Exhibit A – Chapter 12.15

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## 12.15.010 Short Title.

The ordinance codified in this Chapter will be known and may be referenced as the "Utility Access to and Use of the Right-of-Way" ordinance.

## 12.15.020 Purpose and Intent.

The purpose and intent of this Chapter is to:

1. Grant and manage reasonable access to and use of the right-of-way, held in trust by the city, for utility purposes and to conserve the limited physical capacity of the right-of-way consistent with applicable state and federal law;
2. Ensure that the city’s current and ongoing costs of granting and managing access to and the use of the right-of-way are fully compensated by the persons seeking such access and causing such costs;
3. Secure fair and reasonable compensation to the city and its residents, who have invested millions of dollars in public funds to build and maintain the right-of-way, from persons who generate revenue by placing or using facilities in the right-of-way;
4. Ensure that all utility companies, persons and other entities owning or operating facilities or providing services within the city register and comply with the ordinances, rules and regulations of the city;
5. Ensure that the city can continue to fairly and responsibly protect the public health, safety and welfare of its residents, and ensure the structural integrity of its right-of-way when a primary cause for the early and excessive deterioration of the right-of-way is its frequent excavation by persons whose facilities are located in the right-of-way;
6. Encourage the provision of advanced and competitive utility services on the widest possible basis to businesses and residents of the city; and
7. Provide an equal and level playing field for all utility companies, persons and other entities who provide services within the city.

## 12.15.030 Definitions.

For the purposes of this Chapter the following terms, phrases, words and their derivations will 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 word "will" is mandatory and "may" is permissive.

1. “Business License Appeals Board” means the board in Section 7.02.295 of the City Code.
2. "Cable service" is 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.
3. "City" means the City of Portland, an Oregon municipal corporation, and individuals authorized to act on the city’s behalf.
4. "City Council" means the elected governing body of the city.
5. "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 medium is owned by the provider itself. Communications services includes all forms of telephone services and voice, video, data or information transport, but does not include: (i) cable service; (ii) open video system service, as defined in 47 C.F.R. 76; (iii) over-the-air radio or television broadcasting to the public-at-Iarge from facilities licensed by the Federal Communications Commission or any successor; (iv) public communications systems; and (v) direct-to-home satellite service within the meaning of Section 602 of the Telecommunications Act (47 U.S.C. 151 et seq.).
6. "Director" means the director for the City’s Office for Community Technology or any successor City bureau.
7. “Fossil fuels” means petroleum products (such as crude oil and gasoline), coal, methanol and gaseous fuels (such as natural gas and propane) that are made from decayed plants and animals that lived millions of years ago and are used as a source of energy. Denatured ethanol and similar fuel additives with less than five percent (5%) fossil fuel content, biodiesel/renewable diesel with less than five percent (5%) fossil fuel content, and petroleum‐based products used primarily for nonfuel uses (such as asphalt, plastics, lubricants, fertilizer, roofing and paints) are not fossil fuels.
8. “Gross revenue” means any and all revenue, of any kind, nature or form, without deduction for expense, less net uncollectables, derived from the use or operation of utility facilities in the city, subject to all applicable limitations in state or federal law. Examples of gross revenue may be identified in administrative rules.
9. "License" means the authorization granted by the city to a utility operator pursuant to this Chapter.
10. “Licensee” means a utility operator to subject to the provisions of this Chapter.
11. “Macro wireless facility” or “macro site” means any wireless communications facility that is not a small wireless facility. A macro wireless facility does not include fiber, coaxial cable or similar equipment located within the right-of-way.
12. “Notice” means any written communication sent to licensee’s address listed on their license application or the address listed on licensee’s most recent tax filing with the city. Notice also includes any electronic communication sent to an agent of licensee and that agent both acknowledges and holds themselves out to be the relevant point-of-contact.
13. “Office” means the Office for Community Technology or any successor city bureau, along with its employees and agents.
14. "Person" means and includes any individual, firm, sole proprietorship, corporation, company, partnership, co-partnership, joint-stock company, trust, limited liability company, association, local service district, governmental entity or other organization, including any natural person or any other legal entity.
15. “Pipeline system” means all pipeline facilities, together with pump stations, gathering lines and distribution facilities for the transportation of petroleum or petroleum products, including asphalt, aviation gasoline and distillate fuel oil, located in or below the right-of-way.
16. "Public communications system" means any system owned or operated by a government entity or entities for their exclusive use for internal communications or communications with other government entities, and includes services provided by the State of Oregon pursuant to ORS 190.240 and 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.
17. "Right-of-way" means and includes, but is not limited to, the surface of and the space above and below any street as defined in City Code Section 17.04.010, road, alley or highway within the city, used or intended to be used by the general public, to the extent the city has the right to allow for their use.
18. “Small wireless facility” or “small cell” means any wireless communications facility that has antenna no more than 3 (three) cubic feet in volume that is mounted on a structure 50 (fifty) feet or less in height.  A small wireless facility does not include fiber, coaxial cable or similar equipment located within the right-of-way.
19. "State" means the State of Oregon.
20. "Utility facility" or "facility" means any physical component of a system including but not limited to the poles, pipes, mains, conduits, ducts, cables, wires, transmitters, plants, structures, equipment and other facilities, located within, under or above the right-of-way, any portion of which is used or designed to be used to deliver, transmit or otherwise provide utility service(s).
21. "Utility operator" or "operator" means any person who uses, owns, places, operates or maintains a utility facility within the city, whether or not such facilities are owned by the service provider.
22. "Utility service" means the provision of electricity, natural gas, communications services, wireless communications services, cable services, water, sewer or storm sewer, pipeline, public pay phones or other services to or from customers within the corporate boundaries of the city, or the transmission of any of these services through the city whether or not customers within the city are served by those transmissions.
23. “Wireless communications facilities” means the equipment, and associated structures, needed to transmit or receive electromagnetic signals. A wireless communications facility typically includes antennas, supporting structures, enclosures or cabinets housing associated equipment or cable and may be attached to utility or city-owned structures or poles in the right-of-way. Wireless communications facilities include strand-mounted devices. A wireless communications facility does not include fiber, coaxial cable or similar equipment located within the right-of-way.
24. “Wireless communications services” means any wireless service using Federal Communications Commission-licensed or unlicensed spectrum including without limitation any personal wireless services, as defined in 47 U.S.C. § 332(c)(7)(C).
25. "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.

