremont Avenue N
Shoreline, WA 98133

Syre Elementary
19545 12th Avenue NW
Shoreline, WA 98177

Shoreline Community College
16101 Greenwood Avenue N
Shoreline, WA 98133

In the event that an existing building listed above is demolished and rebuilt in the same or different location in the Service Area, Franchisee will provide, subject to the terms and conditions set forth in Section 3.3, one service outlet activated for Basic Service so long as all other Cable Operators in the Franchise Area provide service at such location.

Future Buildings:

Future City Hall
17500 Midvale Avenue N
Shoreline, WA 98133

Franchisee will provide, subject to the terms and conditions set forth in Section 3.3 of this Franchise, one service outlet active for Basic Service at up to four (4) future public buildings in the Service Area, not including the future City Hall building, so long as all other Cable Operators in the Franchise Area provide service to at least the same number of future locations.

EXHIBIT C

REMITTANCE FORM

Franchise Fee Schedule/Report (Quarter and Year)

*City of XXXX**Verizon - fGTE**Washington**Franchise Fee Rate:* 5.00%

	Month 1	Month 2	Month 3	Quarter Total
Monthly Recurring Cable Service Charges (e.g. Basic, Enhanced Basic, Premium and Equipment Rental)	\$0.00	\$0.00	\$0.00	\$0.00
Usage Based Charges (e.g. PayPer View, Installation)	\$0.00	\$0.00	\$0.00	\$0.00
Advertising	\$0.00	\$0.00	\$0.00	\$0.00
Home Shopping	\$0.00	\$0.00	\$0.00	\$0.00
Late Payment	\$0.00	\$0.00	\$0.00	\$0.00
Other Misc. (Leased Access & Other Misc.)	\$0.00	\$0.00	\$0.00	\$0.00
Franchise Fee Billed	\$0.00	\$0.00	\$0.00	\$0.00
PEG Fee Billed	\$0.00	\$0.00	\$0.00	\$0.00
Less:				
Bad Debt				
Total Receipts Subject to Franchise Fee Calculation	\$0.00	\$0.00	\$0.00	\$0.00
Franchise Fee Due	\$0.00	\$0.00	\$0.00	\$0.00

Verizon Northwest Inc. is hereby requesting that this information be treated as confidential and proprietary commercial trade secret information and financial statements and not disclosed in accordance with section XXXX and the Cable Television Franchise Agreement granted to Verizon Northwest Inc. This information is not otherwise readily ascertainable or publicly available by proper means by other persons from another source in the same configuration as provided herein, would cause substantial harm to competitive position of Verizon in the highly competitive video marketplace if disclosed, is intended to be proprietary confidential business information and is treated by Verizon as such.

EXHIBIT D**CUSTOMER SERVICE STANDARDS**

These standards shall, starting six (6) months after the Service Date, apply to Franchisee to the extent it is providing Cable Services over the Cable System in the Franchise area. For the first six (6) months after the Service Date, Franchisee shall use best efforts to comply with the Customer Service Standards provided herein; it being agreed, however, that LFA will not impose liquidated damages during this first six (6) month period if Franchisee using best efforts fails to meet the Customer Service Standards.

SECTION 1: DEFINITIONS

A. **Normal Operating Conditions**: Those service conditions which are within the control of Franchisee, as defined under 47 C.F.R. § 76.309(c)(4)(ii). Those conditions which are not within the control of Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages that are not within the control of the Franchisee, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System.

B. **Respond**: The start of Franchisee's investigation of a Service Interruption by receiving a Subscriber call, and opening a trouble ticket, and begin working, if required.

C. **Service Call**: The action taken by Franchisee to correct a Service Interruption the effect of which is limited to an individual Subscriber.

D. **Service Interruption**: The loss of picture or sound on one or more cable channels.

E. **Significant Outage**: A significant outage of the Cable Service shall mean any Service Interruption lasting at least four (4) continuous hours that affects at least ten percent (10%) of the Subscribers in the Service Area.

F. **Standard Installation**: Installations where the Subscriber is within one hundred fifty (150) feet of trunk or feeder lines.

SECTION 2: TELEPHONE AVAILABILITY

A. Franchisee shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Franchise Area and/or residents regarding Cable Service. Franchisee representatives trained and qualified to answer questions related to Cable Service in the Service Area must be available to receive reports of Service Interruptions twenty-four (24) hours a day, seven (7) days a week, all other inquiries at least forty-five (45) hours per week. Franchisee representatives shall identify themselves by name when answering this number.

B. Franchisee's telephone numbers shall be listed, with appropriate description (e.g. administration, customer service, billing, repair, etc.), in the directory published by the local

telephone company or companies serving the Service Area, beginning with the next publication cycle after acceptance of this Franchise by Franchisee.

C. Franchisee may use an Automated Response Unit (“ARU”) or a Voice Response Unit (“VRU”) to distribute calls. If a foreign language routing option is provided, and the Subscriber does not enter an option, the menu will default to the first tier menu of English options.

