

REQUEST FOR A CABLE TELEVISION

RENEWAL PROPOSAL

TOWN OF BELMONT,

MASSACHUSETTS

THE BOARD OF SELECTMEN

APRIL 1, 2004

Belmont, Massachusetts Cable Television Request-For-Proposal
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(I) INTRODUCTION

In accordance with Section 626 of the federal Cable Act (the "Cable Act"), the Board of Selectmen, in its role as Issuing Authority for the Town of Belmont, Massachusetts (the "Town"), has been conducting ascertainment proceedings and gathering information in order to identify and analyze a number of issues in connection with the renewal of the current Cable Television System Final License (the "Final License"), dated October 2, 1989, including, but not limited to, the future cable-related needs and interests of the Belmont community. The Town has also been reviewing and analyzing the performance of Comcast of Massachusetts III, Inc. and its predecessors (hereinafter referred to as "Comcast"), the Cable Television Licensee, during the current Final License term.

(II) BACKGROUND

(A) Final License Expiration

The Final License was effective on October 2, 1989 and will expire on October 2, 2004.

(B) Renewal Procedures

In a letter dated November 27, 2001, AT&T CSC, Inc., predecessor to Comcast, requested that the Issuing Authority proceed according to the formal renewal procedures of the Cable Communications Policy Act of 1984, 47 U.S.C. Section 546(a)-(c). On March 12, 2002, the Issuing Authority informed AT&T that it would be following the Cable Act's formal procedures. Accordingly, the Issuing Authority is issuing this formal Request For Proposal ("RFP") to Comcast for response.

(C) Ascertainment

The information delineated herein reflects testimony at the public ascertainment hearings, input from Town departments, the results of the Town's cable television survey, the Town's ascertainment report, correspondence and documents in the Town records and further input from Belmont citizens. The Issuing Authority conducted the following ascertainment activities:

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First, the Issuing Authority conducted two (2) public ascertainment hearings in the Town. The first hearing was held on February 24, 2003. A second public ascertainment hearing was held on February 2, 2004, which hearing was continued on March 8, 2004. The purpose of the hearings was to allow members of the Belmont community the opportunity to voice their concerns and identify issues in connection with the past performance of Comcast in Belmont as well as the future cable-related needs and interests of the Belmont community. Proper notice of the hearings was provided. There were also a number of follow-up e-mails to the 2003 public hearing.

Second, the Issuing Authority, through its Cable Television Advisory Committee (“CTAC”) conducted a survey of eleven thousand (11,000) Belmont residents in June of 2002, with a return-rate of twenty-eight percent (28%).

Third, the Issuing Authority retained the services of a consultant, who was asked to identify community cable-related needs and interests in the Town of Belmont. The consultant:

- Convened a Focus Group Workshop Task Force of 22 community leaders who met four times between November 4, 2003 and January 15, 2004 to assist with the planning and presentation of the community focus group workshops;
- Conducted a series of seven community focus group workshops between January 20 and January 24, 2004, which were attended by 102 participants representing 72 Belmont community groups, organizations, educational institutions, government agencies and citizens. Participants were invited to help identify current and future cable-related needs and ascertain attitudes about existing cable services and programming;
- Distributed questionnaires to the focus group participants that were designed to identify community cable-related needs and interests regarding cable television matters, assess whether current local cable TV services and resources are adequate and appropriate, and help to identify changes that might be made to meet future cable-related community needs and interests in Belmont;
- Reviewed strategic plans and other materials submitted by representatives of local government, educational institutions, business interests, and community organizations; and
- Reviewed and analyzed the findings of the Belmont Cable Television Survey conducted by the CTAC.

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A summary of said community needs and interests was presented to the Issuing Authority at the March 8, 2004 ascertainment hearing and was made part of the record thereof.

Fourth, the Issuing Authority also reviewed the past performance of Comcast, including, but not limited to, the Town's January 14, 2004 letter asking Comcast to answer a number of Final License questions.

(III) INSTRUCTIONS

(A) Request for Proposal

Comcast must respond to this RFP by submitting a detailed renewal proposal to the Town, including the Massachusetts Cable Television Division Form 100. Comcast's proposal should specifically address all of the areas, and cable-related requests, covered by this RFP.

(B) Final Proposal Deadline

Comcast must submit its renewal proposal to the Town no later than **May 3, 2004**.

(C) Format of the RFP

The format of the RFP consists of two (2) sections: first, a Future Needs section; and second, an Exhibits section.

(D) Response Format

Comcast must respond to questions and requests for information in the order found in this RFP. Each response should first list the RFP question, then Comcast's response. Comcast's responses must be in sufficient detail to expedite the Town's review of Comcast's proposal and minimize follow-up questions from the Town requesting more details.

