ORDINANCE No.

Extend term of franchise granted to Qwest Communications Company, LLC n/k/a CenturyLink Communications, LLC to build and operate telecommunications facilities within City streets. (Ordinance; amend Ordinance No. 171914)

The City of Portland ordains:

Section 1. The Council finds:

- 1. On December 31, 1997, the Council granted a franchise to Qwest Communications Corporation, to build and operate telecommunications facilities within the City's streets. Ordinance No. 171914.
- 2. On April 22, 2010, CenturyLink, Inc. announced it would acquire Qwest Communications Inc. The Federal Communications Commission reviewed and approved the acquisition of Qwest on March 18, 2011. The Oregon Public Utility Commission approved the CenturyLink/Qwest merger on March 24, 2011. OPUC Order No. 2011-04, UM 1484. The merger closed on April 1, 2011. On March 31, 2014, the Oregon Public Utility Commission approved a name change for Qwest Communications Company, LLC to CenturyLink Communications, LLC in OPUC Order No. 14-107.
- 3. The City Council previously extended the term of telecommunications franchise until February 14, 2017. Ord. No. 186883.
- 4. City staff are negotiating a renewal agreement with the company, including updated franchise language and compensation consistent with similarly situated franchisees. Although franchise negotiations for a renewal agreement are in progress, the parties have not reached agreement on all terms.
- 5. City staff recommends that the Council extend the existing franchise to allow time for the parties to complete negotiations and to formally conclude the Portland City Charter procedure for franchises, which can take up to four months or more from the date of required initial publication.

NOW, THEREFORE, the Council directs:

- a. Ordinance No. 171914 is hereby amended to extend the term of the permit, continuously and without interruption, through August 31, 2018.
- 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,

CenturyLink shall file in the Office of the Auditor of the City of Portland a written acceptance of this ordinance, executed by CenturyLink Communications, LLC, meeting the approval of the City Attorney. Any failure on the part of CenturyLink Communications, LLC to file such written acceptance within such time shall be deemed an abandonment and rejection of this ordinance, 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: MAR 0 1 2017

Mary Hull Caballero

Auditor of the City of Portland

By:

Deputy

Mayor Ted Wheeler Prepared by: JL/BEW January 31, 2017

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Agenda No.
ORDINANCE NO.

188253

Title

Extend term of franchise granted to Qwest Communications Company, LLC (n/k/a CenturyLink Communications, LLC) to build and operate telecommunications facilities within City streets. (Ordinance; amend Ordinance No. 171914)

INTRODUCED BY Commissioner/Auditor: Mayor Wheeler	CLERK USE: DATE FILED FEB 1 4 2017
COMMISSIONER APPROVAL	Mary Hull Caballero
Mayor—Finance & Administration - Wheeler	Auditor of the City of Portland
Position 1/Utilities - Fritz	
Position 2/Works - Fish	By:
Position 3/Affairs - Saltzman	Deputy
Position 4/Safety - Eudaly	ACTION TAKEN:
BUREAU APPROVAL Bureau: OMF/BRFS, Revenue CAO: Tom Rinehart	EB 2 2 2017 PASSED TO SECOND READING MAR 0 1 2017 9:30 A.M.
CFO, Bureau Head: Kenneth L. Rust Division Head: Thomas W. Lannom	1900UV
Prepared by: Jennifer Li Date Prepared: 2/2/17	
Impact Statement Completed ☑ Amends Budget □	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document.	
Yes □ No ⊠	
City Auditor Office Approval:	
City Attorney Approval:	
Council Meeting Date February 22, 2017	

AGENDA		
TIME CERTAIN Start time:		
Total amount of time needed:		
<u>CONSENT</u> ⊠		
REGULAR		
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. Eudaly	4. Eudaly	-	
Wheeler	Wheeler		