## 12.15.040 Jurisdiction and Management of the Public Right-of-Way.

A. The city has jurisdiction and exercises regulatory management over and controls access to all right-of-way within the city under authority of the City Charter and state law.

B. The city has jurisdiction and exercises regulatory management over each right-of-way whether the city has a fee, easement or other legal interest in the right-of-way, and whether the legal interest in the right-of-way was obtained by grant, dedication, prescription, reservation, condemnation, annexation, foreclosure or other means.

C. The exercise of jurisdiction and regulatory management of a 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.

D. The provisions of this Chapter are subject to and will be applied consistent with applicable state and federal laws, rules and regulations and, to the extent possible, will be interpreted to be consistent with such laws, rules and regulations.

## 12.15.050 Regulatory Fees and Compensation Not a Tax.

A. The fees and costs provided for in this Chapter, and any compensation charged and paid for use of the right-of-way provided for in this Chapter, are separate from, and in addition to, any and all other city, local, state and federal charges, including 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 Chapter are subject to applicable state and federal laws.

## 12.15.060 Administration.

A. This Chapter will be administered by the Director. General management of the right-of-way will be administered by the Bureau of Transportation pursuant to City Code Title 17 and its accompanying rules, regulations, and policies.

B. The Director may adopt procedures, forms and written policies for administering this Chapter.

C. Authority granted to the Director may be delegated, in writing, to employees or duly authorized agents of the Office.

D. The Director may, upon request, issue written interpretations of how this Chapter applies in general or to specific circumstances.

E. Nothing in this Chapter precludes the informal disposition of controversy by the Director, in writing, whether by stipulation or agreed settlement.

F. The Director may adopt, amend and repeal administrative rules relating to matters within the scope of this Chapter.

1. Before adopting, amending or repealing a rule, the Director must notify interested parties and hold a public comment period. Such notice, which may be provided by mail or electronic means, such as posting on the Office’s website, must be published at least four (4) weeks before the close of the public comment period. The notice must include instructions on how an interested party may comment on the proposed rule, a brief description of the subjects covered by the proposed rule and how to access the full text of the proposed rule.

 2. During the public comment period, the Director will receive written comments concerning the proposed rule. At the conclusion of the public comment period, the Director will either adopt the proposed rule, modify it or reject it, taking into consideration the comments received. If a substantial modification is made, an additional public comment period will be held. Unless otherwise stated, all rules are effective upon adoption by the Director. All rules adopted by the Director will be filed in the Office. Copies of all current rules will be posted on the Office’s website.

3. Notwithstanding Subsections 1 and 2 above, the Director may adopt an interim rule without prior public notice upon a finding that failure to act promptly will result in serious prejudice to the public interest or the interest of the affected parties, stating the specific reasons for such prejudice. An interim rule adopted pursuant to this Subsection is effective for a period of not longer than one-hundred eighty (180) calendar days. The Director may extend the interim rule past the one-hundred eighty (180) calendar days for good cause, as determined in the Director’s sole discretion.

G. Specific Controls the General. If a conflict exists between two City Code provisions, one of them a general requirement and the other a specific requirement, the more specific requirement will operate as an exception to the general requirement regardless of the priority of enactment.

## 12.15.070 Registration.

A. Registration Required. Every person who desires to provide utility services to customers within the city will register with the city prior to providing any utility services to any customer in the city. Every person providing utility services to customers within the city as of the effective date of this Chapter will register within forty-five (45) calendar days of the effective date of this Chapter.

B. Annual Registration. After registering with the city pursuant to Subsection A of this Section, the registrant will, by December 31 of each year, file with the city a new registration form if it intends to provide utility service at any time in the following calendar year. Registrants that file an initial registration pursuant to Subsection A of this Section on or after September 30 will not be required to file an annual registration until December 31 of the following year.

