

ORDINANCE 2018-24

AN ORDINANCE RELATING TO UTILITY SERVICE OPERATORS AND PROVIDERS IN THE PUBLIC RIGHT-OF-WAY

THE CITY OF CORVALLIS ORDAINS AS FOLLOWS:

Section 1. Ordinance 1999-26, as fully set out in Exhibit A to this Ordinance, is hereby repealed and replaced as fully set out in Exhibit B, which is attached and incorporated as part of this ordinance.

Section 2. No other provision in the municipal code is amended by this ordinance.

PASSED by the City Council this 1st day of October, 2018

APPROVED by the Mayor this 1st day of October, 2018

EFFECTIVE this 10th day of October, 2018



Mayor

ATTEST:



City Recorder

**ORDINANCE 2018-24
EXHIBIT A**

**ORDINANCE 99-26
AN ORDINANCE RELATING TO TELECOMMUNICATIONS
INFRASTRUCTURE LOCATED IN THE PUBLIC RIGHT-OF-WAY**

THE CITY OF CORVALLIS ORDAINS AS FOLLOWS:

Section 1. Purpose and Intent The purpose and intent of this Ordinance is to:

- A. Comply with the provisions of the 1996 Telecommunications Act as they apply to local governments, telecommunications carriers and the services those carriers offer;
- B. Promote competition on a competitively neutral basis in the provision of telecommunications services;
- C. Encourage the provision of advanced and competitive telecommunications services on the widest possible basis to businesses, institutions and residents of the City;
- D. Permit and manage reasonable access to the public rights-of-way of the City for telecommunications purposes on a competitively neutral basis and conserve the limited physical capacity of those public rights-of-way held by the City;
- E. Assure that the City's current and ongoing costs of granting and regulating private access to and the use of the public rights-of-way are fully compensated by the persons seeking such access and causing such costs;
- F. Secure fair and reasonable compensation to the City and its residents for permitting private use of the public right-of-way;
- G. Assure that all telecommunications carriers providing facilities and/or services within the City, or passing through the City, register and comply with the ordinances, rules and regulations of the City;
- H. Assure that the City can continue to fairly and responsibly protect the public health, safety and welfare of its citizens;
- I. Enable the City to discharge its public trust consistent with the rapidly evolving federal and state regulatory policies, industry competition and technological development.

Section 2. Jurisdiction and Management of the Public Rights-of-Way

- A. The City has jurisdiction and exercises regulatory management over public rights-of-way within the City under authority of the City charter and state law.
- B. Public rights-of-way include, but are not limited to, streets, roads, highways, bridges, alleys, sidewalks, trails, paths, public easements on private property and all other public ways or areas, including the subsurface under and air space over these areas. “Public rights-of-way” also includes utility easements as described in Section 4.
- C. The City has jurisdiction and exercises regulatory management over each public right-of-way whether the City has a fee, easement, or other legal interest in the right-of-way. The City has jurisdiction and regulatory management of each right-of-way whether the legal interest in the right-of-way was obtained by grant, dedication, prescription, reservation, condemnation, annexation, foreclosure or other means.
- D. No person may occupy or encroach on a public right-of-way without the permission of the City. The City grants permission to use rights-of-way by franchises, permits and licenses.
- E. The exercise of jurisdiction and regulatory management of a public right-of-way by the City is not official acceptance of the right-of-way, and does not obligate the City to maintain or repair any part of the right-of-way.
- F. The City retains the right and privilege to cut or move any telecommunications facilities located within the public rights-of-way of the City, as the City may determine to be necessary, appropriate or useful in response to a public health or safety emergency or to a public improvement.

Section 3. Regulatory Fees and Compensation, Not a Tax

- A. The fees and costs provided for in this Ordinance, and any compensation charged and paid for use of the public rights-of-way provided for in this Ordinance, are separate from, and in addition to, any and all federal, state, local, and City charges as may be levied, imposed, or due from a telecommunications carrier, its customers or subscribers, or on account of the lease, sale, delivery, or transmission of telecommunications services pursuant to ORS 221.515 (3)(1997).
- B. The City has determined that any fee provided for by this Ordinance is not subject to the property tax limitations of Article XI, Sections 11 and 11b of the Oregon Constitution. These fees are not imposed on property or property owners, and these fees are not new or increased fees.

- C. The fees and costs provided for in this Ordinance are subject to applicable federal and state laws.

Section 4. Definitions

Section 4.1 Definitions: For the purpose of this Ordinance the following terms, phrases, words and their derivations shall have the meaning given below. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The words "shall" and "will" are mandatory and "may" is permissive. Words not defined herein shall be given the meaning set forth in the Communications Policy Act of 1934, as amended, the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996. If not defined there, the words shall be given their common and ordinary meaning.

- A. **Aboveground Facilities** - see Overhead Facilities.
- B. **Affiliated Interest** - shall have the same meaning as ORS 759.010(1997).
- C. **Cable Service** – is to be defined consistent with federal laws and means the one-way transmission to subscribers of video programming, or other programming service; and subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
- D. **City** - means the City of Corvallis, an Oregon municipal corporation, and the area within its boundaries including its boundaries as extended in the future and all property owned by the City, and all officers, employees and representatives authorized to act on the City's behalf.
- E. **City Council** - means the elected governing body of the City of Corvallis, Oregon.
- F. **Control or Controlling Interest** - means actual working control in whatever manner exercised.
- G. **City Manager** - means the City Manager of the City of Corvallis, or such person as may be designated by the City Manager for the administration of this franchise.
- H. **City Property** - means and includes all real property owned by the City, other than public rights-of-way and utility easements as those defined herein, and all property held in a proprietary capacity by the City.
- I. **Conduit** - means any structure, or portion thereof, containing one or more ducts, pipes, manholes, or other facilities designed or in use for any telegraph, telephone, cable

television, electrical, or communications conductors, owned or controlled, in whole or in part, by one or more public utilities or the City.

- J. **Construction** – means any activity resulting in physical change to the public rights-of-ways, including excavation or placement of structures, but excluding routine maintenance or repair of existing facilities.
- K. **Days** - means calendar days unless otherwise specified.
- L. **Duct** - means a single enclosed raceway for conductors or cable.
- M. **Easement** - means public right-of-way, private utility easement on private or public property, or public utility easement on public or private property but not including a private utility easement for a customer's service connection.
- N. **Emergency** – has the meaning provided for in ORS 401.025(1997).
- O. **Federal Communications Commission or FCC** - means the federal administrative agency, or its lawful successor, authorized to regulate and oversee telecommunications carriers, services and providers on a national level.
- P. **Franchise** - means an agreement between the City and a grantee which grants a privilege to use public right-of-way and easements within the City for a dedicated purpose and for specific compensation.
- Q. **Grantee** - means the person to which a franchise is granted by the City.
- R. **Gross Revenue** - means any or all revenue derived by grantee from the provision of telecommunications services in the City from facilities covered by the franchise prior to any deductions for costs or charges. Revenue which is generated per telephone call shall be considered derived by grantee in the City if the call either originates or terminates within the City. All other revenue shall be considered derived within the City if the service is provided to or originates from an address within the City.
- S. **Long-Distance Carrier** - means a provider of long distance, inter-exchange and inter-LATA (local access and transport area) services, as authorized by the Oregon Public Utility Commission, but does not include local exchange access services as defined by ORS 759.005(2)(c)(1997) or shared telecommunications service as defined by ORS 759.005 (2)(f)(1997).
- T. **Open Video System** - means a video television network usually distributed through a common carrier with up to two-thirds of programming supplied by unaffiliated programmers.

- U. **Oregon Public Utilities Commission or OPUC** - means the statutorily created state agency in the State of Oregon responsible for licensing, regulation and administration of certain telecommunications carriers as set forth in Oregon Law, or its lawful successor.

- V. **Overhead or Aboveground Facilities** - means utility poles, utility facilities and telecommunications facilities above the surface of the ground, including the underground supports and foundations for such facilities.

- W. **Penalties** - means any and all monetary penalties provided for in this Ordinance.

- X. **Person** - means an individual, corporation, company, association, joint stock company or association, firm, partnership, or limited liability company.

- Y. **Private Telecommunications Network** - means a system, including the construction, maintenance or operation of the system, for the provision of a service or any portion of a service which is owned or operated exclusively by a person for their use and not for resale, directly or indirectly. "Private telecommunications network" includes services provided by the State of Oregon pursuant to ORS 190.240 (1997) and 283.140 (1997).

- Z. **Public Place** - means any City-owned park, place, facility or grounds within the City that is open to the public, but does not include a street or bridge.

- AA. **Public Rights-of-Way** - means to include, but not be limited to, streets, roads, highways, bridges, alleys, sidewalks, park strips, trails, paths, public easements on private property, and all other public ways or areas, including the subsurface under and air space over these areas. "Public rights-of-way" shall also include utility easements as defined herein.

- BB. **Radio Common Carrier** - means a common carrier engaged in the provision of Public Mobile Service, which is not also in the business of providing landline local exchange telephone service.

- CC. **State** - means the State of Oregon.

- DD. **Telecommunications** - means the transmission between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

- EE. **Telecommunications Act** - means the Communications Policy Act of 1934, as amended by subsequent enactments including the Telecommunications Act of 1996 (47 U.S.C. 151 et seq.) and as hereafter amended.

- DD. **Telecommunications Carrier** - means any provider of telecommunications services and includes every person that directly or indirectly owns, controls, operates or manages telecommunications facilities within the City.
- FF. **Telecommunications Facilities** - means the plant and equipment, other than customer premises' equipment, used by a telecommunications carrier to provide telecommunications services.
- GG. **Telecommunications Service** - means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used. Telecommunications service also includes but is not limited to the two-way access and transport of voice, video, and data communications, including Internet-enabling transmission services but does not include:
 - a) services provided by radio common carrier without facilities in the public right-of-way;
 - b) one-way transmission of television signals;
 - c) surveying;
 - d) private telecommunications networks; or
 - e) communications of the customer which take place on the customer side of on-premises equipment.
- HH. **Telecommunications System** - has the same meaning as "Telecommunications Facilities" as defined herein.
- II **Telecommunications Utility** - same meaning as defined in ORS 759.005(1)(1997).
- JJ. **Underground Facilities** - means utility and telecommunications facilities located under the surface of the ground, excluding the underground foundations or supports for "Overhead facilities."
- KK. **Utility Easement** - means any easement granted to or owned by the City and acquired, established, dedicated or devoted for public utility purposes.
- LL. **Utility Facilities** - means the plant, equipment and property, including but not limited to the poles, pipes, mains, conduits, ducts, cable, wires, plant and equipment located under, on, or above the surface of the ground within the public right-of-way of the City and used or to be used for the purpose of providing telecommunications services.

Section 5. Registration of Telecommunications Carriers

Section 5. 1 Purpose: The purpose of registration is:

- A. To assure that all telecommunications carriers who have facilities and/or provide services within the City comply with the ordinances, rules and regulations of the City.

- B. To provide the City with accurate and current information concerning the telecommunications carriers who offer telecommunications services within the City, or that own or operate telecommunications facilities within the City.
- C. To assist the City in the enforcement of this Ordinance and the collection of any City franchise fees or charges that may be due the City.

Section 5.2 Registration Required: Except as provided in Section 5.4 hereof, all telecommunications carriers having telecommunications facilities within the City, and all telecommunications carriers that offer or provide telecommunications service to customer premises within the City, shall register. The appropriate application and license from: a) the Oregon Public Utility Commission (PUC); or b) the Federal Communications Commission (FCC) qualify as necessary registration information. Applicants also have the option of providing the following information:

- A. The identity and legal status of the registrant, including the name, address, and telephone number of the duly authorized officer, agent, or employee responsible for the accuracy of the registration information.
- B. The name, address, and telephone number for the duly authorized officer, agent, or employee to be contacted in case of an emergency.
- C. A description of the registrant's existing or proposed telecommunications facilities within the City, a description of the telecommunications facilities that the registrant intends to construct, and a description of the telecommunications service that the registrant intends to offer or provide to persons, firms, businesses, or institutions within the City.
- D. Information sufficient to determine whether the transmission, origination or receipt of the telecommunications services provided, or to be provided, by the registrant constitutes an occupation or privilege subject to any provisions of this ordinance.

