



CITY OF PHILADELPHIA
Office of Innovation & Technology

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Council President Darrell Clarke
Room 494 City Hall
Philadelphia, PA 19107

Dear Council President Clark:

1. How has Comcast progressed with remediation set forth in the agreement? Can you report back to Chair on this process?

As part of the recently renewed cable Franchise Agreement between Comcast and the City, Comcast agreed to implement a Plant Integrity Program, under which the company would remediate all compliance issues existing within its cable facilities throughout the City. More specifically, Comcast committed to undertaking a street-by-street inspection of its cable plant to identify and repair violations of the National Electrical Safety Code (“NESC”) and National Electric Code (“NEC”) and any other issues detected during the company’s inspection.

Comcast agreed that it would complete its remediation project in all four franchise areas of the city within 18 months of December 15, 2015, i.e., by June 30, 2017 (the “Completion Date”).

Comcast started its remediation efforts within the city in December 2015 before the Franchise Agreement was signed. As the project got underway, Comcast began submitting regular monthly reports to the City on the progress of the remediation. As the project got underway, Comcast, per the terms of the Franchise Agreement, began submitting regular monthly reports to the City on the progress of the remediation. These monthly reports identify the number of addresses that Comcast inspected to date, the number of addresses inspected since the prior month’s report, the address range of completed work (by block or other reasonable designation), the addresses of any locations that are inaccessible or unsafe for work (including a description of the reason), a summary of the work performed, and verification of the quality control checks performed during the reporting period.

During the course of the remediation project, the City will inspect on a quarterly basis those areas that Comcast reports as completed. Comcast is required to reimburse the City for its costs associated with the quarterly inspections (up to a total of \$120,000).

The first quarter within the 18-month project timeframe recently ended on March 31, 2016. The City – OIT working with its cable consultant, CBG Communications, Inc. (“CBG”) – is preparing to conduct its first quarterly inspection. By April 25, 2016, Comcast is expected to provide OIT and CBG with a list of addresses where remediation work was completed over the last quarter. From this list, OIT and CBG will create a random sample of 250 addresses to be inspected and begin inspections the first week of May 2016. OIT and CBG anticipate that the physical inspection of all 250 addresses will take about two weeks.

Following the process noted above, an inspection report will be prepared that provides the results of the inspection, identifies any exceptions, calculates the percentage number of inspected addresses where violations remain, and identifies any directly observed violations whether part of the random inspection sample or not. In order for the addresses inspected for the quarter to be certified as complete, ninety-five percent (95%) of all addresses reviewed must be in compliance with the NEC and NESC. If fewer than 95% of addresses are determined to be in compliance, Comcast shall be deemed to have failed to complete the remediation program and the certification process for the quarter. If 95% or more of addresses are determined to be in compliance, the City shall certify compliance for the quarter. Following a City determination of noncompliance, Comcast must take immediate corrective measures and report to the City on the results of those corrective measures. The City will re-inspect as necessary and Comcast shall pay the City’s reasonable costs to repeat the inspection.

The City shall inspect Comcast’s reported completed work each quarter until the Completion Date.

For failure to meet the overall Completion Date, Comcast must pay liquidated damages of \$250,000 for each quarter the Completion Date has not been met, up to a total of \$2,000,000. Liquidated damages will accrue and become due upon the last day of each quarter beyond the Completion Date that the project remains incomplete.

2. Could [OIT] provide the verifications of what [Verizon is] supposed to do on their testing?

The buildout deadline in the Verizon Franchise Agreement was February 26, 2016. On or before this date, Verizon is to have FiOS video service available to 100% of the homes in the City.

During the week of March 14, 2016, the City – OIT working with its cable consultant, CBG Communications, Inc. (“CBG”) – completed the first week of field testing in the City to determine whether Verizon’s FiOS video service is available to all residents throughout the City. Testing consisted of measuring the light traveling on Verizon’s installed fiber to ensure that signals are within acceptable specifications for transmitting video (i.e., service is available). The light is measured as an amount of power and if test results indicate a power level below acceptable, this

could signify a problem. If no power is measured, depending on the cause, this could mean that no service is available at the tested location.

