CITY OF FLORENCE ORDINANCE NO. 4, SERIES 2007

AN ORDINANCE AMENDING ORDINANCE NO. 11, SERIES 1991, CHANGING THE FRANCHISE FEE FROM 4% TO 7%

WHEREAS, Ordinance No. 11, Series 1991 established the franchise fee with US West Communications to be 4%; and

WHEREAS, the Ordinance remains in effect for all successors and assigns of US West; and

WHEREAS, Qwest Corporation is the current successor of US West; and

WHEREAS, the franchise agreement allows the City of Florence to set the franchise fee at up to 7%.

The City of Florence ordains as follows: that Section 6 of Ordinance No. 11, Series 1991 be amended to read as follows:

Section 6. In consideration of the rights, privileges, and franchise hereby granted, said Grantee, US WEST Communications, Incorporated, its successors and assigns, shall pay to the City of Florence from and after the date of the acceptance of this franchise, and until its expiration, four percent (4%) seven percent (7%) per annum of its gross revenues derived from exchange access services, as defined in ORS 401.710, within the corporate limits of the City of Florence, less net uncollectibles. The reasonable value of any utility service or the uses 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 quarterly on or before April 30, July 31, October 31, and January 31 for the calendar quarter immediately preceding. However, the first payment due after the effective date of this ordinance will include the period beginning January 1, 1991. Such four percent (4%) seven percent (7%) made by the Grantee will be accepted by the City of Florence 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 Florence upon the Grantee during the term of this franchise.

The franchise fee required of Grantee by this Section shall not exceed seven percent (7%), but may be decreased or increased from time to time by the City upon ninety days prior written notice to Grantee. City shall not adjust the franchise rate more frequently than once every 12 months.

ADOPTED THIS 5th DAY OF MARCH, 2007 BY THE FLORENCE CITY COUNCIL.

Ayes: 5 - Councilors Burns, Holman, Roberts, Xavier and Mayor Brubaker

Nays: 0 Absent: 0 Absentia: 0

APPROVED BY THE MAYOR this 7th DAY OF MARCH, 2007

Phil Brubaker, Mayor

ATTEST:

Barbara Miller, City Recorder