# City Council Agenda Summary Sheet (Non Purchases)

Agenda No:

2004-0638 Proposed Telecommunications Right-Of-Way permit

Date:

July 21, 2004

Prepared By:

Michael P. Salhaney, Assistant City Attorney

City File No:

N/A

**Meeting Date:** 

Wednesday, July 28, 2004

# Recommendation:

It is recommended that the City Council approve the proposed telecommunications right-of-way permit submitted by Michigan Bell Telephone d/b/a SBC Michigan.

# **Background Information:**

Michigan Bell Telephone d/b/a SBC Michigan is seeking an MPSC approved Unilateral Safe Harbor Telecommunications right-of-way permit pursuant to the METRO Act. The permit is in the format that has been approved by the Michigan Public Service Commission, and is required by the Metropolitan Extension Telecommunications Rights-Of-Way Oversight Act. SBC already has installed their facilities in the City's rights-of-way, and they are statutorily required to obtain this permit in order to gain access to their facilities on City property.

# **Budget and Staff Impact:**

The Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, PA 48 of 2002 provides for the distribution of right-of-way fees that SBC and other providers must pay to the Metro Authority. Once the Authority receives these fees, the Authority then redistributes the money to the City in accordance with the methodology used to allocate Act 51 money to municipalities.

# **Summary:**

It is recommended that the City Council approve the proposed permit submitted by Michigan Bell Telephone Company d/b/a SBC Michigan to construct and maintain their telecommunications facilities that occupy the City's rights-of-way. The permit complies with the requirements of the Metropolitan Extension Telecommunications Right-of-Way Oversight Act.

- Prepared by: Michael P. Salhaney, Beier Howlett, P.C. (248) 645-9400
- Department Authorization:
- Reviewed by:

Fiscal: Jean Farris

Clerks: Susan Koliba-Galeczka



Robert Meganck SBC Michigan Operations Director C&E 54 N. Mill St. Pontiac, MI 48342

City of Rochester Hills C/O Beverly A. Jasinski City Clerk 1795 Mackwood Rd. Rochester Hills, MI. 48307

RE: METRO ACT R/W Application.

Attached you will find a revised METRO Act Permit Application which addresses missing information from our previously submitted application. I am re-submitting the application at this time as we have yet to secure the required METRO Act Permit. This Permit is required under the METRO Act. I have included a copy of the METRO Act Unilateral Permit SBC is requesting for a period of five (5) years. Also included Self-Insurance documents as authorized in 6.1, as we are a Self-Insured Company registered with the State of Michigan. The Permit authorizes SBC to satisfy the self-insurance provisions by providing documentation of its financial resources to the Municipality. A current balance sheet on file with the FCC and Michigan Public Services Commission, as well as our good standing certificate has been included to show evidence of our financial resources to Self-Insure. As you know with Self-Insurance there is no policy to add the City as additional insured. I have sent the permits copy with an added an Exhibit "A" write-up to the Permit (to care for Route Map information). The Majority of Municipalities across the State have accepted its use. The attached CD-ROM which designates the road rights of ways and routes SBC existing facilities follow by a single line, with road names identified, but not the actual location of SBC's facilities. The MPSC METRO Mapping Minute Withdrawal order dated 7/31/03 has withdrawn the description as noted in section 2.3 of the application. At this time there is no requirement of the route maps to include depth, aerial, buried or side of the street location. As you know the MPSC and METRO Authority has yet to rule on the content of route maps pertaining to PA 48 beyond the electronic format. I trust this will cover any requirements you need. If you approve return a signed copy of the permit for Signiture. If you need additional information please contact me at 248-975-4780.

Sincorely,

Touch No you che

Robert Meganck

JUN 25 2004

Cc: Melvin Farmer Jr., Director METRO Authority



# CITY OF ROCHESTER HILLS

# APPLICATION FOR ACCESS TO AND ONGOING USE OF PUBLIC WAYS BY TELECOMMUNICATIONS PROVIDERS

By Michigan Bell Telephone, d.b.a. SBC Michigan ("APPLICANT")

This is an application pursuant to Sections 5 and 6 of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, 2002 PA 48 (the "METRO Act") for access to and ongoing usage of the public right-of-way, including public roadways, highways, streets, alleys, easements, and waterways ("Public Ways") in the Municipality for a telecommunications system. The METRO Act states that "A municipality shall approve or deny access under this section within 45 days from the date a provider files an application for a permit for access to a public right-of-way." MCLA 484.3115(3).

