ORDINANCE No. 188313

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 February 14, 2017.

4. City staff is negotiating a renewal agreement, including revised standardized franchise language. Although franchise negotiations for a renewal agreement are in progress, the parties have not reached agreement on all terms. City staff recommends that the Council extend the existing franchise to allow time for parties to complete negotiations for a new agreement and to formally complete the 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, 2019.

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.
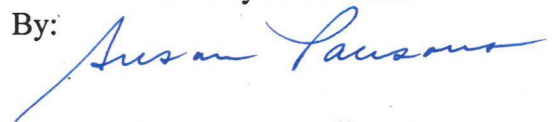
Passed by the Council: APR 1 2 2017

Mary Hull Caballero
Auditor of the City of Portland
By:

Deputy

Mayor Ted Wheeler
Prepared by: MR/BEW
March 13, 2017

321·357

Agenda No.
ORDINANCE NO. 188313
Title

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

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INTRODUCED BY Commissioner/Auditor: **Mayor Wheeler**	CLERK USE: DATE FILED ___MAR 28 2017___

COMMISSIONER APPROVAL
Mayor—Finance & Administration - Wheeler *KOD*
Position 1/Utilities - Fritz
Position 2/Works - Fish
Position 3/Affairs - Saltzman
Position 4/Safety - Eudaly

Mary Hull Caballero
Auditor of the City of Portland

By: _____
Deputy

BUREAU APPROVAL
Bureau: OMF/BRFS, Revenue
CAO: Tom Rinehart
CFO, Bureau Head: Kenneth L. Rust *KLR*
Division Head: Thomas W. Lannom *Thomas Lannom*

ACTION TAKEN:

APR 0 5 2017 **PASSED TO SECOND READING** APR 1 2 2017 **9:30 A.M.**

Prepared by: Melvin Riddick
Date Prepared: 3/15/17

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:
Benjamin Walters

Council Meeting Date **April 5, 2017**

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
			YEAS	NAYS
TIME CERTAIN ☐ Start time: _____				
Total amount of time needed: _____ (for presentation, testimony and discussion)	1. Fritz	1. Fritz	✓	
	2. Fish	2. Fish	✓	
CONSENT ☒ Pulled	3. Saltzman	3. Saltzman	✓	
REGULAR ☐	4. Eudaly	4. Eudaly	✓	
Total amount of time needed: _____ (for presentation, testimony and discussion)	Wheeler	Wheeler	✓	