

**CITY OF WASHINGTON TERRACE
ORDINANCE 23-07**

FRANCHISE AGREEMENT – ALL WEST

**AN ORDINANCE OF THE CITY OF WASHINGTON TERRACE, UTAH,
ADOPTING THE FRANCHISE AGREEMENT WITH ALL WEST/UTAH
INC., FOR CERTAIN FIBER OPTIC FACILITIES; SEVERABILITY;
AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, Washington Terrace City (“City”) is a municipal corporation, duly organized and existing under the laws of the State of Utah;

WHEREAS, All West/Utah, Inc., (“Franchisee”) is a corporation that provides fiber and telecommunications services as defined by state law;

WHEREAS, *Utah Code Annotated* §10-8-84 and 10-8-60 allow municipalities in the State of Utah to exercise certain police powers and nuisance abatement powers, including but not limited to providing for safety and preservation of health, promotion of prosperity, improve community well-being, peace and good order for the inhabitants of the City;

WHEREAS, *Utah Code Annotated* §10-8-11 authorizes the City to regulate the use of streets, alleys, avenues, sidewalks, crosswalks, parks and public grounds, prevent and remove obstructions and encroachments thereon;

WHEREAS, Franchisee desires to construct fiber and telecommunication facilities within the public right-of-way within the City and proposes the attached Franchise Agreement;

WHEREAS, the City has adopted Chapter 15.12 and Chapter 3.08 of the Washington Terrace Municipal Code to govern Franchise Agreements and the Telecommunications Service Provider Tax, and the City has regulations governing excavation and standards for construction in the public right-of-way;

WHEREAS, the public interest is served by the Franchise Agreement adopted and incorporated herein;

NOW, THEREFORE, be it ordained by the City Council of the City of Washington Terrace, Utah, as follows:

Section 1: Adoption. The Mayor is authorized to finalize and execute the terms of the Franchise Agreement incorporated herein by this reference as set forth in Exhibit “A” attached hereto.

Section 2: Severability. If a Court of competent jurisdiction determines that any part of this Ordinance is unconstitutional or invalid, then such portion of this Ordinance, or

specific application of this Ordinance, shall be severed from the remainder, which remainder shall continue in full force and effect.

Section 3: Effective date. This Ordinance take effect immediately upon mayoral approval and posting.

PASSED AND ADOPTED by the City Council on this 18 day of July, 2023.


MARK ALLEN, Mayor

ATTEST:


AMY RDRIGUEZ, City Recorder

RECORDED this 18 day of July, 2023.
PUBLISHED OR POSTED this 19 day of July, 2023.

CERTIFICATE OF PASSAGE AND PUBLICATION OR POSTING

In accordance with Utah Code Annotated '10-3-713, 1953 as amended, I, the City Recorder of Washington Terrace City, hereby certify that foregoing Ordinance was duly passed and adopted, published, and/or posted as provided by state law.


City Recorder

DATE: 7-19-23

**FRANCHISE
AGREEMENT
WASHINGTON TERRACE
CITY, UTAH**

THIS FRANCHISE AGREEMENT (hereinafter "Agreement") is entered into by and between WASHINGTON TERRACE CITY, Utah (hereinafter "CITY"), a municipal corporation and political subdivision of the State of Utah, with principal offices at 5249 South 400 East, Utah, 84405, and All West/Utah, Inc. (hereinafter "Franchisee"), a Utah corporation with its principal offices at 50 West 100 North, Kamas, UT 84036.

WITNESSETH:

WHEREAS, FRANCHISEE desires to provide telecommunications services, as more particularly defined in the "Municipal Telecommunications License Tax Act," (the "Act"), Utah Code Ann. §§10-1-401, et seq., as amended, and establish a telecommunications network, system and/or facilities in, under, along, over and across present and future rights-of-way of the CITY; and

WHEREAS, the CITY has enacted Title 7, Chapter 4 of the Revised Municipal Codes of Washington Terrace City (hereinafter the "Telecommunications Municipal Code" or "Municipal Code") which governs the application and review process for Telecommunication Franchises in the CITY; and

WHEREAS, the CITY, in the exercise of its management of public Rights-of-Way, believes that it is in the best interest of the public to provide FRANCHISEE a nonexclusive franchise to operate a telecommunications network in the CITY;

WHEREAS, the CITY has adopted Chapter 15.12 of the Washington Terrace Municipal Code (hereafter "Municipal Code") to govern Franchise Agreements and Chapter 3.08 of the Municipal Code governing Telecommunications Service Provider Tax;

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties contained herein, and for other good and valuable consideration, the CITY and FRANCHISEE agree as follows:

AGREEMENT

ARTICLE 1. FRANCHISE AGREEMENT AND MUNICIPAL CODE

1.1 Agreement. Upon execution by the parties, this Agreement shall be deemed to constitute a contract by and between CITY and FRANCHISEE.

1.2 Municipal Code. The CITY has adopted Chapter 15.12 of the Municipal Code to govern Franchise Agreements and Chapter 3.08 of the Municipal Code governing Telecommunications Service Provider Tax (“Municipal Code”), which is attached to this Agreement as Exhibit "A" and incorporated herein by reference. CITY has adopted various excavation regulations and standards governing construction in the public right-of-way that FRANCHISEE shall follow. FRANCHISEE acknowledges that it has had an opportunity to read and become familiar with the Municipal Code. The parties agree that the provisions and requirements of the Municipal Code are material terms of this Agreement, and that each party hereby agrees to be contractually bound to comply with the terms of the Municipal Code. The definitions in the Municipal Code shall apply herein unless a different meaning is set forth in the Act or is otherwise indicated. Nothing in this Section shall be deemed to require FRANCHISEE to comply with any provision of the Telecommunications Municipal Code which is determined to be unlawful or beyond the CITY's authority.