This application must be accompanied by a one-time application fee of \$500, unless the applicant is exempt from this requirement under Section 5(3) of the METRO Act, MCLA 484.3105(3).

# 1 **GENERAL INFORMATION**:

1.1 Date: 10-16-03/revised 5-25-2004

1.2 Applicant's legal name: Michigan Bell Telephone Company d/b/a SBC Michigan, C/O Robert Meganck, Operations Director Michigan C&E

Mailing Address: 54 N. Mill St., Box 3

Pontiac, MI 48342

Telephone Number: 248-975-4780

Fax Number: 248-975-4733

Corporate website: www.SBC.com

Name and title of Applicant's local manager (and if different) contact person

regarding this application: Matthew Bonar, Area Manager

Telephone Number: 248-456-0830 Fax Number: 248-975-4075

1.3	Type of Entity: (Check one	e of the following)
- -	X Corporation General Partnership Limited Partnership Limited Liability Con Individual Other, please describ	
of Commerc SBC Amer Telecommun 1.5 subsidiary telecommuni Michigan. N	ell Telephone Company have the Corporations and Security ritech Michigan, SBC mications 2000. SBC is also use Description of Entity: Michigan of SBC Communication ication services and operate MBT is Regulated and subject MPSC, under provisions of APA 179).  1.5.1 Jurisdiction of incorporation of 1.5.2 Date of incorporation.	nigan Bell Telephone Company is a wholly owned
Inc.	•	ent/CEO, Secretary and Treasurer (and equivalent
	ard E Whitacre Jr. all Stephenson	Chairman and CEO, SBC Communications Inc. Executive V. P. and Chief Financial Officer, SBC Communications Inc.
April	F. Torreano J. Rodewald ael J. Viola	President, SBC Michigan Secretary, SBC Michigan Treasurer, SBC Michigan
standing with corporate en	e Michigan Department of Con the State of Michigan. For ea	's most recent annual report (with state ID number) nsumer and Industry Services and certificate of good ntities in existence for less than one year and for non- nformation. This information is available at
1.7 Applicant and		present or potential conflicts of interest between the: NO
1.8	- , ,	years, has Applicant had a permit to install

*If "yes," please describe the circumstances.* 

- 1.9 In the past three (3) years, has an adverse finding been made or an adverse final action been taken by any Michigan court or administrative body against Applicant under any law or regulation related to the following:
  - 1.9.1 A felony; NO or
  - 1.9.2 A revocation or suspension of any authorization (including cable franchises) to provide telecommunications or video programming services?

NO

If "yes," please attach a full description of the parties and matters involved, including an identification of the court or administrative body and any proceedings (by dates and file numbers, if applicable), and the disposition of such proceedings.

- 1.10 SBC has been granted and currently holds a certified license to operate in exchanges and zones within the State of Michigan from the MPSC. We are regulated by and subject to terms and conditions of MPSC Tariff 20R and 20U, on file with the MPSC under the provisions of Article 3 of the Michigan Telecommunications Act MTA. Therefore, no financial information needs to be supplied. If publicly held, provide Applicant's most recent financial statements. If financial statements of a parent company of Applicant (or other affiliate of Applicant) are provided in lieu of those of Applicant, please explain. SBC Communications Inc.'s Annual Report and SEC 10K and 10Q statements are available at www.sbc.com/investor\_relations.
  - 1.10.1 If privately held, and if Municipality requests the information within 10 days of the date of this Application, the Applicant and the Municipality should make arrangements for the Municipality to review the financial statements.

If no financial statements are provided, please explain and provide particulars. SBC Michigan has been granted and currently holds all authorities necessary from the Michigan Public Services Commission (MPSC) to provide local exchange services within its service areas in the State of Michigan; therefore, no financial information is required to be submitted. SEC 10K and 10Q forms are available at <a href="www.sbc.com/public relations">www.sbc.com/public relations</a>. Applicant is a wholly owned subsidiary of SBC Communications Inc., and does not separately report financial results to the SEC.