C. Registration Application. The registration will be on a form provided by the city and will be accompanied by any additional documents required by the city, in the city’s sole discretion and at no cost to the city, to identify the registrant and its legal status, describe the type of utility services provided or to be provided by the registrant and list the facilities over which the utility services will be provided. Failure to receive or secure a form will not relieve any person from the obligation to register and pay the associated fees under this Chapter.

D. Registration Fee. Each application for registration will be accompanied by a nonrefundable registration fee in an amount to be determined by the City Council.

## 12.15.080 Licenses.

A. License Required.

1. Except those utility operators with a valid franchise agreement from the

city, every person will obtain a license from the city prior to conducting any work in the right-of-way.

1. Every person that uses, owns or controls utility facilities in the right-of-way as of the effective date of this Chapter will apply for a license from the city within forty-five (45) calendar days of the later of: (i) the effective date of this Chapter, or (ii) the expiration of a valid franchise from the city, unless a new franchise is granted by the city pursuant to Subsection E of this Section.
2. Every person that owns facilities within the city will provide a comprehensive map showing the location of all facilities within the city. Such map will be provided in a format acceptable to the city, with accompanying data sufficient enough for the city to determine the exact location of the facilities, currently Shapefile or Geodatabase format. Such map will not be required more than once per year and will be provided at no cost to the city.

B. License Application. The license application will be on a form provided by the city, and will be accompanied by any additional documents required, at the sole discretion of the city, at no cost to the city, that allows the city easily by the city, in the city’s sole discretion and no cost to the city, to identify the applicant and 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, and 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 Chapter.

 If any information in the license application changes, the applicant will submit an updated application within thirty (30) calendar days of the change.

C. License Application Fee. The application will be accompanied by a nonrefundable application fee or deposit set by the City Council.

D. Determination by city. The city will 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 will include the reasons for denial. The license will be evaluated based upon the provisions of this Chapter, the continuing capacity of the right-of-way to accommodate the applicant’s proposed utility facilities and the applicable local, state and federal laws, rules, regulations and policies.

E. Franchise Agreements. If the public interest warrants, the city and utility operator may enter into a written franchise agreement or written interagency agreement if the utility operator is a city bureau, that includes terms that clarify, enhance, expand, waive or vary the provisions of this Chapter, consistent with applicable state and federal law. The franchise agreement may conflict with the terms of this Chapter with the review and approval of the City Council. The interagency agreement may conflict with the terms of this Chapter with the review and approval of the Director and the directors of bureaus who are parties to the agreement. The franchise agreement or interagency agreement will be subject to the provisions of this Chapter to the extent such provisions are not in conflict with the franchise agreement or interagency agreement. In the event of a conflict between the express provisions of an agreement and this Chapter, the agreement will control. A franchise application will be accompanied by a nonrefundable application fee or deposit set by resolution of the City Council.

F. Rights Granted.

1. The license will authorize the licensee, subject to the provisions of the City Code including without limitation Title 17, and applicable provisions of state or federal law to utilizes, lease capacity, construct, place, maintain and operate utility facilities, for the purpose of provision utility service(s) in the right-of-way for the term of the license.

2. Any license granted pursuant to this Chapter will not convey equitable or legal title in the right-of-way and may not be transferred or assigned except as authorized in Subsection K of this Section.

3. Neither the issuance of the license nor any provisions contained in the license will 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, as it may exist at the time the license is issued or thereafter obtained.

G. Term. Subject to the termination provisions in Subsection N of this Section, the license granted pursuant to this Chapter will be effective the date issued by the city or the date utility service began, whichever is first, and will have a term beginning either: (i) January 1 of the effective year for those licenses effective between January 1 and June 30; or (ii) January 1 of the year after the effective year for those licenses effective between July 1 and December 31. The license will have an initial term of one (1) year with four (4) automatic one (1)-year renewals for a total term of five (5) years. After its term, the license will terminate on December 31.

H. License Nonexclusive. No license granted pursuant to this Section will confer any exclusive right, privilege, license, or franchise to occupy or use the right-of-way 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 right-of-way, 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 right-of-way. Nothing in the license will be deemed to grant, convey, create, or vest in licensee a real property interest in land, including any fee, leasehold interest or easement.

I. Reservation of city rights. The city may, without charge, install and maintain city-owned streetlights, signs and equipment, including but not limited to government-owned wireless communications systems operated by the city and used for governmental infrastructure management, fire or police communications or internal government communications, to be attached to any utility operator’s utility facilities. If applicable, these attachments will be subject to the requirements of the utility operator’s tariffs on file with the Oregon Public Utility Commission. Whenever required by state or federal occupational safety and health laws or rules, the city will use qualified workers for all such work.

J. Multiple Services.

1. A licensee 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 fee requirements of this Chapter for the portion of the facilities and extent of utility services delivered over those facilities, whether or not those facilities are owned by the utility operator. Nothing in this paragraph requires a licensee to pay the registration, license or fee requirements owed to the city by a third party using the licensee’s facilities.

2. A licensee that provides or transmits more than one utility service over its facilities is not required to obtain a separate license or franchise for each utility service, provided that it gives notice to the city of each utility service provided or transmitted and pays the applicable fees for each utility service.

