## ORDINANCE No. 185763

Extend term of Southern Pacific Pipe Lines franchise to transport petroleum products by pipeline (Ordinance; amend Ordinance No. 155742)

The City of Portland ordains:

Section 1. The Council finds:

- 1. In March, 1984, the Council granted a franchise to Southern Pacific Pipe Lines, now doing business as SFPP, L.P, to use designated streets for the transportation of petroleum products by pipeline. Ordinance Number 155742.
- 2. The Council previously extended the term of this franchise ordinance until December 31, 2012. Ordinance 185054.
- 3. Over the last 20 years the Council has granted several petroleum pipeline franchises. City staff has reviewed the terms and conditions of these franchises. Staff is working with the petroleum pipeline industry to standardize and modernize the terms and conditions of the City's franchises for petroleum pipelines.
- 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 Number 155742 is hereby amended to extend the term of the franchise, continuously and without interruption, through January 21, 2015.
- b. All other terms and conditions of the franchise shall remain the same and unchanged.

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c. On or before the thirtieth (30<sup>th</sup>) day after this ordinance becomes effective, SFPP, L.P. shall file in the Office of the Auditor of the City of Portland a written acceptance of this ordinance, executed by SFPP, L.P., meeting the approval of the City Attorney. Any failure on the part of SFPP, L.P. 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.

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Passed by the Council: DEC 05 2012

Mayor Sam Adams Prepared by: MRiddick/BEWalters October 26, 2012 LaVonne Griffin-Valade Auditor of the City of Portland

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Agenda No. ORDINANCE NO. 185763

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Title

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