



## RESOLUTION NO. 40467

1 A RESOLUTION relating to surplus utility property; declaring surplus pursuant to  
2 RCW 35.94.040 certain utility-owned property, including certain inventory,  
3 equipment, and vehicles allocated to the Click! Network together with the  
4 Excess Capacity of the Tacoma Power HFC Network, part of which is the  
5 Click! Commercial Network.

6 WHEREAS, in the mid-1990s, the City of Tacoma, Department of Public  
7 Utilities, Light Division (d.b.a. "Tacoma Power") determined that the best option to  
8 address the shifting advance in telecommunications in the electric utility industry  
9 landscape was to construct a hybrid fiber coaxial ("HFC") telecommunications  
10 network ("HFC Network"), and

11 WHEREAS, on July 23, 1996, the City Council passed Ordinance No. 25930,  
12 approving Tacoma Power's proposal to establish and create the HFC Network as  
13 part of Tacoma Power's electric utility infrastructure, allowing Tacoma Power to,  
14 among other things, connect its generation, distribution, and transmission assets  
15 and support the eventual adoption of smart meters, and further, to use the excess  
16 capacity of the HFC Network to: (1) sell retail cable television service to Tacoma  
17 Power's electric customers, and (2) sell data transport and wholesale internet  
18 access services to Internet Service Providers ("ISPs") and others, and

19 WHEREAS the Public Utility Board ("PUB") adopted Amended Substitute  
20 Resolution No. U-9258, approving Tacoma Power's proposed business plan to  
21 develop a state-of-the-art HFC Network to support enhanced control, reliability, and  
22 efficiency for its electric system and to generate additional revenue through new  
23 business lines (i.e., wholesale internet, cable TV, etc.), and  
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1 WHEREAS, pursuant to Substitute Resolution No. 33668, the City Council  
2 authorized Tacoma Power to construct, control, and operate the HFC Network, and  
3 approved the PUB business plan to develop a state-of-the-art HFC Network to,  
4 among other things, create revenue diversification to maximize the return on  
5 Tacoma Power's investment in the HFC Network by offering new business lines  
6 providing cable television and internet transport using the available (excess)  
7 capacity of the HFC Network, and

8 WHEREAS the City Council determined that the new business line of  
9 Tacoma Power would be subject to substantially the same franchise agreements as  
10 the City grants for other similar businesses, and that the City Council would remain  
11 involved in major policy decisions, and

12 WHEREAS, since its construction in the late 1990s, the HFC Network has  
13 connected Tacoma Power's distribution and transmission assets and enabled  
14 automated meter reading and billing, distribution automation, and remote turn  
15 on/turn off for electric customers, and

16 WHEREAS, in 2004, Tacoma Power also established a pilot project  
17 deploying as many as 18,000 Gateway Meters (Tacoma Power's name for its initial  
18 smart meters) that relay information from its electric customers to Tacoma Power  
19 headquarters via the HFC Network over coaxial cable connected to the customer  
20 premises which interconnects with the fiber network, and

21 WHEREAS, within four years following deployment of the Gateway Meters,  
22 Tacoma Power began experiencing substandard performance of the Gateway  
23 Meters, including meter failures wherein Tacoma Power was unable to



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communicate with the meter through the network, read failures wherein the controller in the meter was not able to read the meter, and remote disconnect failures, all resulting in communications errors, failures to measure electrical consumption, a failure rate of up to 100 meters per month, and increased costs to replace defective meters, perform repairs, troubleshoot errors, and collect meter data, and

WHEREAS, by the mid-to-late 2000s, the electric utility industry began to recognize that wireless technology would take the place of wired telecommunications systems with respect to smart meter applications, and

WHEREAS, in 2019, as a result of the advances in the reliability and efficiency of interconnecting meters wirelessly with the HFC Network and the substandard and unreliable performance of the Gateway Meters, Tacoma Power terminated the Gateway Meter Program and ended service over the HFC Network for all Gateway Meters, and

WHEREAS the PUB has authorized agreements providing for the installation and operation of licensed spectrum advance meters that will interconnect wirelessly to that portion of the HFC Network allocated to Tacoma Power, known and referred to as the Power Control & Operations Network (“PCON”), and

WHEREAS the “Excess Capacity of the HFC Network” is generally comprised of: (i) coaxial cable, conduit housing only coaxial cable, conduit installed for service drops (whether or not currently housing coaxial cable), and coaxial cable service drops installed in the Click! Network service area; (ii) specific strands of fiber in the Tacoma Power fiber network that are not reserved for current and future



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use by Tacoma Power for utility purposes, conduit housing such fiber along routes that do not include reserved utility fiber, and excess space in conduit housing such fiber and reserved utility fiber; and (iii) electronic equipment and related hardware installed in the HUB sites and in rights-of-way, all of which is described in more detail, and defined as the “Tacoma Power Commercial System”, in the draft proposed Click! Business Transaction Agreement, attached hereto as Exhibit “B,” and