(E) Completeness of Response

Upon receipt of Comcast's proposal, the Town will determine whether or not the proposal is complete. Completeness will be based upon whether Comcast has answered each question posed in the RFP, as well as its responsiveness to each question.

(F) Transmittal of Proposal

Comcast must submit one (1) original and ten (10) copies of its renewal proposal, in loose-leaf binders, to the Board of Selectmen's Office at the Belmont Town Hall, and send one (1)

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copy of its proposal *directly* to the Town's outside cable counsel: Peter J. Epstein, Epstein & August, LLP, 101 Arch Street, Suite 900, Boston, Massachusetts 02110.

(G) Negotiating Period

The four-month negotiating period, mandated by Section 626(c)(1) of the 1984 Cable Act, as amended by the Cable Television Consumer Protection and Competition Act of 1992, will commence on April 30, 2004.

(H) Financial Information

Any renewal proposal, regardless of the length of the renewal license term being requested, must include, among other things, Comcast's detailed (a) cost projections, (b) projected annual and one-time capital expenditures and investments in any upgraded/rebuilt cable system, (c) income and loss statement, (d) balance sheet, (e) financial assumptions, (f) projected subscriber rates, (g) projected returns during the entire length of the requested renewal term and (h) debt and equity financing. Said financial information must be included in the Form 100 pro formas.

(I) Changes in the RFP

The Issuing Authority reserves the right to make changes, additions and/or deletions to this RFP, as necessary, prior to receipt of the renewal proposal to be submitted by Comcast.

(J) Renewal License

If agreement is reached, the Town will draft a renewal license, the contents of which will be based on the agreements made during negotiations, as well as on proposals and commitments contained in the renewal proposal.

(IV) RENEWAL LICENSE TERM

The Issuing Authority will grant a renewal license for a term within the range of three (3) to ten (10) years. To this end, Comcast must specify the length of the renewal license term that it is seeking and must provide the Town with a *detailed* rationale for such a desired term.

Any renewal proposal, regardless of the length requested, *must include*, among other things, Comcast's detailed (i) cost projections, (ii) capital expenditures and investment in any upgraded Belmont cable system, (iii) financial assumptions, and (iv) projected returns during the entire length of the requested term. The Issuing Authority will determine the length of the renewal

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license term, based upon (i) such financial information, (ii) Comcast's direct investment into technologies that enhance and expand the Belmont cable system's output and channel capacity, and (iii) negotiations with Comcast.

(V) FUTURE NEEDS

This Future Needs section deals with the types of services and community needs generally identified by the Town during the ascertainment period. The requests contained in this section represent the items that should be provided by Comcast under any renewal license granted by the Town.

The Town has identified the following community needs and interests:

- (1) Channel Capacity and Cable System Plant
- (2) PEG Access Programming
- (3) Customer Service
- (4) Institutional Network
- (5) Cable Service Available To All Residents and Businesses
- (6) Cable Service Available To All Schools and Public Buildings
- (7) Cable Modem Service Available to Schools, Libraries and Town Buildings
- (8) Programming
- (9) Senior Citizen Discount
- (10) Consumer Protection
- (11) License Fees
- (12) Cable-Ready Sets/Equipment Compatibility/Scrambling
- (13) Remotes/Converters
- (14) Regulatory And Compliance Issues
- (15) Reports
- (16) Performance Evaluation Sessions
- (17) Cable Television Renewal License

(1) Channel Capacity and Cable System Plant

Given the proliferation of new programming services, new technologies, PEG Access and LO programming needs, and input from the public regarding the current cable system, Comcast must respond to *each* of the following channel capacity-related questions or requests:

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First, Comcast should describe its existing Cable System in Belmont.

- (a) Explain any plans to upgrade/expand the current Belmont Cable System.
- (b) How old is the Cable System plant in Belmont?
- (c) At what point does such Cable System plant need to be fully replaced?
- (d) What plant will be replaced by Comcast over the next five (5) year period?

Second, Comcast must include in its renewal proposal a detailed set of technical specifications for the operation of its Belmont cable system. The current system must meet, at a minimum, the FCC's upgraded 1992 technical specifications, at 47 C.F. R. Section 76.605.

(a) Is Comcast currently meeting the FCC's technical specifications, as amended, at 47 C.F. R. Section 76.605? If not, why not?

(b) Explain Comcast's proof-of-performance testing.

(c) Comcast must provide a copy of its most recent annual performance tests, pursuant to 47 C.F.R. Section 76.601, as part of its renewal proposal. Said annual tests should identify where the FCC specifications have not been met, with an explanation of how and when such specifications will be met as required.

Third, Comcast must continue to provide the currently-required local emergency alert audio override capability for the Town, to be controlled by the Issuing Authority (*See Final License, Exhibit E*). At a minimum, such a system should include override capacity authorized by a remote-control telephone code of all channels.