K. Transfer or Assignment. Unless exempted by applicable state and federal laws, the licensee will obtain the written consent of the city prior to the transfer or assignment of the license. The license will not be transferred or assigned unless the proposed transferee or assignee is authorized under all applicable laws to own or operate the utility system and the transfer or assignment is approved by all agencies or organizations required or authorized under state or federal laws to approve such transfer or assignment. If a license is transferred or assigned, the transferee or assignee will become responsible for fulfilling all the obligations under the license. A transfer or assignment of a license does not extend the term of the license. The city’s granting of consent in one instance will not render unnecessary any subsequent consent in any other instance. No transfer or assignment may occur until the successor transferee has provided proof of insurance pursuant to Section 12.15.100

L. Leases and Sales of Utility Facilities.

1. Leases. The licensee will obtain the written consent of the city prior to leasing any portion of, or capacity on, its utility facilities, which consent will not be unreasonably withheld, conditioned, or delayed. However, the licensee remains solely responsible for locating, servicing, repairing, relocating or removing such portion of the utility facilities. A lessee of any portion of the licensee’s utility facilities will not obtain any rights under this Chapter and will be required to register pursuant to Section 12.15.070. Upon written request from the city, a licensee will provide to the city the name and business address of any lessees of its utility facilities. A licensee is not required to provide such information if disclosure is prohibited by applicable law. The licensee will take reasonable steps to ensure that its lessees are in full compliance with this Chapter.
2. Sales. A licensee may sell portions of its utility facilities in the ordinary course of its business, without otherwise obtaining the city’s written consent, so long as the licensee complies with the following conditions:
3. The sale is to the holder of a current and valid franchise, license, permit or other similar right granted by the city;
4. Within fourteen (14) calendar days of the sale being executed and becoming final, the licensee will provide written notice to the city, describing the portions of the utility facilities sold by the licensee, identifying the purchaser of the utility facilities, the location of the utility facilities and providing an executed counterpart or certified copy of the sales documents;
5. The licensee remains solely responsible for locating, servicing, repairing, relocating, or removing its remaining utility facilities; and

d. Within fourteen (14) calendar days of the sale being executed and becoming final, the purchaser of such utility facilities will file written notice to the city that it has assumed sole responsibility for locating, servicing, repairing, relocating, or removing the purchased utility facilities under the purchaser’s current and valid franchise, license, permit or other similar right granted by the city. The purchaser will not obtain any of the licensee’s rights under this Chapter.

M. Renewal. At least thirty (30) but no more than one-hundred twenty (120) calendar days prior to the expiration of a license granted pursuant to this Section, a licensee seeking renewal of its license will 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 will review the application as required by Subsection D of this Section and grant or deny the license within ninety (90) calendar days, or such longer period as determined in the city’s sole discretion, of submission of the application. If the city determines that the licensee is in violation of the terms of this Chapter at the time it submits its application, the city may require that the licensee cure the violation(s) or submit a detailed plan to cure the violation(s) within a reasonable period of time, as determined in the city’s sole discretion 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(s), the city will grant or deny the license application within ninety (90) calendar days of confirming that the violation has been cured or of accepting the licensee’s plan to cure the violation. If the licensee does not complete its cure within the time designated in the plan, the city may terminate the license.

N. Termination.

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

a. Violation of any of the provisions of this Chapter;

b. Violation of any provision of a license;

c. Misrepresentation in a license application;

d. Failure to pay taxes, compensation, fees or costs due the city after final determination of the taxes, compensation, fees or costs;

e. Failure to restore the right-of-way after construction as required by City Code or other applicable local or state laws, ordinances, rules and regulations;

f. Failure to comply with technical, safety or engineering standards related to work in the right-of-way;

g. Failure to obtain or maintain a license, permit, certification or other authorization required by state or federal law for the use, placement, maintenance or operation of a utility facility; or

h. A receiver or trustee is appointed to take over and conduct a licensee’s business, or a receivership, reorganization, insolvency or other similar action or proceeding is initiated, unless the licensee or its receiver or trustee timely and fully performs all obligations, until such time as the license is either rejected or assumed by the licensee or its receiver or trustee.

2. Standards for Revocation or Termination. In determining whether revocation, termination or some other sanction is appropriate, the Director will consider the following factors:

a. Whether the violation was intentional;

b. The egregiousness of the violation;

c. The harm that resulted;

d. The licensee’s history of compliance; and

e. The licensee’s cooperation in discovering, admitting and curing the violation.

1. Notice and Cure. The city will give the licensee written notice of any apparent violations before revoking or terminating a license. The notice will include a clear and concise statement of the nature and general facts of the violation and provide a reasonable time (no less than twenty (20) and no more than forty (40) calendar days) for the licensee to demonstrate that the licensee has remained in compliance, that the licensee has cured or is in the process of curing any violation, or that it would be in the public interest to impose a penalty or sanction less than revocation or termination. If the licensee is in the process of curing a violation, the licensee must demonstrate that it acted promptly and continues to actively work on compliance. If the licensee does not respond, the Director may determine whether the license will be revoked or terminated. If the licensee does not complete its cure within the time designated in the plan, the city may terminate the license.
	1. Violations of Section 12.15.090 B will not be subject to notice by the city and cure by the licensee, and the Director may immediately revoke or terminate a licensee’s license who expands or increases capacity to transport fossil fuels in violation of City Code and binding city policies.
2. Removal of Utility Facilities. If the city has revoked or terminated a license or if a license has expired without being renewed or extended, all the licensee’s rights under the license will immediately cease and be divested. Thereafter, except as otherwise provided in writing by the Director, the licensee will obtain permits and other permissions and at its own expense remove its utility facilities from the right-of-way and restore the right-of-way to the standards provided in applicable regulations of the city.