Section 5.3 Registration Fee: Each application for registration as a telecommunications carrier shall be accompanied by a non-refundable registration fee. An amount, sufficient to cover the City's administrative costs, shall be determined by resolution of City Council.

Section 5.4 Exceptions to Registration: The following telecommunications carriers are excepted from registration:

- A. Telecommunications carriers that are owned and operated exclusively for its own use by the State or a political subdivision of this State.
- B. A private telecommunications network, provided that such network does not occupy any public rights-of-way of the City.

Section 6. Construction Standards

Section 6.1 General: No person shall commence or continue with the construction, installation or operation of telecommunications facilities within a public right-of-way except as provided in Sections 6.2 through 6.15, and in compliance with all applicable codes, rules, and regulations.

Section 6.2 Construction Codes: Telecommunications facilities shall be constructed, installed, operated and maintained in accordance with all applicable federal, state and local codes, rules and regulations including the National Electrical Code and the National Electrical Safety Code, the laws of the State of Oregon and the ordinances and municipal codes of the City.

Section 6.3 Construction Permits: No person shall construct or install any telecommunications facilities within a public right-of-way without first obtaining a construction permit, if required by the City. No permit shall be issued for the construction or installation of telecommunications facilities within a public right-of-way unless:

- A. The telecommunications carrier has first filed a registration statement with the City pursuant to Sections 5.1 through 5.4 of this Ordinance; and if applicable,
- B. The telecommunications carrier has first applied for and received a franchise pursuant to Sections 8, of this Ordinance.
- C. In the case of a private telecommunications network, applicant demonstrates to the satisfaction of the City Manager that no reasonable alternative to the use of the public right-of-way exists and if applicable,
- D. The permittee of the private telecommunications network releases the City and all others permitted by the City to work within the right-of-way, of all liability as a result of cutting or damaging the private network placed within the public right-of-way.

Section 6.4 Permit Applications: Applications for permits to construct telecommunications facilities shall be submitted upon forms to be provided by the City and shall be accompanied by drawings, plans and specifications in sufficient detail to demonstrate:

- A. That the facilities will be constructed in accordance with all applicable codes, rules and regulations.
- B. That the facilities will be constructed in accordance with the franchise agreement if applicable.
- C. The location and route of all facilities to be installed aboveground or on existing utility poles.

- D. The location and route of all facilities to be located under the surface of the ground, including the line and grade proposed for the burial at all points along the route. Existing facilities shall be differentiated on the plans from new construction.
- E. The location of all of applicant's existing utilities, conduits, ducts, pipes, mains and installations which are within the public rights-of-way along the route proposed by the applicant. For underground facilities, a cross section shall be provided showing new or existing facilities in relation to the street, curb, sidewalk or right-of-way.
- F. The construction methods to be employed for protection of existing structures, fixtures, and facilities within or adjacent to the public rights-of-way, and description of any improvements that applicant proposes to temporarily or permanently remove or relocate.

Section 6.5 Applicant's Verification: All permit applications shall be accompanied by the verification of a registered professional engineer, or other qualified and duly authorized representative of the applicant, that the drawings, plans and specifications submitted with the application comply with applicable technical codes, rules and regulations.

Section 6.6 Construction Schedule: All permit applications shall be accompanied by a written construction schedule which shall include a deadline for completion of construction, and a traffic control plan which demonstrates the protective measures and devices which will be employed. To prevent injury or damage to persons or property and to minimize disruptions to efficient pedestrian and vehicular traffic, the traffic control plan must be consistent with the Manual on Uniform Traffic Control Devices and the City of Corvallis, Engineering Policy on Traffic Control for Construction Zones. The construction schedule is subject to approval by the City Manager.

Section 6.7 Construction Permit Fee: Unless otherwise provided in a franchise agreement, prior to issuance of a construction permit, the applicant shall pay a permit fee in accordance with permit fees in place at time of application as established by resolution of the City Council. Such fees shall be designed to defray the costs of city administration of the requirements of this ordinance.

Section 6.8 Issuance of Permit: If satisfied that the applications, plans and documents submitted comply with all requirements of this Ordinance and the franchise agreement if applicable, the City Manager shall issue a permit authorizing construction of the facilities, subject to such further conditions, restrictions or regulations affecting the time, place and manner of performing the work as the City Manager may deem necessary or appropriate.

Section 6.9 Notice of Construction: Except in the case of an emergency or extenuating circumstances regarding critical customer service activities, the permittee shall notify the City not less than seven (7) working days in advance of any permitted excavation or construction activity in the public rights-of-way and will continue to provide the City daily notification of time and location of permitted construction crews if crews are to occupy any public right-of-way or easement on public or private property. In addition, permittee shall provide to the City, a

weekly summary of all construction activity within any public right-of-way or easement. Permittee shall also provide in writing, to all property owners and residents adjacent to such easements, a seven (7) day advance notice of intent to occupy easement. The City recognizes that a seven (7) day notice may not be possible in emergency situations, however, the City does encourage the permittee to provide as much notice to property owners and residents as is reasonably possible under such conditions.

Section 6.10 Compliance with Permit: All construction practices and activities shall be in accordance with the permit and approved final plans and specifications for the facilities. City representatives shall be provided access to the work site and such further information as they may require to ensure compliance with such requirements.

Section 6.11 Noncomplying Work: Upon thirty (30) days written notice from the City, all work which does not comply with the permit, the approved or corrected plans and specifications for the work, or the requirements of this Ordinance, shall be removed or relocated at the discretion of the City at the sole expense of the permittee. The City is also authorized to stop work or invoke penalties as provided herein, in order to assure compliance with the provision of this Ordinance.

Section 6.12 Completion of Construction: The permittee shall promptly complete all construction activities so as to minimize disruption of the City rights-of-way and other public and private property. All construction work within the City, including restoration, must be completed within 120 days of the date of issuance of the construction permit unless an extension or an alternate schedule has been approved by the City Manager.

Section 6.13 Warranty Term: A one year warranty term covering materials and workmanship begins upon completion of all construction activities and final inspection approval of the City. Material and workmanship that fails during warranty term will be corrected at the expense of the permittee.

Section 6.14 As-Built Drawings: If requested by the City, the permittee shall furnish the City with two (2) complete sets of plans prepared to scale and certified to the City as accurately depicting the location of all telecommunications facilities constructed pursuant to the permit. These plans shall be submitted to the City within sixty (60) days after completion of construction, in a format acceptable to the City. Upon request from the permittee, the City shall provide electronic digital base map drawings in the coordinate system used by the City, for the permittee's use.

Section 6.15 Restoration of Public Rights-of-Way and City Property:

- A. When a permittee, or any person acting on its behalf, does any work in or affecting any public rights-of-way or City property, it shall, at its own expense, promptly remove any obstructions therefrom and restore such ways or property to original or better than original condition unless otherwise directed by the City.

- B. When any excavation is made by permittee, or any person acting on its behalf, person shall, within seven (7) calendar days, restore the affected public rights-of-ways or City property to the original or better than the original condition in which it was prior to the excavation. The restoration shall be done in compliance with City specifications, requirements and regulations in effect at the time of such restoration. If person fails to restore, within seven (7) calendar days, the affected portion of such ways or property to the original or better than the original condition in which it was prior to the excavation, the City may make the restoration, and the reasonable costs of making the restoration, including the cost of inspection, supervision, and administration shall be paid by permittee. The City Manager may grant an extension to the seven (7) calendar day requirement of this section.

- C. If weather or other conditions do not permit the complete restoration required by this section, the permittee shall temporarily restore the affected rights-of-way or property. Such temporary restoration shall be at the permittee's sole expense and the permittee shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration. Permanent restoration must be completed within thirty (30) days of initial construction unless permittee requests and receives an extension from the City. Any corresponding modification to the construction schedule may also be subject to approval by the City.

- D. All restoration work shall be done in accordance with an approved traffic control plan referenced in Section 6.6 herein.

Section 6.16 Performance and Completion Bond: Unless otherwise provided in a franchise agreement, if applicable, a performance bond or other form of surety acceptable to the City equal to at least 100% of the estimated cost of constructing permittee's telecommunications facilities within the public rights-of-way of the City, shall be provided before construction is commenced.

- A. The surety shall remain in force until sixty (60) days after substantial completion of the work, as determined in writing by the City, including restoration of public rights-of-way and other property affected by the construction.

- B. The surety shall guarantee, to the satisfaction of the City:
 - 1. Timely completion of construction;
 - Construction in compliance with applicable plans, permits, technical codes and standards;

 - 3. Proper location of the facilities as specified by the City;

 - 4. Restoration of the public rights-of-way and other property affected by the construction; and

5. Timely payment and satisfaction of all claims, demands or liens for labor, material, or services provided in connection with the work.

C. A portion of the surety may be retained by the City to ensure compliance with the construction warranty term.

Section 7. Location of Telecommunications Facilities

Section 7.1 Location of Facilities: All facilities located within the public right-of-way shall be constructed, installed and located in accordance with the following terms and conditions, unless otherwise specified in a franchise agreement:

A. Whenever a majority of electric utilities, cable facilities or telecommunications facilities are located underground within a public right-of-way of the City, a grantee with permission to occupy the same public right-of-way must also locate its telecommunications facilities underground.

B. All installations in new residential subdivisions shall be, wherever and whenever practical, laid in conjunction with all other utility installations.

C. Whenever all new or existing electric utilities, cable facilities or telecommunications facilities are located or relocated underground within a public right-of-way of the City, a grantee that currently occupies the same public right-of-way shall relocate its facilities underground concurrently with the other affected utilities to minimize disruption of the public right-of-way, absent extraordinary circumstances or undue hardship as determined by the City and consistent with applicable state and federal law.

D. In the event a utility vacates or abandons a pole, the utility shall provide written notification at least 10 business days prior to vacation or abandonment of pole to the City, and all other utilities sharing the pole through a joint use agreement. Affected utilities shall be provided a grace period of 10 business days following the date of pole vacation or abandonment in which to remove their facilities. If facilities have not been removed within the 10-day grace period, the City may have the facilities removed at the expense of the owner of the facilities.

Section 7.2 Interference with the Public Rights-of-Way: No grantee may locate or maintain its telecommunications facilities so as to unreasonably interfere with a public improvement or the use of the public rights-of-way by the City, by the general public or by other persons authorized to use or be present in or upon the public rights-of-way. All use of public rights-of-way shall be consistent with City codes, ordinances and regulations.

Section 7.3 Rearrangement of Facilities to Permit Moving of Buildings and Other Objects: Upon seven (7) days' notice in writing from any person desiring to move a building or other object, grantee shall temporarily raise, lower, or remove its facilities upon any street, bridge, or public place within the City, when necessary to permit the person to move the building or other

object across or along such street, bridge, or public place. The raising, lowering, or removal of the facilities of grantee shall be in accordance with all applicable ordinances and regulations of the City.

The notice required by this section, bearing the approval of the City Manager, shall detail the route of movement of the building or other objects. It shall further provide that the person giving said notice will indemnify and save grantee harmless from any and all damages or claims whatsoever caused directly or indirectly from such temporary rearrangement of grantees' facilities. Grantee shall provide such person the actual expense incurred in making the temporary rearrangement of its facilities, including the cost to grantee of any interruption of service to its customers. Costs of temporary rearrangement of facilities will be borne by the person giving the notice. Before making the temporary rearrangement of its facilities, grantee may require the person desiring the temporary rearrangement to deposit cash or adequate security, at the option of the person, to secure payment of the costs of rearrangement as estimated by grantee.