WHEREAS certain inventory, equipment, and vehicles allocated to Click! Network are described in Exhibit “A.1-3,” attached hereto, all of which are collectively referred to as the “Click! Assets,” and

WHEREAS, in 1998, Click! Network, a trade name used by Tacoma Power, began operating as a cable service provider over excess capacity of the HFC Network providing primarily cable television and wholesale cable modem (internet access) services, and

WHEREAS, since that time, technology and consumer demands have changed with consumers shifting from predominantly consuming cable programming services to predominantly consuming internet access services, and

WHEREAS operational costs for the Click! Network have significantly increased since 1998 while the Click! Network business model has become outdated and unable to respond quickly or efficiently to changes in the market place or provide the capacity to make capital investments necessary to upgrade the network and compete with the private sector, and



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WHEREAS, in response to these challenges, the PUB began to study alternative Click! Network business models and, after many years of study, the PUB, in collaboration with the City Council, retained the services of CTC Technology & Energy (“CTC”) to assist in this analysis, and

WHEREAS, at the January 23, 2018, Joint Study Session of the PUB and City Council, CTC presented its report examining which of the following five alternative business models would best meet 12 Click! Network policy goals later adopted by the PUB and City Council:

- Continue finding ways to reduce costs and streamline operations;
- Become a retail internet service provider (“ISP”) and potentially eliminate cable TV operations;
- Upgrade the Click! Network to fiber-to-the-premises in an effort to better compete with incumbents in the market;
- Cease internet and cable operations and abandon the related parts of the network;
- Seek a partner willing to take on operating and other obligations and costs while agreeing to conditions that would preserve Click!’s significant policy achievements, and

WHEREAS CTC reported that the 12 policy goals could best be met through a business model in which the City retained ownership of the entire HFC Network, including the Click! Network, with a third party providing Cable TV and/or internet access services and covering the capital and operating costs associated with providing those services, and

WHEREAS, under this model, Tacoma Power would no longer provide cable television or wholesale internet access services, and the third party would provide cable television, video, and internet access services directly to the public, and



1 WHEREAS the PUB, pursuant to its prior Resolution No. U-10988,  
2 expressed its determination that while the 1997 business plan achieved many of the  
3 functions envisioned for the HFC Network, the Excess Capacity of the HFC  
4 Network and the inventory, equipment, and vehicles allocated to Click! Network are  
5 not needed now or in the future by Tacoma Power for utility purposes, and thus, will  
6 not be updated or improved or utilized for utility purposes, and are excess to the  
7 needs of Tacoma Power, and that the current Click! Network business plan and the  
8 proposed all-in retail service business model will not generate sufficient revenues to  
9 fully fund operational expenses and the costs of capital improvements needed to  
10 maintain the Excess Capacity of the HFC Network as a state-of-the art Network,  
11 and  
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13 WHEREAS, through PUB Resolution No. U-10988 and City Council  
14 Resolution No. 39930, the PUB and City Council rescinded their approval of the  
15 all-in retail service business model; adopted 12 policy goals to be maximized  
16 through the use and preservation of the Excess Capacity of the HFC Network; and  
17 directed the Public Utilities Director and City Manager to work collaboratively to  
18 develop a plan to seek information, proposals, or qualifications from interested  
19 parties to determine whether the 12 policy goals could be achieved through a  
20 collaboration and/or restructuring of Click! Network, and  
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23 WHEREAS, at the August 21, 2018, Joint Study Session of the PUB and  
24 City Council, CTC recommended that the PUB and City Council authorize  
25 negotiation of term sheets with Rainier Connect and Wave Broadband, and  
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1 WHEREAS the City Council and PUB, after a presentation by CTC and  
2 review of proposals from third parties at the March 5, 2019, Joint Study Session of  
3 the PUB and City Council, directed the Public Utilities Director to execute a letter  
4 agreement with Rainier Connect to enter into good faith negotiation of agreements  
5 through which: (1) the City, through Tacoma Power, would retain ownership of all  
6 of the existing HFC Network; (2) the capital and operating costs of the Excess  
7 Capacity of the HFC Network would be borne by a third party; (3) Tacoma Power  
8 would no longer provide cable television or wholesale internet access or data  
9 transport services; and (4) Rainier Connect would use the Excess Capacity of the  
10 HFC Network to provide cable, video, and internet access services consistent with  
11 the 12 policy goals adopted by the City Council and PUB, and  
12

13 WHEREAS negotiations with Rainier Connect commenced in April 2019, and  
14 the Click! Business Transaction Agreement is now complete, and  
15