12.15.090 Utility-Specific Provisions.

A. Wireless Services.

 1. Licensee will comply with the design and aesthetic requirements for wireless communications facilities adopted by the Bureau of Transportation.

 2. Collocation. Wireless communications facilities will be attached to poles and other infrastructure located within the right-of-way. Licensee will allow and encourage providers of wireless communications services to collocate wireless communications facilities on poles and other infrastructure with existing wireless communications facilities.

 3. Radio Frequency Emission Levels. All existing and proposed wireless communications facilities are prohibited from exceeding, or causing other wireless communications facilities to exceed, the radio frequency emission standards specified in 47 C.F.R. 76 § 1.1310.

 4. Interference. A licensee will install wireless communications facilities of the type and frequency that will not cause harmful interference that is measurable in accordance with then-existing industry standards to any equipment of the city that is operating within its licensed frequencies, if any. In the event any wireless communications facilities cause such interference, and after the city has notified the licensee of such interference by a written communication, the licensee will take all reasonable steps necessary to correct and eliminate the interference including but not limited to powering down such interfering equipment and later powering up such interfering equipment for intermittent testing. If the interference continues for a period in excess of forty-eight (48) hours following notification, the city may require the licensee to reduce power or cease operations until the licensee can repair the interfering equipment. If, after a period of six (6) months, the utility operator is unable to fully eliminate the interference, the city may require the licensee to relocate the equipment.

5. No diminution of light, air or signal transmission by any structure (whether or not erected by the city) will entitle a licensee to any reduction of the fee, nor result in any liability to the city.

B. Pipeline Services.

1. Licensee will operate in a manner that is consistent with City Code and Binding City Policy, including Resolution No. 37168, which prohibits additions or alterations to facilities that expands or increases the capacity to transport fossil fuels.

 2. At any point during the term of a license, a licensee may seek to amend, alter or add to its pipeline system by filing with the City’s Office for Community Technology a map showing such proposed changes. The Office will respond in writing with its approval, modifications or denial (and its reasoning for any modifications or denial) within forty-five (45) calendar days from receiving the proposal.

C. Public Pay Phones Services.

1. At the city's request, any licensee providing public telephone service will:

 a. Disable the ability of a specified public telephone to receive incoming calls;

 b. Disable the ability of a specified public telephone to process telephone calls made to pagers;

 c. Disable the total operation of a specified public telephone on a temporary basis to discourage unlawful activity; or

 d. Relocate a specified public telephone on a temporary or permanent basis to discourage unlawful activity.

1. Removal of Public Telephones. The city, upon twenty (20) calendar days’ written notice, may require a licensee to remove or relocate any public telephone installed in the right-of-way. A licensee will comply with applicable City Code and regulations to obtain permits and other permissions and may otherwise remove any public telephone after twenty (20) calendar days’ written notice to the city; and may otherwise relocate any public telephones with the city's approval. When any telephone booth installed is removed or relocated, the licensee will restore the location site to a condition satisfactory to the Bureau of Transportation. If the licensee fails to remove any public telephone when required to do so, the city may remove the public telephone, restore the affected area, and the licensee will reimburse the city for its full costs.

## 12.15.100 Insurance and Indemnification.

A. Insurance. Work will not commence until all insurance requirements listed below have been met and certificates have been approved by the City Attorney and filed with the City Auditor. All required insurance must be issued by companies or financial institutions with an AM Best rating of A- or better and dully authorized to do business in the State of Oregon.

