

CITY OF SHERWOOD

ORDINANCE NO. 90-910

AN ORDINANCE AMENDING ORDINANCE NO. 735 ENACTED APRIL 8, 1981, WITH RESPECT TO THE BASIS FOR CALCULATION OF FRANCHISE FEES TO BE PAID TO THE CITY OF SHERWOOD BY GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC.

WHEREAS, the 1989 Session of the Oregon Legislature enacted House Bill 3000, Chapter 484, Oregon Laws 1989, codified as a part of ORS 221.410 to 221.495, making changes in the way municipal franchise taxes or fees are applied to telephone service in Oregon, said statutory changes to become effective July 1, 1990; and

WHEREAS, said statutory provisions make it necessary that City Ordinance No. 735 enacted April 8, 1981, be amended to reflect the statutorily required changes,

NOW, THEREFORE, THE CITY ORDAINS AS FOLLOWS:

Section 1. Sections 7 and 8 of Ordinance No. 735 are hereby amended to read as follows:

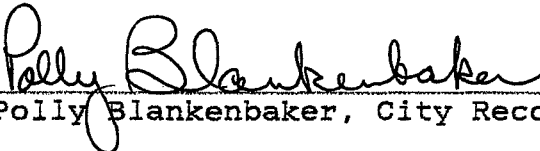
"Section 7. In consideration of the rights and privileges hereby granted, City shall have, and grantee hereby grants to it, the right and privilege to suspend and maintain wires and necessary control boxes on poles placed by Grantee in the streets and other places aforesaid, or if such wires are placed underground, to place and maintain in the pipes or conduits of Grantee, if space therein is available, wires which the City may require for fire and police purposes. All such wires shall be placed on the poles or in conduits so as not to interfere with communication service and shall not carry currents or voltage dangerous to telephone plant or telephone users, and all installations, maintenance and repairs shall be subject to the rules, regulations and supervision of the Grantee. City agrees in consideration of the establishment of this service and the furnishing of such facilities, to hold Grantee entirely free and harmless from all claims or liability for damage which may arise out of the operation of these special services."

"Section 8. In consideration of the rights, privileges, and franchise hereby granted, said Grantee, GTE, its successors and assigns, shall pay to the City of Sherwood from and after


the effective date of the amendment to this franchise, and until June 30, 1990, annually, three percent (3%) per annum of its gross local service revenues derived from services other than competitive services within the corporate limits of the City of Sherwood less net uncollectibles and revenue paid directly to the Grantee by the United States of America or any of its agencies. Services that are competitive for purposes of this franchise include Grantee's Centrex and Centrex type services, Private Line and Private Line type services, Radio type services, the provision of inside wiring and any GTE service that is now or hereafter the subject to detariffing, regulatory forbearance or deregulation by the Oregon Public Utility Commission. Revenues derived from competitive services shall be excluded from the franchise fee base under this franchise until June 30, 1990. Effective July 1, 1990, and until the franchise's expiration, said Grantee shall pay to the City of Sherwood, annually, 3.960000001% of its gross revenues derived from exchange access services, as defined in ORS 401.710, within the corporate limits of the City of Sherwood less net uncollectibles and revenue paid directly to the Grantee by the United States of America or any of its agencies. The reasonable value of any utility service or the use of any Grantee facilities used or reserved for use by the City without Grantee's prescribed charges shall be credited toward any payment due the City under this provision. Payment of this franchise fee shall be made on or before the fifteenth day of March of each and every year for the calendar year preceding. For the year 1990, payment of said 3% shall be made only for the period January 1, 1990, to June 30, 1990, and payment of said 3.960000001% shall be made for the period July 1, 1990, to December 31, 1990. Such payments made by the Grantee will be accepted by the City of Sherwood from the Grantee, also in payment of any license, privilege or occupation tax or fee for revenue or regulation, or any permit or inspection fees or similar charges for street openings, installations, construction or for any other purpose now or hereafter to be imposed by the City of Sherwood upon the Grantee during the term of this franchise."

Section 2: Effective Date: This ordinance shall become effective on July 1, 1990.

Duly passed by the City Council this 23rd day of May, 1990.


Polly Blankenbaker, City Recorder

Approved by the Mayor this 24
day of May, 1990.


Norma Oyler Mayor

	<u>AYE</u>	<u>NAY</u>
Birchill	<u>X</u>	<u> </u>
Chavez	<u> </u>	<u>X</u>
Hitchcock	<u>X</u>	<u> </u>
Boyle	<u>X</u>	<u> </u>
Oyler	<u> </u>	<u>X</u>