# **2 DESCRIPTION OF PROJECT:**

- 2.1 Provide a copy of authorizations, if applicable, Applicant holds to provide telecommunications services in Municipality. If no authorizations are applicable, please explain. Authorizations of MPSC Tariffs 20U and 20R on file with the MPSC under the provisions of Article 3 of the Michigan Telecommunications Act. (MTA)
- 2.2 Describe in plain English how Municipality should describe to the public the telecommunications services to be provided by Applicant and the telecommunications facilities to be installed by Applicant in the Public Ways.
- SBC Michigan provides local exchange and exchange access services, wholesale and resale services to qualifying competitive local carriers and miscellaneous other services as set forth in Applicant's tariffs on file with the MPSC. The telecommunications facilities SBC Michigan installs and maintains in the Public Ways of the Municipality, consists of: fiber optic and copper pair cable and wires, conduits, manholes, poles, and ducts to support the same, pedestals, cabinets, controlled environment vaults, and huts to enclose and protect cable and wire and electronic transmission equipment, and appurtenant facilities.
- 2.3 Attach route maps showing the location of Applicant's existing and proposed facilities in the public right-of-way. To the extent known, please identify the side of the street on which the facilities will be located. (If construction approval is sought at this time, provide engineering drawings, if available, showing location and depth, if applicable, of facilities to be installed in the public right-of-way). See attached CD, which designates the roads, rights-of-ways and routes SBC Michigan existing facilities generally follow by a single line with road names identified. SBC Michigan has calculated the lineal footage used in determining the maintenance fee for each Municipality upon the assumption that SBC Michigan occupies all Public rights of ways, as defined in the Metro Act, located within the Municipality. SBC Michigan does not believe that the Metro Act requires that location information such as the sides of street occupied be provided. No approval for new construction is requested at this time.
- 2.4 Please provide an anticipated or actual construction schedule. No approval for new construction is requested at this time and hence no schedule for such construction is provided.
- 2.5 Please list all organizations and entities which will have any ownership interest in the facilities proposed to be installed in the Public Ways. SBC Michigan. Other entities may own cable, wires and other equipment attached to SBC Michigan's poles, or placed in SBC Michigan's conduit, manholes, vaults, huts or cabinets.
- 2.6 Who will be responsible for maintaining the facilities Applicant places in the Public Ways and how are they to be promptly contacted? If Applicant's facilities are to be installed on or in existing facilities in the Public Ways of existing public utilities or incumbent telecommunications providers, describe the facilities to be used, and provide verification of their consent to such usage by Applicant. SBC Michigan will maintain all of the facilities it owns in the Public Ways. Contacts are to be made through the local contacts provided in this application.

# 3 <u>TELECOMMUNICATION PROVIDER ADMINISTRATIVE</u> <u>MATTERS</u>:

Please provide the following or attach an appropriate exhibit.

- 3.1 Address of Applicant's nearest local office; 54 N. Mill St., Box 32, Pontiac, MI. 48342
- 3.2 Location of all records and engineering drawings if not at local office; **Records** will be at local Office stated above.
- 3.3 Names, titles, addresses, e-mail addresses and telephone numbers of contact person(s) for Applicant's engineer or engineers and their responsibilities for the telecommunications system; Paulette Regula, Area Engineer, 54 N. Mill St., Box 32, Pontiac, MI. 48342, Office: 248-456-9167, Fax: 248-456-9066
- 3.4 Provide evidence of self-insurance or a certificate of insurance showing Applicant's insurance coverage, carrier and limits of liability for the following: **SEE ATTACHED SELF-INSURANCE STATEMENT.** 
  - 3.4.1 Worker's compensation;
  - 3.4.2 Commercial general liability, including at least:
    - 3.4.2.1 Combined overall limits:
    - 3.4.2.2 Combined single limit for each occurrence of bodily injury;
    - 3.4.2.3 Personal injury;
    - 3.4.2.4 Property damage;
  - 3.4.2.5 Blanket contractual liability for written contracts, products, and completed operations;
    - 3.4.2.6 Independent contractor liability;
  - 3.4.2.7 For any non-aerial installations, coverage for property damage from perils of explosives, collapse, or damage to underground utilities (known as XCU coverage);
  - 3.4.3 Automobile liability covering all owned, hired, and non-owned vehicles used by Applicant, its employee, or agents.

3.5 Names of all anticipated contractors and subcontractors involved in the construction, maintenance and operation of Applicant's facilities in the Public Ways. SBC Michigan uses many different contractors. Names of contractors for specific construction projects will be submitted with any New Construction Permit Application. No new construction approval is requested at this time.