After the first tier menu (not including a foreign language rollout) has run through three times, if customers do not select any option, the ARU or VRU will forward the call to a queue for a live representative. Franchisee may reasonably substitute this requirement with another method of handling calls from customers who do not have touch-tone telephones.

D. Under Normal Operating Conditions, calls received by the Franchisee shall be answered within thirty (30) seconds. The Franchisee shall meet this standard for ninety percent (90%) of the calls it receives at call centers receiving calls from Subscribers, as measured on a cumulative quarterly calendar basis. Measurement of this standard shall include all calls received by the Franchisee at all call centers receiving calls from Subscribers, whether they are answered by a live representative, by an automated attendant, or abandoned after thirty (30) seconds of call waiting. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds.

E. Under Normal Operating Conditions, callers to the Franchisee shall receive a busy signal no more than three (3%) percent of the time during any calendar quarter.

F. Upon request from the LFA, but in no event more than once a quarter, forty-five (45) days following the end of each quarter, the Franchisee shall report to the LFA the following for all call centers receiving calls from Subscribers except for temporary telephone numbers set up for national promotions:

(1) Percentage of calls answered within thirty (30) seconds as set forth in Section 2.D; and

(2) Percentage of time customers received a busy signal when calling the Franchisee’s service center as set forth in Section 2.E.

Subject to consumer privacy requirements, underlying activity will be made available to the LFA for review upon reasonable request.

G. At the Franchisee’s option, the measurements and reporting above may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify LFA of such a change not less than thirty (30) days in advance.

SECTION 3: INSTALLATIONS AND SERVICE APPOINTMENTS

A. All installations will be in accordance with FCC rules, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service, and the

provision of required consumer information and literature to adequately inform the Subscriber in the utilization of Franchisee-supplied equipment and Cable Service.

B. The Standard Installation shall be performed within seven (7) business days after an order is placed if the Optical Network Terminal (“ONT”) is already installed on the customer’s premises. The Standard Installation shall be performed within fourteen (14) business days where there is no ONT at the time of service order. Franchisee shall meet this standard for ninety-five percent (95%) of the Standard Installations it performs, as measured on a calendar quarter basis, excluding those requested by the customer outside of these time periods.

C. The Franchisee shall provide the LFA with a report upon request from the LFA, but in no event more than once a quarter, noting the percentage of Standard Installations completed within the time periods provided in Section 3.B. Subject to consumer privacy requirements, underlying activity will be made available to the LFA for review upon reasonable request.

D. At Franchisee’s option, the measurements and reporting above may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify LFA of such a change not less than thirty (30) days in advance.

E. Franchisee will offer Subscribers “appointment window” alternatives for arrival to perform installations, Service Calls and other activities of a maximum four (4) hours scheduled time block during appropriate daylight available hours, usually beginning at 8:00 AM unless it is deemed appropriate to begin earlier by location exception. At Franchisee’s discretion, Franchisee may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber. These hour restrictions do not apply to weekends.

(1) Franchisee may not cancel an appointment window with a customer after the close of business on the business day prior to the scheduled appointment.

(2) If Franchisee's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

F. Franchisee must provide for the pick up or drop off of equipment free of charge in one of the following manners: (i) by having a Franchisee representative going to the Subscriber’s residence, (ii) by using a mailer, or (iii) by establishing a local business office within the Franchise Area. If requested by a mobility-limited customer, the Franchisee shall arrange for pickup and/or replacement of converters or other Franchisee equipment at Subscriber’s address or by a satisfactory equivalent.

SECTION 4: SERVICE INTERRUPTIONS AND OUTAGES

A. Franchisee shall promptly notify LFA of any Significant Outage of the Cable Service.

B. Franchisee shall exercise commercially reasonable efforts to limit any Significant Outage for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, Franchisee may schedule a Significant Outage for a period of more than four (4) hours during any twenty-four (24) hour period only after LFA and each affected Subscriber in the Service Area have been given fifteen (15) days prior notice of the proposed Significant Outage. Notwithstanding the foregoing, Franchisee may perform modifications, repairs and upgrades to the System between 12:01 a.m. and 6 a.m. which may interrupt service, and this Section's notice obligations respecting such possible interruptions will be satisfied by notice provided to Subscribers upon installation and in the annual Subscriber notice.

C. Franchisee representatives who are capable of responding to Service Interruptions must be available to Respond twenty-four (24) hours a day, seven (7) days a week.

D. Under Normal Operating Conditions, Franchisee must Respond to a call from a Subscriber regarding a Service Interruption or other service problems within the following time frames:

(1) Within twenty-four (24) hours, including weekends, of receiving Subscriber calls about Service Interruptions in the Service Area.

(2) Franchisee must begin actions to correct all other Cable Service problems the next business day after notification by the Subscriber or LFA of a Cable Service problem.

E. Under Normal Operating Conditions, Franchisee shall complete Service Calls within seventy-two (72) hours of the time Franchisee commences to Respond to the Service Interruption, not including weekends and situations where the Subscriber is not reasonably available for a Service Call to correct the Service Interruption within the seventy-two (72) hour period.

