AN ORDINANCE GRANTING A TELECOMMUNICATIONS FRANCHISE TO TCG OREGON 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, TCG Oregon, 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 TCG Oregon, 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 ORDAINS AS FOLLOWS:

Section 1: Franchise Grant.

- a. Subject to the terms and conditions contained herein, the City of Oregon City does hereby grant to TCG Joint Ventures Holding, Inc., dba TCG Oregon, a wholly owned subsidiary of AT&T Corp., (hereinafter "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 of Oregon 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.

Section 2: Construction standards. 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.

Section 3: Franchise Fee. 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,

Ordinance No. 11-1008

Effective Date: September 2, 2011

Page 1 of 3

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 thirty (30) days after the enactment date set forth below, provided Grantee complies with Section 5.

<u>Section 5: Acceptance.</u> The grant of franchise herein is conditioned upon Grantee's acceptance of all terms and conditions hereof in writing in a form acceptable to the City within thirty (30) days of Commission enactment of this Ordinance.

Read first time at a regular meeting of the City Commission held the 20th day of July 2011, and the foregoing ordinance was finally enacted by the City Commission on the 3rd day of August 2011.

DOUG NEELEY, Mayor

Attested to this 3rd day of August 2011,

Nancy Ide, City/Recorder

Approved as to legal sufficiency:

City Attorney

Ordinance No. 11-1008

Effective Date: September 2, 2011

Page 2 of 3

ACCEPTANCE

City Recorder City of Oregon City 625 Center Street Oregon City, Oregon 97045

City Recorder

This is to advise the City of Oregon City, Oregon that TCG Joint Ventures Holding, Inc., dba TCG Oregon, a fully owned subsidiary of AT&T Corp., (the "Grantee") hereby accepts the terms and provisions of Ordinance No. 11-1008, passed by the City Commission on August 3, 2011 (the "Franchise") granting a Franchise for ten (10) years to Grantee. The Grantee agrees to abide by each and every term of the Franchise.

TCG Joint Ventures Holding, dba TCG Oregon
ВУ
TITLE Assistant Secrety
DATE 9/6/2011
This Acceptance was received by the City of Oregon City on <u>Sept. 12</u> , 2011.
Chancy Hole