1.3 Municipal Code Amendments. The CITY reserves the right to amend the Municipal Code at any time. Provided, however, CITY shall not enact any amendments to the Municipal Code that will adversely impact FRANCHISEE without allowing FRANCHISEE 30 days, or such longer time as is necessary if 30 days is insufficient, in which to comply with the amendment. The CITY shall give FRANCHISEE notice and an opportunity to be heard concerning any proposed amendment. If there is any inconsistency between FRANCHISEE's rights and obligations under the Municipal Code as amended and this Agreement, the provisions of this Agreement shall govern during its term. Otherwise, FRANCHISEE agrees to comply with any such amendments.

1.4 Franchise Description. The Telecommunications Franchise provided hereby shall confer upon FRANCHISEE the nonexclusive right, privilege, and franchise to construct and maintain a telecommunications network in, under, above and across the present and future public Rights-of-Way in the City. The franchise does not grant to FRANCHISEE the right, privilege or authority to engage in community antenna (or cable) television business; although, nothing contained herein shall preclude FRANCHISEE from: (1) permitting those with a cable franchise who are lawfully engaged in such business to utilize FRANCHISEE's System within the CITY for such purposes; or (2) from providing such service in the future if an appropriate franchise is obtained from the City and all other legal requirements have been satisfied.

1.5 Licenses. FRANCHISEE acknowledges that it has obtained the necessary approvals, licenses or permits required by federal and state law to provide telecommunication services consistent with the provisions of this Agreement and with the Municipal Code.

1.6 Relationship. Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties and neither party is authorized to, nor shall either party act toward third persons or the public in any manner that would indicate any such relationship with each other.

ARTICLE 2. FRANCHISE FEE

2.1 Franchise Fee. For the Franchise granted herein, FRANCHISEE shall pay to the CITY a tax in accordance with the maximum amount set forth in the Municipal Telecommunications License Tax Act (Utah Code Ann. 10-1-401 to 10-1- 410 as amended from time to time), less any business license fee or business license tax enacted by the CITY. All payments shall be made to the Utah State Tax Commission, and sent as follows:

Utah State Tax
Commission 210 North
1950 West
Salt Lake City, Utah 84134

2.2 Equal Treatment. CITY agrees any fees or taxes charged to FRANCHISEE under this Agreement shall be of the same nature and calculation of fees or tax currently charged or charged in the future to other similarly situated entities.

ARTICLE 3. TERM AND RENEWAL

3.1 Term and Renewal. The franchise granted to FRANCHISEE shall be for a period of ten (10) years commencing on the first day of the month following this Agreement, unless this Franchise be sooner terminated as herein provided. At the end of the initial ten (10) year term of this Agreement, the franchise granted herein may be renewed by FRANCHISEE upon the same terms and conditions as contained in this Agreement for an additional five (5) year term, by providing to the CITY's representative designated herein written notice of FRANCHISEE's intent to renew not less than ninety (90) calendar days before the expiration of the initial franchise term.

3.2 Rights of Franchisee Upon Expiration or Revocation. Upon expiration of the franchise granted herein, whether by lapse of time, by agreement between FRANCHISEE and the CITY, or by revocation or forfeiture, FRANCHISEE shall have the right to remove from the Rights-of-Way any and all of its System, but in such event, it shall be the duty of FRANCHISEE, Immediately upon such removal, to restore the Rights-of-Way from which such System is removed to as good condition as the same was before the removal was effected.

ARTICLE 4. POLICE POWERS

The CITY expressly reserves, and FRANCHISEE expressly recognizes, the CITY's right and duty to adopt, from time to time, in addition to provisions herein contained, such Municipal Codes and regulations as the CITY may deem necessary in the exercise of its police power for the protection of the health, safety and welfare of its citizens and their properties.

ARTICLE 5. CHANGING CONDITIONS AND SEVERABILITY

5.1 Meet to Confer. FRANCHISEE and the CITY recognize that many aspects of the telecommunication business are currently the subject of discussion, examination, and inquiry by different segments of the industry and affected regulatory authorities and that these activities may ultimately result in fundamental changes in the way FRANCHISEE conducts its business and the way the CITY regulates the business. In recognition of the present state of uncertainty respecting these matters, FRANCHISEE and the CITY each agree, upon request of the other during the term of this Agreement, to meet with the other and discuss in good faith whether it would be appropriate, in view of developments of the kind referred to above during the term of this Agreement, to amend this Agreement or enter into separate, mutually satisfactory arrangements to effect a proper accommodation of any such developments.

5.2 Severability. If any section, sentence, paragraph, term or provision of this Agreement or the Municipal Code is for any reason determined to be or rendered illegal, invalid, or superseded by other lawful authority, including any state or federal, legislative, regulatory or administrative authority having jurisdiction thereof, or is determined to be unconstitutional, illegal or invalid by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision, all of which shall remain in full force and effect for the term of this Agreement or any renewal or renewals thereof. If the invalidated portion is considered a material consideration for entering into this Agreement, the parties will negotiate, in good faith, an amendment to this Agreement. As used herein, "material consideration" for the CITY is its ability to collect the Franchise Fee during the term of this Agreement and its ability to manage the Rights-of-Way in a manner similar to that provided in this Agreement, the Municipal Code, and the City's Excavation Permit Policy. For FRANCHISEE, "material consideration" is its ability to use the Rights-of-Way for telecommunication purposes in a manner similar to that provided in this Agreement, the Municipal Code, and the CITY's Excavation Permit Policy.