F. Franchisee shall meet the standard in Section E of this Section for ninety percent (90%) of the Service Calls it completes, as measured on a quarterly basis.

G. Franchisee shall provide LFA with a report upon request from the LFA, but in no event more than once a quarter, forty-five (45) days following the end of each calendar quarter, noting the percentage of Service Calls completed within the seventy-two (72) hour period not including Service Calls where the Subscriber was reasonably unavailable for a Service Call within the seventy-two (72) hour period as set forth in this Section. Subject to consumer privacy requirements, underlying activity will be made available to LFA for review upon reasonable request. At the Franchisee's option, the above measurements and reporting may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify the LFA of such a change at least thirty (30) days in advance of any implementation.

H. Under Normal Operating Conditions, Franchisee shall provide a credit upon Subscriber request when all Channels received by that Subscriber are out of service for a period of four (4) consecutive hours or more. The credit shall equal, at a minimum, a proportionate amount of the affected Subscriber(s) current monthly bill. In order to qualify for the credit, the

Subscriber must promptly report the problem and allow Franchisee to verify the problem if requested by Franchisee. If Subscriber availability is required for repair, a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

I. Under Normal Operating Conditions, if a Significant Outage affects all Video Programming Cable Services for more than twenty-four (24) consecutive hours, Franchisee shall issue an automatic credit to the affected Subscribers in the amount equal to their monthly recurring charges for the proportionate time the Cable Service was out, or a credit to the affected Subscribers in the amount equal to the charge for the basic plus enhanced basic level of service for the proportionate time the Cable Service was out, whichever is technically feasible or, if both are technically feasible, as determined by Franchisee provided such determination is non-discriminatory. Such credit shall be reflected on Subscriber billing statements within the next available billing cycle following the outage.

J. With respect to service issues concerning Cable Services provided to LFA facilities, Franchisee shall Respond to all inquiries from LFA within four (4) hours and shall commence necessary repairs within twenty-four (24) hours under Normal Operating Conditions and shall diligently pursue to completion. If such repairs cannot be completed within twenty-four (24) hours, Franchisee shall notify LFA in writing as to the reason(s) for the delay and provide an estimated time of repair.

SECTION 5: CUSTOMER COMPLAINTS REFERRED BY LFA

Under Normal Operating Conditions, Franchisee shall begin investigating Subscriber complaints referred by LFA within seventy-two (72) hours. Franchisee shall notify the LFA of those matters that necessitate an excess of five (5) business days to resolve, but Franchisee must make all necessary efforts to resolve those complaints within ten (10) business days of the initial complaint. LFA may require Franchisee to provide reasonable documentation to substantiate the request for additional time to resolve the problem. Franchisee shall inform LFA in writing, which may be by an electronic mail message, of how and when referred complaints have been resolved within a reasonable time after resolution. For purposes of this Section, "resolve" means that Franchisee shall perform those actions, which, in the normal course of business, are necessary to (a) investigate the Customer's complaint; (b) advise the Customer of the results of that investigation; and (c) implement and complete steps to bring resolution to the matter in question.

SECTION 6: BILLING

A. Subscriber bills must be itemized to describe Cable Services purchased by Subscribers and related equipment charges. Bills will comply with applicable federal and state laws, and shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Franchisee shall, without limitation as to additional line items, be allowed to itemize as separate line items, Franchise fees, taxes and/or other governmental-imposed fees. Franchisee shall maintain records of the date and place of mailing of bills.

B. Every Subscriber with a current account balance sending payment directly to Franchisee shall be given at least twenty (20) days from the date statements are mailed to the Subscriber until the payment due date.

C. A specific due date shall be listed on the bill of every Subscriber whose account is current. Delinquent accounts may receive a bill which lists the due date as upon receipt; however, the current portion of that bill shall not be considered past due except in accordance with Section 6.B. above.

D. Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved, provided that:

- (1) The Subscriber pays all undisputed charges;
- (2) The Subscriber provides notification of the dispute to Franchisee within five (5) days prior to the due date; and
- (3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.
- (4) It shall be within Franchisee's sole discretion to determine when the dispute has been resolved.

E. Under Normal Operating Conditions, Franchisee shall initiate investigation and resolution of all billing complaints received from Subscribers within five (5) business days of receipt of the complaint. Final resolution shall not be unreasonably delayed.

F. Franchisee shall provide a telephone number and address clearly and prominently on the bill for Subscribers to contact Franchisee.

G. Franchisee shall forward a copy of any rate-related or customer service-related billing inserts or other mailings related to Cable Service, but not promotional materials, sent to Subscribers, to LFA.

H. Franchisee shall provide all Subscribers with the option of paying for Cable Service by check or an automatic payment option where the amount of the bill is automatically deducted from a checking account designated by the Subscriber. Franchisee may in the future, at its discretion, permit payment by using a major credit card on a preauthorized basis. Based on credit history, at the option of Franchisee, the payment alternative may be limited.

I. Upon request in writing from an LFA, LFA may request that Franchisee omit LFA name, address and telephone number from Franchisee's bills as permitted by 47 C.F.R. § 76.952.