# 4 **CERTIFICATION**:

Date: Revised 5-25-2004

All the statements made in the application and attached exhibits are true and correct to the best of my knowledge and belief.

**NAME OF ENTITY ("APPLICANT")** 

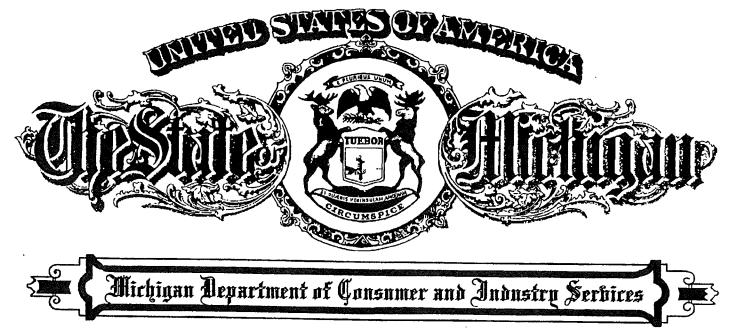
SBC Michigan

By: Kohert Meyorch
Robert A Meganck

Printed Name

Operations Director, Michigan C&E

Title



Lansing, Michigan

This is to Certify That

# MICHIGAN BELL TELEPHONE COMPANY

was validly incorporated on January 26, 1904, as a Michigan profit corporation, and said corporation is validly in existence under the laws of this state.

This certificate is issued pursuant to the provisions of 1972 PA 284, as amended, to attest to the fact that the corporation is in good standing in Michigan as of this date and is duly authorized to transact business and for no other purpose.

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.

In testimony whereof, I have hereunto set my hand, in the City of Lansing, this 15th day of December, 2003.

, Director

Bureau of Commercial Services

MICHIGAN BELL TELEPHONE COMPANY TARIFF M.P.S.C. NO. 20R

SBC

PART 1 SECTION 1

PART 1 - Preface SECTION 1 - Title Sheet and Symbols 1st Revised Sheet No. 2
Cancels
Original Sheet No. 2

# 'A. APPLICATION

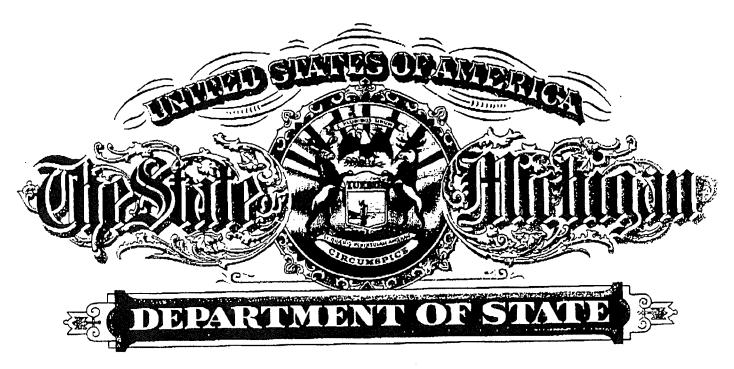
This Tariff applies to the regulated Intrastate Intralata Telecommunications Services, provided by Michigan Bell Telephone Company, with a certified license to operate in exchanges and zones, within the State of Michigan, regulated by and subject to the terms and conditions of this Tariff on file with the Michigan Public Service Commission (M.P.S.C.) under the provision of Article 3 of the Michigan Telecommunications Act (MTA) (1991 PA 179).

(C)

(C)

# B. TARIFF SYMBOLS

- (C) Signifies a changed regulation or change in text.
- (D) Signifies a discontinued rate, treatment or regulation.
- (I) Signifies an increased rate or new treatment resulting in an increased rate.
- (N) Signifies a new rate, treatment or regulation.
- (R) Signifies a reduced rate or new treatment resulting in a reduced rate.



I, Terri Lynn Land, Secretary of State and Custodian of the Great Seal of the State of Michigan, certify that

Michigan Bell Telephone ELL 110-23500 Northwestern Highway Southfield, MI 48075

Certificate Number: 630

Coverage effective: 11/20/03-11/20/04

Qualifies as a self-insurer for the purposes of Act 294, P.A. 1972 as amended, Act 198, P.A. 1965 as amended and Act 300, P.A. 1949 as amended.

This certificate covers all Vehicles Owned or registered by the named self-insurer.