(a) Provide evidence that the local emergency override is in place and functioning as required.

(b) Explain how Comcast will ensure the security of such a system.

(c) Include proposed specifications for such a system as part of the renewal proposal.

Fourth, Comcast must bury all cables and all of its other plant in areas of the Town where utilities are underground.

(a) Identify any such areas in the Town.

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Fifth, Comcast must survey its current plant in Belmont and identify all pedestals belonging to Comcast that are located in, on and under the Town's right-of-way.

- (a) Identify and list the exact location of all such pedestals;
- (b) Include the size of all such pedestals;
- (c) Identify the contents of each such pedestal;
- (d) Report on the status and condition of each such pedestal; and
- (e) Confirm that Comcast and its predecessors have applied for, and received, permits from the Town for the location of **each** such pedestal.

Sixth, the use and placement of any and all pedestals in Belmont will be subject to the advance receipt of a written permit from the Town. Such permit will include requirements regarding, without limitation, (i) maximum size; (ii) placement and (iii) appearance of any and all such pedestals. All such pedestals shall be identified on the as-built maps to be provided to the Town. The Issuing Authority reserves the right to require that specified pedestals be placed underground.

Seventh, during any renewal license term, Comcast will be required to provide to the Town as-built maps of all plant occupying Belmont right-of-way. Said maps shall be updated periodically to reflect changes in and to said plant.

Eighth, explain Comcast's safety procedures.

Ninth, in the event that it does not already do so, Comcast must scramble *both* the audio and video portions of all adult programming that appears on the cable system. Provide Comcast's explicit assent, in writing, to such scrambling.

Tenth, explain procedures for resolving subscriber outages.

- (a) How does Comcast become aware of outages in the Belmont system?
- (b) What is the definition of an outage? How long does it take for Comcast to resolve outages?

Eleventh, how will Comcast assure the Town of the delivery of quality signals to Belmont subscribers for the entire term of any renewal license?

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Twelfth, will Comcast carry *both* analog and digital signals on its Belmont Cable System?

- (a) If so, explain how and why?
- (b) When are digital converters necessary?
- (c) What will be the bandwidth conversion ratio for digitizing channels?
- (d) Does Comcast have plans to digitize local channels?
- (e) Will Comcast keep some services and/or tiers analog only?

Thirteenth, Comcast should provide a report to the Town on the status and condition of all Drop Cables from feeder cable and/or poles to homes, where the coaxial cable is ten (10) years or older.

Fourteenth, Comcast must comply with the following requirements:

- (a) To remove, move and/or relocate its plant in Belmont as public roads are reconstructed;
- (b) To not excavate in a public road for a period of five (5) years after it has been reconstructed; and
- (c) To meet at least twice yearly with the Director of Community Development and the Director of the Department of Public Works to discuss and review future roadway construction projects in the Town.

(2) Belmont PEG Access Programming

The Issuing Authority continues to have great interest in improving and expanding public, educational and governmental ("PEG") Access programming during any renewal term. To this end, the Issuing Authority is looking into the feasibility of establishing an independent, non-profit corporation (the "Access Corporation") which will operate, promote and manage PEG Access programming in Belmont, based upon the explicit assumption that the Issuing Authority and Comcast can mutually agree upon, without limitation, all financial and related matters thereto, including those listed below. In the event that such mutual agreement cannot be reached, the Issuing Authority will require that Comcast continue to provide PEG Access programming to the Belmont community pursuant to explicit standards for meeting community needs and interests, as ascertained by the Issuing Authority.

In the event of agreement between the parties on this matter, the Access Corporation will be responsible for ensuring that all Belmont residents can use the PEG Access equipment and facilities at

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convenient times. The Access Corporation's operating rules and procedures shall ensure training and equipment Access for all residents and organizations on a first-come, first-served basis. Funding for PEG Access programming from Comcast must include the following:

(A) Interim Comcast Studio Operation

Comcast must continue operating its current studio in Belmont for a minimum of two (2) years from the execution date of a renewal license. During that time, the Issuing Authority will ensure that an Access Corporation is established and organized. Once established with its own facilities and staff, the Access Corporation will be in a position to commence the production of PEG Access programming

(B) Annual Funding

Comcast shall provide annual operating funding for PEG Access programming to the Access Corporation, in the amount of five percent (5%) of its Gross Annual Revenues. "Gross Annual Revenues" shall be explicitly defined in any renewal license. Said annual funding shall be made to the Access corporation on a quarterly basis; exact payment schedules of such annual funding from Comcast for PEG Access programming will be made a part of a renewal license granted to Comcast.