SECTION 7: DEPOSITS, REFUNDS AND CREDITS

A. Franchisee may require refundable deposits from Subscribers 1) with a poor credit or poor payment history, 2) who refuse to provide credit history information to Franchisee, or 3) who rent Subscriber equipment from Franchisee, so long as such deposits are applied on a non-discriminatory basis. The deposit Franchisee may charge Subscribers with poor credit or poor payment history or who refuse to provide credit information may not exceed an amount equal to an average Subscriber's monthly charge multiplied by six (6). The maximum deposit Franchisee may charge for Subscriber equipment is the cost of the equipment which Franchisee would need to purchase to replace the equipment rented to the Subscriber.

B. Franchisee shall refund or credit the Subscriber for the amount of the deposit collected for equipment, which is unrelated to poor credit or poor payment history, after one year and provided the Subscriber has demonstrated good payment history during this period. Franchisee shall pay interest on deposits if required by law.

C. Under Normal Operating Conditions, refund checks will be issued within the next available billing cycle following the resolution of the event giving rise to the refund, (e.g. equipment return and final bill payment).

D. Credits for Cable Service will be issued no later than the Subscriber's next available billing cycle, following the determination that a credit is warranted, and the credit is approved and processed. Such approval and processing shall not be unreasonably delayed.

E. Bills shall be considered paid when appropriate payment is received by Franchisee or its authorized agent. Appropriate time considerations shall be included in Franchisee's collection procedures to assure that payments due have been received before late notices or termination notices are sent.

SECTION 8: RATES, FEES AND CHARGES

A. Franchisee shall not, except to the extent expressly permitted by law, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to Franchisee equipment necessary to receive Cable Service, except where such problem is caused by a negligent or wrongful act of the Subscriber (including, but not limited to a situation in which the Subscriber reconnects Franchisee equipment incorrectly) or by the failure of the Subscriber to take reasonable precautions to protect Franchisee's equipment (for example, a dog chew).

B. Franchisee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

C. All of Franchisee's rates and charges shall comply with applicable federal and state law. Franchisee shall maintain a complete current schedule of rates and charges for Cable Services on file with the LFA throughout the term of this Franchise.

SECTION 9: DISCONNECTION /DENIAL OF SERVICE

A. Franchisee shall not terminate Cable Service for nonpayment of a delinquent

account unless Franchisee mails a notice of the delinquency and impending termination prior to the proposed final termination. The notice shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

B. Cable Service terminated in error must be restored without charge within twenty-four (24) hours of notice. If a Subscriber was billed for the period during which Cable Service was terminated in error, a credit shall be issued to the Subscriber if the Service Interruption was reported by the Subscriber.

C. Nothing in these standards shall limit the right of Franchisee to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to Franchisee's equipment, abusive and/or threatening behavior toward Franchisee's employees or representatives, or refusal to provide credit history information or refusal to allow Franchisee to validate the identity, credit history and credit worthiness via an external credit agency.

D. Charges for cable service will be discontinued at the time of the requested termination of service by the Subscriber, except equipment charges may be applied until equipment has been returned. No period of notice prior to requested termination of service can be required of Subscribers by Franchisee. No charge shall be imposed upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the effective date of the disconnect request, unless there is a delay in returning Franchisee equipment or early termination charges apply pursuant to the Subscriber's service contract. If the Subscriber fails to specify an effective date for disconnection, the Subscriber shall not be responsible for Cable Services received after the day following the date the disconnect request is received by Franchisee. For purposes of this Section, the term "disconnect" shall include Subscribers who elect to cease receiving Cable Service from Franchisee.

SECTION 10: COMMUNICATIONS WITH SUBSCRIBERS

A. Each employee of the Franchisee who routinely comes into contact with members of the public at their places of residence must wear a picture identification card clearly indicating his or her employment with the Franchisee. The photograph on the identification card shall prominently show the employee's name and/or identification number. Such employee shall prominently display such identification card and shall show it to all such members of the public. Each employee of any contractor or subcontractor of the Franchisee who routinely comes into contact with members of the public at their places of residence must wear a picture identification card clearly indicating his or her name, the name of such contractor or subcontractor and the name of the Franchisee.

B. All contact with a Subscriber or potential Subscriber by a Person representing Franchisee shall be conducted in a courteous manner.

C. Franchisee shall send annual notices to all Subscribers informing them that any complaints or inquiries not satisfactorily handled by Franchisee may be referred to LFA. A copy

of the annual notice required under this Section 10.C will be given to LFA at least fifteen (15) days prior to distribution to Subscribers.

D. All notices identified in this Section shall be by either:

- (1) A separate document included with a billing statement or included on the portion of the monthly bill that is to be retained by the Subscriber; or
- (2) A separate electronic notification.

E. Franchisee shall provide reasonable notice to Subscribers and LFA of any pricing changes or additional changes (excluding sales discounts, new products or offers) and, subject to the forgoing, any changes in Cable Services, including channel line-ups. Such notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if within the control of Franchisee. Franchisee shall provide a copy of the notice to LFA including how and where the notice was given to Subscribers.