Section 7.4 Relocation or Removal of Facilities: Except in the case of an emergency, within thirty (30) days following written notice from the City, a grantee shall, at grantee's expense, temporarily or permanently remove, relocate, change or alter the position of any telecommunications facilities within the public rights-of-way whenever the City shall have determined that such removal, relocation, change or alteration is reasonably necessary for:

- A. The construction, repair, maintenance or installation of any city or other public improvement in or upon the public rights-of-way.
- B. The construction, installation or improvement of any public right-of-way by a private developer as a condition of property development.
- C. The operations of the City or other governmental entity in or upon the public rights-of-way.
- D. The public interest.

Should these improvements eliminate space available for grantee's existing overhead facilities within the existing easement, grantee shall, at its own expense, relocate facilities underground or secure a private utility easement. The City is not obligated to provide public right-of-way solely for the use of telecommunication facilities. In cases of capital improvement projects undertaken by either the City or a private contractor, grantee shall, at their own expense, underground existing overhead facilities at the request of the City. If grantee fails to comply with any requirement of this section, the City may remove or relocate the facilities at the grantee's expense.

Section 7.5 Removal of Unauthorized Facilities: Within thirty (30) days following written notice from the City, any grantee, telecommunications carrier, or other person that owns, controls or maintains any unauthorized telecommunications system, facility, or related appurtenances within the public rights-of-way of the City shall, at its own expense, remove such facilities

and/or appurtenances from the public rights-of-way of the City. A telecommunications system or facility is unauthorized and subject to removal in the following circumstances:

- A. One year after the expiration or termination of the grantee's telecommunications franchise.
- B. Upon abandonment of a facility within the public rights-of-way of the City. A facility will be considered abandoned when it is deactivated, out of service, or not used for its intended and authorized purpose for a period of ninety (90) days or longer. A facility will not be considered abandoned if it is temporarily out of service during performance of repairs or if the facility is being replaced.
- C. If the system or facility was constructed or installed without the appropriate prior authority at the time of installation.
- D. If the system or facility was constructed or installed at a location not permitted by the grantee's telecommunications franchise or other legally sufficient permit.

Section 7.6 Coordination of Construction Activities: All grantees are required to make a good faith effort to cooperate with the City.

- A. By January 1 of each year, grantees shall provide the City with a schedule of their proposed construction activities in or around the public rights-of-way, or activities that may affect the public rights-of-way.
- B. If requested by the City, each grantee shall meet with the City annually or as determined by the City, to schedule and coordinate construction in the public rights-of-way. At that time, the City will provide available information on plans for local, state, and/or federal construction projects.
- C. All construction locations, activities and schedules shall be coordinated, as ordered by the City, to minimize public inconvenience, disruption or damages.
- D. At the beginning of each work week grantee shall submit, by facsimile, a summary of all scheduled maintenance activities within the city for that week.
- E. No newly overlaid street or newly constructed street shall be excavated by permittee for a period of five (5) years from the time of completion of the street overlay or the street construction unless specifically authorized in writing by the City Manager.

Section 8. Telecommunications Franchise

Section 8.1 Telecommunications Franchise: A telecommunications franchise shall be required of any provider of telecommunications service within the City.

Section 8.2 Franchise Exemption: A private telecommunications network located in the public right-of-way will not be required to obtain a franchise agreement but shall be required to obtain an occupancy permit and pay a one time initial fee in addition to an annual charge of two dollars and seventy-five cents (\$2.75) per lineal foot of applicant's private telecommunication system located in the public right-of-way. The amount of the fee specified herein shall increase each year by a percentage equal to the change in the Consumer Price Index (CPI) for urban wage earners and clerical workers for the Portland, Oregon metropolitan region for the prior year, published semi-annually, unadjusted for seasonal variations, as determined by the Bureau of Labor Statistics of the Department of Labor.

Section 8.3 Application: Any person that desires a telecommunications franchise must register as a telecommunications carrier and shall file an application with the City Manager which includes the following information:

- A. The identity of the applicant.
- B. A description of the telecommunications services that are to be offered or provided by the applicant over its telecommunications facilities or facilities owned by other persons.
- C. Engineering plans, specifications, and a network map to City specifications, of the facilities located or to be located within the public rights-of-way in the City, including the location and route requested for applicant's proposed telecommunications facilities, if applicable.
- D. The area or areas of the City the applicant desires to serve and a preliminary construction schedule for build-out to the entire franchise area, if applicable.
- E. Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities and to offer or provide the telecommunications services proposed.
- F. An accurate map showing the location of any existing telecommunications facilities in the City that applicant intends to use or lease.

Section 8.4 Application and Review Fee:

- A. Subject to applicable state law, applicant shall reimburse the City for such reasonable costs as the City incurs in entering into the franchise agreement.
- B. An application and estimated review fee shall be deposited with the City as part of the application filed pursuant to Section 8.3. Expenses exceeding the deposit will be billed to the applicant or the unused portion of the deposit will be returned to the applicant following the determination granting or denying the franchise.

Section 8.5 Determination by the City: The City shall issue a written determination granting or denying the application. If the application is denied, the written determination shall include the reasons for denial.

Section 8.6 Rights Granted: No franchise granted pursuant to this Ordinance shall convey any right, title or interest in the public rights-of-way, but shall be deemed a grant to use and occupy the available public rights-of-way for the limited purposes and term, and upon the conditions stated in the franchise agreement.

Section 8.7 Term of Grant: Unless otherwise specified in a franchise agreement, a telecommunications franchise granted by the City shall be in effect for a term of five years.

Section 8.8 Franchise Territory: Unless otherwise specified in a franchise agreement, a telecommunications franchise granted by the City shall be for all areas within the City.

Section 8.9 Franchise Fee: Each franchise granted by the City is subject to the City's right, which is expressly reserved, to fix a fair and reasonable compensation to be paid for the privileges granted. The compensation shall be subject to the specific payment terms and conditions contained in the franchise agreement and applicable state and federal laws.

- A. Telecommunications utilities as defined in Section 4, shall pay a maximum franchise fee of 7% calculated as a percentage of annual gross revenues as allowed under ORS 221.515(1997).
- B. Providers of telecommunications service other than telecommunication utilities and long-distance carriers as defined in Section 4, shall pay a maximum franchise fee of 7% calculated as a percentage of annual gross revenues earned within the city. Providers reselling telecommunication services to customers within the City may deduct the cost of leasing lines for that purpose before calculation of gross revenues.
- C. Long-distance carriers shall be required to pay an annual charge of two dollars and seventy-five cents (\$2.75) per lineal foot of provider's telecommunication system located within the public right-of-way. The amount of the fee specified herein shall increase each year by a percentage equal to the change in the Consumer Price Index (CPI) for urban wage earners and clerical workers for the Portland, Oregon metropolitan region for the prior year, published semi-annually, unadjusted for seasonal variations, as determined by the Bureau of Labor Statistics of the Department of Labor. In the event provider leases any portion of its telecommunication system, provider shall pay an additional franchise fee to the City of one percent (1%) of the lease revenues annually.

Section 8.10 Verification of Franchise Fee Payment: No acceptance of any payment shall be construed as an accord that the amount paid is, in fact, the correct amount, nor shall any acceptance of payments be construed as a release of any claim the City may have for further or additional sums payable. All amounts paid under Section 8.9 shall be subject to confirmation and recomputation by the City. The grantee agrees to reimburse the City for:

- A. The reasonable costs of such confirmation if the City's recomputation discloses that the grantee has paid 95% or less of the franchise fees owing for the period at issue; or
- B. One-half of the reasonable costs of such confirmation if the City's recomputation discloses that the grantee had paid more than 95% but less than 98% of the franchise fees owing for the period at issue.

Section 8.11 Amendment of Grant: A new application and grant shall be required of any telecommunications carrier that desires to provide a service which was not included in a franchise previously granted under this Ordinance.

Section 8.12 Renewal Applications: A grantee that desires to renew its franchise under this Ordinance shall, not less than 180 days before expiration of the current agreement, file an application with the City for renewal of its franchise which shall include the following information:

- A. The information required pursuant to Section 8.3 of this Ordinance.
- B. Any information required pursuant to the franchise agreement between the City and the grantee.

Section 8.13 Renewal Determinations: Within 90 days after receiving a complete application under Section 8.12, the City shall issue a written determination granting or denying the renewal application in whole or in part, applying the following standards.

- A. The financial and technical ability of the applicant.
- B. The legal status of the applicant.
- C. The applicant's compliance with the requirements of this Ordinance and the franchise agreement.
- D. Applicable federal, state and local telecommunications laws, rules and policies.
- E. Such other factors as may demonstrate that the continued grant to use the public rights-of-way will serve the community interest.

If the renewal application is denied, the written determination shall include the reasons for non-renewal.

Section 8.14 Obligation to Cure As a Condition of Renewal: No franchise shall be renewed until any ongoing violations or defaults in the grantee's performance of the agreement, or of the requirements of this Ordinance, have been cured.

Section 8.15 Assignment or Sale of Franchise: A franchise shall be binding upon, and inure to the benefit of, the successors, legal representatives and assigns of the franchisee. A franchise shall not be sold or assigned other than to an entity which owns or is owned or controlled by, or is under common ownership with the franchisee except for security purposes, without the prior consent of the City, which consent shall not be unreasonably withheld or delayed, and then only on such reasonable conditions as may be prescribed in such consent.

- A. Grantee and the proposed assignee or transferee of the franchise or system shall agree, in writing, to assume and abide by all of the provisions of the franchise.
- B. No transfer shall be approved unless the assignee or transferee has the legal, technical, financial and other requisite qualifications to own, hold and operate the telecommunications system pursuant to this Ordinance.
- C. Unless otherwise provided in a franchise agreement, the grantee shall reimburse the City for all direct and indirect fees, costs, and expenses reasonably incurred by the City in considering a request to transfer or assign a telecommunications franchise.
- D. Any transfer or assignment of a telecommunications franchise, system or integral part of a system without prior approval of the City under this Section or pursuant to a franchise agreement shall be void and is cause for revocation of the franchise.

Section 8.16 Revocation or Termination of Franchise: A franchise to use or occupy public rights-of-way of the City may be revoked for the following reasons:

- A. Construction or operation in the City or in the public rights-of-way of the City without a construction permit, or failing to construct as per Section 6.2 herein, or improperly maintain existing facilities.
- B. Construction or operation at an unauthorized location.
- C. Failure to comply with Section 8.15 herein with respect to sale, transfer or assignment of a franchise.
- D. Misrepresentation by or on behalf of a grantee in any application to the City.
- E. Failure to relocate or remove facilities as required in this Ordinance.
- F. Failure to pay taxes, compensation, fees, penalties or costs when and as due the City under this ordinance.
- G. Insolvency or bankruptcy of the grantee.
- H. Violation of material provisions of this Ordinance.

I. Violation of the material terms of a franchise agreement.

Section 8.17 Notice and Duty to Cure: In the event that the City believes that grounds exist for revocation of a franchise pursuant to Section 8.16, the City shall give the grantee written notice of the apparent violation or noncompliance, providing a short and concise statement of the nature and general facts of the violation or noncompliance, and providing the grantee a reasonable period of time, of not less than five (5) days and not exceeding thirty (30) days, to furnish evidence that corrective action has been, or is being actively and expeditiously pursued, to remedy the violation or noncompliance.

Section 8.18 Council Review: In the event that a grantee fails to provide evidence reasonably satisfactory to the City as provided in Section 8.17, the City Manager may refer the apparent violation or non-compliance to the City Council. The City Council shall provide the grantee with notice and a reasonable opportunity to be heard concerning the matter.