1. Insurance Certificate. As evidence of the required insurance coverage, a licensee will furnish compliant insurance certificates, including required endorsements, to the city. The certificates will list the city as a Certificate Holder. There will be no cancellation of the insurance without thirty (30) calendar days’ prior written notice to the city. If the insurance is cancelled or terminated prior to the end of a license, the licensee will provide a new policy with the required coverage. Failure to maintain insurance as required may be considered a breach of the license.
2. Additional Insureds. The coverage will apply as to claims between insureds on the policy. The insurance will be without prejudice to other coverage. For liability coverage, the insurance certificate will list the city as a Certificate Holder and include as additional insureds “the City of Portland, Oregon and its officers, employees and agents” and an endorsement to the liability policy will confirm the listing of the city as an additional insured. Notwithstanding the listing of additional insureds, the insurance will protect each additional insured in the same manner as though a separate policy had been issued to each, but nothing herein will operate to increase the insurer’s liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured.
3. Insurance Costs. The licensee will be financially responsible for all pertinent deductibles, self-insured retentions or self-insurance.
4. Required Coverage. The limits provided below will be subject to any changes as to the maximum limits imposed on municipalities of the State of Oregon, by Oregon state law during the term of a license.
	1. Commercial General Liability. A licensee will provide and maintain commercial general liability and property damage insurance in the amount of $2,000,000 (two million dollars) per occurrence, and aggregate limit of $4,000,000 (four million dollars) that protects the licensee and the city and its officers, employees and agents from any and all claims, demands, actions and suits for damage to property or personal injury arising from the licensee’s work under this Chapter.
	2. Automobile Liability. A licensee will carry automobile liability insurance with a combined single limit of $1,000,000 (one million dollars) each occurrence, and an umbrella or excess liability coverage of $2,000,000 (two million dollars), for bodily injury and property damage. The insurance will include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the licensee.
	3. Workers’ Compensation. A licensee will comply with the workers’ compensation law, ORS Chapter 656, as it may be amended. If required, a licensee will maintain coverage for all subject workers as defined by ORS Chapter 656 and will maintain a current, valid certificate of workers’ compensation insurance on file with the City Auditor for the entire period during which work is performed within the city limits.

 5. Self-Insurance. At the request of a licensee, the city will determine, in its sole discretion, whether a licensee may self-insure. A licensee whose request has been granted will provide the city proof of insurance through a letter of self-insurance or an insurance certificate, listing the city as an additional insured.

B. Indemnification.

1. To the fullest extent permitted by law, each licensee will defend, indemnify and hold harmless the city and its officers, employees and agents 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 or entity 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 licensee or its affiliates, officers, employees, agents, contractors, subcontractors or lessees in the use, construction, operation, maintenance, repair or removal of its facilities, and in providing or offering utility services, whether such acts or omissions are authorized, allowed or prohibited by this Chapter or by a franchise agreement. The acceptance of a license under Section 12.15.080 of this Chapter will constitute such an agreement by the applicant whether the same is expressed or not. Upon notification of any such claim the city will notify the licensee and provide the licensee with an opportunity to provide defense regarding any such claim.
2. Every licensee will 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 licensee’s failure to remove or relocate any of its facilities in the right-of-way or easements in a timely manner, unless the licensee’s failure arises directly from the city’s negligence or willful misconduct.
3. Every licensee will also forever defend, indemnify and hold harmless the city and its officers, employees and agents from and against any claims, costs and expenses of any kind, whether direct or indirect, or pursuant to any state or federal law, statute, regulation or order, for the removal or remediation of any leaks, spills, contamination or residues of hazardous substances related to the licensee’s work in the right-of-way or presence of licensee’s facilities. Hazardous substances will have the meaning given by ORS 465.200(16).

## 12.15.110 Financial Assurance.

A. Unless otherwise agreed to in writing by the city, before a franchise is granted or a license issued pursuant to this Chapter is effective, and as necessary thereafter, the licensee will provide a financial assurance, such as a performance bond or other security, in a form acceptable to the city, as security for the full and complete performance of the franchise or license, and for compliance with the terms of this Chapter, including any costs, expenses, damages or loss to the city because of any failure attributable to the licensee to comply with this Chapter and accompanying ordinances, resolutions, rules, regulations or policies. The licensee will also provide, upon request, written evidence of payment of the required premium.

B. The amount of such financial assurance will be in an amount of one-hundred thousand dollars ($100,000). A licensee will immediately replace or replenish to the full amount any draw-down of the financial assurance by the city. The financial assurance will be in effect until the later of: (i) termination of a franchise or license; or (ii) removal of all or part of a licensee’s utility facilities. This obligation is in addition to any performance guarantees required by applicable City Code and regulations.

C. The financial assurance will contain a provision that it will not be terminated or otherwise allowed to expire without thirty (30) calendar days’ prior written notice first being given to the city. The financial assurance is subject to review and approval by the City Attorney.

D. In no event will the city exercise its rights under the financial assurance if a bona fide, good-faith dispute exists between the city and a licensee.

## 12.15.120 Confidential/Proprietary Information.

If any person is required by this Chapter to provide maps, records, books, diagrams, plans or other documents to the city that the person reasonably believes to be confidential or proprietary, the city will take reasonable steps to protect the confidential or proprietary nature of the documents to the extent authorized by the Oregon Public Records Law, provided that all documents are clearly marked as confidential by the person at the time of disclosure to the city. The city will not be required to incur any costs to protect such documents, other than the city’s routine internal procedures for complying with the Oregon Public Records Law.

## 12.15.130 Equal Employment Opportunity/Affirmative Action/Minority Business Enterprises.

A. The licensee will fully comply with the equal employment opportunity requirements of local, state and federal law, and, in particular, Federal Communications Commission (FCC) rules and regulations relating thereto. Upon request by the city, a licensee will furnish the city a copy of the licensee’s annual statistical report filed with the FCC, if applicable, along with proof of the licensee’s annual certification of compliance. The licensee will immediately notify the city in the event the licensee is at any time determined to be out of compliance with the FCC or another regulatory body.