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

G. Franchisee shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, at any time upon request, and, subject to Section 10.E., at least thirty (30) days prior to making significant changes in the information required by this Section if within the control of Franchisee:

- (1) Products and Cable Service offered;
- (2) Prices and options for Cable Services and condition of subscription to Cable Services. Prices shall include those for Cable Service options, equipment rentals, program guides, installation, downgrades, late fees and other fees charged by Franchisee related to Cable Service;
- (3) Installation and maintenance policies including, when applicable, information regarding the Subscriber's in-home wiring rights during the period Cable Service is being provided;
- (4) Channel positions of Cable Services offered on the Cable System;
- (5) Complaint procedures, including the name, address, and telephone number of LFA, but with a notice advising the Subscriber to initially contact Franchisee about all complaints and questions;
- (6) Procedures for requesting Cable Service credit;
- (7) The availability of a parental control device;

(8) Franchisee practices and procedures for protecting against invasion of privacy; and

(9) The address and telephone number of Franchisee's office to which complaints may be reported.

A copy of notices required in this Section 10.G. will be given to LFA at least fifteen (15) days prior to distribution to Subscribers if the reason for notice is due to a change that is within the control of Franchisee and as soon as possible if not within the control of Franchisee.

H. Notices of changes in rates shall indicate the Cable Service new rates and old rates, if applicable.

I. Notices of changes of Cable Services and/or Channel locations shall include a description of the new Cable Service, the specific channel location, and the hours of operation of the Cable Service if the Cable Service is only offered on a part-time basis. In addition, should the Channel location, hours of operation, or existence of other Cable Services be affected by the introduction of a new Cable Service, such information must be included in the notice.

J. Every notice of termination of Cable Service shall include the following information:

- (1) The name and address of the Subscriber whose account is delinquent;
- (2) The amount of the delinquency for all services billed;
- (3) The date by which payment is required in order to avoid termination of Cable Service; and
- (4) The telephone number for Franchisee where the Subscriber can receive additional information about their account and discuss the pending termination.

K. Franchisee will comply with privacy rights of Subscribers in accordance with applicable federal and state law, including 47 U.S.C. §551.

EXHIBIT E

Performance Bond

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS: That (name & address) (hereinafter called the Principal), and (name and address) (hereinafter called the Surety), a corporation duly organized under the laws of the State of (state), are held and firmly bound unto (name & address) (hereinafter called the Obligee), in the full and just sum of _____ Dollars (\$ _____), the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, their heirs, administrators, executors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal and Obligee have entered into a Franchise Agreement dated _____ which is hereby referred to and made a part hereof.

WHEREAS, said Principal is required to perform certain obligations under said Agreement.

WHEREAS, the Obligee has agreed to accept this bond as security against default by Principal of performance of its obligations under said Agreement during the time period this bond is in effect.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall perform its obligations under said Agreement, then this obligation shall be void, otherwise to remain in full force and effect, unless otherwise terminated, cancelled or expired as hereinafter provided.

PROVIDED HOWEVER, that this bond is executed subject to the following express provisions and conditions:

In the event of default by the Principal, Obligee shall deliver to Surety a written statement of the details of such default within 30 days after the Obligee shall learn of the same, such notice to be delivered by certified mail to address of said Surety as stated herein.

This Bond shall be effective _____, 20___, and shall remain in full force and effect thereafter for a period of one year and will automatically extend for additional one year periods from the expiry date hereof, or any future expiration date, unless the Surety provides to the Obligee not less than sixty (60) days advance written notice of its intent not to renew this Bond or unless the Bond is earlier canceled pursuant to the following. This Bond may be canceled at any time upon sixty (60) days advance written notice from the Surety to the Obligee.

Bond No. _____

TERMINATION LETTER CHECKLIST

1. Do you use a termination letter?
2. Identify issue: What is the employee being terminated for?
3. Identify source of employer expectation: performance standard, company rule, common sense.
4. Identify specific employee conduct or performance.
5. Identify prior warnings, counseling, instances of the conduct, etc., or give reason for no prior warning.
6. Identify impact on company.
7. Review any other reasons for company actions.
8. Discuss return of company property, keys, etc.
9. Review trade secrets, other confidential information, noncompetition or nonsolicitation agreements, severance, or other employment agreements.
10. Discuss COBRA, 401(k), etc.
11. If appropriate, refer to EAP, etc.
12. Discuss appeal or grievance procedure notice.
13. For the sensitive termination: Should you talk to your lawyer before preparing this admissible document?

ORDINANCE NO. 905

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON EXTENDING AND RESTATING THE FRANCHISE GRANTED TO VERIZON NORTHWEST INC. AND SUBSEQUENTLY TRANSFERRED TO NORTHWEST FIBER LLC BY ORDINANCE NO. 522 FOR A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, MAINTAIN, OPERATE, AND REPAIR A CABLE SYSTEM IN, ON, ACROSS, OVER, ALONG, UNDER, UPON, THROUGH, AND BELOW PUBLIC RIGHTS-OF-WAY OF THE CITY OF SHORELINE, WASHINGTON TO PROVIDE CABLE SERVICES.