Section 8.19 Standards for Revocation or Lesser Sanctions: If City Council determines the grantee has violated or failed to comply with material provisions of this Ordinance, or of a franchise agreement, Council may, (1) revoke the franchise, or (2) establish some lesser sanction and cure which may include, recovery of City administrative costs and penalties of not less than two hundred fifty dollars (\$250.00) per day for each provision not fulfilled. In determination of the penalty, City Council may take into consideration the nature, circumstances, extent, and gravity of the violation as reflected by one or more of the following factors. Whether:

- A. The misconduct was egregious.
- B. Substantial harm resulted.
- C. The violation was intentional.
- D. There is a history of prior violations of the same or other requirements.
- E. There is a history of overall compliance.
- F. The violation was voluntarily disclosed, admitted or cured.

Section 9. General Franchise Terms

Section 9.1 Facilities: Each grantee shall provide the City with an accurate map or maps certifying the location of all telecommunications facilities of grantee within the public rights-of-way in a format acceptable to the City. Each grantee shall provide updated maps annually.

Section 9.2 Damage to Grantee's Facilities: Unless directly and proximately caused by willful, intentional, malicious acts by the City, the City shall not be liable for any damage to or loss of any telecommunications facility within the public rights-of-way of the City as a result of

or in connection with any public works, public improvements, construction, excavation, grading, filling, or work of any kind in the public rights-of-way by or on behalf of the City, or for any consequential losses resulting directly or indirectly therefrom.

Section 9.3 Duty to Provide Information: Within ten (10) business days of a written request from the City, each grantee shall furnish the City with the following:

- A. Information which may be reasonably required by the City for its performance of duties.
- B. All books, records, maps, and other documents, maintained by the grantee with respect to its facilities within the public rights-of-way shall be made available for inspection by the City at reasonable times and intervals.

Section 9.4 Service to the City: If the City contracts for the use of telecommunication facilities, telecommunication services, installation, or maintenance from the grantee, the grantee shall charge the City the grantee's most favorable rate offered at the time of the request to similar users within Oregon for a similar volume of service, subject to any of grantee's tariffs or price lists on file with the OPUC. Other terms and conditions of such services may be specified in a separate agreement between the City and grantee.

Section 9.5 Compensation for City Property: If any right is granted, by lease, franchise or other manner, to use and occupy city property for the installation of telecommunications facilities, the compensation to be paid for such right and use shall be fixed by the City.

Section 9.6 Cable Franchise: A separate cable franchise application and grant shall be required of any telecommunications carrier that desires to provide a cable service.

Section 9.7 Open Video System Franchise: A separate Open Video System (OVS) franchise application and grant shall be required of any provider that desires to provide an OVS service.

Section 9.8 Leased Capacity: A grantee shall have the right, without prior City approval, to offer or provide capacity or bandwidth to other persons; provided that the grantee shall notify the City that such lease or agreement has been granted.

Section 9.9 Grantee Insurance: Unless otherwise provided in a franchise agreement, each grantee shall, as a condition of the franchise, secure and maintain the following liability insurance policies insuring both the grantee and the City, and its elected and appointed officers, officials, agents and employees as coinsured:

- A. Minimum Scope of Insurance, coverage shall be at least as broad as:
 - 1. Commercial General Liability: Insurance Services Office (ISO) form CG 0001, providing Commercial General Liability - Occurrence Form. With CG 25 03 (Amendment Aggregate Limits of Insurance per Project) attached.

Automobile Liability: Insurance Services Office (ISO) form CA 0001, providing Business Automobile Coverage on Owned, Non-Owned and Hired vehicles.

3. Worker's Compensation insurance as required by Oregon Revised Statutes and including Employers Liability Insurance.

B. Minimum Limits of Insurance, Contractor shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 Each Occurrence
\$2,000,000 General Aggregate
\$2,000,000 Products Aggregate
\$1,000,000 Personal Injury

The General Aggregate shall apply separately to this project.

Automobile Liability: \$1,000,000 Per Occurrence

3. Employers Liability: \$500,000 Each Accident
\$500,000 Disease Aggregate
\$500,000 Disease Each Employee

4. Excess or Umbrella Liability \$2,000,000 Each Occurrence
\$2,000,000 Aggregate

C. Grantee shall furnish the City Manager with Certificates of Insurance and with original endorsements for each insurance policy (if needed). The liability insurance policies required by this Section shall be maintained by the grantee throughout the term of the telecommunications franchise, and such other period of time during which the grantee is operating without a franchise hereunder, or is engaged in the removal of its telecommunications facilities. The Commercial General Liability Certificate shall name the City of Corvallis, its officers, officials, employees, and agents as Additional Insureds in respect to operations performed under the franchise or ordinance. Any certificate shall state: "Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail 30 days written notice to the certificate holder named to the left." Any language stating "will endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives." shall be omitted.

D. Within sixty (60) days after receipt by the City of said notice of cancellation, and in no event later than thirty (30) days prior to said cancellation, the grantee shall obtain and furnish to the City evidence that the grantee meets the requirements of this section. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

E. Any deductible or self-insured retention must be declared to and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductible or

self-insured retention as respects the City, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Section 9.10 General Indemnification: Each franchise agreement shall include, to the extent permitted by law, grantee's express undertaking to defend, indemnify and hold the City and its officers, employees, agents and representatives harmless from and against any and all damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense, arising out of, resulting from or alleged to arise out of or result from the negligent, careless or wrongful acts, omissions, failures to act or misconduct of the grantee or its affiliates, officers, employees, agents, contractors or subcontractors in the construction, operation, maintenance, repair or removal of its telecommunications facilities, and in providing or offering telecommunications services over the facilities, whether such acts or omissions are authorized, allowed or prohibited by this Ordinance or by a franchise agreement made or entered into pursuant to this Ordinance.

Section 9.11 Performance Surety: Before a franchise granted pursuant to this Ordinance is effective, and as necessary thereafter, the grantee shall provide a performance bond, in form and substance acceptable to the City, as security for the full and complete performance of a franchise granted under this Ordinance, including any costs, expenses, damages or loss the City pays or incurs because of any failure attributable to the grantee to comply with the codes, ordinances, rules, regulations or permits of the City. This obligation is in addition to the performance surety required by Section 6.16 for construction of facilities.

Section 9.12 Other City Costs: All grantees shall, within thirty (30) days after written demand therefor, reimburse the City for all reasonable direct and indirect costs and expenses incurred by the City in connection with any modification, amendment, renewal or transfer of the franchise or any franchise agreement consistent with applicable state and federal laws.

Section 10. General Ordinance Provisions

Section 10.1 Governing Law: Any franchise granted under this Ordinance is subject to the provisions of the Constitution and laws of the United States, and the State of Oregon and the ordinances and Charter of the City.

Section 10.2 Written Agreement: No franchise shall be granted hereunder unless the agreement is in writing.

Section 10.3 Nonexclusive Grant: No franchise granted under this Ordinance shall confer any exclusive right, privilege, license or franchise to occupy or use the public rights-of-way of the City for delivery of telecommunications services.

Section 10.4 Severability and Preemption: If any article, section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Ordinance is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, or superseded by state or federal legislation, rules, regulations or decision, the remainder of the Ordinance shall not be

affected thereby but shall be deemed as a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof, and each remaining section, subsection, sentence, clause, phrase, provision, condition, covenant and portion of this Ordinance shall be valid and enforceable to the fullest extent permitted by law. In the event that federal or state laws, rules or regulations preempt a provision or limit the enforcement of a provision of this Ordinance, then the provision shall be read to be preempted only to the extent required by law. In the event such federal or state law, rule, or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding, without the requirement of further action on the part of the City. If, for any reason, the franchise fee or compensation is invalidated or amended by the act of any court or governmental agency, then the highest reasonable franchise fee or compensation allowed by such court or other governmental agency shall be the franchise fee or compensation charged by this ordinance.

Section 10.5 Penalties: Whenever the City Manager finds that the grantee has violated one (1) or more terms, conditions or provisions of this ordinance, a written notice, or a verbal notice followed by a written notice, shall be given to franchisee informing it of such violation or liability. If the violation concerns requirements mandated by the Oregon Occupational Safety and Health Administration, Oregon Department of Transportation or the National Electrical Safety Code, a verbal notice followed by a written notice may be given. For these safety or permit violations, grantee shall have 24 hours from notification to correct the violation. For all other violations and liabilities the written notice shall describe in reasonable detail the specific violation so as to afford grantee an opportunity to remedy the violation. Grantee shall have twenty (20) days subsequent to receipt of the notice in which to correct the violation. Subject to the requirement of prior notice for violations occurring without just cause, the City Manager may assess penalties against grantee as follows:

- A. For failure to adhere to material provisions of this ordinance, the penalty shall be not less than Two Hundred Fifty Dollars (\$250.00) per day for each provision not fulfilled.
- B. For failure to comply with Oregon Occupational Safety and Health Administration, or Oregon Department of Transportation safety requirements or the National Electrical Safety Code rules and regulations, the penalty shall be not less than Two Hundred Fifty Dollars (\$250.00) per day, per occurrence.
- C. For failure to comply with any provision of this ordinance, for which a penalty is not otherwise specifically provided, the penalty shall be not less than One Hundred Twenty Five Dollars (\$125.00) per day, per occurrence.
- D. For failure to comply with reasonable requests of the City Manager related to service, the penalty shall be not less than Seventy Five Dollars (\$75.00) per day per request.

Section 10.6 Appeal Penalty: Grantee may, within ten (10) days of receipt of notice, notify the City Manager in writing, that there is a dispute as to whether a violation or failure has, in

fact, occurred. Such notice by grantee to the City Manager shall specify with particularity the matters disputed by grantee. The City Manager, within ten (10) days of receiving written notification and summary of dispute, shall decide if a violation or failure has, in fact, occurred. If grantee disputes the decision of the City Manager, Council shall hear grantee's dispute at its next regularly or specially scheduled meeting. If after hearing the dispute the claim is upheld by the Council, franchisee shall have ten (10) days from such a determination to remedy the violation or failure. Penalties shall accrue from time of initial notification until such time as the violation or failure is resolved to the satisfaction of the City Manager.

Section 10.7 Other Remedies: Nothing in this Ordinance shall be construed as limiting any judicial remedies the City may have, at law or in equity, for enforcement of this Ordinance.

Section 10.8 Captions: The captions to sections throughout this Ordinance are intended solely to facilitate reading and reference to the sections and provisions contained herein. Such captions shall not affect the meaning or interpretation of this Ordinance.

Section 10.9 Consent: Wherever the consent of either the City or of the grantee is specifically required by this Ordinance or in a franchise granted, such consent will not be unreasonably withheld.

Section 10.10 Application to Existing Ordinance and Agreements: To the extent that this Ordinance is not in conflict with and can be implemented with existing ordinance and franchise agreements, this Ordinance shall apply to all existing ordinance and franchise agreements for use of the public right-of-way for telecommunications. If this ordinance conflicts with existing ordinances, the terms of this ordinance shall govern. If this ordinance conflicts with existing franchise agreements the terms of the franchise agreement shall govern until such time as the franchise agreement expires.

Section 10.11 Confidentiality: The City agrees to use its best efforts to preserve the confidentiality of information as requested by a grantee, to the extent permitted by the Oregon Public Records Law.

PASSED by the Council this 6th Day of December, 1999.

APPROVED by the Mayor this 6th Day of December, 1999.

Effective this 16th Day of December, 1999.



Helen M. Berg, Mayor

ATTEST:



M. Sue Mariner, City Recorder

ORDINANCE 2018-24

EXHIBIT B

UTILITY SERVICE OPERATORS AND PROVIDERS IN THE PUBLIC RIGHT-OF-WAY

Section 1. PURPOSE AND INTENT

- A. Permit and manage reasonable access to the City’s rights-of-way for Utility Services, and conserve the limited physical capacity of those rights-of-way held in trust by the City consistent with applicable State and federal law;
- B. Assure that the City’s current and ongoing costs of granting and regulating access to and the use of the rights-of-way are fully compensated by the Persons seeking such access and causing such costs;
- C. Secure fair and reasonable compensation to the City and its residents for permitting private use of the rights-of-way by Persons who generate revenue by placing, owning or operating facilities therein or charging residents for services delivered;
- D. Assure that all utility companies, Persons and other entities owning or operating facilities or providing services within the City, or passing through the City, comply with the ordinances, codes, rules and regulations of the City;
- E. Assure that the City can continue to fairly and responsibly protect the public health, safety and welfare of its residents;
- F. Encourage the provision of advanced and competitive Utility Services on the widest possible basis to businesses, institutions, and community members of the City; and
- G. Comply with applicable provisions of State and federal law.

