



Legislation Text

File #: 19-134, Version: 1

Resolution No.19-02, Amending the Rights-of-Way Fee Schedule to Include Small Cell

RECOMMENDED ACTION (Motion):

Amend Resolution 13-26 and Resolution 14-10 governing Rights-of-Way (ROW) usage fees and establish Resolution 19-02 ROW Usage Fees Schedule including fees for Small Cell facility Rights-of-Way usage.

Background

Small Cell management and deployment within Oregon City Public Rights-of-Way (ROW) is expected to increase significantly over the next several years. Industry projects a 50% increase in deployment of Small Cell facilities over the next 2 years. An estimation of 40% of telecommunication providers will have 100-350 Small Cells per square mile by 2020. The nation's 5G network capabilities is the platform of the future for data processing and wireless communication.

The demand for data processing capacity has led industry to seek solutions in Small Cell deployments along public ROW and new Federal rulings are setting guidelines for municipality public rights-of-way usage fees.

Oregon City staff have reviewed the current needs of the industry, the federal regulations and the impact of these communication industries within Oregon City's ROW. Staff has reviewed the permitting requirements, actions required to complete thorough reviews, and resources allocated to the rights-of-way management and facility deployment over a five-year period. The City's analysis of appropriate usage fees considered both assessment of the annual resources needed for a typical small cell installation as well as an overall program comparison using historical program costs allocated over an assumed number of small cell installations.

Since the Small Cell industry is new following the City's adopted ROW Ordinance and fee resolutions, Resolution 19-02 includes a new Usage Fee Schedule that retains the various utility service usage fees as previously established and establishes the Small Cell Facility usage fees as proposed in this recommended action. The Small Cell usage fee is \$1,850 per year per attachment. Staff evaluated and determined the usage fee to be a reasonable approximation of impacts on City resources and the needs of the growing, changing industries within Oregon City Public Rights-of-Way.

The attached Rights-of-Way Usage Fee Schedule (Exhibit A) outlines the changes in the usage fees for Small Cell deployments in City Public Rights-of-Way. In addition to the annual Small Cell ROW attachment fee, Resolution 19-05, also being presented for consideration by the City Commission, includes one-time construction permit fees to cover the cost of deployment of Small Cell installations. Oregon City staff recommends the adoption of Resolution 19-02 in compliance with both State and Federal regulations for Small Cell uses within the public rights of way.

BUDGET IMPACT:

Amount: Varies annually depending on industry deployment of Small Cell in Oregon City;
General Fund, and Engineering Fund.