

## **CHAPTER 10 FRANCHISES**

**Section 10.1** Except as otherwise provided by state statutes, no person, firm or corporation shall place or maintain any permanent or semi-permanent fixtures in, over, upon or under any street or public place for the purpose of operating a public utility, or for any other purpose, without a franchise therefore from the city. A franchise shall be granted only by ordinance, which shall not be an emergency ordinance. No exclusive franchise shall be granted unless the proposed ordinance is submitted to the voters of the city following a public hearing and approved by at least a majority of those voting thereon. Every ordinance granting a franchise shall contain all the terms and conditions of the franchise. The grantee shall bear the costs of publication of the franchise ordinance and shall make a sufficient deposit with the city clerk to guarantee publication before the ordinance is passed.

**Section 10.2 Term.** No perpetual franchise or privilege shall be created, nor shall any exclusive franchise or privilege be granted for a period of more than twenty-five years.

**Section 10.3 Public Hearing.** Before any franchise ordinance is adopted or any rates, fares, or prices to be charged by a public utility are fixed by the council, the council shall hold a public hearing on the matter. Notice of such hearing shall be published at least once in the city newsletter and in the official newspaper not less than ten days prior to the date of the hearing. Failure to publish said notice or any defect in said notice shall not invalidate the notice. However, correction(s) must be published at the earliest practical time.

**Section 10.4 Power of Regulation Reserved.** Subject to any applicable state statutes, the council may by ordinance reasonably regulate and control the exercise of any franchise, including the maximum rates, fares, or prices to be charged by the grantee. No franchise value shall be included in the valuation of the grantee's property in regulating utility rates, fares, or prices under any applicable state or municipal law, or regulation, or in proceedings for municipal acquisition of the grantee's property by purchase or eminent domain.

**Section 10.5 Renewals or Extensions.** Every extension, renewal, or modification of any existing franchise, or of any franchise granted thereafter, shall be subject to the same limitations and shall be granted in the same manner as a new franchise.

- Section 10.1 amended by Ordinance – effective January 24, 2001