\*\*\*\*End of Certification\*\*\*\*



November 17, 2003

Dated

Terri Lynn Land Secretary of State

Form 44 (12/02)

# ENVIRONMENTAL/POLLUTION COVERAGE DIFFERENCE IN LIMITS/DIFFERENCE IN CONDITIONS

**POLICY ANNIVERSARY DATE:** 

June 1

LIMITS OF COVERAGE:

Due to the proprietary nature of this information the limits are not disclosed. Please contact SBC Risk Management for details.

**UNDERLYING COVERAGE:** 

\$ 25 million per Occurrence Self-Insured retention

\$ 10 million per Occurrence Self-Insured retention Non-Telephone Company Subsidiaries

& Nevada Bell

**PARTICIPATION:** 

SBC Communications Inc. and its:

- Subsidiary, associated, affiliated and interrelated companies;

- Majority (51% or more) owned partnerships and joint ventures;

- Interest in (or its subsidiaries' interest in) any company or organization coming under its active management or control;

- Any entity or party required to be insured under any contract or agreement;

# COVERAGE:

These policies provide limited pollution coverage in excess of the underlying self-insured retention. The coverage responds to Property Damage, Personal Injury (including Bodily Injury) arising out of an accidental, unintended and instantaneous discharge, dispersal, seepage, migration, release or escape of pollutants directly or indirectly caused by fire, explosion, lightning, windstorm, vandalism or malicious mischief, riot and civil commotion, flood, earthquake, collision or upset of a motor vehicle, mobile equipment or aircraft, automatic sprinkler leakage, the product hazard or the completed operations hazard.

The reporting of claims requires that the pollution loss be known within twenty (20) calendar days from commencement of the loss and reported in writing to the Insurance Company within eighty (80) calendar days of becoming known by the Risk Management Department.

# **EXCLUSIONS:**

Included but not limited to the following:

- ♦ Asbestos-related losses
- ♦ Any fines or penalties
- ♦ Acid Rain
- Cleanup, removal, containment, treatment, detoxification or neutralization of pollutants situated on premises the Insured owns, rents or occupies at the time of the actual relapse of the pollutants except if caused by a peril listed in the section.
- Water pollution caused by oil or its derivatives
- ♦ Expected or Intended Loss
- Any Personal Injury or Property Damage arising out of the actual, alleged or threatened escape of pollution, which are at any time transported, handled, stored, disposed, dumped, treated or processed as waste by or for the Insured
- Clean-up orders by the Superfund Program

# **REPORTING PROCEDURES:**

In the event of an occurrence, it is imperative that Risk Management is notified immediately due to the policy requirements that the pollution loss must be known within twenty (20) calendar days from commencement of the loss and be reported in writing to the Insurance Company within eighty (80) calendar days of becoming known to the Risk Management Department.

# **SBC COMMUNICATIONS INC**

Notification should be promptly given in writing briefly stating the date of loss, description of the incident and all known facts. This information should be sent to:

Julie K. Long OR
Executive Director-Risk Management
SBC Communications Inc.
175 E. Houston, Room 7-P-60
San Antonio, TX 78205
210.351.3821
Fax 210.351.3849
Hotline 210.351.3898

Ron Walton Director-Risk Management SBC Communications Inc. 175 E. Houston, Room 7-R-5 San Antonio, TX 78205 210.351.3742

# Incumbent Local Exchange Carrier Balance Sheet

(Dollars in thousands)

Michigan Bell

	2003	2002	2001	
CURRENT ASSETS CASH and cash equivalents Receivable, Net of the allowance for uncollectibles Inventories Other current assets Total Current Assets	10,550 335,293 16,813 8,931 371,587	8,266 419,673 7,873 7,229 <b>443,041</b>	9,294 554,089 5,819 14,688	
PROPERTY AND EQUIPMENT Telecommunications Plant-in-Service	1,021,067	980,495	954,708	
General Support Central Office - Switching	2,058,610	2,125,885	1,988,869	
Central Office - Operator System	28,969 2,821,693	27,372 2,728,666	2,594,253	
Information Origination/Termination	67,920	72,486	71,281	
Cable and Wire  Total Telecommunications Plant-in-Service before amortizable assets	11,033,464	10,832,224	10,349,057	
Amortizable assets	26,989	90,438	58,159	
Total Telecommunications Plant-in-Service	11,060,453	10,922,662 119	7	
Telephone plant under construction	37,373	44,971	127,505	
Telecommunications plant adjustment	14.128	16,727	13,278	
Nonoperating plant	0	0	0	
Total Plant	11,111,954	10,984,479	10,548,006	
Accumulated depreciation Accumulated depreciation - other	7,357,457 1,367	6,861,231 1,367	6,337,483 1,367	