16 WHEREAS, on October 23, 2019, the PUB held a public hearing and took  
17 public testimony regarding the proposed surplus of the Click! Assets and the  
18 Excess Capacity of the HFC Network, and  
19

20 WHEREAS, on October 29, 2019, the City Council held a public hearing and  
21 took public testimony regarding the proposed surplus of the Click! Assets and the  
22 Excess Capacity of the HFC Network, and  
23

24 WHEREAS, on October 30, 2019, the PUB adopted Resolution  
25 No. U-11116, declaring the Click! Assets and the Excess Capacity of the HFC  
26 Network surplus to the needs of Tacoma Power and Tacoma Public Utilities and not  
required for continued public utility services, recommending that the City Council



1 declare the above-referenced property surplus to the needs of the City, and  
2 approving the Click! Business Transaction Agreement conditioned upon approval  
3 by the City Council, and

4 WHEREAS the consideration proposed to be paid by Rainier Connect for  
5 conveyance of the inventory, equipment, and vehicles described in Exhibit A.1 is  
6 \$294,742.98, as set forth in Exhibit A.1; the consideration to be paid by Rainier  
7 Connect for the inventory and equipment described in Exhibits A.2 and A.3 are the  
8 contractual obligations of Rainier Connect as set forth in substantially the form of  
9 Exhibit "B" (Click! Business Transaction Agreement), and the use of the Excess  
10 Capacity in the HFC Network is proposed to be granted to Rainer Connect in  
11 consideration for the obligations of Rainier Connect as set forth in Exhibit "B,"  
12 including, but not limited to, annual payments of \$2,500,000 for year one,  
13 \$2,625,000 for year two, \$2,750,000 for year three, \$2,875,000 for year four, and  
14 \$3,000,000 for year five, and for each year after year five, the annual payment will  
15 increase to reflect the Consumer Price Index Increase as described in Exhibit "B,"  
16 and  
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18 and  
19 WHEREAS, although a declaration that an asset is surplus often proceeds a  
20 decision to sell an asset, there is no requirement that a surplus asset be sold,  
21 and the City does not intend to recommend or approve for sale the Excess Capacity  
22 in the HFC Network, but rather the City, through Tacoma Power, will retain  
23 ownership of the entire HFC Network inclusive of the Excess Capacity in the HFC  
24 Network to ensure that it has control over how the HFC Network is used through the  
25 proposed agreements and to ensure that the entire HFC Network meets all security  
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requirements and can continue to meet the needs of Tacoma Power, Tacoma  
1 Water, and Tacoma Rail, and

2 WHEREAS, on October 30, 2019, the PUB considered and adopted PUB  
3 Resolution No. U-11116, declaring that the Click! Assets and the Excess Capacity  
4 of the HFC Network, as described therein, are surplus to the needs of Tacoma  
5 Power and Tacoma Public Utilities, and  
6

7 WHEREAS the City Council, having considered the foregoing, the public  
8 comments received during the public hearing of October 29, 2019, and prior public  
9 meetings of the City Council and PUB, and the City records and files related to the  
10 construction, installation, and operation of the Click! Network, and having been in all  
11 matters fully advised, finds that it is in the best interest of the public to declare  
12 surplus to the needs of Tacoma Power and the City the Click! Assets and Excess  
13 Capacity of the HFC Network; Now, Therefore,  
14

15 BE IT RESOLVED BY COUNCIL OF THE CITY OF TACOMA:  
16

17 Section 1. That the City Council does hereby find and concur with the  
18 Tacoma Public Utility Board's determination and declaration pursuant to PUB  
19 Resolution No. U-11116, that the Click! Assets and the Excess Capacity of the HFC  
20 Network, as described therein, are surplus to the needs of Tacoma Power and  
21 Tacoma Public Utilities.  
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23 Section 2. That, consistent with RCW 35.94.040 and Section 4.6 of the City  
24 Charter, the City Council does hereby find and determine that the Click! Assets and  
25 Excess Capacity in the HFC Network, as described in the recitals above, are not  
26 required for, and are not essential to, continued public utility service or continued



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effective utility service and, pursuant to applicable law, are properly declared surplus property and excess to the needs of Tacoma Power, Tacoma Public Utilities, and the City.