(C) Equipment/Facilities Funding

In addition to the annual operating funding discussed above, Comcast should provide funds for the purchase of PEG Access equipment and/or the purchase and/or improvement of PEG Access facilities, totaling Seven Hundred Fifty Thousand Dollars (\$750,000.00), payable as follows:

- (1) For initial PEG Access facilities: Two Hundred Fifty Thousand Dollars (\$250,000.00) payable to the Issuing Authority within sixty (60) days of the Execution Date of the renewal license;
- (2) For initial PEG Access equipment: Three Hundred Fifty Thousand Dollars (\$350,000.00) payable to the Issuing Authority within sixty (60) days of the Execution Date of the renewal license; and
- (3) For ongoing PEG Access equipment replacement: a total of One Hundred Fifty Thousand Dollars (\$150,000.00) payable to the Issuing Authority or the Access Corporation, as directed by the Issuing Authority, as follows:

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- + \$50,000.00 payable on the fourth anniversary of the Execution Date of the renewal license;
- + \$50,000.00 payable on the sixth anniversary of the Execution Date of the renewal license; and
- + \$50,000.00 payable on the eighth anniversary of the Execution Date of the renewal license.

Said funds will be used to purchase equipment for the production of PEG Access programming in the Town, as well as to maintain and/or upgrade PEG Access facilities in the Town. All PEG Access equipment and/or facilities shall be owned by the Town and/or the Access Corporation, unless otherwise noted.

(D) PEG Access Channels

(a) Comcast must continue to make available to the Town and/or the Access Corporation the currently-required five (5) PEG Access channels as follows:

- + One (1) downstream channel for public Access use;
- + One (1) downstream channel for educational Access use;
- + Two (2) downstream channels for governmental Access use; and
- + One (1) upstream channel for PEG Access use.

(b) The channel locations for two (2) of the above-referenced downstream PEG Access channels shall be Channels 8 and 9, with all four (4) of the above-referenced downstream PEG Access channels located below cable channel 25.

(c) In the event that the PEG Access channel locations are relocated, Comcast shall provide financial assistance to the Access Corporation for any relocation costs, the exact costs to be negotiated by the Issuing Authority and Comcast.

(d) In the event that Comcast converts its Belmont Cable System to an all-digital format, Comcast must provide the Town and/or the Access Corporation digital bandwidth and related facilities accordingly, the exact parameters of which shall be included in a renewal license.

(e) Comcast must improve the technical quality of all current PEG Access channels, and ensure that said channels are operated in full compliance with the FCC's cable television technical standards.

(E) PEG Access Origination Locations

The Issuing Authority will require, in specific technical detail, the methods by which the Access Corporation will be able to *continue live* cablecasting of its PEG Access programming from the remote locations listed in **Exhibit 1**, attached hereto. Comcast must ensure that PEG Access video signals can be originated from certain designated community locations and transmitted to the Access Corporation studio and then transmitted to the Comcast Headend, or a Belmont Town Hub site, for cablecast on the appropriate downstream PEG Access channel. Comcast will be responsible for all transmission equipment (i.e. transmitters, receivers, modulators, switchers) necessary to assure the Access corporation can transmit and receive signals by and between all of the locations listed in **Exhibit 1**. Such equipment and connections will be provided to the Issuing Authority and/or the Access Corporation without charge, and maintained and repaired at Comcast's expense during the renewal term.

(F) Location of Access Corporation Studio

The Issuing Authority notes that an Access Corporation will have to locate and occupy its own facility in the Town. To this end, the Issuing Authority requests that Comcast run fiber lines from said new studio location to the Headend or a local hub, where said programming can be switched to all of the PEG Access Downstream Channels.

(i) Comcast should explain exactly how it will assist the Access Corporation during any such location process.

(G) Marketing and Promotion

To promote PEG Access programming to Belmont residents and cable subscribers more effectively, Comcast should provide the following:

(i) Courtesy promotion of the PEG Access channels and program listings in all print and electronic program guides for its Belmont subscribers;

(ii) Free promotional spots for the PEG Access channels and programming that make times available for local advertising insertions;

(iii) Free periodic inclusion of PEG Access promotional and informational items in Belmont cable subscriber bills; and

(iv) PEG Access information to be included in all promotional and marketing materials for Belmont subscriber outreach.

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(H) PEG Access Costs

Comcast should explain its current costs for funding PEG Access programming services in Belmont. Comcast should not charge Subscribers for such costs related to such PEG Access costs in Belmont, except for any new costs.

(a) What is the total of such current PEG access and Local Origination ("LO") operating costs? Please provide current operating budget detail.

(b) What is the total of such PEG Access and LO equipment costs?

(c) The Town believes such costs are embedded in current rates. Comcast should confirm this.

(d) If such costs are not embedded, Comcast should explain exactly why not.