ARTICLE 6. EARLY TERMINATION, REVOCATION OF FRANCHISE AND OTHER REMEDIES

6.1 Grounds for Termination. The CITY may terminate or revoke this Agreement and all rights and privileges herein provided, upon ninety (90) days prior notice, for any of the following reasons:

(a) FRANCHISEE fails to make timely payments of the franchise fee as required under Article 2 of this Agreement and does not correct such failure within sixty (60) calendar days after written notice by the CITY of such failure;

(b) FRANCHISEE, by act or omission, materially violates a material duty herein set forth in any particular provision within FRANCHISEE's control, and with respect to

which redress is not otherwise herein provided. In such event, the CITY, acting by or through its CITY Council, may determine, after hearing, that such failure is of a material nature, and thereupon, after written notice giving FRANCHISEE notice of such determination; FRANCHISEE, within sixty (60) calendar days of such notice, shall commence efforts to remedy the conditions identified in the notice and shall have ninety (90) calendar days from the date it receives notice to remedy the conditions. After the expiration of such 90-day period and failure to correct such conditions, the CITY may declare the franchise forfeited and this Agreement terminated, and thereupon, FRANCHISEE shall have no further rights or authority hereunder; provided, however, that any such declaration of forfeiture and termination shall be subject to judicial review as provided by law, and provided further, that in the event such failure is of such nature that it cannot be reasonably corrected within the 90-day time period provided above, the CITY shall provide additional time for the reasonable correction of such alleged failure if the reason for the noncompliance was not the intentional or negligent act or omission of FRANCHISEE; or

(c) FRANCHISEE becomes insolvent, unable or unwilling to pay its debts, is adjudged bankrupt, or all or part of its facilities should be sold under an instrument to secure a debt and is not redeemed by FRANCHISEE within sixty (60) days.

6.2 Reserved Rights. Nothing contained herein shall be deemed to preclude FRANCHISEE from pursuing any legal or equitable rights or remedies it may have to challenge the action of the CITY.

6.3 Remedies at Law. In the event FRANCHISEE or the CITY fails to fulfill any of its respective obligations under this Agreement, the CITY or FRANCHISEE, whichever the case may be, may assert a breach of contract claim and remedy against the other, in addition to any other remedy provided herein or by law; provided, however, that no remedy that would have the effect of amending the specific provisions of this Agreement shall become effective without such action that would be necessary to formally amend the Agreement. In the event of any controversy, claim or action being filed or instituted between the CITY and FRANCHISEE relating to or arising out of this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs through all levels of action incurred by the prevailing party.

6.4 Third Party Beneficiaries. The benefits and protection provided by this Agreement shall insure solely to the benefit of the CITY and FRANCHISEE. This Agreement shall not be deemed to create any right in any person who is not a party and shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (other than the permitted successors and assigns of a party hereto).

6.5 Assignment. This Agreement may not be assigned by FRANCHISEE except to a wholly owned subsidiary of FRANCHISEE without the prior written consent of the CITY, which consent shall not be unreasonably withheld.

ARTICLE 7. PARTIES' DESIGNEES

7.1 CITY Designee and Address. The City Manager or his or her designee(s) shall serve as the CITY's representative regarding administration of this Agreement. Unless otherwise specified herein or in the Municipal Code, all notices from FRANCHISEE to the CITY pursuant to or concerning this Agreement, shall be delivered to the CITY's representative at:

Washington Terrace City
Attn: City Manager
5249 South 400 East
Washington Terrace, UT 84405

or such other officer and address as the CITY may designate by written notice to FRANCHISEE.

7.2 Franchisee Designee and Address. FRANCHISEE's President or his or her designee(s) shall serve as FRANCHISEE'S representative regarding administration of this Agreement. Unless otherwise specified herein or in the Municipal Code, all notices from the CITY to FRANCHISEE pursuant to or concerning this Agreement, shall be delivered to FRANCHISEE's offices at:

All West/Utah, Inc.
50 West 100 North
Kamas, UT 84036

or such other officer and address as FRANCHISEE may designate by written notice to the CITY.

7.3 Failure of Designee. The failure or omission of the CITY's or FRANCHISEE's representative to act shall not constitute any waiver or estoppel by the CITY or FRANCHISEE.

ARTICLE 8. INSURANCE AND INDEMNIFICATION

8.1 Insurance. Prior to commencing operations in the CITY pursuant to this Agreement, FRANCHISEE shall furnish to the CITY evidence that it has adequate general liability and property damage insurance in the minimum amount of \$2,000,000 along with a \$50,000 surety bond payable to the CITY upon demand that is valid for three (3) years after the date of completion. FRANCHISEE is required to provide in writing the date of completion to the CITY. The evidence may consist of a statement that FRANCHISEE is effectively self-insured if FRANCHISEE has substantial financial resources, as evidenced by its current certified financial statements and established credit rating, or substantial assets located in the State of Utah. Any and **all** insurance, whether purchased by FRANCHISEE from a commercial canier, whether provided through a self-insured program, or whether provided in some other form or other program, shall be in a form, in an amount and of a scope of coverage acceptable to the CITY.

8.2 Indemnification. FRANCHISEE agrees to indemnify, defend and hold the CITY and its governing body, officers, employees, contractors, and agents harmless from and against any and all third-party claims, demands, liens, and all liability or damage of whatsoever kind on account of or arising from FRANCHISEE's acts or omissions pursuant to or related to this Agreement, and to pay any and all costs, including reasonable attorneys' fees, incurred by the CITY in defense of such claims. The CITY shall promptly give written notice to FRANCHISEE of any claim, demand, lien, liability, or damage, with respect to which the CITY seeks indemnification and, unless in the CITY's judgment a conflict of interest may exist between the parties with respect to the claim, demand, lien, liability, or damage, the CITY shall permit FRANCHISEE to assume the defense of such with counsel of FRANCHISEE'S choosing, unless the CITY reasonably objects to such counsel. Notwithstanding any provision of this Section to the contrary, FRANCHISEE shall not be obligated to indemnify, defend or hold the CITY harmless to the extent any claim, demand, lien, damage, or liability arises out of or in connection with negligent acts or omissions of the CITY.