Section 3. That the procedural requirements of the Tacoma Municipal Code and the Purchasing Policy Manual for declaring the Click! Assets and the Excess Capacity in the HFC Network surplus to the needs of Tacoma Power and the City are hereby waived to the extent of non-compliance therewith.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Chief Deputy City Attorney



**EXHIBIT "A.1"**

(Click! Asset Purchase List)

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Invoice

Resolution No. 40467  
Exhibit A.1

**APA Exhibit A, Schedule 2.2.a(i), Equipment, Inventory, Vehicles**

| Item Description                         | suggested price | quantity | actual price      | totals               |
|--|-----------------|----------|-------------------|----------------------|
| <b>Set-Top Boxes</b>                     |                 |          |                   |                      |
| Set-Top Boxes                            | \$ 12,361.71    | bulk     | \$ 12,361.71      |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 12,361.71</b>  |
| <b>Test Equipment</b>                    |                 |          |                   |                      |
| MPEG Test System                         | \$ 1,000.00     | 1        | \$ 1,000.00       |                      |
| MPEG Transport Stream Monitor (QAM)      | \$ 100.00       | 1        | \$ 100.00         |                      |
| MPEG Transport Stream Monitor (GigE/ASI) | \$ 100.00       | 1        | \$ 100.00         |                      |
| MPEG Transport Stream Monitor (QAM)      | \$ 100.00       | 1        | \$ 100.00         |                      |
| MPEG Transport Stream Monitor (8VSB)     | \$ 100.00       | 1        | \$ 100.00         |                      |
| MPEG Transport Stream Monitor (GigE)     | \$ 100.00       | 1        | \$ 100.00         |                      |
| DSAM                                     | \$ 250.00       | 9        | \$ 2,250.00       |                      |
| CATV Meter                               | \$ 2,500.00     | 4        | \$ 10,000.00      |                      |
| Ethernet Link Assistant (Metroscope)     | \$ 100.00       | 1        | \$ 100.00         |                      |
| Ethernet Link Assistant (Etherscope)     | \$ 100.00       | 1        | \$ 100.00         |                      |
| Bandwidth Analysis                       | \$ 100.00       | 1        | \$ 100.00         |                      |
| CATV Sweep Meter Setup                   | \$ 2,810.50     | 16       | \$ 44,968.00      |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 59,018.00</b>  |
| <b>Portable Generator</b>                |                 |          |                   |                      |
| Honda EU2001i                            | \$ 500.00       | 5        | \$ 2,500.00       |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 2,500.00</b>   |
| <b>Vehicles</b>                          |                 |          |                   |                      |
| CHEV EXPRESS CARGO VAN                   | \$ 12,236.00    | 5        | \$ 61,180.00      |                      |
| FORD E350 VAN ARL 29 FT VERSALIFT        | \$ 17,368.00    | 1        | \$ 17,368.00      |                      |
| FORD TRANSIT VAN VERSALIFT 29' ARL       | \$ 28,170.00    | 1        | \$ 28,170.00      |                      |
| CHEV COLORADO XC 4X4 PU                  | \$ 6,088.00     | 1        | \$ 6,088.00       |                      |
| FORD E350 VAN ARL TEREX HI-RANGER        | \$ 12,966.00    | 3        | \$ 38,898.00      |                      |
| FORD ELDORADO 13-PASS SHUTTLE VAN        | \$ 2,000.00     | 1        | \$ 2,000.00       |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 153,704.00</b> |
| <b>Warehouse Inventory</b>               |                 |          |                   |                      |
| Click Warehouse Inventory 110            | \$ 32,471.16    | 1        | \$ 32,471.16      |                      |
| Click Warehouse Inventory 120            | \$ 697.59       | 1        | \$ 697.59         |                      |
| Click Warehouse Inventory 121            | \$ 19,349.24    | 1        | \$ 19,349.24      |                      |
| Click Warehouse Inventory 122            | \$ 4,641.29     | 1        | \$ 4,641.29       |                      |
| Dead Stock 2014                          | \$ -            | 1        | \$ -              |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 57,159.27</b>  |
| <b>Software (for test equipment)</b>     |                 |          |                   |                      |
| Effigis (CPAT Leakage detection system)  | \$83.33         | 12       | \$ 1,000.00       |                      |
| Path track                               | \$0.00          | 1        | \$ -              |                      |
| Sunrise                                  | \$0.00          | 1        | \$ -              |                      |
| Trilithic                                | \$0.00          | 1        | \$ -              |                      |
| Cable Plant Monitoring                   | \$9,000.00      | 1        | \$ 9,000.00       |                      |
|  |                 |          | <b>sub-total:</b> | <b>\$ 10,000.00</b>  |
| <b>Grand Total:</b>                      |                 |          |                   | <b>\$ 294,742.98</b> |



**Exhibit "A.2"**

(Head End Equipment)