Section 2. JURISDICTION AND MANAGEMENT OF THE PUBLIC RIGHT-OF-WAY

- A. The City has jurisdiction and exercises regulatory control over each public right-of-way whether the City has a fee, easement, or other legal interest in the right-of-way. The City has jurisdiction and regulatory control over each right-of-way whether the legal interest in the right-of-way was obtained by grant, dedication, prescription, reservation, condemnation, annexation, foreclosure, or other means.
- B. Public rights-of-way include, but are not limited to, streets, roads, highways, bridges, alleys, sidewalks, trails, paths, public easements on private property and all other public ways or areas, including the subsurface under and air space over these areas. “Public rights-of-way” also includes public utility easements.
- C. No person may occupy or encroach on a public right-of-way without the permission of the City. The City grants permission to use rights-of-way by franchises, licenses, leases and permits. Failure by the City to enforce current ordinances regulating the use of public right-of-way will not constitute a waiver of the City’s right to do so in the future.
- D. The exercise of jurisdiction and regulatory management of a right-of-way by the City is not official

acceptance of the rights-of-way, and does not obligate the City to maintain or repair any part of the rights-of-way.

E. The provisions of this Ordinance are subject to and will be applied consistent with applicable State and federal laws, rules and regulations, and to the extent possible, shall be interpreted to be consistent with such laws, rule and regulations.

Section 3. REGULATORY FEES AND COMPENSATION NOT A TAX

A. The fees and costs provided for in this Ordinance, and any compensation charged and paid for use of the rights-of-way are separate from, and in addition to, any and all other federal, State, local, and City charges, including, but not limited to, any permit fee, or any other generally applicable fee, tax, or charge on the business, occupation, property, or income as may be levied, imposed, or due from a Utility Operator, its customers or subscribers, or on account of the lease, sale, delivery, or transmission of Utility Services.

B. The City has determined that any fee or tax provided for by this Chapter is not subject to the property tax limitations of Article XI, Sections 11 and 11b of the Oregon Constitution. These fees or taxes are not imposed on property or property owners.

C. The fees and costs provided for in this Ordinance are subject to applicable federal and State laws.

Section 4. DEFINITIONS

For the purpose of this Ordinance, and licenses issued under this Ordinance, the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words not defined herein shall be given the meaning set forth in the Communications Act of 1934, as amended, the Cable Act, and the Telecommunications Act. If not defined in those statutes, the words shall be given their common and ordinary meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The words “shall” and “will” are mandatory and “may” is permissive.

- A. “Cable Act” means the Cable Communications Policy Act of 1984, 47 U.S.C., Section 521, et seq., as now and hereafter amended.
- B. “Cable Service” is to be defined consistent with federal laws and means the one-way transmission to subscribers of: (i) video programming, or (ii) other programming service; and subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
- C. “Calendar year” means January 1 to December 31, unless otherwise noted.
- D. “City” means the City of Corvallis, an Oregon municipal corporation, and the area within its boundaries including its boundaries as extended in the future, and all officers, employees, and individuals authorized to act on the City’s behalf.
- E. “City Council” means the elected governing body of the City of Corvallis, Oregon.
- F. “City Standards” means the City of Corvallis engineering standards in effect at the start of any Work that is subject to this Ordinance.
- G. “City Facilities” means City or publicly-owned Utility Facilities or equipment located within the Rights-of-Way or public easement used for governmental purposes.
- H. “City Property” means and includes all real property owned by the City, other than public rights-of-way and Franchise Utility Easement as those are defined herein, and all property held in proprietary capacity by the City.
- I. “Communications Services” means any service provided for the purpose of transmission of information

including, but not limited to, voice, video, or data, without regard to the transmission protocol employed, whether or not the transmission facilities are owned by the provider itself. Communications Service includes all forms of telephone services and voice, video, data, or information transport, but does not include: (1) Cable Service; (2) open video system service, as defined in 47 C.F.R. 76; (3) Private Communications System services provided without using the public right-of-way; (4) over-the-air radio or television broadcasting to the public-at-large from facilities licensed by the Federal Communications Commission or any successor thereto; (5) direct-to-home satellite service within the meaning of Section 602 of the Telecommunications Act and (6) public communications systems.

- J. "Construction" means any activity in the public right-of-way resulting in physical change thereto, including excavation or placement of Utility Facilities.
- K. "Days" means calendar days unless otherwise specified.
- L. "Emergency" means a circumstance in which immediate Work or action is necessary to restore lost service or prevent immediate harm to Persons or property.
- M. "Federal Communications Commission" or "FCC" means the federal administrative agency, or its lawful successor, authorized to regulate and oversee telecommunications carriers, services and providers on a nation level.
- N. "Franchise Utility Easement" or "FUE", means the space in, upon, above, along, across, over or under an easement for the constructing, reconstructing, operating, maintaining, inspecting, and repairing of Franchise Utility Facilities. "Franchise Utility Easement" does not include an easement (i) that has been privately acquired by a Utility Operator, (ii) solely for the constructing, reconstructing, operating, maintaining, inspecting, and repairing of City Facilities, or (iii) where the proposed use by the Utility Operator is inconsistent with the terms of another easement granted to the City that applies to the same location.
- O. "Gross Revenue" means any and all amounts, of any kind, nature or form, without deduction for expense, less net uncollectables, derived from the operation of Utility Facilities in the City, subject to all applicable limitations in federal or State law.
- P. "Person" means and includes any individual, firm, sole proprietorship, corporation, company, partnership, co-partnership, joint-stock company, trust, Limited Liability Company, association, municipality, special district, government entity or other organization, including any natural person or any other legal entity.
- Q. "Private Communications System" means a system, including the construction, maintenance or operation of the system, for the provision of communications which is owned or operated exclusively by a Person for that person's use and not for sale or resale, including trade, barter or other exchange of value, directly or indirectly, to any other Person.
- R. "Public Communications System" means any system owned or operated by a government entity or entities for its exclusive use for internal communications or communications with other government entities, and includes services provided by the State of Oregon pursuant to ORS 283.140. "Public Communications System" does not include any system used for sale or resale, including trade, barter or other exchange of value, of communications services or capacity on the system, directly or indirectly, to any person.
- S. "Right-of-way", "Rights-of-way", "ROW", "Public right-of-way", or "PROW" means and includes, but is not limited to, the space in, upon, above, along, across, over or under the public streets, roads, highways, alleys, boulevards, bridges, sidewalks, bicycle lanes, public utility easements and all other public ways or areas, including the subsurface under and air space over these areas, but does not include parks, parkland, park facilities or other City Property generally open to the public. This definition applies only to the extent of the City's right, title, interest and authority to grant a license to occupy and use such areas for Utility Facilities.
- T. "Right-of-Way License" or "License" means the authorization granted by the City to a Utility Provider or Utility Operator pursuant to this Ordinance.
- U. "State" means the State of Oregon.
- V. "Telecommunications Act" means the Communications Policy Act of 1934, as amended by subsequent

enactments including the Telecommunication Act of 1996 (47 U.S.C., 151 et seq.) and as hereafter amended.

- W. “Utility Facility” or “Facility” means any physical component of a system or network, including but not limited to the poles, pipes, mains, conduits, ducts, cables, wires, transmitters, plant, antennas, equipment and other facilities, located within, under or above the ROW, any portion of which is used or designed to be used to deliver, transmit or otherwise provide Utility Service.
- X. “Utility Operator” or “Operator” means any Person who owns, places, operates or maintains a Utility Facility within the City limits.
- Y. “Utility Provider” or “Provider” means any person who provides Utility Service to customers within the City limits, whether or not any facilities in the ROW are owned by such provider.
- Z. “Utility Service” means the provision, by means of Utility Facilities located within, under or above the ROW, whether or not such facilities are owned by the service provider, of electricity, natural gas, Communications Services or Cable Services to or from customers within the City limits, or the transmission or provision of any of these services through the City whether or not customers within the City are served by those transmissions.
- AA. “Work” means the construction, demolition, installation, replacement, repair, maintenance or relocation of any Utility Facility, including but not limited to any excavation and restoration required in association with such construction, demolition, installation, replacement, repair, maintenance or relocation.

Section 5. RIGHT-OF-WAY LICENSES

A. License Required.

- 1. Except those Utility Operators and Utility Providers with a valid telecommunications franchise agreement from the City, every Person providing Communications Services shall obtain a license or permit from the City.
- 2. Every person that owns, controls, or uses Utility Facilities in the ROW as of the effective date of this Ordinance shall apply for a license from the City within thirty (30) Days of the later of: (1) the effective date of this Ordinance, or (2) the expiration of a valid franchise from the City, unless a new franchise is granted by the City pursuant to subsection F of this Section.

B. License Application. The license application shall be on a form provided by the City, and shall be accompanied by any additional documents required by the application or the City, in the City’s sole discretion, to identify the applicant, its legal status, including its authorization to do business in Oregon, a description of the type of Utility Service provided or to be provided by the applicant, a description of the facilities over which the Utility Service will be provided, and other information reasonably necessary to determine the applicant’s ability to comply with the terms of this Ordinance.

C. License Application Fee. The application shall be accompanied by a nonrefundable application fee.

D. Determination by City. The City shall issue, within a reasonable period of time, a written determination granting or denying the license in whole or in part. If the license is denied, the written determination shall include the reasons for denial. The license shall be evaluated based upon the provisions of this Ordinance, the continuing capacity of the ROW to accommodate the applicant’s proposed Utility Facilities and the applicable federal, State and local laws, rules, regulations and policies.

E. Licensing Fee. If the City determines a ROW license shall be issued, the applicant shall, within thirty (30) Days of notification, submit the license fees agreed upon in the signed ROW Use License Agreement.

F. Franchise Agreements. If the public interest warrants, as determined by the City in its sole discretion, the City and Utility Provider or Utility Operator may enter into a written franchise agreement that includes terms that clarify, enhance, expand, waive or vary the provisions of this Ordinance, consistent with applicable State and federal law. The franchise may conflict with the terms of this Ordinance with the approval of the City Council. The franchise shall be subject to the provisions of this Ordinance to the extent such provisions are not in conflict with the franchise. In the event of a conflict between the express provisions of a franchise and this Ordinance, the franchise shall control.

G. Exceptions to Registration. The following Utility Providers are excepted from licensing:

1. Telecommunications that are owned and operated exclusively for its own use by the State or a political subdivision of this State.
2. A private telecommunications network, provided that such network does not occupy any PROW in the City.

H. Rights Granted.

1. The license granted hereunder shall authorize and permit the licensee, subject to the provisions of the City code and other applicable provisions of State or federal law, in effect and as may be subsequently amended, to construct, place, maintain, upgrade, repair and operate Utility Facilities in the ROW as specified in the license for the term of the license for the provision of Utility Service(s) authorized in the license. In the event the licensee offers different service(s) than those authorized in the license, the licensee shall inform the City of such changes no later than thirty (30) Days before the change.
2. Any license granted pursuant to this Ordinance shall not convey equitable or legal title in the ROW, and may not be assigned or transferred except as permitted in subsection M of this section.
3. Neither the issuance of the license, nor any provisions contained therein, shall constitute a waiver or bar to the exercise of any governmental right or power, including without limitation, the police power or regulatory power of the City in existence at the time the license is issued or thereafter obtained.