B. The licensee will maintain a policy that all employment decisions, practices and procedures are based on merit and ability without discrimination on the basis of an individual’s race, color, religion or nonreligion, age, sex, gender identity, national origin, sexual orientation, limited English proficiency, marital status, family status or physical or mental disability. The licensee’s policy will apply to all employment actions including advertising, recruiting, hiring, promotion, transfer, remuneration, selection for training, company benefits, disciplinary action, lay-off and termination.

C. Affirmative Action. The licensee will carry out its equal employment opportunity policy by making a determined and good-faith effort at affirmative action to employ and advance in employment women, minorities and the physically and mentally disabled.

D. Minority and Female Business Enterprises. The licensee will make determined and good-faith efforts to use minority and female business enterprises in its contracted expenditures including without limitation contracts for the acquisition of goods, services, materials, supplies and equipment used in the construction, maintenance and operation of its utility service system. If directed by the city, the licensee will participate in the City’s Minority and Female Business Enterprise Certification Program.

12.15.140 Fee to Access and Use the Right-of-Way.

A. Every person subject to this Chapter will pay the fee to access and use the right-of-way for every utility service provided in the amount determined by ordinance of the City Council.

B. Fee payments required by this Section will be reduced by any franchise or Utility License Law (Chapter 7.14) fee payments received by the city, but in no case will be less than zero dollars ($0).

C. Unless otherwise agreed to in writing by the city, the fees set forth in this Section will be paid quarterly, in arrears, for each quarter during the term of the license within forty-five (45) calendar days after the end of each calendar quarter and will be accompanied by an accounting of gross revenue, if applicable, and a calculation of the amount payable, and be in a form satisfactory to the Director.

D. The calculation of the fee required by this Section will be subject to all applicable limitations imposed by state or federal law.

E. The city reserves the right to enact other fees and taxes applicable to the utility operators subject to this Chapter. Unless expressly authorized by the city in enacting such fee or tax, or required by applicable state or federal law, no utility operator may deduct, offset or otherwise reduce or avoid the obligation to pay any lawfully enacted fees or taxes based on the payment of the fees required by this Chapter.

F. Interest amounts properly assessed in accordance with this Section may only be reduced or waived by the Director for good cause, according to and consistent with written policies.

1. No Accord. The city’s acceptance of payment will not be construed as an accord that the amount paid is, in fact, the correct amount, nor as a release of any claim the city may have for further or additional sums payable.
2. Fines on late remittances. Penalties and interest imposed by this Section are in addition to any penalties that may be assessed under other ordinances or regulations of the city.
	1. Any person who has not submitted the required remittance forms or remitted the correct fees when due as provided in this Section will pay a penalty listed below in addition to the amount due:
	2. First occurrence during any one calendar year; ten percent (10%) of the amount owed, or twenty-five dollars ($25.00), whichever is greater.
	3. Second occurrence during any one calendar year; fifteen percent (15%) of the amount owed, or fifty dollars ($50.00), whichever is greater.
	4. Third occurrence during any one calendar year; twenty percent (20%) or the amount owed, or seventy-five dollars ($75.00), whichever is greater.
	5. Fourth occurrence during any one calendar year; twenty-five percent (25%) of the amount owed, or one hundred dollars ($100.00), whichever is greater.
3. If the city determines that the nonpayment of any remittance due under this Section is due to fraud or intent to evade the provisions hereof, an additional penalty of twenty-five percent (25%) of the amount owed, or five hundred dollars ($500.00), whichever is greater, will be added thereto in addition to other penalties allowed by law.

1. In addition to the penalties imposed, any person who fails to remit any fee when due as provided in this Section will pay interest at the rate of 1.5% per month or fractions thereof, without proration for portions of a month, on the total amount due (including penalties and fines), from the date on which the remittance first became delinquent, until received by the city.
2. Every penalty imposed, and such interest as accrues under the provision of this Section, will be merged with, and become part of, the fees required to be paid.

The city or its designee, in their sole discretion, will have the authority to reduce or waive the penalties, fines and interest due under Section 12.15.140.

## 12.15.150 Audits, Review and Information Requests.

A. Payment of the fee(s) under this Chapter will be subject to audit and review by the city for compliance. Any information requested or required by this Chapter will be delivered to the city, at no cost to the city.

B. Within thirty (30) calendar days of a written request from the city, or as otherwise agreed to in writing by the city:

1. Every licensee will deliver to the city information sufficient to easily demonstrate that the licensee is in full compliance with all the requirements of this Chapter, its franchise agreement, if any, including but not limited to payment of any applicable fees.

2. Every licensee will make available for inspection by the city at reasonable times and intervals all maps, records, books, diagrams, plans and other documents with respect to its use of the right-of-way. Access will be provided within the city unless prior written arrangement for access elsewhere has been made and agreed to by the city.

3. If any licensee fails, refuses or neglects to provide or make records available to the Director for determining licensee’s compliance with this Chapter, including but not limited to the amount of fees due or payable, the Director may determine the amount of the fees due or payable based upon readily available facts and information. The Director will notify the licensee in writing of the amount of such fee so determined, together with any penalty or interest due. The total of such amounts will become immediately due and payable, together with any penalties or fines assessed by the Director.