(3) Customer Service

Comcast must provide explicit, detailed steps that will be taken regarding continuation and improvement of its customer service operation in Belmont, including, but not limited to, the following:

(a) Local Customer Service Office

Comcast must operate, for the entire term of any renewal license, a customer service office in the Town. The office must be located in a convenient location and have adequate parking for its customers. Such an office should receive complaints, handle inquiries, schedule service calls, exchange converters and other equipment, receive payments for service, etc. The office should be open full-time, but have a flexible schedule that makes it available to the maximum number of subscribers. Comcast must respond to this section with explicit details on providing a Belmont customer service office, including office hours, personnel running such an office, telephone traffic, etc. The customer service office must be fully handicapped-accessible.

(b) Customer Service Issues

The Issuing Authority will adopt and enforce customer service standards that meet or exceed the minimum obligations established by the Federal Communications Commission (FCC), including but not limited to, the following:

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- (i) Subscribers being able to reach a local Comcast customer service representative by telephone;
- (ii) Comcast providing 24/7 regional technical support;
- (iii) Comcast providing a 2-3 hour “window” of scheduled home visits;
- (iv) The Issuing Authority to review subscriber complaints regularly and to review services annually; and
- (v) Comcast to provide information to subscribers about the Basic Service. This service should be clearly presented in all marketing materials.

(c) Telephone Answering

(i) Comcast's telephone service must be able to handle all incoming calls promptly. Comcast's repair service must respond quickly to all complaints and requests for repair service and quickly correct any problems with a subscriber's picture quality. Comcast's Belmont subscribers must be able to reach the customer service operation in a reasonable manner in minimum compliance with the FCC's Customer Service Obligations, which standards will be made part of any renewal license.

(ii) Comcast must include data verifying its current compliance with those standards.

(iii) The Town will also require that additional telephone lines and customer service representatives ("CSRs") will be added when necessary. The Town will require standards for service and time schedules in which to respond to service requests and problems, as well as explicit criteria for the addition of telephone lines and/or CSRs, which schedules and criteria will be made a part of any renewal license. Comcast must also provide the Town with quarterly telephone reports, tracking its telephone activity and overall responsiveness.

(4) Institutional Network

(a) The Issuing Authority seeks to continue utilizing the current Institutional Network (the “I-Net”) required by Section 11(a) and Exhibit F of the Final License, including audio, video and data use.

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(b) Comcast should report on the current status of the Belmont I-Net, including, but not limited to, the following:

(i) Confirm that the I-Net is still fully in place, and that all required Final License Exhibit B-7 I-Net drops are in place and fully activated.

(ii) If not, why not?

(iii) What is the amount that Comcast currently spends annually on maintaining and operating the I-Net?

(iv) Does Comcast consider the costs in (iii) above to be embedded? If not, why not?

(v) Comcast should conduct a technical performance test of the I-Net and I-Net drops, and provide the results of such tests with its response hereto to the Issuing Authority.

(c) The I-Net must continue to serve the public buildings listed in **Exhibit 2**, attached hereto.

(i) If all of such buildings are not connected to the I-Net, why not?

(d) Based upon community needs and interests, the Issuing Authority is interested in Comcast constructing, installing and maintaining a fiber-optic I-Net, to replace the coaxial I-Net, for the use of the Town. Drops and outlets to a fiber-optic I-Net should be installed at all public building locations, such as Town Hall, police and fire stations, and schools etc. Comcast shall be responsible for ensuring that programming can be switched from the I-Net to the Subscriber Network. Drops and outlets to the fiber-optic I-Net must continue to be provided and maintained by Comcast, at no cost to the Town or institution receiving such drop, to all public buildings and schools in Belmont.

(e) Comcast should report on the feasibility of constructing and operating such a fiber-optic I-Net, including, without limitation:

(i) the cost of such a fiber-optic I-Net;

(ii) the timetable for constructing such a fiber-optic I-Net;

(iii) the capabilities of such a fiber-optic I-Net; and

(iv) a technical description of such a fiber-optic I-Net.

(5) Cable Service Available To All Residents & Businesses

(a) If renewal is granted, all residents in the Town must continue to have the ability to receive cable service, without additional installation or line-extension charge(s), as currently required by Section 4 of the Final License. Any renewal license will incorporate a specific schedule for the construction of any unwired areas in the Town, with addresses and dates of construction, if necessary. All Belmont businesses must be able to receive cable service as well.

(b) Comcast must make its cable services available to all residents and businesses in Belmont, by a contractually agreed-upon date.

(c) Comcast must make its cable services available to all Belmont Housing Authority units in the Town.