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| TWC SD Intellistar Receiver               | F9999999 | EG001136 - Receiver         | Chaparral          |
| Commercial Integrated Sat Rcvr            | F9999999 | EG001136 - Receiver         | Motorola           |
| Satellite Receiver Video Cipher           | F9999999 | EG001136 - Receiver         | Cisco              |
| Satellite Receiver Multiplex/Decrypter    | F9999999 | EG001136 - Receiver         | Motorola           |
| Sat Integrated Receiver/Transcoder        | F9999999 | EG001136 - Receiver         | Scientific Atlanta |
| Advanced Receiver/Transcoder - QVC HD     | F9999999 | EG001136 - Receiver         | Motorola           |
| Advanced Recv/Transcoder - Outside TV     | F9999999 | EG001136 - Receiver         | Motorola           |
| Advanced Receiver/Transcoder - A&E HD     | F9999999 | EG001136 - Receiver         | Arris              |
| Advanced Receiver/Transcoder - A&E SD     | F9999999 | EG001136 - Receiver         | Cisco              |
| Pro Satellite Receiver - ESPN HD          | F9999999 | EG001136 - Receiver         | Cisco              |
| Adv Receiver Transcoder - Root HD         | F9999999 | EG001136 - Receiver         | Cisco              |
| Adv Receiver Transcoder - Pac 12 NAT      | F9999999 | EG001136 - Receiver         | Cisco              |
| Pro Satellite Rcvr - Starz HD             | F9999999 | EG001136 - Receiver         | Motorola           |
| Satellite Demodulator                     | F9999999 | EG000740 - Modulator        | Scientific Atlanta |
| Pro Satellite Receiver - Starz HD         | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - MLB HD           | F9999999 | EG001136 - Receiver         | Motorola           |
| Satellite Receiver - Dest America HD      | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - Fox Deportes HD  | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - Fox Sports2 HD   | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - Nat Geo SD/HD    | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - ENC Action HD    | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - IndieFlex HD     | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - Cinemax HD       | F9999999 | EG001136 - Receiver         | Motorola           |
| Advanced Recvr Transcoder - Fusion HD     | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - ESPN Deportes SD | F9999999 | EG001136 - Receiver         | Motorola           |
| Pro Satellite Receiver - MoviePlex HD     | F9999999 | EG001136 - Receiver         | Motorola           |
| Satellite Demodulator                     | F9999999 | EG000740 - Modulator        | Scientific Atlanta |
| OneNet SE EAS Receiver                    | F9999999 | EG001136 - Receiver         | Monroe Electronics |
| Emergency Alert System Server             | F9999999 | EG001315 - Aud/Video Server | IBM                |
| Adv Receiver Transcoder - Reelz Channel   | F9999999 | EG001136 - Receiver         | Cisco              |
| Acterna - Stealth Sweep Transceiver       | F9999999 | EZ000140 - Test Equip       | Acterna            |
| Program Receiver - KCMS FM                | F9999999 | EG001136 - Receiver         | Scientific Atlanta |
| Digital Tuner - 948 KING FM               | F9999999 | EG001136 - Receiver         | Bogen              |
| Universal Encoder - Audio Encoder         | F9999999 | EG001361 - Sequencer        | Scopus             |
| Digital Tuner - 951 KWJZ                  | F9999999 | EG001136 - Receiver         | Bogen              |
| Digital Tuner - 957 KIRO                  | F9999999 | EG001136 - Receiver         | Bogen              |
| Digital Tuner - 956 KXXD                  | F9999999 | EG001136 - Receiver         | Bogen              |
| Digital Tuner - 953 KKWF                  | F9999999 | EG001136 - Receiver         | Bogen              |
| Universal Encoder - Audio Encoder         | F9999999 | EG001361 - Sequencer        | Scopus             |
| AM/FM Stereo Tuner - 958 KRWM             | F9999999 | EG001136 - Receiver         | Toa Electronics    |
| Digital Tuner - Spare                     | F9999999 | EG001136 - Receiver         | Bogen              |
| Universal Encoder - Audio Encoder         | F9999999 | EG001361 - Sequencer        | Scopus             |