ARTICLE 9. INSTALLATION

9.1 Coordinated Installation. In order to prevent and/or minimize the number of cuts to and excavations within the CITY Rights-of-Way, FRANCHISEE shall coordinate with the CITY and other providers or users of the CITY Rights-of-Way, when such cuts and excavations will be made. Unless otherwise permitted, installation, repairs, or maintenance of lines and facilities within the CITY Rights-of-Way shall be made at the same time other installations, repairs or maintenance of facilities are conducted within the CITY Rights-of-Way.

9.2 Underground Installation. Notwithstanding the provisions of Article 1.3 of this Agreement, FRANCHISEE expressly agrees to install and maintain all of its underground facilities in accordance with the CITY's Municipal Code regarding the undergrounding of utility lines, in effect at the time this Agreement is entered into and as subsequently amended during the term of this Agreement.

9.3 Aerial Installation: Notwithstanding the provisions of Article 1.3 of this Agreement, FRANCHISEE expressly agrees to install and maintain all of its aerial facilities in accordance with the CITY's Municipal Code regarding the installation of aerial utility lines and pole attachment agreement terms, In effect at the time this Agreement is entered into and as subsequently amended during the term of this Agreement. Nothing herein shall require FRANCHISEE to convert existing overhead

facilities to underground facilities until and unless other similarly situated providers in the same location are required to do so.

9.4 Prior Approval. FRANCHISEE shall not perform any work within CITY Rights-of- Way without having first obtained a written permit from the CITY authorizing such work.

9.5 Maintenance and Repairs. FRANCHISEE shall maintain all its infrastructure at its sole expense for the duration of this Agreement. FRANCHISEE shall repair or replace any utilities or CITY infrastructure of any kind damaged or compromised by FRANCHISEE during installation or maintenance under this Agreement at the sole expense of FRANCHISEE.

ARTICLE 10. GENERAL PROVISIONS

10.1 Binding Agreement. The parties represent that: (a) when executed by their respective representatives, this Agreement shall constitute legal and binding obligations of the parties; and
(b) each party has complied with all relevant statutes, ordinances, resolutions, by-laws and other legal requirements applicable to its operation in entering into this Agreement. This Agreement shall be binding upon the heirs, successors, administrators and assigns of each of the parties.

10.2 Governing Law. This Agreement shall be interpreted pursuant to Utah law and jurisdiction and venue for any legal action pertaining to this Agreement shall be in the District Court of Weber County State of Utah.

10.3 Time of Essence. Time shall be of the essence of this Agreement.

10.4 Interpretation of Agreement. The invalidity of any portion of this Agreement shall not prevent the remainder from being carried into effect. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number and vice versa, and the use of any gender shall include the other gender. The paragraphs and section headings in this Agreement are for convenience only and do not constitute a part of the provisions hereof.

10.5 No Presumption. Both parties have participated in preparing this Agreement. Therefore, the parties stipulate that any court interpreting or construing this Agreement shall not apply the rule of construction that the Agreement should be more strictly construed against the drafting party.

10.6 Entire Agreement and Amendments. This Agreement and all attachments hereto constitute the entire agreement and understanding between the parties and replaces any previous agreement, understanding or negotiation between the parties with respect to its subject matter, and may be modified or amended, supplemented, or changed only by the written agreement of the parties, including the formal approval of the City Council. No oral modifications or amendments shall be effective.

"CITY"
WASHINGTON TERRACE CITY

By _____
Tom Hanson, City Manager

ATTEST

City Recorder

FRANCHISEE
ALLWEST/UTAH, INC

Signature

Printed Name

Title

EXHIBIT A

15.12.010 Findings

The Washington Terrace City Council hereby makes the following findings:

1. Rights-of-way and public property. The city finds that rights-of-way and public property within the city:
 1. Are critical to transportation and public services for the general public.
 2. Are intended for public uses and must be managed and controlled consistent with that intent.
 3. Can be partially occupied by the facilities of utilities and other public service entities delivering utility and public services rendered for profit, to the enhancement of the health, welfare, and general economic well-being of the city and its citizens.
 4. Are a unique and physically limited resource requiring proper management to maximize the efficiency and to minimize the costs to the taxpayers of the foregoing uses and to minimize the inconvenience to and negative effects upon the public from such facilities" construction, placement, relocation, and maintenance in the rights-of-way or on certain public property.
2. Compensation. The city finds that the city should receive fair and reasonable compensation for use of the rights-of-way and public property.
3. Local concern. The city finds that while utilities are in part an extension of interstate commerce, their operations also involve rights-of-way, municipal franchising, and vital business and community service, which are of local concern.
4. Promotion of services. The city finds that it is in the best interests of its taxpayers and citizens to promote the development of utilities, on a nondiscriminatory basis, responsive to community and public interest, and to assure availability for municipal, educational and community services.
5. Franchise standards. The city finds that it is in the interests of the public to franchise and to establish standards for franchising providers in a manner that:
 1. Fairly and reasonably compensates the city on a competitively neutral and non-discriminatory basis as provided herein.
 2. Encourages competition by establishing terms and conditions under which providers may use the rights-of-way to serve the public.
 3. Fully protects the public interest and the city from any harm that may flow from such commercial use of rights-of-way.
 4. Protects the police powers and rights-of-way management authority of the city, in a manner consistent with federal and state law.
 5. Otherwise protects the public interests in the development and use of the city infrastructure.
 6. Protects public investment in improvements in the rights-of-way.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