(d) Comcast must submit a map of the Town detailing its existing cable plant, *as well as all locations and areas not currently served by Cable System plant, if any.*

(6) Cable Service Available To All Schools And Public Buildings

(a) To ensure that all educational institutions, including all Belmont Public School buildings and all other public buildings in the Town can receive the PEG Access programming discussed above, Comcast must continue to provide free, activated cable drops, outlets and free monthly service to all such public buildings, at the written request of the Issuing Authority. Public buildings shall include the schools, police and fire stations, Public Libraries, Senior Center and all other Town buildings identified in **Exhibit 3**, attached hereto. In the future, the Issuing Authority shall notify Comcast of any other buildings/locations designated to receive a free drop and free monthly service. In the event that converters are necessary to receive such programming, Comcast must continue to provide each designated public building with such a converter at no charge.

(b) Comcast must identify the level of service that will be made available to public buildings pursuant to this section. Additional public buildings initially designated for cable service will be identified in an exhibit to the new renewal license. The Town and Comcast shall also agree on an explicit schedule for providing cable service to such public buildings.

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(i) Comcast must provide a list of those public buildings, including schools, that have an existing cable television drop and/or outlet, and where existing origination points have already been installed and the status of each such connection, as requested elsewhere in this RFP.

(ii) What level of service is currently provided? Is there a charge for such service?

(iii) What support can be provided by Comcast for increasing the number of drops to school buildings and for wiring of individual classrooms? Is there a charge {materials and labor} for this service? If so, what?

(7) Cable Modem Service Available to Schools, Libraries and Town Buildings

(a) Comcast should provide cable modem access free of charge to each Town, school and library building equivalent in capability to Comcast's current residential cable modem service offering. The Issuing Authority will provide a single point of "handoff" for this service for those Town buildings encompassed by the Town's own network infrastructure (e.g. if the current residential service is 3megabits of internet bandwidth, and the Town has 10 buildings, Comcast will provide the Town a 30megabit Internet connection in a single location of the Issuing Authority's choice). Any Town buildings not currently connected to the Town's network infrastructure shall be provided one (1) connection each, on site, for cable modem access upon request. **(See Exhibit 4.)** The Issuing Authority will require up to twenty (20) Static IP addresses.

(b) Comcast should provide discount vouchers redeemable for fifty percent (50%) off high speed cable modem service for students who meet federal free or reduced lunch criteria in grades 4 through 12 in the Belmont Public Schools. Vouchers will be issued for the ten month academic school year, managed by the Belmont School Department, and capped at four percent (4%) of the total student population (currently 150 students). Unused vouchers will be given to first through third year teachers within the Belmont Public Schools. Vouchers will take the form of a signed coupon sent with the monthly service payment. This service should be valid for the length of Comcast's renewal license term.

(8) Programming

While commercial programming carried on the cable system is the decision of the operator, it is nonetheless important for Comcast to bear in mind the needs and interests of its Belmont subscribers in this regard. Comcast should ensure that its programming package for its Belmont cable system is responsive to all groups. The Town will require that broad categories of programming are carried. To this end:

- (a) Identify, and describe in detail, the programming that will be carried in Belmont.
- (b) Delineate in detail the various levels of service that will be available in Belmont .
- (c) Explain how programming decisions are made.
- (d) Does Comcast conduct periodic surveys to determine subscriber interest? If so, how and when? The Town hereby requests that Comcast provide the Town with copies of all such periodic surveys and results.
- (e) Describe any interactive programming that will be carried in the future.
- (f) Describe any automated programming that will be carried in the future.
- (g) When will any such new services be added to the cable system?

(9) Senior Citizen Discount

Comcast should provide all of the Town's senior citizens, age 65 and older, with, at a minimum, a discount of fifteen percent (15%) off of the rates of its basic and expanded service tiers during any renewal term.

To this end, Comcast should respond explicitly with its willingness to provide such a discount.

- (a) What will the discount be?
- (b) Will such a discount apply to all tiers, or just to a specific tier? If so, which tier?
- (c) Will any other groups be provided a discount? (For example, disabled or handicapped persons, etc.) If so, what groups?
- (d) Explain how Comcast would administer a Senior Citizen discount program in Belmont.

(10) Consumer Protection

Ensuring that Belmont subscribers are adequately protected in their dealings with Comcast is another prime concern of the Issuing Authority. To address these, and other, consumer concerns, the Issuing Authority will include a section entitled Subscriber Rights and Consumer Protection in any renewal license. Such a section will include, but not be limited to, the following broad categories:

(a) **Subscriber Solicitation Procedures:** Appropriate procedures which will ensure that all prospective subscribers receive clear and concise information concerning rates, billing policies, etc.

(b) **Consumer Sales Procedures:** Outlining Comcast's sales brochures, ensuring that a complete description of all services is included. This should go to all new and existing subscribers.

(c) **Customer Service Procedures:** Detailing Comcast's response time to customer complaints, service outages, etc.

(d) **Form of Bill:** Covering the information to be provided to subscribers, which clearly details all charges for cable service(s).