I. Term. Subject to the termination provisions in subsection O of this section, the license granted pursuant to this Ordinance will be effective as of the date it is issued by the City or the date service begins, whichever is first, and will have a term of five (5) calendar years beginning: (1) January 1st of the year in which the license took effect for licenses that become effective between January 1st and June 30th; or (2) January 1st of the year after the license took effect for licenses that become effective between July 1st and December 31st.

J. License Nonexclusive. No license granted pursuant to this section shall confer any exclusive right, privilege, license or franchise to occupy or use the ROW for delivery of Utility Services or any other purpose. The City expressly reserves the right to grant licenses, franchises or other rights to other persons, as well as the City's right to use the ROW, for similar or different purposes. The license is subject to all recorded deeds, easements, dedications, conditions, covenants, restrictions, encumbrances, and claims of title of record that may affect the ROW. Nothing in the license shall be deemed to grant, convey, create, or vest in the licensee a real property interest in land, including any fee, leasehold interest or easement.

K. Reservation of City Rights. Nothing in the license shall be construed to prevent the City from grading, paving, repairing or altering any ROW, constructing, laying down, repairing, relocating or removing City Facilities or establishing any other public work, utility or improvement of any kind. If any of licensee's Utility Facilities interfere with the Construction, repair, replacement, alteration or removal of any ROW,

public work, City utility, City improvement or City Facility, except those providing Utility Services in competition with a licensee, licensee's facilities shall be removed or relocated as provided in subsections E, F and G of Section 7 in a manner acceptable to the City and consistent with City Standards, industry standard engineering and safety codes.

L. Multiple Services.

1. A Utility Operator that provides or transmits or allows the provision or transmission of Utility Services and other services over its facilities is subject to the license and ROW usage fee requirements of this Ordinance for the portion of the facilities and extent of Utility Services delivered over those facilities. Nothing in this sub-section requires a Utility Operator to pay the ROW usage fee, if any, owed to the City by a third-party using the Utility Operator's facilities.

2. A Utility Provider that provides or transmits more than one Utility Service to customers in the City is not required to obtain a separate license or franchise for each Utility Service, but is required to file separate remittance forms and submit any ROW usage fees due for each Utility Service provided.

M. Transfer or Assignment. To the extent permitted by applicable State and federal laws, the licensee shall obtain the written consent of the City prior to the transfer or assignment of the license. The license shall not be transferred or assigned unless;

1. The proposed transferee or assignee is authorized under all applicable laws to own or operate the Utility Facilities and/or provide the Utility Service authorized under the license; and

2. The transfer or assignment is approved by all agencies or organizations required or authorized under federal and State laws to approve such transfer or assignment.

The provider requesting the transfer or assignment must cooperate with the City and provide requested documentation, as the City deems necessary, in the City's sole discretion, at no cost to the City, to sufficiently understand the transferee's or assignee's ability to perform under the license. If the City approves such transfer or assignment, the transferee or assignee shall become responsible for fulfilling all obligations under the license. A transfer or assignment of a license does not extend the term of the license.

N. Renewal. At least thirty (30) Days, but no more than one hundred twenty (120) Days prior to the expiration of a license granted pursuant to this Section, a licensee seeking renewal of its license shall submit a license application to the City, including all information required in subsection B of this section and the application fee required in subsection C of this section. The City shall review the application as required by subsection D of this section and grant or deny the license within ninety (90) Days of submission of the application. If the City determines that the licensee is in violation of the terms of this Ordinance at the time it submits its application, the City may require that the licensee cure the violation or submit a detailed plan to cure the violation within a reasonable period of time, as determined by the City, before the City will consider the application or grant the license. If the City requires the licensee to cure or submit a plan to cure a violation, the City will grant or deny the license application within ninety (90) Days of confirming that the violation has been cured or of accepting the licensee's plan to cure the violation.

O. Termination.

1. Revocation or Termination of a License. The City may terminate or revoke the license granted pursuant to this Ordinance for any of the following reasons:

- a. Violation of any of the provisions of this Ordinance;
- b. Violation of any provision of the license;

- c. Misrepresentation in a license application;
 - d. Failure to pay taxes, compensation, fees or costs due to the City after final determination by the City of the taxes, compensation, fees or costs;
 - e. Failure to restore the ROW as required by this Ordinance or other applicable State and local laws, ordinances, rules and regulations;
 - f. Failure to comply with technical, safety and engineering standards related to Work in the ROW; or
 - g. Failure to obtain or maintain any and all licenses, permits, certifications and other authorizations required by State or federal law for the placement, maintenance or operation of the Utility Facilities.
2. Standards for Revocation or Termination. In determining whether termination, revocation or some other sanction is appropriate, the following factors shall be considered:
- a. The egregiousness of the violation;
 - b. The harm that resulted;
 - c. Whether the violation was intentional;
 - d. The licensee's history of compliance; and
 - e. The licensee's cooperation in discovering, admitting or curing the violation.
3. Notice and Cure. The City shall give the Utility Operator written notice of any apparent violations before terminating a license. The notice shall include a short and concise statement of the nature and general facts of the violation or noncompliance and provide a reasonable time (no less than twenty (20) and no more than forty (40) Days) for the utility operator to demonstrate that the Utility Operator has remained in compliance, or that the Utility Operator has cured, or is in the process of curing any violation or noncompliance, or that it would be in the public interest to impose a penalty or sanction less than termination or revocation. If the Utility Operator is in the process of curing a violation or noncompliance, the Utility Operator must demonstrate that it acted promptly and continues to actively work on compliance. If the Utility Operator does not respond or if the City determines that the Utility Operator's response is inadequate, the matter shall be referred to the City Council, which shall provide the licensee with a reasonable opportunity to be heard concerning the matter to determine whether the license shall be terminated or revoked and if any penalties or sanctions will be imposed. The decision of the City Council shall be final.
4. Termination by licensee. If a licensee ceases to use the City's ROW, as defined under this Ordinance, the licensee may terminate its license, with thirty (30) day notice to the City. Licensee may reapply for a ROW license at any time.

Section 6. CONSTRUCTION AND RESTORATION

- A. Construction Codes. Utility Facilities shall be constructed, installed, operated, repaired and maintained in accordance with all applicable federal, State and local codes, rules and regulations, including the City standards, the National Electrical Code, the National Electrical Safety Code, in effect at the time of the Work. When a Utility Operator, or any Person acting on its behalf, does any Work in or affecting the ROW, the Utility Operator shall, at its own expense, promptly restore the ROW as directed by the City consistent with applicable City codes, rules and regulations, and the City standards, in effect at the time of the Work. A Utility Provider or other Person acting on its behalf must use a traffic control plan consistent with the Manual on Uniform Traffic Control Devices and the City of Corvallis Engineering Policy on Traffic Control for Construction Zones, as required for the safety of the general public and to prevent injury or damage to any Person(s), vehicle or property by reason of such Work in or affecting the ROW or property.
- B. Construction Permits.

1. No Person shall perform any Work on Utility Facilities within the ROW without first obtaining all required permits. The City shall not issue a permit for the construction, installation, maintenance or repair of Utility Facilities unless the Utility Operator of the facilities has applied for and received a valid license or franchise agreement (if applicable), required by this Ordinance, and all applicable fees have been paid. No permit is required for service drops to customer premises or routine maintenance or repairs where such drops, repairs or maintenance do not require cutting, digging, breaking, or damage to, the ROW and do not result in closing or blocking any portion of the travel lanes for vehicular traffic, bicycle lanes, or sidewalks.
2. In the event of an Emergency, a Utility Operator with a license pursuant to this Ordinance, or any Person working on their behalf, may perform Work on its Utility Facilities without first obtaining a permit from the City, provided that, to the extent reasonably feasible, it attempts to notify the City prior to commencing the Emergency Work and in any event applies for a permit from the City as soon as reasonably practicable, but not later than 5:00 pm Pacific Standard Time of the next business day after commencing the Emergency Work.
3. Applications for permits to perform Work on Utility Facilities within the ROW shall be submitted upon forms to be provided by the City and shall be accompanied by drawings, plans and specifications in sufficient detail to demonstrate:
 - a. A detailed description of proposed infrastructure.
 - b. That the facilities will be constructed in accordance with all applicable codes, rules, and regulations.
 - c. The location and route of all Utility Facilities to be installed above ground or on existing utility poles.
 - d. The location and route of all the applicant's Utility Facilities on or in the ROW to be located under the surface of the ground, including the line and grade proposed for the burial at all points along the route that are within the ROW. Applicant's existing Utility Facilities shall be differentiated on the plans from new Construction. The City may require additional information necessary to demonstrate that the proposed location can accommodate the Utility Facilities, as reasonably determined by the City. A cross section shall be provided showing applicant's new or existing Utility Facilities in relation to the street, curb, sidewalk, or ROW.
 - e. The construction methods to be employed for Work within or adjacent to the ROW, description of any improvements that applicant proposes to temporarily or permanently remove or relocate, and if deemed necessary by the City, methods to be employed for protection of existing Utility Facilities, fixtures, and facilities within or adjacent to the ROW.
 - f. The permittee has an adequate traffic control plan.
4. All permit applications shall be accompanied by the verification of a qualified and duly authorized representative of the applicant that the drawings, plans, and specifications submitted with the application comply with applicable technical codes, rules, and regulations. The City may, in its sole discretion, require the verification of a registered professional engineer or other licensed professional, at no cost to the City.
5. All permit applications shall be accompanied by a written construction schedule, which shall include an estimated start date and a deadline for completion of construction. The construction schedule is subject to approval by the City.
6. In addition to the requirements of this Ordinance, the applicant shall, at all times, comply with all other City requirements.
7. If satisfied that the applications, plans, and documents submitted comply with all requirements

of this Ordinance, the City shall issue a permit authorizing Construction of the Utility Facilities, subject to such additional conditions, restrictions, or regulations affecting the time, place, and manner of performing the Work as the City may deem necessary or appropriate.

8. All construction practices and activities shall be in accordance with the permit and final plans and specifications for the Utility Facilities that have been “Approved for Construction” by the City. The City and its representatives shall be provided access to the work site and such further information as they may require or deem appropriate to ensure compliance with such requirements.

9. All Work which does not comply with the permit, the approved or corrected plans, and specifications for the Work, or the requirements of this Ordinance, shall be removed or corrected at the sole expense of the permittee. The City is authorized to stop Work in order to ensure compliance with the provision of this Ordinance. If the permittee fails to remove or correct Work as required in this subsection, the City may remove or correct the Work at the expense of the permittee, after notice and opportunity to cure, using qualified personnel or contractors consistent with applicable State and federal safety laws and regulations.

10. The permittee shall be responsible for providing correct and complete information. If the City believes the permittee misrepresented, misstated, or omitted any material fact(s) in its permit application, the City may deny or revoke the permit. The City may at any time require the permit holder to take additional measures to protect the health, safety, and welfare of the public. The permit holder shall be responsible for and pay all costs for such measures.

11. The permittee shall promptly complete all construction activities so as to minimize disruption of the ROW and other public and private property. All construction Work within the ROW, including restoration, must be completed within one-hundred eighty (180) Days of the date of issuance of the Construction permit unless an extension or an alternate schedule has been approved by the City.

12. Traffic Control Plan. The permittee shall protect the work area with sufficient MUTCD compliant traffic controls reviewed and accepted by the City before Work begins. The permittee shall at all times ensure the presence of such workers, tools and materials, flaggers, barricades, and other safety devices as may be necessary to properly protect bicyclists, pedestrians, construction personnel, and vehicular traffic upon the roadway, and to warn and safeguard the public against injury or damage resulting from the Work.

13. Any supervision or control exercised by the City shall not relieve the permittee or Utility Operator of any duty to the general public nor shall such supervision or control relieve the permittee or Utility Operator from any liability for loss, damage, or injury to Persons or property.

C. Performance Surety.

1. The City may require a performance bond or other form of surety acceptable to the City equal to at least one hundred percent (100%) of the estimated cost of the Work within the ROW, which bond shall be provided before Construction is commenced.