2,717 2,321 1,900 7,361,541 6,910,295 6,361,457	3,750,413 4,074,184 4,186,549	0	19,813	-1,416,396 -1,377,704 -1,185,107 925,017 872,357	416,325	3,638,806 4,100,900 4,538,055	2003 2002 2001	FINA 479 FAC TAG FINA 479	0.00		-94,410	4.		199,855 398,710 397,544	•	19,112 22,818 27,106	937,094 827,351 759,714	498,553 -484,910 -417,001	1,191,598 1,307,840 1,247,853	2 2 EE 661 2 176 541 2.309.348
Capital leases Total Accumulated Depreclation & Amortization	Total Property and Equipment, Net	Nonregulated investments	Deferred charges	Other jurisdictional assets-net	Other noncurrent assets Total Other Assets	TOTAL ASSETS	LIABILITIES AND STOCKHOLDERS' EQUITY	CURRENT LIABILITIES	Accounts and notes payable	Customer deposits	Accrued liabilities	Other current liabilities  Total Current Liabilitles	NONCURRENT LIABILITIES	I ond-ferm debt	Other long-term liabilities and deferred credits	Unamortized investment tax credits	Net deferred income tax and adjustments	Other inrisdictional liabilities/deferred credits	Total Noncurrent Liabilities	

•

1,721,806 1,721,806 1,721,806	13,069 13,069 13,069	0 0	.18,505 18,505 18,505	-370,235 170,979 475,327	1,383,145 1,924,359 2,228,707	3,638,806 4,100,900 4,538,055
STOCKHOLDERS' EQUITY Capital stock	Additional paid-in-capital	Treasury Stock	Other capital	Retained earnings	Total Stockholders' Equity	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

Source: ARMIS USOA (43-02) Report, Table B-1

Note: The financial data presented in this report reflects the Incumbent Local Exchange Carrier's (ILEC) Part 32 Accounts, per the Commission's rules, and may not agree with other pub (i.e., SEC 10-K).

P. Regula

# METRO Act Unilateral Form RIGHT-OF-WAY TELECOMMUNICATIONS PERMIT

This permit issued this	day of	, 2004 by the	City o	of Rochester H	Iills
1 Definitions					

- 1.1 Effective Date shall mean the date set forth in part 13.
- 1.2 Manager shall mean Municipality's Supervisor, or his or her designee.
- 1.3 <u>METRO Act</u> shall mean the Metropolitan Extension Telecommunications Rights-of Way oversight Act, Act No. 48 of the Public Acts of 2002, as amended.
- 1.4 <u>Municipality</u> shall mean **City of Rochester Hills**, a Michigan municipal corporation.
- 1.5 Permit shall mean this document.
- 1.6 Company shall mean Michigan Bell Telephone d/b/a/ SBC Michigan organized under the laws of the State of Michigan whose address is 54 N. Mill St., Pontiac Michigan 48342.
- 1.7 <u>Public Rights-of-Way</u> shall mean the area on, below, or above a public roadway, highway, street, alley, easement, or waterway, to the extent Municipality has the ability to grant the rights set forth herein. Public Rights-of-Way does not include a federal, state, or private rights-of-way.
- Telecommunications Facilities or Facilities shall mean the Company's equipment 1.8 or personal property, such as copper and fiber cables, lines, wires, switches, conduits, pipes, and sheaths, which are used to or can generate, receive, transmit, services telecommunication amplify or provide Telecommunication Facilities or Facilities do not include antennas, supporting structures for antennas, equipment shelters or houses, and any ancillary equipment and miscellaneous hardware used to provide federally licensed commercial mobile service as defined in Section 332(d) of Part I of Title III of the Communications Act of 1934, Chapter 652, 48 Stat. 1064, 47 U.S.C. 332 and further defined as commercial mobile radio service in 47 CFR 20.3, and service provided by any wireless, two-way communications device.
- 1.9 Term shall have the meaning set forth in Part 7.