15.12.020 Definitions

For the purpose of this chapter, the following terms shall have the meanings herein prescribed:

1. "Application" means the process by which a provider submits a request and indicates a desire to be granted a franchise to utilize the rights-of-way of all, or a part, of the city. An application includes all written documentation, verbal statements and representations, in whatever form or forum, made by a provider to the city concerning: the construction of a telecommunications system over, under, on or through the rights-of-way; the telecommunications services proposed to be provided in the city by a provider; and any other matter pertaining to a proposed system or service.
2. "City" means the City of Washington Terrace, Utah.
3. "Franchise" means the rights and obligation extended by the city to a provider to own, lease, construct, maintain, use or operate a system in the rights-of-way or on public property within the boundaries of the

city. Any such authorization, in whatever form granted, shall not mean or include:

1. Any other permit or authorization required for the privilege of transacting and carrying on a business within the city required by the ordinances and laws of the city.
2. Any other permit, agreement or authorization required in connection with operations on rights-of-way or public property including, without limitation, permits and agreements for placing devices on or in poles, conduits or other structures, whether owned by the city or a private entity, or for excavating or performing other work in or along the rights-of-way.
4. "Franchise agreement" means a contract entered into in accordance with the provisions of this chapter between the city and a franchisee that sets forth, subject to this chapter, the terms and conditions under which a franchise will be exercised for use of public right-of-way or public property by a service provider; or any service, including but not limited such services as delivery or collection; or service that the municipality deems best served under a municipal service contract.
5. "Gross revenue" includes all revenues of a provider that may be included as gross revenue within the meaning of Chapter 26, Title 11 Utah Code Annotated, 1953, as amended. In the case of any provider not covered within the ambit of Chapter 26, Title 11 Utah Code Annotated, the definition of "gross revenue" shall be that set forth the franchise agreement.
6. "Right-of-way" means the surface of and the space above and below any public street, sidewalk, alley, or other public way of any type whatsoever, now or hereafter existing as such within the city.
7. "Service provider" or "provider" means the person or entity that is subject to a franchise agreement in the city.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

[15.12.030 Franchise Required](#)

It shall be unlawful to:

1. Generally. Install, construct, or maintain any wires, cables, poles, pipes or other equipment for the provision of public utility service in, on, under, or over any street, alley, sidewalk, parkway or other public place in the city without first having obtained a franchise agreement for use of the public right-of-way from the city.
2. Telecommunications. Construct, maintain, or operate a telecommunications system or provide telecommunications services using the rights-of-way or public property without first obtaining a franchise before constructing an open video system or providing open video services via an open video system. By way of illustration and not limitation, a cable operator of a cable system or an open video system provider must obtain a franchise, and should any provider intend to provide telecommunications services over the same system, must also obtain a telecommunications franchise. This part does not apply where to the extent preempted by federal or state law, as ultimately interpreted by a court of competent jurisdiction, including any appeal.
3. Collection. Operate a residential solid waste collection service or other residential collection service in the city without first having obtained a franchise agreement for use of the public right-of-way from the city.
4. Provide a service that exceeds the scope of an existing franchise agreement entered with the city.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

[15.12.040 Franchise Agreement](#)

1. Generally. A franchise agreement shall:
 1. Be a written agreement negotiated by the city manager with the service provider.
 2. Take the form of a contract approved by a resolution adopted by the city council.
 3. Franchise agreements generally should not exceed a term of fifteen (15) years without good cause shown.
 4. Prior franchise agreements shall continue until a new agreement is entered.

2. Application. A service provider seeking to use the right-of-way or public property in the city shall make application to obtain a franchise by filing a written request with the city recorder. The written request shall explain the scope of the use sought, proposed location, and other information relating to the proposed franchise.
3. City manager. The city recorder shall refer the application to the city manager who shall negotiate a proposed franchise agreement.
4. Land use authority. The city land use authority shall grant any approval in accordance with the municipal code relating to the use as may be required in the municipal code.
5. Contents. The contents of a franchise agreement shall include, but not be limited to, the following:
 1. The term of the franchise.
 2. Compensation in the form of franchise fee, use agreement fees, or other remuneration to be paid to the city.
 3. Rights and limitations on the franchise.
 4. Public use of the franchise.
 5. An explanation relating to the service provided through the franchise.
 6. A description of the area or customers who are to be served by the franchisee, including obligations, if any, to expand service.
 7. Relocation of facilities upon request of city.
 8. The commencement, interruption or discontinuation of customer service;
 9. The quality of service received by customers;
 10. Customer billing practices;
 11. All reasonable land use requirements in the public right-of-way;
 12. The handling of customer complaints.
 13. Assignment of the franchise.
6. Approval. No franchise contract shall take effect until it has been approved by the city council.
7. Limitations on franchise. Any franchise or use agreement granted pursuant to this section shall remain subject to the right of the city to adopt, from time to time, legislation relating to service commencement, interruption or discontinuation of customer service; land use regulations; public works regulations; quality of service received by customers; billing practices; or the handling of customer complaints.
8. Scope. A franchise shall not convey title, equitable or legal, in the rights-of-way. A franchise is only the right to occupy rights-of-way on a non-exclusive basis for the limited purposes and for the limited period stated in the franchise; the right may not be subdivided, assigned, or subleased, except as may be expressly provided in a franchise agreement. Franchise does not excuse a provider from obtaining appropriate access or pole attachment agreements before collocating its system on the property of others, including the city's property. This section shall not be construed to prohibit a provider from leasing conduit to another provider, so long as the lessee has obtained a franchise.
9. Existing providers. Except to the extent exempted by federal or state law, any provider acting without a franchise on the effective date of the ordinance codified in this chapter, shall request issuance of a franchise from the city within ninety days of the effective date of the ordinance codified in this chapter. If such request is made, the provider may continue providing service during the course of negotiations. If a timely request is not made, or if negotiations cease and a franchise is not granted, the city may pursue any remedy afforded at law or equity.
10. Regulatory approval. Before offering or providing any services pursuant to the franchise, a provider shall obtain any and all regulatory approvals, permits, authorizations or licenses for the offering or provision of such services from the appropriate federal, state and local authorities, if required, and shall submit to the city upon the written request of the city evidence of all such approvals, permits, authorizations or licenses.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

