

ORDINANCE NO. 323

AN ORDINANCE OF THE CITY OF WOODINVILLE, WASHINGTON, CONSENTING TO THE CHANGE OF CONTROL OF VISTA CABLE TELEVISION, INC. FROM AT&T CORP. TO AT&T COMCAST CORPORATION AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Vista Television Cable Inc, is the current cable franchise holder (the "Franchisee") in the City of Woodinville pursuant to Ordinance No. 191 (the "Franchise"); and

WHEREAS, Vista Television Cable, Inc. is an indirect subsidiary of AT&T Corp. ("AT&T") a New York corporation; and

WHEREAS, AT&T Broadband Corp. is a newly formed, wholly-owned subsidiary of AT&T that will hold directly and indirectly all of the assets and liabilities of certain other AT&T entities, including the Franchise; and

WHEREAS, AT&T and Comcast Corporation ("Comcast"), together with AT&T Broadband Corp. and certain of their respective affiliates, have entered into an Agreement and Plan of Merger, and AT&T and AT&T Broadband Corp. have entered into a Separation and Distribution Agreement, both dated December 19, 2001 (the "Merger Agreement"), to create a new company to be known as AT&T Comcast Corporation. This merger will effect a transfer of control of the Franchise pursuant to the Franchise and Woodinville Municipal Code Chapter 5.50; and

WHEREAS, following the transactions, the Franchisee will be controlled by AT&T Comcast, but will continue to operate the system, continue to hold and be responsible for performance of the cable franchise; and

WHEREAS, Franchisee and AT&T Comcast ask the City's consent to a change of control in accordance with Woodinville Municipal Code Chapter 5.50 and have filed an FCC Form 394 ("Application") with the City requesting such consent; and

WHEREAS, on June 17, 2002, the Woodinville City Council held a public meeting to review the Application; and

WHEREAS, the City reviewed the Application, examined the legal, financial and technical qualifications of AT&T Comcast followed by all required procedures in order to consider and act upon the Application and considered the comments of all interested parties; and

WHEREAS, the City is willing to consent to the change of control, subject to the completion of the merger and compliance with this ordinance; and

WHEREAS, the Franchisee has unconditionally accepted the terms of the existing franchise agreement and agreed to comply with the terms and all agreements existing between the Franchisee and the City; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF WOODINVILLE DOES ORDAIN AS FOLLOWS:

Section 1. The City hereby consents to the change of control in accordance with the terms of applicable law, subject to the following conditions:

a. In all respects and without exception, Vista Television Cable Inc, and AT&T Comcast agree and acknowledge that the change of control will not affect, diminish, impair or supersede the binding nature of the Franchise and any other valid ordinances, resolutions, and agreements applicable to the operation of the cable system, including but not limited to any existing guarantees, and AT&T Comcast acknowledges that the Franchisee shall comply with all lawful and applicable requirements of Woodinville Municipal Code Chapter

5.50 and, Ordinance 191 as either have been amended, and all related applicable and lawful orders, contracts, agreements, commitments, side letters, franchise amendments and regulatory actions.

b. The City's consent to the change of control shall not be construed to constitute a waiver or release of any rights the City may have now or in the future under federal and/or local law; the Franchise, Chapter 5.50 and/or any separate written agreements, letters, etc., with the Franchisee. The City expressly reserves its rights to conduct a complete renewal proceeding pursuant to 47 USC §546, including but not limited to, conducting an ascertainment of community needs and interests and a complete review of the Franchisee's compliance with, and performance under, the Franchise and any other obligations it may have under federal, and local law, beginning from the effective date of the Franchise through the Franchise term and including, without limitation, any Franchise term extensions thereto up to and including during the Franchise renewal process.

c. The Franchisee shall continue to comply with all valid local laws, agreements, and Franchise requirements consistent with applicable federal and state law.

d. The merger transaction between AT&T Corp. and Comcast shall substantially conform to the FCC Form 394 and the supplemental information provided by AT&T and Comcast through the request for information process undertaken by the City.

e. AT&T Comcast acknowledges and the Franchisee agrees that the Franchisee shall remain responsible for any and all non-compliance under the Franchise, Chapter 5.50 and any other law or obligation that may now exist or may later be discovered to have existed during the term of the Franchise, even if prior to the closing of this transaction.

f. AT&T Comcast acknowledges and the Franchisee agrees that Franchisee shall comply fully with all lawful and applicable Franchise provisions and Chapter 5.50 and shall meet or exceed all lawful and applicable federal, state and local requirements.

g. Franchisee agrees that within thirty days of the completion of this change of control, it will submit an updated corporate organization chart identifying the names, roles, positions, and locations of local Franchisee officers and directors.

Section 2. This consent to a change of control granted under this ordinance is conditioned upon the unconditional written acceptance of AT&T Comcast and Franchisee, accepting the conditions of this ordinance and filed with the City Clerk within thirty (30) days following the effective date of this ordinance. AT&T Comcast and Franchisee shall file with the City a written unconditional acceptance of such ordinance conditions applicable to each such company in a form acceptable to the City Attorney, which shall be and operate as an acceptance of such terms and conditions and limitations applicable to Franchisee or AT&T Comcast as contained in this ordinance.

Section 3. In the event that the transaction or transactions which are the subjects of this ordinance do not close for any reason; or in the event that such transaction or transactions close on terms substantially or materially different from the terms described in the FCC Form 394 and from subsequent information provided to the City by AT&T Corp. and/or Comcast Corporation that is relied upon by the City; or AT&T Comcast and the Franchisee do not acknowledge or accept and comply with each and every condition of the change of control required of them respectively as set forth in this ordinance; then the consent provided for in Section 1 shall be voidable at the discretion of the City, and the City shall be deemed to have

disapproved the change of control under the Franchise and federal law, and all remedies under the Franchise shall be available to the City.

Section 4. By consenting to the transaction, the City does not waive or release any rights of the City in and to the streets as provided by state law and the Woodinville Municipal Code, nor does the City waive or release any claim or issue of compliance it may have, known or unknown, now or in the future, against the franchisee or any successor.

Section 5. If any section, sentence, clause or phrase of this ordinance shall 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 6. Declaration of Emergency. The City Council hereby declares, for the public interest, safety and welfare reasons set forth above, that an emergency exists necessitating that this ordinance take effect immediately upon passage of this ordinance.

Section 7. Effective Date. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum, and shall take effect immediately after passage. Publication of this ordinance shall be by an approved summary thereof consisting of the title.

APPROVED by the City Council of the City of Woodinville this first day of July,
2002.

CITY OF WOODINVILLE



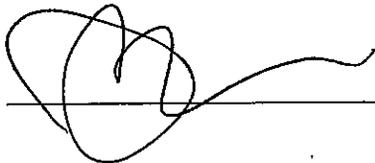
Scott Hageman, Mayor

ATTEST/AUTHENTICATED



Sandra Parker,
City Clerk/CMC

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:



PUBLISHED: 7-8-2002
EFFECTIVE DATE: 7-13-2002
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