# 2 Grant

,r

- 2.1 Municipality hereby issues a permit under the METRO Act to Company for access to and ongoing use of the Public Rights-of-Way identified on Exhibit A to construct, install and maintain Telecommunication Facilities on the terms set forth herein.
  - 2.1.1 Exhibit A may be modified by written request by Company and approval by Manager.
  - 2.1.2 Manager shall not unreasonably condition or deny any request for a modification of Exhibit 'A'. Any decision of Manager on a request for a modification may be appealed by Company to Municipality's legislative body.
- Overlashing. Company shall not allow the wires or any other facilities of a third party to be overlashed to the Telecommunication Facilities without Municipality's prior written consent. Municipality's right to withhold written consent is subject to the authority of the Michigan Public Service Commission under Section 361 of the Michigan Telecommunications Act, MCL § 484.2361.
- Nonexclusive. The rights granted by this Permit are nonexclusive. Municipality reserves the right to approve, at any time, additional permits for access to and ongoing usage of the Public Rights-of-Way by telecommunications providers and to enter into agreements for use of the Public Rights-of-Way with and grant franchises for use of the Public Rights-of-Way to telecommunications providers, cable companies, utilities and other providers.

# 3 Contacts, Maps and Plans

- 3.1 <u>Company Contacts</u>. The names, addresses and the like for engineering and construction related information for Company and its Telecommunication Facilities are as follows:
  - 3.1.1 The address, e-mail address, phone number and contact person (title or name) at Company's local office (in or near Municipality) is Paulette Regula, Area Engineer, 54 N. Mill St., Box 32, Pontiac, MI. 48342, Office: 248-456-9167, Fax: 248-456-9066.
  - 3.1.2 If Company's engineering drawings, as-built plans and related records for the Telecommunication Facilities will not be located at the preceding local office, the location address, phone number and contact person (title or department) for them is: same as 3.1.1.

- 3.1.3 The name, title, address, e-mail address and telephone numbers of Company's engineering contact person(s) with responsibility for the design, plans and construction of the Telecommunication Facilities is same as 3.1.1.
- 3.1.4 The address, phone number and contact person (title or department) at Company's home office/regional office with responsibility for engineering and construction related aspects of the Telecommunication Facilities is:

  Matthew Bonar, Area Manager, 54 N. Mill St. Box 32, Pontiac, MI. 48342, Office: 248-456-0830, Fax: 248-975-4075
- 3.1.5 Company shall at all times provide Manager with the phone number at which a live representative of Company (not voice mail) can be reached 24 hours a day, seven (7) days a week, in the event of a public emergency. 888-433-9133
- 3.1.6 The preceding information is accurate as of the Effective Date. Company shall notify Municipality in writing as set forth in Part 12 of any inaccuracies or changes in the preceding information.
- 3.2 Route Maps. Within ninety (90) days after the substantial completion of new Facilities in a Municipality, a provider shall submit route maps showing the location of the Telecommunication Facilities to both the Michigan Public Service Commission and to the Municipality, as required under Section 6(7) of the METRO Act, MCLA 484.3106(7).
- As-Built Records. Company, without expense to Municipality, shall, upon fortyeight (48) hours notice, give Municipality access to all "as-built" maps, records,
  plans and specifications showing the Telecommunication Facilities or portions
  thereof in the Public Right-of-Way. Upon request by Municipality, Company
  shall inform Municipality as soon as reasonably possible of any changes from
  previously supplied maps, records, or plans and shall mark up maps provided by
  Municipality so as to show the location of the Telecommunication Facilities.

# 4 Use of Public Rights-of-Way

4.1 No Burden on Public Rights-of-Way. Company, its contractors, subcontractors, and the Telecommunication Facilities shall not unduly burden or interfere with the present or future use of any of the Public Rights-of-Way. Company's aerial cables and wires shall be suspended so as to not endanger or injure persons or property in or about the Public Rights-of-Way. If Municipality reasonably determines that any portion of the Telecommunication Facilities constitutes an undue burden or interference, due to changed circumstances, Company, at its sole expense, shall modify the Telecommunication Facilities or take such other actions as Municipality may determine is in the public interest to remove or alleviate the

burden, and Company shall do so within a reasonable time period. Municipality will attempt to require all occupants of a pole or conduit whose facilities are a burden to remove or alleviate the burden concurrently.