15.12.050 Fees, Payment, And Reporting

1. Application fee. The provider shall pay the city an application fee in order to offset costs to the city for application review, including any publication costs, relating to the proposed franchise and in addition to all other fees, permits, or charges. The fee shall be the actual costs of the review up to, but not to exceed, five-hundred dollars as a non-refundable application fee.
2. Excavation and building permits. The provider shall also obtain and pay any necessary excavation and building permit fees that may be required by the municipal code.
3. Future costs. A provider shall pay to the city, or to any third party as directed by the city, an amount equal to the reasonable costs and reasonable expenses that incurred for the third party service, including but not limited to legal fees, engineering, and consulting costs, in connection with any renewal or provider initiated renegotiation, or amendment to a franchise agreement, provided, that the parties shall agree upon a reasonable financial cap at the outset of negotiations. In the event the parties are unable to agree, either party may submit the issue to binding arbitration in accordance with the rules and procedures of the American Arbitration Association. Any costs associated with any work to be performed by the city's public works department on behalf of the provider shall be borne by the provider.
4. Payments and reporting. Unless otherwise stated in a franchise agreement, within forty-five (45) days after the end of December, the service provider hereunder shall file with the city recorder a report of its gross revenue attributable to the sale and use of services specified hereunder rendered in competition with public utilities in the city, together with a computation of the fees or taxes levied hereunder against such service provider. Coincidental with the filing of such report, the business shall pay to the city the amount of the fee or tax due for the calendar month which is the subject of the said report.
5. Interest on late payments. In the event that any payment is not actually received by the city on or before the applicable date fixed in the franchise, interest thereon shall accrue from such date until received at the same interest rate amount charged for delinquent state taxes.
6. Taxes and assessments. The provider is responsible for all taxes and other assessments imposed by a taxing authority. Such taxes and assessments shall be in addition to any other fees in this chapter.
7. No accord and satisfaction. No acceptance by the city of any fee shall be construed as an accord that the amount paid is in fact the correct amount, nor shall such acceptance of such fee payment be construed as a release of any claim the city may have for additional sums payable.
8. No in lieu of payments. The fee payment is not a payment in lieu of any tax, fee or other assessment except as specifically provided in a franchise agreement. By way of example, and not limitation, excavation permit fees and building permit fees to obtain space on the city-owned poles are not waived and remain applicable.
9. Continuing obligation and holdover. In the event a provider continues to operate all or any part of the system after the term of the franchise, such operator shall continue to comply with all applicable provisions of this chapter and the franchise, including, without limitation, all compensation and other payment provisions throughout the period of such continued operation, provided that any such continued operation shall in no way be construed as a renewal or other extension of the franchise, nor as a limitation on the remedies, if any, available to the city as a result of such continued operation after the term, including, but not limited to, damages and restitution.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

15.12.060 Construction And Technical Requirements

1. General requirement. No provider shall receive a franchise unless it agrees to comply with each of the terms set forth in this section governing construction and technical requirements for its system, in addition to any other reasonable requirements or procedures specified by the city or the franchise, including requirements regarding locating and sharing in the cost of locating portions of the system with other systems or with city utilities.
2. Excavation. A provider shall obtain an excavation permit before commencing any work in the rights-of-way.