CBG's initial testing report back to the City is that all tests performed showed passing light levels at all 53 randomly selected locations in the City, meaning video service is available in the areas at these 53 tested locations.

CBG also conducted remote testing using Verizon monitoring software to test customer set top boxes. This testing revealed that service is available at all the randomly chosen and tested addresses (or at a surrogate address where the chosen address could not be tested for some reason).

Testing also revealed several issues that the City is addressing with Verizon. For example, during the remote testing of set top boxes, in some cases no service or signal was detected from the box indicating some type of problem.

Verizon acknowledges that there are areas of the City that have yet to be built out for service. With respect to these areas, Verizon claims that circumstances beyond their control have delayed completion of their buildout. In such cases where underlying cause(s) for delay is clearly beyond Verizon's control, the Franchise Agreement provides for an "exception" to the requirement that the FiOS buildout be complete by the Franchise Agreement due date of February 26, 2016.

By way of example, causes that contribute to delays deemed beyond Verizon's control include construction delays due to the company's inability to obtain authority to access private rights-of-way in the city; an inability to distribute FiOS service in developments, buildings or areas that are subject to exclusive arrangements with other cable providers; and an inability to obtain access to Multiple Dwelling Unit's ("MDU") where separate negotiation between the MDU landlord, owner or governing body is required for the installation of cable service.

While many of these explanations have merit, the City is not simply taking them at face value. As the City continues its verification process to certify Verizon's FiOS buildout completion, all claimed exceptions are being reviewed and discussed with Verizon and the City expects a timeline from Verizon as to when all remaining excepted areas will be completed and service available. *

** On Wednesday, April 13, 2016, after failing to reach a new labor agreement, 36,000 Verizon workers went on strike. The City anticipates that if the strike lingers unresolved for a long period, this will inhibit Verizon's ability to complete their buildout in those areas subject to an exception under the Franchise Agreement.*

3. Class 200 on page 15 of Budget Detail. What caused discrepancy in rent from FY16 to FY17? Will it go back to \$545,487 or stay at \$89,487?

The discrepancy noted in OIT's Class 285 Rentals from FY16 to FY17 is the result of additional one-time obligations incurred due to the 2016 hosting of the World Meeting of Families for the Papal Visit. OIT's FY16 Adopted Budget for Class 285 was \$89,487. OIT received an additional \$456,000 through the FY16 mid-year Transfer Ordinance to fund the rental of 1,600 Public Safety 800 MHz radios, batteries, remote speakers and ancillary accessories that were required

specifically for the Papal Visit. Due to this expenditure being a one-time expense, OIT's FY17 Class 285 Proposed Budget is once again reduced to \$89,487.

4. Can you send us a plan to computerize the payment of water and sewer bills?

Improvements to Electronic Billing a Payment

The Office of Innovation and Technology has partnered with the department of Revenue to improve electronic billing and payment in two areas: online payments options and eBilling.

Online Payment

Currently, customers have numerous ways to pay their water bill. These options include in person, by mail, by phone and online, as well as setting up automatic deductions from their bank account. Detailed information on each can be found here:
<http://www.phila.gov/Revenue/payments/Pages/waterbill.aspx>.

In FY15, \$60.5m in water bills were paid online, roughly 10% of total Water collections.

eBilling Implementation

The City recognizes the benefit of moving to an eBilling option for sending and paying bills and the City is currently evaluating options on how to best provide this service to its citizens. The Department of Revenue anticipates the initial focus of eBilling to be on Water bills for those customers that want to opt into this service.

Potential Savings:

The Department anticipates cost savings for postage, mailing materials, and labor associated with the introduction of eBilling. The net savings will be dependent on the adoption rate of our customers and the costs that will be incurred to introduce the eBill option.

The introduction of eBilling will make it easier for customers to pay promptly and eliminate processing errors, return mail issues, and enable faster receipt of payments.

5. What projects are in place to promote Philadelphia's tech community? And what role is OIT playing in this? Please send us your plans in writing.?

