

ORDINANCE NO. 15,421

AN ORDINANCE to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, by amending Section 102-766 and adding and enacting new Section 102-766.01, relating to access to equipment trenches and ducts in city right-of-way.

Be It Ordained by the City Council of the City of Des Moines, Iowa:

Section 1. That the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, is hereby amended by amending Section 102-766 and adding and enacting new Section 102-766.01, relating to access to equipment trenches and ducts in city right-of-way, as follows:

**Sec. 102-766. Compensation required; franchise, license and lease fees.**

- (a) No franchise or lease for use of public right-of-way shall be granted, and no license for the use of public right-of-way shall be issued without requiring the grantee or licensee thereof to compensate the city for such use by payment of a reasonable and competitively neutral fee.
- (b) All new franchises granted by the city shall require the franchisee to pay an annual franchise fee. The franchise fee shall be provided for in the franchise ordinance.
- (c) A license fee shall, to the extent allowed by the constitution and laws of the state, be assessed on all new licenses for use or occupancy of the right-of-way upon and after the city council's approval by resolution of a schedule of license fees for use of city rights-of-way. The schedule of fees for use of city rights-of-way shall reflect the diminution in the functional utility of the right-of-way for use by the city and shall be based upon such factors as the value or rental value of private property abutting the right-of-way to be used and the licensee's avoided cost in using the city right-of-way as opposed to establishing a private right-of-way for the licensed use upon abutting private property. The schedule of fees for use of city rights-of-way shall establish such fees in terms of per-linear-foot charges for the right-of-way used, and assuming a use width of not more than ten feet, with the schedule reflecting the per-foot value of such right-of-way in identified segments of the city.
- (d) A lease fee shall be assessed on all new leases for use or occupancy of the right-of-way. The lease fee shall in each instance be established and provided for in the lease approved by the city council.
- (e) Reserved.

- (f) Franchise, license, and lease fees shall be paid at the city treasurer's office. The acceptance of any such fee payment by the city shall not be construed as an acknowledgment that the amount paid is the correct amount due, nor shall such acceptance of payment be construed as a release of any claim which the city may have for additional sums due and payable. Franchisees and licensees shall, within 90 days of the close of the license or fiscal year, as the case may be, provide the city with an annual audit of the fees paid to the city during the reporting period indicating that the fee paid the city during that period is equal to the franchise or license fee due for such period. If such audit results in a determination that an additional amount of franchise or license fee is owing to the city for the prior year, such additional amount shall be due and payable immediately, together with interest at the rate of ten percent per year calculated from the due dates for the franchise or license fee payments in question. The city manager may waive the audit requirement when he or she determines that the license or franchise fee amount owing to the city is too minimal to justify audit.
- (g) The licensee or lessee shall pay interest at the rate of ten percent per year on any overdue license or lease fee calculated from the due date of the fee.
- (h) Nothing in this division shall be construed to limit the liability of a franchisee, licensee, or lessee for all applicable federal, state and local taxes.
- (i) Nothing in this division shall be construed to prevent the city council from exercising the right of the city to change the amount of any of the fees required by this division.

**Sec. 102-766.01. Access to equipment trenches and ducts.**

Franchisees and licensees may be requested by the city to provide access to equipment trenches or ducts at locations designated by the city in order for the city to install city equipment therein. Such installation shall be undertaken so as not to impact the applicable franchisee's or licensee's equipment or use of the trench or duct. Such access shall be at no cost to the city; shall not require separate access agreement; shall not occur until at least ninety (90) calendar days' notice is given by the city to the applicable franchisee or licensee; and shall not occur until approval by the applicable franchisee or licensee is granted, which approval shall not be unreasonably withheld. Franchisees and licensees shall be obligated to respond to the city's notice requesting access within thirty (30) calendar days from the date stated on such notice, and if approved, the applicable franchisee or licensee shall be required to cooperate with the city to coordinate the access within a reasonable timeframe.

Section 2. This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

FORM APPROVED:

Glenna K. Frank, Assistant City Attorney

T. M. Franklin Cownie, Mayor

Attest:

I, Diane Rauh, City Clerk of the City of Des Moines, Iowa, hereby certify that the above and foregoing is a true copy of an ordinance (Roll Call No. 15-1889), passed by the City Council of said City at a meeting held November 9, 2015 signed by the Mayor on November 9, 2015 and published and provided by law in the Business Record on November 27, 2015. Authorized by Publication Order No. 9340.

Diane Rauh, City Clerk