WHEREAS, on October 27, 2008, pursuant to RCW 35A.11.020, RCW 35A.47.040, and Chapter 12.25 SMC, the Shoreline City Council passed Ordinance No. 522 granting a twelve-year non-exclusive franchise for a cable system within the public-rights-of-way of the City to Verizon Northwest, Inc; and

WHEREAS, the term of the Franchise granted by Ordinance No. 522 expires on November 4, 2020; and

WHEREAS, with the passage of Resolution No. 289, the franchise was transferred to Frontier Communications Corporation and, with the passage of Resolution No. 443, the franchise was transferred to Northwest Fiber LLC; and

WHEREAS, the City and Northwest Fiber LLC are currently negotiating a new franchise agreement but such negotiations are still on-going, having been impacted by the recent acquisition of Frontier by Northwest Fiber LLC, and may continue beyond the November 4, 2020 expiration date of the current franchise; and

WHEREAS, by providing a one-year extension of the Franchise granted by Ordinance No. 522, the City and Northwest Fiber LLC will be able to complete negotiations that benefit the residents of the City of Shoreline; and

WHEREAS, the City Council finds that it is in the best interests of the health, safety, and welfare of the residents of the City of Shoreline to grant a one-year non-exclusive franchise to Northwest Fiber LLC for a cable system within the City rights-of-way to allow for productive negotiations to occur;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE DO ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 522 Amended. Section 1 of Ordinance No. 522, granting a non-exclusive franchise to Verizon Northwest, Inc. now transferred to Northwest Fiber LLC, is hereby amended to provide for a one (1) year extension of the franchise:

Section 1. Grant of Franchise. The second sentence of this section is amended to read:

Subject to the provisions in Ordinance No. 522, the term of the franchise shall be extended for a period of one (1) year, beginning at 12:01 a.m. Pacific Time on November 5, 2020 and terminating at 11:59 p.m. Pacific Time on November 4, 2021, and shall grant Northwest Fiber LLC the right, privilege, and authority to construct, maintain, operate, and repair a cable system in, on, across, over, along, under, upon, through, and below the public rights-of-way to provide cable services in the City of Shoreline, all as provided in Exhibit A.

Exhibit A – Cable Franchise Agreement. Section 2.3. Term. This subsection is amended to read:

The amended and extended term of the Franchise granted hereunder shall be from 12:01 a.m. Pacific Time on November 5, 2020 to 11:59 p.m. Pacific Time on November 4, 2021.

Section 2. Terms and Conditions of Non-Exclusive Franchise Granted by Ordinance No. 522 Remain the Same. Except as specifically provided in this Ordinance, the terms and conditions of the non-exclusive franchise granted to Northwest Fiber LLC by Ordinance No. 522, including Exhibit A Cable Franchise Agreement, continue in full force and effect.

Section 3. Directions to City Clerk. The City Clerk is hereby authorized and directed to forward certified copies of this Ordinance to Northwest Fiber. No later than 11:59 p.m. PST, November 4, 2020, Northwest Fiber LLC shall accept in writing the extension authorized by this Ordinance and the continuation of the non-exclusive franchise granted by Ordinance No. 522. If Northwest Fiber LLC fails to provide written acceptance, this Ordinance shall become null and void and the franchise granted by Ordinance No. 522 shall expire.

Section 4. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 5. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any person or situation.

Section 6. Publication and Effective Date. In accordance with state law, this Ordinance shall be published in full in the official newspaper. The cost of such publication shall be borne by Northwest Fiber LLC. If accepted by Northwest Fiber LLC as provided in Section 3 above, this Ordinance shall take effect at 12:01 am Pacific Time on November 5, 2020. Otherwise, this Ordinance and the franchise granted by Ordinance No. 522 shall become null and void as of 11:59 pm Pacific Time on November 4, 2020.

PASSED BY THE CITY COUNCIL ON OCTOBER 19, 2020.

Mayor Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik-Smith
City Clerk

Margaret King
City Attorney

Date of Publication: , 2020
Effective Date: , 2020

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussing Ordinance No. 900 - Amending Shoreline Municipal Code Chapter 8.12 to Establish the Purpose and Authorize Guidelines for Use of the Veterans Recognition Plaza at City Hall
PRESENTED BY:	Susana Villamarin, Senior Management Analyst
DEPARTMENT:	Recreation, Cultural and Community Services
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing <input checked="" type="checkbox"/> Discussion

PROBLEM/ISSUE STATEMENT:

The Veterans Recognition Plaza (the Plaza) was dedicated in May 2016 on a portion of the City Hall Campus. The Plaza is located within the City Hall Plaza that is open for general public enjoyment and is considered park land. The Plaza was developed and partially funded by the Shoreline Veterans Association through the leadership of Dwight Stevens and Frank Moll. The Veterans Association holds regular events at the Plaza to commemorate important days such as Memorial Day, Veterans Day, Flag Day, Patriots Day, Independence Day and Armed Services Day.