2. If required, the performance bond or other form of surety acceptable to the City shall remain in force until sixty (60) Days after substantial completion of the Work, as determined in writing by the City, including restoration of ROW and other property affected by the construction.

3. If required, the performance bond or other form of surety acceptable to the City shall guarantee, to the satisfaction of the City:

- a. Timely completion of the Work;

- b. That the Work is performed in compliance with applicable plans, permits, technical codes, and City Standards;
- c. Proper location of the facilities as specified by the City;
- d. Restoration of the ROW and other property affected by the Work; and
- e. Timely payment and satisfaction of all claims, demands or liens for labor, material, or services provided in connection with the Work.

4. The release of the performance bond or other surety pursuant to subsection C (1) of this section does not relieve the Utility Operator from its obligation to restore the ROW or other property as required in subsection E of this section regardless of when the failure to restore the ROW or other property as required by this Ordinance occurs or is discovered.

D. Injury to Persons or Property. A Utility Operator, or any Person acting on its behalf, shall preserve and protect from injury or damage other Utility Operators' facilities in the ROW, the public using the ROW and any adjoining property, and take other necessary measures to protect life and property, including but not limited to buildings, walls, fences, trees or facilities that may be subject to damage from the permitted Work. A Utility Operator shall be responsible for all injury to persons or damage to public or private property resulting from its failure to properly protect people and property and to carry out the Work in the ROW.

E. Restoration.

1. When a Utility Operator, or any Person acting on its behalf, does any Work in or affecting any ROW, it shall, at its own expense, promptly restore such ROW to the same or better condition as existed before the Work was undertaken, in accordance with applicable federal, State and local laws, codes, ordinances, rules, and regulations in effect at the time of the Work, unless otherwise directed by the City.

2. If weather or other conditions beyond the Utility Operator's control do not permit the complete restoration required to the affected ROW, the Utility Operator shall temporarily restore the affected area. Such temporary restoration shall be at the Utility Operator's sole expense and the Utility Operator shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration. Any corresponding modification to the construction schedule is subject to approval by the City.

3. If the Utility Operator fails to restore the ROW as required in this Ordinance, the City shall give the Utility Operator written notice and provide the Utility Operator a reasonable period of time of not less than ten (10) Days, unless an Emergency or threat to public safety is deemed to exist, and not exceeding thirty (30) Days to restore the ROW. If, after said notice, the Utility Operator fails to restore the ROW as required in this Ordinance, unless the City has given its express written permission for a time extension, the City shall cause such restoration to be made at the expense of the Utility Operator. If the City determines a threat to public safety exists, the City shall provide necessary temporary safeguards, at the Utility Providers' sole expense. If such threat exists, the Utility Provider shall have twenty four (24) hours to commence restoration. If Work is not commenced in twenty four (24) hours, the City, at its sole option, may commence restoration at the Utility Provider's sole expense.

F. As-Built Drawings. If requested by the City, the licensee shall furnish the City with two (2) complete sets of plans prepared to scale and certified to the City as accurately depicting the location of all Utility Facilities constructed pursuant to the permit. These plans shall be submitted to the City within sixty (60) Days after completion of Construction, in a format acceptable to the City.

G. Inspection. Every Utility Operator's facilities shall be subject to the right of periodic inspection by the City to determine compliance with the provisions of this Ordinance and all other applicable State and City codes, ordinances, rules and regulations. Every Utility Operator shall cooperate with the City in permitting the inspection of Utility Facilities upon request of the City. The Utility Operator shall perform all testing, or permit the City to perform any testing at the Utility Operator's expense, required by the City to determine that the installation of the Utility Operator's facilities and the restoration of the ROW comply with the terms of this Ordinance and applicable State and City codes, ordinances, rules and regulations.

H. Coordination of Construction. All Utility Operators are required to make a good faith effort to both cooperate with and coordinate their construction schedules with those of the City and other users of the ROW.

1. Prior to January 1st of each year, Utility Providers shall provide the City with a schedule of known proposed construction activities for that the upcoming year in and around, or that may affect the ROW.

2. All construction locations, activities, and schedules within the ROW shall be coordinated as ordered by the City, to minimize public inconvenience, disruption, or damages.

I. Contractors. A Utility Operator may authorize a qualified contractor to perform any of the Work authorized or required in this Ordinance on the Utility Operator's behalf. Any contractor performing Work on behalf of a Utility Operator shall be subject to the provisions of this Ordinance. In the event a Utility Operator authorizes a contractor to perform Work on its behalf, the Utility Operator shall remain responsible and liable for compliance with the provisions of this Ordinance.

Section 7. LOCATION OF FACILITIES

A. Location of Facilities. Unless otherwise agreed to in writing by the City, whenever any existing electric Utility Operators, cable Facilities or communications Facilities are located underground within a ROW of the City, the Utility Operator with permission to occupy the same ROW shall install all new Facilities underground at no cost to the City. Written authorization will be granted to Facilities used for transmission of electric energy at nominal voltages in excess of thirty-five thousand (35,000) volts. Written authorization may be granted for antennas, pedestals, cabinets, or other above-ground equipment when documentation can be provided that equipment cannot practicably be located outside the ROW, on an existing structure or underground.

B. In the event a Utility Operator vacates or abandons a pole, the Utility Operator shall provide written notification at least ten (10) Days prior to vacation or abandonment of pole to the City, and all other Utility Operators sharing the pole through a joint use agreement. Affected Utility Operators shall be provided a grace period of thirty (30) business Days following the date of pole vacation or abandonment in which to remove their Facilities. If Facilities have not been removed within the thirty (30) day grace period, the City may have the Facilities removed at the expense of the owner of the Facilities.

C. Rearrangement of Facilities to Permit Moving of Buildings and Other Objects. Upon fifteen (15) Days' notice in writing from any Person desiring to move a building or other object, licensee shall temporarily raise, lower, or remove its Facilities upon any street, bridge or public place within the City, when necessary to permit the Person to move the building or other object across or along such street, bridge or public place. The raising, lowering or removal of the Facilities of licensee shall be in accordance with all applicable ordinances and regulations of the City. The notice required by this section, bearing the approval of the City, shall detail the route of movement of the building or other objects. It shall further

provide that the Person giving said notice will indemnify and save licensee harmless from any and all damages or claims whatsoever caused directly or indirectly from such temporary rearrangement of its Facilities, including the cost to licensee of any interruption of service to its customers. Costs of the temporary rearrangement of Facilities will be borne by the Person giving notice. Before making the temporary rearrangement of its Facilities, licensee may require the Person desiring the temporary rearrangement to deposit cash or adequate security, at the option of the Person, to secure payment of the costs of rearrangement as estimated by licensee.

D. Interference with the ROW. No Utility Operator or other Person may locate or maintain its Facilities so as to unreasonably interfere with the use of the ROW by the City, by the general public, or by other Persons authorized to use or be present in or upon the ROW. Utility Facilities shall not be located in areas of restricted sight distance nor interfere with the proper function of traffic control signs, signals, lighting, or other devices that affect traffic operation or public safety communications equipment. All use of the ROW shall be consistent with City codes, ordinances, rules, and regulations in effect and as may be subsequently amended.

E. Relocation of Utility Facilities.

1. A Utility Operator shall, at no cost to the City, temporarily or permanently remove, relocate, change or alter the position of any Utility Facility within a ROW, including relocation of aerial Facilities underground, when requested to do so in writing by the City.

2. Nothing herein shall be deemed to preclude the Utility Operator from requesting reimbursement or compensation from a third-party, pursuant to applicable laws, regulations, tariffs or agreements, provided that the Utility Operator shall timely comply with the requirements of this section regardless of whether or not it has requested or received such reimbursement or compensation.

3. The City shall coordinate the schedule for relocation of Utility Facilities and based on such effort shall provide written notice of the time by which the Utility Operator must remove, relocate, change, alter or underground its Facilities. If a Utility Operator fails to remove, relocate, alter or underground any Utility Facility as requested by the City and by the date reasonably established by the City, the Utility Operator shall pay all costs incurred by the City due to such failure, including but not limited to costs related to project delays, and the City may cause, using qualified personnel or contractors consistent with applicable State and federal safety laws and regulations, the Utility Facility to be removed, relocated, altered, or undergrounded at the Utility Operator's sole expense. Upon receipt of a detailed invoice from the City, the Utility Operator shall reimburse the City for the costs the City incurred within thirty (30) Days.

4. The City will cooperate with the Utility Provider in securing alternate locations within the ROW. The City shall bear no responsibility to obtain, compensate, or otherwise assist the Utility Operator in relocation of its Facilities to locations not in the control of the City.

F. Removal of Unauthorized Facilities.

1. Unless otherwise agreed to in writing by the City, within thirty (30) Days following written notice from the City or such other time agreed to in writing by the City, a Utility Operator and any other Person that owns, controls, or maintains any unauthorized Utility Facility within the ROW shall, at its own expense, remove the Facility and restore the ROW to City standards as provided in subsection E of Section 6.

2. A Utility Facility, or any portion of the Facility, is unauthorized under any of the following circumstances:

a. The Utility Facility is outside the scope of authority granted by the City under the license, franchise or other written agreement. This includes Facilities that were never licensed or

franchised and Facilities that were once licensed or franchised but for which the license or franchise has expired or been terminated. This does not include any Facility for which the City has provided written authorization for abandonment in place.

b. The Facility has been abandoned and the City has not provided written authorization for abandonment in place. A Facility is abandoned if it is not in use and is not planned for further use. A Facility will be presumed abandoned if it is not used for a period of one (90) days. A Utility Operator may overcome this presumption by presenting plans for future use of the Facility.

c. The Utility Facility is improperly constructed or installed or is in a location not permitted by the Construction permit, license, franchise, or this Ordinance.

d. The Utility Operator is in violation of a material provision of this Ordinance and fails to cure such violation within thirty (30) Days of the City sending written notice of such violation, unless the City extends such time period in writing.

G. Removal by City.

1. The City retains the right and privilege to cut or move any Utility Facilities located within the ROW, without notice, as the City may determine to be necessary, appropriate, or useful in response to a public health or safety Emergency. The City will use qualified personnel or contractors consistent with applicable State and federal safety laws and regulations to the extent reasonably practical without impeding the City's response to the Emergency. The City will notify the Utility Operator of any cutting or moving of Facilities as soon as reasonably practical after resolution of the Emergency.

2. If the Utility Operator fails to remove any Facility when required to do so under this Ordinance, the City may remove the Facility using qualified personnel or contractors consistent with applicable State and federal safety laws and regulations, and the Utility Operator shall be responsible for paying the full cost of the removal and any administrative costs incurred by the City in removing the Facility and obtaining reimbursement. Upon receipt of an invoice from the City, the Utility Operator shall reimburse the City for the costs the City incurred within thirty (30) Days. The obligation to remove shall survive the termination of the license or franchise.

3. The City shall not be liable to any Utility Operator for any damage to Utility Facilities, or for any consequential losses resulting directly or indirectly therefrom, by the City or its contractor in removing, relocating or altering the Facilities pursuant to subsections B, C or D of this section or undergrounding its Facilities as required by subsection A of this section, or resulting from the Utility Operator's failure to remove, relocate, alter, or underground its Facilities as required by those subsections.

H. Utility Provider shall provide, at no cost to the City, a comprehensive map showing the location of any Facilities in the City. Such map shall be provided in a format acceptable to the City, with accompanying data sufficient enough for the City to determine the exact location of Facilities, currently in Shapefile or geodatabase format. The City shall not request such information more than once per year.

Section 8. LEASED CAPACITY

A Utility Operator may lease capacity on or in its Facilities to others, provided that, upon request, the Utility Operator provides the City with the name and business address of any lessee. A Utility Operator is not required to provide such information if disclosure is prohibited by applicable law. A Utility Operator shall require that all lessees have obtained proper authority, in the form of a permit, license, or franchise from

the City before leasing capacity on or in its Facilities.