The Office of Innovation and Technology, together with the Office of the Chief Administrative Officer, run various programs and initiative to foster and promote the tech community. The programs are listed below:

STEM Mentoring Program

OIT's STEM Mentoring Program launched in January 2015 as part of US2020, a national challenge to connect one million STEM professionals with students. As of March 2016, we have successfully completed two iterations of the program and worked with 15 middle school students

from the Chester A. Arthur School, engaged 25 City employees from four different departments, and spent over 50 hours planning, implementing and evaluating our workshops.

KEYSPOT Program

The KEYSPOt Program is a network of over 50 public computing centers managed jointly by the Mayor's Commission on Literacy, the Office of Innovation & Technology, Philadelphia Parks & Recreation, and Drexel University. While every KEYSPOt provides job readiness and resume skill building, basic computer classes, and open access hours, many also partner with members of the tech community to provide unique trainings that target 21st Century skills and interests such as coding and engineering. Coded by Kids, NextFab, and Indego have all been involved in these types of initiatives.

Vendor Outreach

OIT and the Chief Information Officer conduct outreach sessions with the local technology community to help them understand how to find and undertake business opportunities with the City. Additionally, the Chief Information Officer participated in a session during Philly Tech Week to meet local technology firms and conduct a workshop about how to do business with the City. The Chief Information Officer also meets with technology firms upon request of the Commerce Department.

Open Data and Digital Transformation Office

This new office created under the Chief Administrative Office, will focus on publishing public data as well as lead the Alpha.phila.gov website project. The Alpha.phila.gov project is an effort to transform the City's website around the needs of its users. In addition, this project will help departments improve city services by applying a user-centered design approach. Having this team directly within the Office of the CAO will provide increased access and opportunity to integrate open data and digital transformation across all government departments. Open Data is a citywide initiative to both enhance transparency of government and also spur business growth as people use the data released. To date, the City has released over 210 datasets covering subjects that increase transparency around city contracts, property taxes, parking tickets, and the city budget and can be found at <https://www.opendataphilly.org/>.

Developing BigIdeasPHL

The Office of the CAO is working with the Department of Better Technology (DOBT), a small local tech firm, to redesign and rebrand www.BigIdeasPHL.com, a website that makes it easier for local businesses, technologists and entrepreneurs to find and apply for small to medium-sized (valued under \$32,000) projects with City departments. The site is a clear indication of the City's commitment to thoughtfully engaging with the start-up community and increasing communication and transparency regarding the RFP and contracts process.

In addition to the above programs run out of OIT and the Office of the CAO, the Commerce Department runs the following program:

StartUp PHL

This is a new initiative to support startups and entrepreneurs in Philadelphia made possible by a partnership between the City of Philadelphia's Department of Commerce and the Philadelphia

Industrial Development Corporation (PIDC). The Startup PHL funds are a public/private venture fund to make seed and angel stage investments in Philadelphia-based tech startups. The Startup PHL initial "Call for Ideas" is a \$500,000 grant program to fund innovative proposals for ideas that support business creation and entrepreneurs across all of Philadelphia. The goal of this program is to make small grants, averaging \$25,000, over several rounds to proposals that enhance collaboration, attract new entrepreneurs, foster an entrepreneurial network of peers, mentors, talent and investors that ultimately leads to business and job creation in Philadelphia.

6. Page 43 of Budget Detail, there's a miscellaneous expense for FY17 for \$752,169. It's labeled with TBD. Please provide a list to the Chair of itemized expenses.

These funds will be re-appropriated under Class 300 (Materials and Supplies) and Class 400 (Equipment) to purchase the following:

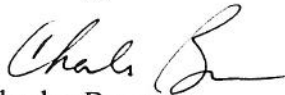
Class 300 - \$500,000

- Fiber and cables for CityNet, CityVoice and Video Surveillance Systems
- Mounting hardware for Video Surveillance Systems
- Telephone supplies

Class 400 - \$252,169

- Telecommunication hardware
- Network switch replacement
- Power supplies

Sincerely,



Charles Brennan
Chief Information Officer