

ORDINANCE No. 185768

Extend term of franchise granted to MCI Communications Services, Inc. to build and operate telecommunications facilities within City streets. (Ordinance; amend Ordinance No. 170954)

The City of Portland ordains:

Section 1. The Council finds:

1. On February 26, 1997 the Council granted a franchise to Worldcom Network Services, Inc., to use the City streets to provide competitive telecommunications services. Ordinance No.170954.
2. In 2001, MCI Worldcom Network Services, Inc. notified the City that it was the successor to Worldcom Network Services, Inc. In December, 2005 the operating assets of MCI Network Services, Inc. and its predecessors including MCI Worldcom Network Services, Inc. and Worldcom Network Services, Inc. were assigned to MCI Communications Services, Inc. ("MCI").
3. The Council previously extended the term of MCI's telecommunications franchise until December 31, 2012. Ordinance No. 185051.
4. On October 26, 2011, the City Council adopted non-emergency Ordinance No. 184957, amending Title 17 of the Portland City Code. Among other matters, the ordinance updated, clarified and reorganized various code sections. The City is implementing various aspects of the revised code provisions, and City staff has begun negotiating a renewal agreement, including revised standardized franchise language to address the code amendments. Although franchise negotiations for a renewal agreement are in progress, parties have not agreed on all terms. City staff recommends that the City Council extend the existing franchise to allow time for parties to complete negotiations for a new agreement and to formally complete the formal Portland City Charter procedure for proposed franchises, which can take up to four months or more from the date of the required initial publication.

NOW, THEREFORE, the Council directs:

- a. Ordinance No.170954 is hereby amended to extend the term of the franchise, continuously and without interruption, through February 14, 2015.
- b. All other terms and conditions of the franchise shall remain the same and unchanged.

- c. On or before the thirtieth (30th) day after this ordinance becomes effective, MCI Communications Services, Inc. shall file in the Office of the Auditor of the City of Portland a written acceptance of this ordinance, executed by a duly authorized representative of MCI Communications Services, Inc., meeting the approval of the City Attorney. Any failure on the part of MCI Communications Services, Inc. to file such written acceptance within such time shall be deemed an abandonment and rejection of the rights and privileges conferred hereby and this ordinance shall thereupon be null and void. Such acceptance shall be unqualified and shall be construed to be an acceptance of all the terms contained in this ordinance.

Passed by the Council: DEC 05 2012

Mayor Sam Adams
Prepared by: MRiddick/BEWalters
November 8, 2012

LaVonne Griffin-Valade
Auditor of the City of Portland

By:



Deputy

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✓140

Agenda No.
ORDINANCE NO.
Title

185768

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>NOV 20 2012</u>
COMMISSIONER APPROVAL	LaVonne Griffin-Valade Auditor of the City of Portland
Mayor—Finance and Administration - Adams	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	By: <u>[Signature]</u>
Position 3/Affairs - Saltzman	Deputy
Position 4/Safety - Leonard	
BUREAU APPROVAL	ACTION TAKEN:
CAO: Jack D. Graham	NOV 28 2012 PASSED TO SECOND READING
Bureau: Revenue	DEC 05 2012 9:30 A.M.
Bureau Head: Thomas W. Lannom	
Prepared by: MRiddick/JLi	
Date Prepared: November 7, 2012	
Financial Impact Statement	
Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Not Required <input type="checkbox"/>	
Portland Policy Document	
If "Yes" requires City Policy paragraph stated in document.	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date November 28, 2012	
City Attorney Approval	

AGENDA
TIME CERTAIN <input type="checkbox"/>
Start time: _____
Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/>
REGULAR <input type="checkbox"/>
Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	