A RESOLUTION GRANTING A TELECOMMUNICATIONS FRANCHISE TO LIGHTSPEED NETWORKS, INC. TO OCCUPY CERTAIN RIGHTS OF WAY WITHIN THE CITY OF OREGON CITY

OREGON CITY MAKES THE FOLLOWING FINDINGS:

WHEREAS, Title 13 of the Oregon City Municipal Code governs the construction and franchising of telecommunications carriers operating within the City and desiring to occupy City rights of way; and

WHEREAS, LightSpeed Networks, Inc., dba LSN, has requested registration and a franchise to place and maintain telecommunications facilities in the rights of way within the City; and

WHEREAS, the City has reviewed the request and application filed by LSN, and finds that the company has the requisite authority to provide these services and that the level of impact on the City's rights of way will be acceptable, and the City Commission therefore desires to issue a franchise.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

<u>Section 1.</u> The City Manager is authorized and directed to execute the Franchise Agreement with LSN substantially in the form attached hereto as Exhibit A.

<u>Section 2</u>. This Resolution shall be in full force and effect upon its adoption by the Commission.

Approved and adopted at a regular meeting of the City Commission held on the 20th day of March, 2013.

GNEELEY, Mayor

Attested to this 20th day of March 2013:

Nancy Ide, City Recorder

Approved as to legal sufficiency:

EXHIBIT A

This Franchise Agreement is made and entered into by and between the City of Oregon City, Oregon, an Oregon municipal corporation ("City"), and LightSpeed Networks, Inc., dba LSN, (hereinafter "Grantee").

WHEREAS, Title 13 of the Oregon City Municipal Code governs the construction and franchising of telecommunications carriers operating within the City and desiring to occupy City rights of way; and

WHEREAS, the Grantee has requested registration and a franchise to place and maintain telecommunications facilities in the rights of way within the City; and

WHEREAS, the City has reviewed the request and application filed by the Grantee and finds that the company has the requisite authority to provide these services and that the level of impact on the City's rights of way will be acceptable, and the City Commission therefore desires to issue a franchise.

NOW THEREFORE, the City and Grantee agree as follows:

Section 1: Franchise Grant.

a. Subject to the terms and conditions contained herein, the City does hereby grant to Grantee a telecommunications franchise to locate its facilities within the rights of way of the City.

b. Such grant is subject to all of the laws and ordinances of the City and the State of Oregon in existence at the time of this franchise grant or hereafter enacted.

c. The scope of this grant allows the installation, maintenance and repair of facilities by Grantee in the City's rights of way to provide telecommunications services. In the event the nature of the services provided is proposed for modification, Grantee shall be required to obtain an additional or revised franchise from the City to the extent required by law.

<u>Section 2: Construction standards.</u> The construction standards of Title 13 of the Oregon City Municipal Code, as well as any other applicable construction standards in existence at the time of this franchise grant or hereafter enacted, shall apply to all work performed by the Grantee in City rights of way.

<u>Section 3: Franchise Fee.</u> The annual franchise fee payable to the City shall be the greater of five percent (5%) of its gross revenues earned from the provision of telecommunications services to customers in the City or \$2.75 per lineal foot of Grantee's facilities located within City rights of way. "Gross revenues" shall mean any and all revenue, of any kind, nature or form, without deduction for expense, less net uncollectibles, subject to all applicable limitations imposed by federal or state law. The franchise fee shall be paid quarterly, in arrears, for each quarter during the term of the license. The franchise fee shall be due and payable within forty-five (45) days of the end of each calendar quarter.

Section 4: Term. The term of this franchise shall be ten (10) years. It shall be effective upon the date of the last signature below.

City of Oregon City By: City Manager

Dated: 3-2/ , 2013

LightSpeed Networks, Inc. By: 0

Michael Weidman, CEO and President

3/26 ,2013 Dated ____