|                                       |          |                              |                     |
|---------------------------------------|----------|------------------------------|---------------------|
| Digital Tuner - 949 KPLU              | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - 950 KUOW              | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - 960 KUTI              | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Aud/Vid Encoder/Decoder       | F9999999 | EG001361 - Sequencer         | Radiant             |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| Digital Tuner - Spare                 | F9999999 | EG001136 - Receiver          | Bogen               |
| XMS Ad Splicer - Server 1             | F9999999 | EG000110 - Network Server    | Arris               |
| XMS Ad Splicer - Server 2             | F9999999 | EG000110 - Network Server    | Arris               |
| EGT Encoder 1 - TVC/QVC               | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 2 - Reelz/NASA/KIRO       | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 3 - FXX/Big Ten           | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 4 - TVW/TV Tacoma         | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 5 - KCTS/KING             | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 6 - KCPQ/PCTV             | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 7 - KOMO/KSTW             | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 8 - KUNS/Disney           | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 9 - Test/Classic Arts     | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 10 - Spare                | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 11 - Spare                | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 12 - Spare                | F9999999 | EG001361 - Sequencer         | EGT                 |
| EGT Encoder 13 - Spare                | F9999999 | EG001361 - Sequencer         | EGT                 |
| Network Performance Tool Server       | F9999999 | EG001315 - Server Aud/Vid    | Dell                |
| Satellite Receiver - KLS 2            | KLS 2    | EG001136 - Receiver          | General Instruments |
| Satellite Receiver - KLS 1            | KLS 1    | EG001136 - Receiver          | General Instruments |
| Network Controller - 1                | F9999999 | EN000010 - Controller        | Motorola            |
| Network Controller - 2                | F9999999 | EN000010 - Controller        | Motorola            |
| Digital Addressable Controller (DAC)  | F9999999 | EN000040 - Master Controller | Motorola            |
| CASMR - Conditional Access System     | F9999999 | EN000040 - Master Controller | HP                  |
| Avocent Autoview 3008                 | F9999999 | EN000010 - Controller        | Avocent             |
| Modular Receiver/Decoder              | F9999999 | EG001136 - Receiver          | Sencore             |
| Satellite Receiver - KCPQ Ch. 13      | F9999999 | EG001136 - Receiver          | Tandberg            |
| Pro Receiver/Decoder - KOMO           | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - KIRO           | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - KING           | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - KSTW           | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - KONG          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - KZJO          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - Spare         | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - NASA          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - KUNS          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - KUNS2/Mundo   | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver /Decoder - KWPX          | F9999999 | EG001136 - Receiver          | KTECH               |
| ASI Splitter                          | F9999999 | EG000217 - Combiner          | MegaHertz           |
| Smartstream Device Manager            | F9999999 | EG001315 - Server            | Arris               |
| Remote Addressable DANIS/DLS (RADD)   | F9999999 | EG001315 - Server            | CSS/RADD            |
| KLS 3000/CPMS                         | F9999999 | EG001315 - Server            | KLS 3000            |
| Pro Receiver/Decoder - TV Tacoma      | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - PCTV           | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - Spare          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - Spare          | F9999999 | EG001136 - Receiver          | KTECH               |
| Satellite Receiver - KCPQ Ch. 13      | F9999999 | EG001136 - Receiver          | Tandberg            |
| Pro Receiver/Decoder - Spare          | F9999999 | EG001136 - Receiver          | KTECH               |
| Pro Receiver/Decoder - Spare          | F9999999 | EG001136 - Receiver          | KTECH               |
| APEX Edge QAM - 1                     | F9999999 | EG000100 - Switch            | Motorola            |
| APEX Edge QAM - 2                     | F9999999 | EG000100 - Switch            | Motorola            |
| APEX Edge QAM - 3                     | F9999999 | EG000100 - Switch            | Motorola            |
| APEX Edge QAM - 4                     | F9999999 | EG000100 - Switch            | Motorola            |
| MPEG Transport Stream Monitor         | F9999999 | EG000760 - Multiplexer       | Tetronix            |
| Vecima - IP to Analog Edge Decoder 1  | F9999999 | EG000740 - Modulator         | Vecima - 1          |
| Vecima - IP to Analog Edge Decoder 2  | F9999999 | EG000740 - Modulator         | Vecima - 2          |
| Vecima - IP to Analog Edge Decoder 3  | F9999999 | EG000740 - Modulator         | Vecima - 3          |
| HE Redundant Amplifier System - UP    | F9999999 | EG000120 - Amplifier         | QRF - 1             |
| HE Redundant Amplifier System - UP Pr | F9999999 | EG000120 - Amplifier         | QRF - 2             |
| He Redundant Amp System - UP Bkup     | F9999999 | EG000120 - Amplifier         | QRF - 3             |
| CPAT - Dual Band Signal Generator     | F9999999 | EG001575 - Test Generator    | Effigis             |
| TelVue HyperCaster B-100 IPTV         | F9999999 | EG000120 - Amplifier         | TelVue              |
| Pro Satellite Receiver - SHO/SHO2     | F9999999 | EG001136 - Receiver          | Motorola            |
| TelVue HyperCaster B-100 IPTV         | F9999999 | EG000120 - Amplifier         | TelVue              |
| Remote Service Analyzer RSAM          | F9999999 | EZ000140 - Test Equip        | JDSU                |
| MPEG Video Probe Analyzer             | F9999999 | EZ000140 - Test Equip        | JDSU                |
| Advanced Rcvr Transcoder - Oxygen SD  | F9999999 | EG001136 - Receiver          | Cisco               |
| Advanced Rcvr Transcoder - Sprout SD  | F9999999 | EG001136 - Receiver          | Cisco               |
| Advanced Rcvr Transcoder - Bravo SD   | F9999999 | EG001136 - Receiver          | Cisco               |
| Advanced Rcvr Transcoder - CNBC HD    | F9999999 | EG001136 - Receiver          | Cisco               |
| Advanced Rcvr Transcoder - SyFy HD    | F9999999 | EG001136 - Receiver          | Cisco               |