4. Final audit determinations appealable to the Business License Appeals Board using the process set forth in City Code Section 7.02.290. The licensee must file a written appeal within thirty (30) calendar days of the date of the final audit determination letter. In such an appeal, the licensee will have the burden of establishing that the Director’s determination is incorrect, either in whole or in part.

1. The filing of any notice of appeal to the Business License Appeals Board will not stay the effectiveness of the Director’s determination unless the Business License Appeals Board so directs.

C. Any underpayment, including any interest, penalties or fines, will be paid within thirty (30) calendar days of the city’s notice to the licensee of such underpayment.

D. Penalties. A penalty of five percent (5%) of any underpayment will be due within forty-five (45) calendar days of written notice from the city, if the city’s review of payments under this Chapter discloses that a licensee has paid ninety-five percent (95%) or less of the principal amount owing for the period under review.

E. If the city’s review of payments under this Chapter discloses that a licensee has paid ninety-five percent (95%) or less of the principal amount owing for the period, the licensee will pay all costs incurred by the city for conducting the review.

F. The Director may issue and seek enforcement of an administrative subpoena for the purpose of collecting any information necessary to enforce any provision of this Chapter. Licensee will comply with the administrative subpoena within sixty (60) days.

## 12.15.160 Compliance.

A. Every licensee will comply with all applicable state and federal laws and regulations, including regulations of any administrative agency, as well as all applicable ordinances, resolutions, rules, regulations and binding policies of the city, heretofore or hereafter adopted or established during the term of any license granted under this Chapter.

B. No licensee will be relieved of its obligations to comply promptly with this Chapter by reason of any failure of the city to enforce prompt compliance. The city’s failure to enforce will not constitute a waiver of any term, condition or obligation imposed upon the licensee, nor a waiver of rights by the city or acquiescence in the licensee’s conduct. The acts or omissions of affiliates are not beyond the licensee’s control, and the knowledge of affiliates will be imputed to the licensee.

## 12.15.170 Penalties.

A. The city will give the licensee written notice of any violations and provide a reasonable time (no less than twenty (20) and no more than forty (40) calendar days) for the licensee to remedy the violations. If the Director determines the licensee is guilty of violating any of the provisions of this Chapter or the license after the time to remedy has passed, the Director will consider the standards found in Subsection C of this Section and: (i) issue a hold on any permit applications filed by the licensee for work in the right-of-way; (ii) fine the licensee not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) for each offense; or (iii) both (i) and (ii). A separate and distinct offense will be deemed committed each day on which a violation occurs or continues.

B. Violations of this Chapter include but are not limited to:

1. Any failure to file a registration or license application at the time required under this Chapter or to promptly update registration or license information;
2. Any failure to pay any fee required by this Chapter when due;
3. Any failure to file the documentation required, or fees;
4. Any failure to provide or make available all maps, records, books, diagrams, plans or other documents with respect to its utility services and facilities within the right-of-way;
5. Any repeated failure to comply with this Chapter; and
6. Any false statement on any registration or license application, on any documentation required, or in response to any audit or compliance investigation conducted under this Chapter.

C. In assessing civil penalties under this Section, the Director will produce a written decision identifying the violation, the amount of the penalty and the basis for the decision. In making such determination, the Director will consider the following criteria:

1. The extent and nature of the violation;

2. Any impacts to the city or the general public resulting from the violation;

3. Whether the violation was repeated and continuous, or isolated and temporary;

4. Whether the violation appeared willful or negligent;

5. The city’s costs of investigating the violation and correcting or attempting to correct the violation; and

1. Any other factors the Director deems relevant.

D. The Director may reduce or waive any civil penalty for good cause, according to and consistent with written policies.

E. Except as provided in Section 12.15.150 B.4., a determination made by the Director is a quasi-judicial decision and is not appealable to the City Council. Appeals from any determination made by the Director will be solely and exclusively by writ of review to the Circuit Court of Multnomah County, as provided in ORS 34.010 to 34.100.

F. Nothing in this Chapter will be construed as limiting any judicial or other remedy the city may have at law or in equity for enforcement of this Chapter.

## 12.15.180 Enforcement.

In addition to other enforcement authority, upon written approval of the Commissioner

in Charge, the Director may have the City Attorney institute legal proceedings to enforce this Chapter, or any determinations made by the Director under this Chapter.

## 12.15.190 Severability and Preemption.

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

B. If any article, section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Chapter 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 Chapter will not be affected thereby but will be deemed as a separate, distinct and independent provision, and such holding will not affect the validity of the remaining portions hereof, and each remaining article, section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Chapter will be valid and enforceable to the fullest extent authorized by law. In the event any provision is preempted by state or federal laws, rules, regulations or decision, the provision will be preempted only to the extent required by law and any portion not preempted will survive. If any preemptive state or federal law is later repealed, rescinded, amended or otherwise changed to end the preemption, such provision of this Chapter will thereupon return to full force and effect and will thereafter be binding without further action by the city.

12.15.200 Application to Existing Agreements.

To the extent that this Chapter is not in conflict with and can be implemented consistent with existing franchise agreements, this Chapter will apply to all existing franchise agreements granted to utility operators by the city.