(e) **Billing Dispute Procedures:** This section will require Comcast to resolve all disputes within one business day, specify specific procedures to be followed, etc.

(f) **Disconnection and Termination of Service:** Detailing Comcast's policies and procedures, including time-lines, for disconnection and/or termination of cable service. There should be no charge for disconnection of cable service.

(g) **Downgrade/upgrade policies:** This section will include the specific procedures for a change in service, including the effective date of such requests, etc.

(h) **Loss of Service/Signal Quality:** Comcast shall comply with all applicable FCC and contractual signal quality standards. The Final license will contain policies and procedures for loss of service, including rebates to subscribers.

(i) **Pro-Rated Service:** Agreed-upon parameters for outages, etc.

(j) **Weekend Service:** Comcast should offer its subscribers Saturday installation appointments, as well as service repair appointments.

(k) **Privacy Provisions:** Reference federal law.

(l) **Publication:** Comcast shall ensure that its customer service policies and procedures, including applicable consumer protection provisions, billing and termination policies and complaint-resolution procedures, are published and provided annually to all its subscribers.

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(m) Deposits-Loss of Equipment: Detailing Comcast's deposit requirements, if any, as well as policies related to loss of equipment (ie-converters, etc.).

(n) Comcast should provide a detailed plan for providing rebates to Belmont subscribers for any amounts due to lost or interrupted service.

(o) Is Comcast complying with the FCC's 1993 Customer Service regulations, codified at 47C.F.R. Section 76.309? Please detail Comcast's adherence to *each* of the various requirements therein. Said Customer Service Obligations will be made a part of any renewal license.

(p) Negative-option marketing, services and/or Subscriber charges shall be prohibited.

(11) License Fees

Comcast shall continue to pay the Town an annual license fee of \$.50 per subscriber per year, or such higher amount(s) allowable by applicable law(s).

(12) Cable-Ready Sets/Equipment Compatibility/Scrambling

Comcast must ensure the compatibility of cable-ready television sets, DVDs and VCRs with Belmont subscribers' cable service(s). Given the popularity of each, Comcast must outline the various options that it will offer its subscribers in order to maximize use of cable-ready sets and VCRs that are connected to the cable system. One particular concern is that subscribers, at a minimum, be able to view one channel while recording another without the necessity of a second converter. The Issuing Authority understands that such viewing and recording could not involve two scrambled signals, but could involve one scrambled and one unscrambled signal(s). Comcast must provide explicit details regarding how this will be accomplished: ie-A/B switches, splitters, wiring by Comcast, etc. The Issuing Authority will incorporate the cable-ready/DVD/VCR options into any renewal license.

(a) When are additional converters necessary?

(b) If necessary, what are the additional costs involved?

(c) What services will be scrambled? What is the effect of scrambling on the functioning of cable-ready TV sets and VCRs?

(d) What is the specific converter that will be used in any system during a renewal term?

(e) Can Comcast "trap" programming outside of the home, thereby obviating the need for a converter? If not, why not?

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(13) Remotes/Converters

Belmont subscribers must be able to purchase remote control devices and converters from Comcast instead of having to pay a monthly charge for such use. Please answer the following:

(a) If subscribers have their own so-called "universal remote", can they use it with their cable service? If so, is there any charge for doing so?

(b) If there is such a charge, what is the charge and why is it levied?

(c) If there is no charge for using such a remote, has Comcast advised its Belmont subscribers of such a policy? If so, provide a copy of such notification. If not, why not?

(d) Will Comcast sell addressable converters to Belmont Subscribers? If not, why not?

(14) Regulatory And Compliance Issues

The Issuing Authority shall enforce all agreements made during the renewal process. To this end, the Issuing Authority will include adequate legal remedies in any renewal license to ensure compliance with all terms and conditions therein. The Issuing Authority will continue to require a performance bond, in the amount of Fifty Thousand Dollars (\$50,000.00) (*See Section 7 of the Final License.*)

In addition, liquidated damages will be included in any renewal license granted to Comcast, including damages for, among other things, (i) failure to rebuild the system, if required, and within the period specified; (ii) failure to make available to the Town I-Net capacity as required; (iii) failure to activate and program the number of PEG Access channels and and provide related PEG Access services as required; (iv) failure to provide cable service to all residents of the Town as required; (v) failure to install drops and outlets as required; (vi) failure to comply with the customer service standards as required; (viii) failure to receive approval from the Issuing Authority prior to any transfer of the cable system; and (ix) failure to provide reports as required, etc. Any liquidated damages will be levied against the performance bond, which must be refunded to the contractual level if and when drawn upon.

Comcast must also carry general comprehensive liability and property damage insurance policies, in such amounts as agreed upon by the Issuing Authority and Comcast.