There are currently no guidelines or policies in place to indicate the importance of the Plaza as a place for recognizing veterans and their service to our country. Staff believe it is important to provide, in a meaningful way, that the intent of the Plaza is to honor veterans. Staff also feel it is important that the City develop administrative rules for the use of the Plaza consistent with this purpose.

Tonight, Council is scheduled to discuss proposed Ordinance No. 900 (Attachment A) which would amend Shoreline Municipal Code (SMC) Chapter 8.12 to add a new section establishing the purpose of the Plaza and authorizing the development of administrative rules for its use. Proposed Ordinance No. 900 is currently scheduled to be brought back to Council for action on October 19, 2020.

FINANCIAL IMPACT:

There is no financial impact associated with proposed Ordinance No. 900.

RECOMMENDATION

No action is requested this evening. Council is asked to provide any input or additional direction for Ordinance No. 900. Ordinance No. 900 is scheduled for City Council action on October 19, 2020.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The Veterans Recognition Plaza (the Plaza) was dedicated in May 2016 on a portion of the City Hall Campus. The Plaza is located within the City Hall Plaza that is open for general public enjoyment and is considered park land. The Plaza was developed and funded by the Shoreline Veterans Association through the leadership of Dwight Stevens and Frank Moll. The Veterans Association holds regular events at the Plaza to commemorate important days such as Memorial Day, Veterans Day, Flag Day, Patriots Day, Independence Day and Armed Services Day.

An important component of the Plaza is the names of veterans engraved in bricks that form the base of the Plaza. Family and friends of these veterans have donated funds to construct and support the Plaza and to have their loved ones memorialized at the Plaza. Flowers and mementos honoring specific veterans are frequently left at the Plaza.

There are currently no guidelines or policies in place to indicate the importance of the Plaza as a place for recognizing veterans and their service to our country. Staff believe it is important to provide, in a meaningful way, that the intent of the Plaza is to honor veterans. Staff also feel it is important that the City develop administrative rules for the use of the Plaza consistent with this purpose.

DISCUSSION

Chapter 8.12 of the Shoreline Municipal Code (SMC) establishes rules for the use of park facilities. Staff propose, through proposed Ordinance No. 900 (Attachment A), to add a subsection to SMC Chapter 8.12 to establish the purpose for the Plaza and authorize the development of rules for its use.

The proposed subsection that is being proposed to be added to SMC Chapter 8.12 is as follows:

SMC 8.12.398 Veterans Recognition Plaza.

The Shoreline Veterans Recognition Plaza at City Hall pays tribute to veterans and current service members from all branches of the military by providing a setting to honor veterans and armed forces members in a dignified, respectful manner. The City Manager or designee shall promulgate rules as to the use of the Plaza consistent with this purpose.

To implement this proposed addition to the Municipal Code, the proposed Administrative Rules (Attachment B) set forth guidelines pertaining to the appropriate use of the Plaza. The intent of the proposed Administrative Rules is to ensure that the Plaza continues to always be a location for honoring veterans and armed forces members in a dignified and respectful manner. These Administrative Rules do not apply to the City Hall Plaza in general but does emphasize the special and unique nature of the Veterans Recognition Plaza.

The Administrative Rules also identify the types of items that are suitable to be left at the Plaza. To maintain the dignity and visual appearance of the Plaza these items are limited to flowers, plants, and other organic materials; small flags; and personal

messages. Unsuitable items are also listed so that there is clear guidance. The Administrative Rules also establish a maximum seven-day period that items may be left. Finally, the Administrative Rules establish that only special events consistent with the purpose of the Plaza are allowed.

STAKEHOLDER OUTREACH

The Shoreline Veterans Association was consulted and provided comment on the proposed language. Their comments have been incorporated. They did recommend that veteran-planned ceremonies not be required to obtain a permit in advance of holding events. Staff have not included that recommendation in this proposed language. In order to manage the number and timing of events and ensure there are not scheduling conflicts, it is important that all groups obtain permits in advance of an event.

The Parks, Recreation and Cultural Services/Tree Board discussed the proposed SMC amendment and the draft Administrative Rules and unanimously recommended their approval.

FINANCIAL IMPACT

There is no financial impact associated with proposed Ordinance No. 900.

RECOMMENDATION

No action is requested this evening. Council is asked to provide any input or additional direction for Ordinance No. 900. Ordinance No. 900 is scheduled for City Council action on October 19, 2020.

ATTACHMENTS

Attachment A – Ordinance No. 900

Attachment B – Draft Rules for Use of the Veterans Recognition Plaza

ORDINANCE NO. 900

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING SHORELINE MUNICIPAL CODE CHAPTER 8.12 RULES FOR USE OF CITY OF SHORELINE PARK FACILITIES; ADDING A NEW SECTION TO AUTHORIZE THE PROMULGATION OF ADMINISTRATIVE RULES FOR THE SHORELINE VETERANS RECOGNITION PLAZA.