|  |          |                                |                        |
|--|----------|--------------------------------|------------------------|
| Advanced Rcvr Transcoder - USA HD          | F9999999 | EG001136 - Receiver            | Cisco                  |
| Advanced Rcvr Transcoder - NFL Redzone HD  | F9999999 | EG001136 - Receiver            | Cisco                  |
| Advanced Rcvr Transcoder - NFL HD          | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Program Receiver - MBC Korea SD        | F9999999 | EG001136 - Receiver            | Motorola               |
| Advanced Rcvr Transcoder - NBC Univesal    | F9999999 | EG001136 - Receiver            | Cisco                  |
| MPEG Transport Stream Monitor              | F9999999 | EG000760 - Multiplexer         | Tektronix              |
| Sunrise Telecom Spectrum Analyzer          | F9999999 | EZ000140 - Test Equip          | Sunrise Telecom        |
| Sunrise Telecom Spectrum Analyzer          | F9999999 | EZ000140 - Test Equip          | Sunrise Telecom        |
| Multicom Optical Transmitter               | F9999999 | EG000850 - Optical Transmitter | Multicom               |
| Pro Satellite Receiver - SHORTS HD         | F9999999 | EG001136 - Receiver            | Motorola               |
| Pro Satellite Receiver - HSN SD            | F9999999 | EG001136 - Receiver            | Scientific Atlanta     |
| Adv Rcvr Transcoder - YouTooAmerica        | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Rcvr Transcoder - FYI HD               | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Rcvr Transcoder - MTV/Spike HD         | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Rcvr Transcoder - CMT HD               | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Rcvr Transcoder - VH1/Comedy HD        | F9999999 | EG001136 - Receiver            | Cisco                  |
| Adv Rcvr Transcoder - NICK HD              | F9999999 | EG001136 - Receiver            | Cisco                  |
| Satellite Receiver - HITS 14               | F9999999 | EG001136 - Receiver            | General Instruments    |
| RF L-Band Splitter (Active)                | F9999999 | EG000217 - Combiner            | Quintech               |
| RF L-Band Splitter (Passive)               | F9999999 | EG000217 - Combiner            | Quintech               |
| RF L-Band Splitter (Passive)               | F9999999 | EG000217 - Combiner            | Quintech               |
| Splitter/Combiner Directional Coupler      | F9999999 | EG000217 - Combiner            | ADC Telecommunications |
| Splitter/Combiner Directional Coupler      | F9999999 | EG000217 - Combiner            | ADC Telecommunications |
| Splitter/Combiner Directional Coupler      | F9999999 | EG000217 - Combiner            | ADC Telecommunications |
| LNB Power Supply                           | F9999999 | ED000250 - UPS                 | Quintech               |
| Satellite Receiver - MoviePlex SD/Starz    | F9999999 | EG001136 - Receiver            | Arris                  |
| Pro Satellite Rcvr - ESPN Classics         | F9999999 | EG001136 - Receiver            | Motorola               |
| Combiner - IP to ASI Convertor             | F9999999 | EG000217 - Combiner            | Advanced Digital Inc   |
| Adv Rcvr Trnsocoder - Life/Mil HD          | F9999999 | EG001136 - Receiver            | Cisco                  |
| Program Receiver - The Word HD             | F9999999 | EG001136 - Receiver            | Scientific Atlanta     |
| Satellite Receiver - Destination America   | F9999999 | EG001136 - Receiver            | Motorola               |
| Pro Satellite Receiver - OWN HD            | F9999999 | EG001136 - Receiver            | Motorola               |
| Pro Satellite Receiver - Disney Jr HD      | F9999999 | EG001136 - Receiver            | Motorola               |
| Satellite Receiver - Food Net/HGTV HD      | F9999999 | EG001136 - Receiver            | General Instruments    |
| Satellite Receiver - Playboy HD            | F9999999 | EG001136 - Receiver            | Motorola               |
| Integrated Receiver/Decoder - Music Choice | F9999999 | EG001136 - Receiver            | Harmonic               |
| LADI - Music Choice Inserter               | F9999999 | EG001315 - Server Aud/Vid      | EAS System             |
| Program Receiver - Jewelry SD              | 25806144 | EG001136 - Receiver            | Scientific Atlanta     |
| Digital Media Receiver                     | F9999999 | EG001136 - Receiver            | Wegener                |
| Program Receiver - Jewelry Spare Recvr     | F9999999 | EG001136 - Receiver            | Scientific Atlanta     |
| CherryPicker Application Platform #6       | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Application Platform #1       | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Application Platform #8       | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform #9      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| Cherry Picker Applications Platform #10    | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform Spare   | F9999999 | EG00760 - Multiplexer          | Motorola               |
| Multiple Decryption Rcvr - TNT/Toons SD    | F9999999 | EG001136 - Receiver            | Scientific Atlanta     |
| Advanced Rcvr Transcoder - TV Japan        | F9999999 | EG001136 - Receiver            | Cisco                  |
| MPEG/IRD Satellite Receiver - HD Net HD    | F9999999 | EG001136 - Receiver            | Wegener                |
| Pro Satellite Receiver - HRTV HD           | F9999999 | EG001136 - Receiver            | Motorola               |
| Pro Satellite Receiver - CSPAN2 HD         | F9999999 | EG001136 - Receiver            | Motorola               |
| Broadband Multimedia Service Router #2     | F9999999 | EG001230 - Router (Net App)    | BigBand                |
| CherryPicker Applications Platform #2      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform #3      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform #7      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform #4      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| CherryPicker Applications Platform #5      | F9999999 | EG00760 - Multiplexer          | Motorola               |
| QAM Edge Encryptor Modulator #7            | F9999999 | EG00740 - Modulator            | Motorola               |
| QAM Edge Encryptor Modulator #1            | F9999999 | EG00740 - Modulator            | Motorola               |
| QAM Edge Encryptor Modulator #2            | F9999999 | EG00740 - Modulator            | Motorola               |
| QAM Edge Encryptor Modulator #3            | F9999999 | EG00740 - Modulator            | Motorola               |
| QAM Edge Encryptor Modulator #4            | F9999999 | EG00740 - Modulator            | Motorola               |
| SMU Control Server - Primary               | F9999999 | EG001315 - Server              | Arris                  |
| SMU Control Server - Backup                | F9999999 | EG001315 - Server              | IBM                    |
| Broadband Multimedia Service Router #1     | F9999999 | EG001230 - Router (Net App)    | BigBand                |