3. Quality. All work involved in the construction, maintenance, repair, upgrade and removal of the system shall be performed in a safe, thorough and reliable manner using materials of good and durable quality. If, at any time, it is determined by a regulatory agency, that any part of a providers system or operation is harmful to public health, safety or welfare, or quality of service or reliability, then a provider shall, at its own cost and expense, promptly correct all such conditions.
4. Licenses and permits. A provider shall have the sole responsibility for diligently obtaining, at its own cost and expense, all permits, licenses or other forms of approval or authorization necessary to construct, maintain, upgrade or repair the system or operation, including but not limited to any necessary approvals from persons and/or the city to use private property, easements, poles and conduits. A provider shall obtain any required permit, license, approval or authorization prior to the commencement of the activity for which the permit, license, approval or authorization is required.
5. Relocation of the system or operation.
 1. New grades or lines. If the grades or lines of any rights-of-way are changed at any time in a manner affecting the system or operation, then a provider shall relocate accordingly at providers expense.
 2. Emergency relocation. The city may, at any time, in case of fire, disaster or other emergency, as determined by the city in its reasonable discretion, cut or move any parts of the system, operation, or appurtenances on, over or under the rights-of-way or public property of the city, in which event the city shall not be liable therefore to a provider. The city shall attempt to notify a provider as most practicable under the circumstances in the event of emergency relocation.
 3. Temporarily relocation. A provider shall, upon prior reasonable written notice by the city or any person holding a permit to move any structure, and within the time that is reasonable under the circumstances, temporarily move any part of its system to permit the moving of said structure. A provider may impose a reasonable charge on any person, other than the city, for any such movement of its system.
 4. Right-of-way alteration. When the city is changing a right-of-way and makes a written request, a provider is required to move or remove its system from the rights-of-way, without cost to the city. This obligation continues regardless of whether the provider has obtained an excavation permit.
6. Protect structures. In connection with the construction, maintenance, repair, upgrade or removal of the system, a provider shall, at its own cost and expense, protect any and all existing structures belonging to the city and all designated landmarks. A provider shall obtain the prior written consent of the city to alter any water main, power facility, sewerage or drainage system, or any other municipal structure on, over or under the rights-of-way of the city required because of the presence of the system. Any such alteration shall be made by the city, or its designee, on a reimbursable basis. A provider agrees that it shall be liable for the costs incurred by the city to replace or repair and restore to its prior condition in a manner as may be reasonably specified by the city, any municipal structure or any other rights-of-way of the city involved in the construction, maintenance, repair, upgrade or removal of the system that may become disturbed or damaged as a result of any work thereon by or on behalf of a provider pursuant to the franchise.
7. No obstruction. In connection with the construction, maintenance, upgrade, repair or removal of the system, a provider shall not unreasonably obstruct the rights-of-way for pedestrian or any other form of traffic within the city without a traffic control plan duly approved by the city.
8. Safety. A provider shall, at its own cost and expense, undertake all necessary and appropriate efforts to prevent accidents at its work sites, including traffic control, the placing and maintenance of proper guards, fences, barricades, security personnel and suitable and sufficient lighting, and such other requirements prescribed by OSHA and other governing agencies. A provider shall comply with all applicable building and construction codes.
9. Repair. After written reasonable notice to the provider, unless, in the sole determination of the city, an eminent danger exists, any rights-of-way within the city which are disturbed or damaged during the construction, maintenance or reconstruction by a provider of its system may be repaired by the city at the provider's expense, to a condition as good as that prevailing before such work was commenced. Upon doing so, the city shall submit to such a provider an itemized statement of the cost for repairing and

restoring the rights-of-ways intruded upon. The provider shall, within thirty days after receipt of the statement, pay to the city the entire amount thereof.

10. System Maintenance. A provider shall:

1. Install and maintain all parts of its system in a non-dangerous condition throughout the entire period of its franchise.
2. Install and maintain its system in accordance with standard prudent engineering practices and shall conform, when applicable, with the applicable building and construction codes, and all applicable other federal, state and local laws or regulations.
3. At all reasonable times, permit examination by any duly authorized representative of the city of the system and its effect on the right-of-way.

11. Trimming of Trees. A provider shall have the authority to trim trees, in accordance with all applicable utility restrictions, ordinance and easement restrictions, upon and hanging over right-of-way so as to prevent the branches of such trees from coming in contact with its system.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

[15.12.070 Successor Provider Bound](#)

Unless otherwise stated in a franchise agreement, all rights and obligations of a provider are binding on any successor to the original franchisee.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

[15.12.080 Oversight And Regulation](#)

1. Insurance and security. Unless otherwise agreed in the franchise agreement, a provider shall deposit with the city an irrevocable, unconditional letter of credit or surety bond as required by the terms of the franchise, and shall obtain and provide proof of the insurance coverage required by the franchise.
2. Indemnity. A provider shall also indemnify the city as set forth in the franchise.
3. Oversight. The city shall have the right to oversee, regulate, and periodically inspect the construction, maintenance, and upgrade of the system, and any part thereof. A provider shall establish and maintain managerial and operational records, standards, procedures and controls to enable a provider to prove, in reasonable detail, to the satisfaction of the city at all times throughout the term, that a provider is in compliance with the franchise. A provider shall retain such records for not less than the applicable statute of limitations.
4. Maintain Records. A provider shall at all times maintain with the city:
 1. A full and complete set of plans, records, and "as-built" drawings and, to the extent the drawings are placed in an electronic format, they shall be made available to the city in such electronic format as far as such is compatible.
 2. Throughout the term of the franchise, a provider shall maintain complete and accurate books of account and records of the business, ownership, and operations of a provider with respect to the system in a manner that allows the city at all times to determine whether a provider is in compliance with the franchise. Should the city reasonably determine that the records are not being maintained in such a manner, a provider shall alter the manner in which the books and/or records are maintained so that a provider comes into compliance with this section. All financial books and records which are maintained in accordance with the regulations of any governmental entity that regulates utilities in the state of Utah, and generally accepted accounting principles shall be deemed to be acceptable under this section.
5. Confidentiality. If the information required to be submitted is proprietary in nature, involve critical infrastructure, or must be kept confidential by federal, state or local law, upon proper request by a provider, such information shall be classified as a protected record within the meaning of the Utah Government Records Access and Management Act ("GRAMA"), making it available only to those who must have access to perform their duties on behalf of the city, provided that a provider notifies the city of,

and clearly labels the information which a provider deems to be confidential, proprietary information. Such notification and labeling shall be the sole responsibility of the provider.