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington; and

WHEREAS, in 2016, the City dedicated the Veterans Recognition Plaza, located on the City Hall Campus, to honor the valor and sacrifice of our veterans in every branch of the military; and

WHEREAS, SMC Chapter 8.12 currently does not authorize the promulgation of administrative rules in regard to the Veterans Recognition Plaza; and

WHEREAS, in order to ensure the dignity of this memorial is maintained for our veterans, the authority to promulgate administrative rules is necessary;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment to Chapter 8.12. A new section is added to SMC Chapter 8.12 to read as follows:

SMC 8.12.398 Veteran's Recognition Plaza.

The Shoreline Veteran's Recognition Plaza at City Hall pays tribute to veterans and current service members from all branches of the military by providing a setting to honor veterans and armed forces members in a dignified, respectful manner. The City Manager or designee shall promulgate rules as to the use of the Plaza consistent with this purpose.

Section 2. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 4. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper and shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON OCTOBER 19, 2020.

Mayor Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Date of Publication: _____, 2020
Effective Date: _____, 2020



ADMINISTRATIVE RULES

Rules for Use of the Veterans Recognition Plaza			Category: Parks and Recreation
			Rule Sub-Category: Number:
Effective Date: 11/1/2020	Supersedes: N/A	Rule-Making Authority: SMC 8.12.398	Approved By: <hr/> Debbie Tarry, City Manager

1. PURPOSE:

To implement Shoreline Municipal Code Section 8.12.398 Veterans Recognition Plaza and to provide guidance as to where and under what terms visitors may adorn or leave items at the Plaza.

2. AFFECTED PARTIES:

- Public
- Administrative Services Department; Parks, Fleet and Facilities Division
- Recreation, Cultural Services and Community Services Department
- City Manager’s Office

3. DEFINITIONS:

Veterans Recognition Plaza: Located on the north side of Shoreline City Hall, defined by paved/brick surfaces and includes benches, military branch obelisks, and a flag pole with base.

4. RULES ESTABLISHED:

4.1. Display Period and Locations Where Items May Be Left:

- 4.1.1. Items may be left only within the bounds of the paved/brick surfaces of the Veterans Recognition Plaza.
- 4.1.2. Items left at any other location at the City Hall Plaza will be considered litter and may be removed immediately.
- 4.1.3. Suitable Items may be left for a maximum of seven (7) consecutive calendar days (“Display Period”).

4.2. Suitable Items for the Plaza:

- 4.2.1. Natural-cut flowers, potted plants, other similar organic materials.
- 4.2.2. Small flags.
- 4.2.3. Personal messages and photos (e.g. 5" x 7") incorporated into or attached to another suitable item.
- 4.2.4. Memorial floral wreaths on stands.

4.3. Unsuitable Items for the Plaza:

- 4.3.1. Items taped, glued, tied, hung, or otherwise attached to the bricks, flagpole, or flagpole base.
- 4.3.2. Drawings (chalk, paint) on any part of the Veterans Recognition Plaza.
- 4.3.3. Cloth, paper, or plastic banners or signs (unless affixed to a suitable item) and no greater than 5" x 7".
- 4.3.4. Permanent plantings.
- 4.3.5. Statutes, vigil lights (e.g. candles), or breakable objects (e.g. glass, ceramic).
- 4.3.6. Artificial flowers or plants.
- 4.3.7. Bells, beads, wind chimes, or other items that create sound.
- 4.3.8. Electrical or battery powered items (other than authorized PA systems during ceremonies).
- 4.3.9. Items considered by the City to be offensive or inconsistent with the intent of the Veterans Recognition Plaza.
- 4.3.10. Other items not expressly included in the Suitable Items list (section 4.2 above).

4.4. Item Removal Guidelines:

- 4.4.1. Unsuitable Items will be removed by the City immediately.
- 4.4.2. The City is not responsible for damaged, lost, stolen, removed, or otherwise missing items, suitable or unsuitable.
- 4.4.3. Items will be discarded at conclusion of the authorized Display Period.
- 4.4.4. No items will be returned.
- 4.4.5. Items may be removed prior to the end of the Display Period when, in the City's sole discretion, the items become unsightly.
- 4.4.6. Items may be removed prior to the end of the Display Period to facilitate City Hall operations (e.g. mowing, cleaning).

4.5. Veterans Recognition Plaza Special Events:

- 4.5.1. Events inconsistent with the purpose of the Veterans Recognition Plaza as defined in SMC 8.12.398 are not allowed.
- 4.5.2. Permits for events at the Veterans Recognition Plaza will be issued consistent with the regulations in SMC 8.12.
- 4.5.3. Non-Profit Organizations whose mission includes honoring and supporting veterans and armed forces personnel may be eligible to have park facility use fees waived.

5. ADMINISTRATION OF RULES:

- These rules shall be administered by the Parks, Fleet and Facilities Manager.
- Interpretations, exceptions, and modifications to these rules are solely at the discretion of Parks, Fleet and Facilities Manager.
- The City shall place a sign at the Veterans Recognition Plaza stating Plaza Rules are available on the City's website.
- Signage will be posted at the Plaza summarizing these Rules.

DRAFT