|   |                  |                                     |         |
|---|------------------|-------------------------------------|---------|
| Demodulator Convertor #1                            | 2722035          | EG000280 - Demodulator              | Wel IAV |
| Demodulator Convertor #2                            | 2722063          | EG000280 - Demodulator              | Wel IAV |
| Demodulator Convertor #3                            | 2722069          | EG000280 - Demodulator              | Wel IAV |
| Dish 1 serial 1005910                               | 4.5 meter dishes | Brand Scientific Atlanta model 8345 |         |
| Dish 2 serial 1007240                               | 4.5 meter dishes | Brand Scientific Atlanta model 8346 |         |
| Dish 3 serial 1006545                               | 4.5 meter dishes | Brand Scientific Atlanta model 8347 |         |
| Dish 4 serial 1005880                               | 4.5 meter dishes | Brand Scientific Atlanta model 8348 |         |
| Dish 5 serial 100655? The last digit is un-readable | 4.5 meter dishes | Brand Scientific Atlanta model 8349 |         |

The dishes on the roof are a mix of 3.7 meter Loral Skynet or DH, and 3.8 meter Patriot. Plus the steerable dish which I think is a 3.7 meter Chaparral but again no markings.

|  |   |
|--|---|
| 3813522  | Patriot 3.8 had a decal with a Part number of PRT-380 |
| 3814298  | Patriot 3.8 had a decal with a Part number of PRT-380 |
| 24'x13'6" Aircscreen AeroPro Pro system including:   |   |
| inflatable outdoor movie screen                      |   |
| inflatable frame, lower panel                        |   |
| front projection surface                             |   |
| screen bungee ties                                   |   |
| high pressure blower                                 |   |
| black nylon high tension tethers                     |   |
| heavy duty carry bag                                 |   |
| four steel stakes                                    |   |
| deluxe repair kit                                    |   |
| manual   |   |
| Aeropro Pro HD console & sound system                |   |
| heavy duty ATA rated road case                       |   |
| triple screen LCD monitor                            |   |
| BlueRay and progresive scan DVD players              |   |
| HD video switcher                                    |   |
| pro quality rack mounted audio mixer with iPod dock  |   |
| power conditioner and surge protector with two lamps |   |
| microphone   |   |
| audio and video cables                               |   |
| PRO speaker system                                   |   |

Projector w/case and stand



**Exhibit "A.3"**  
(Set-Top Boxes)

- 1
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Exhibit A7

| Set Top Boxes |                    |
|---------------|--------------------|
| Model         | quantity (in home) |
| DCX3200       | 7281               |
| DCX3510       | 1094               |
| MG1           | 722                |
| Mini          | 871                |
| MG2           | 485                |