ORDINANCE No. 185767

Extend term of Chevron USA pipeline franchise to transport petroleum products by pipeline (Ordinance; amend Ordinance No. 164748)

The City of Portland ordains:

Section 1. The Council finds:

1. In October, 1991, the Council granted a franchise to Chevron USA, to use designated streets within the City of Portland to transport petroleum products by pipeline. Ordinance No. 164748.

2. The Council previously extended the term of Chevron's franchise until December 31, 2012. Ordinance No. 185047.

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 No. 164748 is hereby amended to extend the term of the franchise to run, 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 (30th) day after this ordinance becomes effective, Chevron USA shall file in the Office of the Auditor of the City of Portland a written acceptance of this ordinance, executed by Chevron USA, meeting the approval of the City Attorney. Any failure on the part of Chevron USA 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: DEC 0 5 2012

LaVonne Griffin-Valade
Auditor of the City of Portland
By:

Susan Parsons

Deputy

Mayor Sam Adams
Prepared by: MRiddick/BEWalters
November 2, 2012

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Agenda No.
ORDINANCE NO. 185767
Title

Extend term of Chevron USA pipeline franchise to transport petroleum products by pipeline
(Ordinance; amend Ordinance No. 164748)

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

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