Section 9. MAINTENANCE

A. Every Utility Operator shall install and maintain all Facilities in a manner that complies with applicable federal, State and local laws, rules, regulations, and policies. The Utility Operator shall, at its own expense, repair and maintain Facilities from time to time as may be necessary to accomplish this purpose.

B. If, after written notice from the City of the need for repair or maintenance as required in subsection A of this section, a Utility Operator fails to repair and maintain Facilities as requested by the City and by the date reasonably established by the City, the City may perform such repair or maintenance using qualified personnel or contractors consistent with applicable State and federal safety laws and regulations at the Utility Operator's sole expense. The Utility Operator shall reimburse the City for the costs the City incurred within thirty (30) Days.

Section 10. VACATION

If the City vacates any ROW, or portion thereof, that a Utility Operator uses, the Utility Operator shall, at its own expense, remove its Facilities from the ROW unless the City reserves a public utility easement, which the City shall make a reasonable effort to do, provided that there is no expense to the City, or the Utility Operator obtains an easement for its Facilities. If the Utility Operator fails to remove its Facilities within thirty (30) Days after a ROW is vacated, or as otherwise directed or agreed to in writing by the City, the City may remove the Facilities using qualified personnel or contractors consistent with applicable federal, State and local laws, rules, regulations, and policies, at the Utility Operator's sole expense. Upon receipt of an invoice from the City, the Utility Operator shall reimburse the City for the costs the City incurred within thirty (30) Days.

Section 11. RIGHT-OF-WAY USAGE FEE

A. Except as set forth in subsection B of this section every Person that owns Utility Facilities in the City and every person that uses Utility Facilities in the City to provide Utility Service, whether or not the Person owns the Utility Facilities used to provide the Utility Services, shall pay the ROW usage fee for every Utility Service provided using the ROW in the amount set forth in the license granted by the City.

1. A Utility Operator, whose only Facilities in the ROW are Facilities mounted on Facilities owned by another Person within the ROW, and with no Facilities strung between such structures or otherwise within, under or above the ROW (other than equipment necessary to operate the mounted facilities that has been expressly approved by the City to be placed in the ROW), shall pay an attachment fee for each attachment, or such other fee set forth in the license granted by the City. The fee shall be paid annually, in arrears, within thirty (30) Days after the end of each calendar year, and shall be accompanied by information sufficient to illustrate the calculation of the amount payable.

2. A Utility Provider, that has no Facilities in the ROW but leases, rents or uses the Facilities of a Utility Operator, shall pay a fee set forth in the license granted by the City. The fee shall be paid quarterly, in arrears, within thirty (30) Days after the end of the calendar quarter. Each payment shall be accompanied by an accounting of Gross Revenues, if applicable, and a calculation of the amount payable. The City may request, and will be provided at no cost to the City, any additional reports or information it deems necessary, in its sole discretion, to ensure compliance by the Utility Provider. Such information may include, but is not limited to: chart of accounts, total revenues by categories and dates, list of products and services, narrative documenting calculations, details on

number customer within the City limits, or any other information needed for the City to easily verify compliance.

B. No acceptance of any payment shall be construed as accord that the amount paid is in fact the correct amount, nor shall such acceptance of payment be construed as a release of any claim the City may have for further or additional sums payable.

C. In the event that a ROW usage fee is not received by the City on or before the due date, or is underpaid, the Utility Provider shall pay in addition to the payment, or sum due, interest from the due date at a rate equal to nine percent (9%) per annum, compounded daily, or the current maximum rate allowed by State law, computed based on the actual number of Days elapsed from the due date until payment is received by the City.

D. The calculation of the ROW usage fee required by this section shall be subject to all applicable limitations imposed by federal or State law in effect and as may be subsequently amended.

E. The City reserves the right to enact other fees and taxes applicable to the Utility Providers subject to this Ordinance. Unless expressly permitted by the City in enacting such fee or tax, or required by applicable State or federal law, no Utility Operator or provider may deduct, offset or otherwise reduce or avoid the obligation to pay any lawfully enacted fees or taxes based on the payment of the ROW usage fee or any other fees required by this Ordinance.

Section 12. AUDITS

A. Within thirty (30) Days of a written request from the City, or as otherwise agreed to in writing by the City:

1. Every Utility Operator and Utility Provider shall furnish the City, at no cost to the City, information sufficient to demonstrate that the provider is in compliance with all the requirements of this Ordinance, or its franchise agreement, if any, including but not limited to payment of any applicable ROW usage fee, license fee, site license fee, or franchise fee.

2. Every Utility Operator shall make available for inspection by the City at reasonable times and intervals all maps, records, books, diagrams, plans, and other documents, maintained by the Utility Operator with respect to its Facilities within the City's ROW. Access shall be provided within the City, unless prior arrangement for access elsewhere has been made with the City.

B. If the City's audit of the books, records and other documents or information of the Utility Operator or Utility Provider demonstrate that the Utility Operator or Utility Provider has underpaid the ROW usage fee, license fee, site license fee, franchise fee, or any other fee or payment by three percent (3%) or more in any one (1) year, the Utility Operator or Utility Provider shall reimburse the City for the cost of the audit, in addition to any interest owed pursuant to Section 13 or as specified in a other agreements or franchises with the City.

C. Any underpayment, including any interest or audit cost reimbursement, shall be paid within thirty (30) Days of the City's notice to the Utility Provider or Utility Operator of such underpayment.

D. The Utility Provider or Utility Operator is required to maintain records for six (6) years.

Section 13. INSURANCE AND INDEMNIFICATION

A. Insurance.

1. All Utility Operators shall maintain in full force and effect the following liability insurance policies that protect the Utility Operator and the City, as well as the City's officers, agents, and employees:

- a. Comprehensive general liability insurance with limits not less than:
 - i. Three million dollars (\$3,000,000.) for bodily injury or death to each person;
 - ii. Three million dollars (\$3,000,000) aggregate including collapse, explosions, underground hazards and products completed operations.
- b. Commercial automobile liability insurance for owned, non-owned and hired vehicles with a limit of two million dollars (\$2,000,000) combined single limit.
- c. Worker's compensation within statutory limits and employer's liability with limits of not less than one million dollars (\$1,000,000).
- d. Liability insurance shall name as additional insured the City and its officers, agents, and employees. Additional insured coverage shall be for both on-going operations and products and completed operations, on forms acceptable to the City. Coverage shall be Primary and Non-Contributory. Waiver of Subrogation endorsement, in a form acceptable to the City, shall be provided for general liability and worker's compensation.

2. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon. The insurance shall be without prejudice to coverage otherwise existing. The coverage must apply as to claims between insureds on the policy. The insurance shall not be canceled or materially altered without thirty (30) Days prior written notice first being given to the City. If the insurance is canceled or materially altered, the Utility Operator shall obtain a replacement policy that complies with the terms of this section and provide the City with a replacement certificate of insurance. The Utility Operator shall maintain continuous uninterrupted coverage, in the terms and amounts required. The Utility Operator may self-insure, or keep in force a self-insured retention plus insurance, for any or all of the above coverage.

3. The Utility Operator shall maintain on file with the City a certificate of insurance or proof of self-insurance acceptable to the City, certifying the coverage required above.

B. Financial Assurance. Unless otherwise agreed to in writing by the City, before a franchise is granted or license issued pursuant to this Ordinance is effective, and as necessary thereafter, a Utility Operator shall provide a performance bond or other financial security or assurance, in a form acceptable to the City, as security for the full and complete performance of the franchise or license, if applicable, and compliance with the terms of this Ordinance, including any costs, expenses, damages or loss the City pays or incurs because of any failure that is attributable to the Utility Operator to comply with the codes, ordinances, rules, regulations or permits of the City. This obligation is in addition to the performance surety required by subsection C of Section 6.

C. Indemnification.

1. To the fullest extent permitted by law, each Utility Operator shall defend, indemnify, and hold the City and its officers, employees, agents and representatives harmless from and against any and all liability, causes of action, claims, damages, losses, judgments, and other costs and expenses, including attorney fees and costs of suit or defense (at both the trial and appeal level, whether or not a trial or appeal ever takes place) that may be asserted by any Person in any way arising out of, resulting from, during, or in connection with, or alleged to arise out of or result from the negligent, careless, or

wrongful acts, omissions, failure to act, or other misconduct of the Utility Operator or its affiliates, officers, employees, agents, contractors, subcontractors, or lessees in the construction, operation, maintenance, repair, or removal of its facilities, and in providing or offering Utility Services over the facilities, whether such acts or omissions are authorized, allowed, or prohibited by this Ordinance or by a franchise agreement. The acceptance of a license under Section 5 of this Ordinance shall constitute such an agreement by the applicant whether the same is expressed or not. Upon notification of any such claim the City shall notify the Utility Operator and provide the Utility Operator with an opportunity to provide defense regarding any such claim.

2. Every Utility Operator shall also indemnify the City for any damages, claims, additional costs, or expenses assessed against or payable by the City arising out of or resulting, directly or indirectly, from the Utility Operator's failure to remove or relocate any of its facilities in the ROW in a timely manner, unless the Utility Operator's failure arises directly from the City's negligence or willful misconduct.

Section 14. COMPLIANCE

Every Utility Operator and Utility Provider shall comply with all applicable federal and State laws and regulations, including regulations of any administrative agency thereof, as well as all applicable ordinances, resolutions, rules, and regulations of the City, heretofore or hereafter adopted or established during the entire term of any license, registration, franchise, or agreement granted under this Ordinance.

Section 15. CONFIDENTIAL/PROPRIETARY INFORMATION

If any Person is required by this Ordinance to provide books, records, maps, or information to the City that the Person reasonably believes to be confidential or proprietary, and such books, records, maps, or information are clearly marked as confidential at the time of disclosure to the City ("confidential information"), the City shall take reasonable steps to protect the confidential information to the extent permitted by Oregon Public Records Laws. In the event the City receives a public records request to inspect any confidential information and the City determines that it will be necessary to reveal the confidential information, to the extent reasonably possible the City will notify the Person that submitted the confidential information of the records request prior to releasing the confidential information. The City shall not be required to incur any costs to protect any confidential information, other than the City's routine internal procedures for complying with the Oregon Public Records Law.

Section 16. PENALTIES

A. Any Person found in violation of any of the provisions of this Ordinance or the license shall be subject to a penalty of not less than one hundred fifty dollars (\$150) nor more than twenty-five hundred dollars (\$2,500) for each offense. A violation shall be deemed to exist separately for each and every day during which a violation exists.

B. Nothing in this Ordinance shall be construed as limiting any judicial or other remedies the City may have at law or in equity, for enforcement of this Ordinance.

Section 17. SEVERABILITY AND PREEMPTION

A. The provisions of this Ordinance shall be interpreted to be consistent with applicable federal and State law, and shall be interpreted, to the extent possible, to cover only matters not preempted by federal or State law.

B. If any article, section, subsection, sentence, clause, phrase, term, provision, condition, or portion of this Ordinance is for any reason declared or held to be invalid or unenforceable by any court of competent jurisdiction or superseded by State or federal legislation, rules, regulations, or decision, the remainder of this Ordinance shall not be affected thereby but shall be deemed as a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof, and each remaining section, subsection, clause, phrase, term, provision, condition, covenant, and portion of this Ordinance shall be valid and enforceable to the fullest extent permitted by law. In the event any provision is preempted by federal or State laws, rules, or regulations, the provision shall be preempted only to the extent required by law and any portion not preempted shall survive.

Section 18. APPLICATION TO EXISTING AGREEMENTS

To the extent that this Ordinance is not in conflict with and can be implemented consistent with existing franchise agreements, this Ordinance shall apply to all existing franchise agreements granted to Utility Operators by the City. If this ordinance conflicts with existing ordinances, the terms of this ordinance shall govern. If this ordinance conflicts with existing franchise agreements the terms of the franchise agreement shall govern until such time as the franchise agreement expires.