Comcast must submit certificates of all insurance policies and the the performance bond to the Issuing Authority on an annual basis. Finally, the Issuing Authority will include

indemnification language in any renewal license, holding it harmless from any claims arising out of the reconstruction, upgrade, installation, operation and/or maintenance of the cable system in Belmont and indemnifying it for any Town Counsel and/or other attorney's costs incurred by the Town.

(15) Reports

The Issuing Authority will require the submission of all reports pertaining to Comcast's operation of the cable system in Belmont, including, but not limited to, quarterly complaint reports, quarterly outage reports, detailed financial reports, performance test reports, telephone reports, construction reports, annual number of subscribers, etc. All of said reports must be specific to the Belmont cable system alone.

(16) Performance Evaluation Hearings

A Performance Evaluation Hearing may be held each year of a renewal license. This public hearing will enable the Issuing Authority to review Comcast's compliance with all of the terms and conditions in the renewal license, in addition to collecting community input on Comcast's performance. It will also give Comcast the opportunity to publicly discuss the status of the system, any changes, improvements, new programming, etc. To this end, Comcast shall prepare an annual system performance report, specifying, among other things, cable system technical performance standards and signal quality levels. Said report shall be submitted to the Issuing Authority thirty (30) days prior to the annual Performance Evaluation Hearing.

(17) Cable Television Renewal License

Provisions for awarding a non-exclusive renewal license to operate and maintain a cable television system in the Town, and conditions accompanying the grant of such a renewal license, will be contained in a renewal license to be drafted by the Issuing Authority. All renewal license provisions will reflect the Town's regulatory policies, as determined by the Issuing Authority. All terms and conditions in the current Final License, unless otherwise agreed to by the parties, will be included in such a future renewal license.

EXHIBITS

EXHIBIT 1

PEG ACCESS ORINATION LOCATIONS

Town Hall

 Selectman's Room

 Conference Room 2

Town Hall Annex

Electric Light Office

Old Electric Light Building (across from Town Hall)

School Administration Building

Police Department

All Town Fire Stations (currently Leonard Street, Waverley, and Harvard Lawn plus future locations)

Water Department

Town Garages

Main Library

Branch Libraries (currently Waverley and Benton)

Belmont High School

 Auditorium

 Wenner Field House

 Higginbottom Pool

 Football Field

 Viglirolo Ice Skating Rink

Chenery Middle School

 Community Room

 Auditorium

Wellington School

Burbank School

Butler School

Winn Brook School

Senior Center (current and future locations)

EXHIBIT 2

INSTITUTIONAL NETWORK BUILDINGS

Town Hall

 Selectman's Room

 Conference Room 2

Town Hall Annex

Electric Light Office

Old Electric Light Building (across from Town Hall)

School Administration Building

All Town Fire Stations (currently Leonard Street, Waverley, and Harvard Lawn plus future locations)

Police Department

Water Department

Town Garages

Main Library

Branch Libraries (currently Waverley and Benton)

Belmont High School

 Auditorium

 Wenner Field House

 Higginbottom Pool

 Football Field

 Viglirolo Ice Skating Rink

Chenery Middle School

 Community Room

 Auditorium

Wellington School

Burbank School

Butler School

Winn Brook School

Senior Center (current and future locations)

EXHIBIT 3

CABLE SERVICE AVAILABLE TO ALL SCHOOLS AND PUBLIC BUILDINGS

Town Hall
Town Hall Annex
Municipal Light Building (Concord Ave.)
Municipal Light Operations Center (Town Yard)
School Administration Building
Police Station
Fire Headquarters
Fire Substation – Belmont Center
Main Library
Branch Libraries (currently Waverley and Benton)
Belmont High School
White Field House
Chenery Middle School
Wellington School
Burbank School
Butler School
Winn Brook School
Senior Center (Oakley Road)
Future Senior Center (Beech Street)
Public Works Main Office (Town Yard)
Public Works Water Division (Woodland Street)
Public Works Cemetery Division (Grove Street)
Public Works Cemetery Division (Highland Meadow)
Vigirolo Skating Rink
Underwood Pool Bath House
Sherman Gardens Housing Complex
Waverley Oaks Housing Complex
Future McLean Open Space/Nature Center (Mill Street)

EXHIBIT 4

**CABLE MODEM SERVICE AVAILABLE TO ALL SCHOOLS, LIBRARIES AND
TOWN BUILDINGS**

Town Hall
Town Hall Annex
Municipal Light Building (Concord Ave.)
Municipal Light Operations Center (Town Yard)
School Administration Building
Police Station
Fire Headquarters
Fire Substation – Belmont Center
Main Library
Branch Libraries (currently Waverley and Benton)
Belmont High School
White Field House
Chenery Middle School
Wellington School
Burbank School
Butler School
Winn Brook School
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Public Works Main Office (Town Yard)
Public Works Water Division (Woodland Street)
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