6. Record expense. All reports and records required under this chapter shall be furnished at the sole expense of a provider.
7. Right of inspection. For the purpose of verifying the correct amount of the franchise fee, the books and records of the provider pertaining thereto shall be open to inspection or audit by duly authorized representatives of the city at all reasonable times, upon giving reasonable notice of the intention to inspect or audit the books and records, provided that the city shall not audit the books and records of the provider more often than annually. The provider agrees to reimburse the city the reasonable costs of an audit if the audit discloses that the provider has paid ninety-five percent or less of the compensation due the city for the period of such audit. In the event the accounting rendered to the city by the provider herein is found to be incorrect, then payment shall be made on the corrected amount within thirty calendar days of written notice, it being agreed that the city may accept any amount offered by the provider, but the acceptance thereof by the city shall not be deemed a settlement of such item if the amount is in dispute or is later found to be incorrect.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

[15.12.090 Rights Of City](#)

1. Enforcement. The city is responsible for enforcing and administering this chapter, and the city or its designee, as appointed by the city manager, is authorized to give any notice required by law or under any franchise agreement. Any franchise granted pursuant to this chapter shall contain appropriate provisions for enforcement, compensation, and protection of the public, consistent with the other provisions of this chapter, including, but not limited to, defining events of default, procedures for accessing the bond/security fund, and rights of termination or revocation.
2. Force Majeure. In the event a provider's performance of any of the terms, conditions or obligations required by this chapter or a franchise is prevented by a cause or event not within a provider's control, such inability to perform shall be deemed excused and no penalties or sanctions shall be imposed as a result thereof. For the purpose of this section, causes or events not within the control of a provider shall include, without limitation, acts of God, strikes, sabotage, riots or civil disturbances, failure or loss of utilities, explosions, acts of public enemies, and natural disasters such as floods, earthquakes, landslides, and fires.
3. Abandonment.
 1. Abandoned system. The system shall be deemed to have been abandoned in the event that:
 1. The use of any portion of the system is discontinued for a continuous period of twelve (12) months, and thirty (30) days after no response to written notice from the city to the last known address of provider;
 2. Any system has been installed in the rights-of-way without complying with the requirements of this chapter or franchise; or
 3. No franchise has been granted for the related infrastructure.
 2. Removal of abandoned system. The city, upon such terms as it may impose, may give a provider written permission to abandon, without removing, any system, or portion thereof, directly constructed, operated or maintained under a franchise. Unless such permission is granted or unless otherwise provided in this chapter, a provider shall remove within a reasonable time the abandoned system and shall restore, using prudent construction standards, any affected rights-of-way to their former state at the time such system was installed, so as not to impair their usefulness. In removing its plant, structures and equipment, a provider shall refill, at its own expense, any excavation necessarily made by it and shall leave all rights-of-way in as good condition as that prevailing prior to such removal without materially interfering with any other provider, public utility, other franchise, or similar. The city shall have the right to inspect and approve the condition of the rights-of-way prior to and after removal. The liability, indemnity and insurance provisions of this chapter and any security fund provided in a franchise shall continue in full force and effect during

the period of removal and until full compliance by a provider with the terms and conditions of this section.

3. Transfer of abandoned system to city. Upon abandonment of any system in place, a provider, if required by the city, shall submit to the city a written instrument, satisfactory in form to the city, transferring to the city the ownership of the abandoned system.
4. Removal of above-ground system. At the expiration of the term for which a franchise is granted, or upon its revocation or earlier expiration, as provided for by this chapter, in any such case without renewal, extension or transfer, the city shall have the right to require a provider to remove, at its expense, all above-ground portions of a system from the rights-of-way within a reasonable period of time, which shall not be less than one hundred eighty (180) days. If the provider is the incumbent local exchange carrier, it shall not be required to remove its system, but shall negotiate a renewal in good faith.
5. Leaving underground system. Notwithstanding anything to the contrary set forth in this chapter, a provider may abandon any underground system in place so long as it does not materially interfere with the use of the rights-of-way or with the use thereof by any public utility, cable operator or other person.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

15.12.100 Obligation To Notify

Publicizing Work. Before entering onto any private property, a provider shall make a good faith attempt to contact the property owners in advance, and describe the work to be performed.

15.12.110 Jurisdiction And Interpretation

1. Police powers. To the full extent permitted by applicable law either now or in the future, nothing in this chapter or by granting a franchise shall be construed to limit local government from the lawful exercise of its police powers.
2. Applicability. This chapter shall apply to all franchises granted or renewed after the effective date of the ordinance codified in this chapter. This chapter shall further apply, to the extent permitted by applicable federal or state law to all existing franchises granted prior to the effective date of the ordinance codified in this chapter and to a provider providing services, without a franchise, prior to the effective date of the ordinance codified in this chapter.
3. Other applicable ordinances. A provider's rights are also subject to the police powers of the city to adopt and enforce other ordinances necessary to the health, safety and welfare of the public. A provider shall comply with all applicable general laws and ordinances enacted by a governing authority. In particular, all providers shall comply with the city's land use regulations.
4. Failure to enforce. A provider shall not be relieved of its obligation to comply with any of the provisions of this chapter or any franchise granted pursuant to this chapter by reason of any failure of the city to enforce prompt compliance, and a provider may not use such as a defense.
5. Governing law. This chapter and any franchise granted pursuant to this chapter shall be construed and enforced in accordance with the substantive laws of the state of Utah.

HISTORY

Repealed & Reenacted by Ord. [09-02](#) on 3/3/2009

NOTICE OF SUMMARY STATEMENT
ORDINANCE: 23- 07

This notice serves as a statement that on July 21,2023, the Washington Terrace City Council passed Ordinance 23-07, which concerns a Franchise Agreement with All West Fiber for fiber optic services

A complete copy of the Ordinance may be found on the City Website www.washingtonterracecity.com, under “Government; Recent Ordinances”, the Utah Public Notice Website www.utah.gov/pmn, posted at City Hall, located at 5249 South 400 East, Washington Terrace, or one may be requested from the City Recorders Office 801.395.8283

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice was posted on the Utah Public Notice Website www.utah.gov/pmn , the City Website www.washingtonterracecity.com, and City Hall located at 5249 S 400 East, Washington Terrace.
Amy Rodriguez, City Recorder.