- 4.2 No Priority. This Permit does not establish any priority of use of the Public Rights-of-Way by Company over any present or future permittees or parties having agreements with Municipality or franchises for such use. In the event of any dispute as to the priority of use of the Public Rights-of-Way, the first priority shall be to the public generally, the second priority to Municipality, the third priority to the State of Michigan and its political subdivisions in the performance of their various functions, and thereafter as between other permit, agreement or franchise holders, as determined by Municipality in the exercise of its powers, including the police power and other powers reserved to and conferred on it by the State of Michigan.
- Restoration of Property. Company, its contractors and subcontractors shall immediately (subject to seasonal work restrictions) restore, at Company's sole expense, in a manner approved by Municipality, any portion of the Public Rights-of-Way that is in any way disturbed, damaged, or injured by the construction, installation, operation, maintenance or removal of the Telecommunication Facilities to a reasonably equivalent (or, at Company's option, better) condition as that which existed prior to the disturbance. In the event that Company, its contractors or subcontractors fail to make such repair within a reasonable time, Municipality may make the repair and Company shall pay the costs Municipality incurred for such repair.
- Marking. Company shall mark the Telecommunication Facilities as follows: 4.4 Aerial portions of the Telecommunication Facilities shall be marked with a marker on Company's lines on alternate poles which shall state Company's name and provide a toll-free number to call for assistance. Direct buried underground portions of the Telecommunication Facilities shall have (1) a conducting wire placed in the ground at least several inches above Company's cable (if such cable is nonconductive); (2) at least several inches above that, a continuous colored tape with a statement to the effect that there is buried cable beneath; and (3) stakes or other appropriate above ground markers with Company's name and a toll-free number indicating that there is buried telephone cable below. Bored underground portions of the Telecommunication Facilities shall have a conducting wire at the same depth as the cable and shall not be required to provide the continuous colored tape. Portions of the Telecommunication Facilities located in conduit, including conduit of others used by Company, shall be marked at its entrance into and exit from each manhole and handhole with Company's name and a toll-free telephone number.
- 4.5 Tree Trimming. Company may trim trees upon and overhanging the Public

Rights-of-Way so as to prevent the branches of such trees from coming into contact with the Telecommunication Facilities, consistent with any standards adopted by Municipality. Company shall dispose of all trimmed materials. Company shall minimize the trimming of trees to that essential to maintain the integrity of the Telecommunication Facilities. Except in emergencies, all trimming of trees in the Public Rights-of-Way shall have the advance approval of Manager.

- 4.6 <u>Installation and Maintenance</u>. The construction and installation of the Telecommunication Facilities shall be performed pursuant to plans approved by Municipality. The open cut of any Public Rights-of-Way shall be coordinated with the Manager or his designee. Permittee shall install and maintain the Telecommunication Facilities in a reasonably safe condition. If the existing poles in the Public Rights-of-Way are overburdened or unavailable for Company's use, or the facilities of all users of the poles are required to go underground then company shall, at its expense, place such portion of its Telecommunication Facilities underground, unless Municipality approves an alternate location. Company may perform maintenance on the Telecommunication Facilities without prior approval of Municipality, provided that Company shall obtain any and all permits required by Municipality in the event that any maintenance will disturb or block vehicular traffic or are otherwise required by Municipality.
- 4.7 <u>Pavement Cut Coordination</u>. Company shall coordinate its construction and all other work in the Public Rights-of-Way with Municipality's program for street construction and rebuilding (collectively "Street Construction") and its program for street repaving and resurfacing (except seal coating and patching) (collectively, "Street Resurfacing").
  - 4.7.1 The goals of such coordination shall be to encourage Company to conduct all work in the Public Rights-of-Way in conjunction with or immediately prior to any Street Construction or Street Resurfacing planned by Municipality.
- 4.8 Compliance with Laws. Company shall comply with all laws, statutes, ordinances, rules and regulations regarding the construction, installation, and maintenance of its Telecommunication Facilities, whether federal, state or local, now in force or which hereafter may be promulgated. Before any installation is commenced, Company shall secure all necessary permits, licenses and approvals from Municipality or other governmental entity as may be required by law, including, without limitation, all utility line permits and highway permits. Municipality shall not unreasonably delay or deny issuance of any such permits, licenses or approvals. Company shall comply in all respects with applicable codes and industry standards, including but not limited to the National Electrical Safety Code (latest edition adopted by Michigan Public Service Commission) and the National Electric Code (latest edition). Company shall comply with all zoning

and land use ordinances and historic preservation ordinances as may exist or may hereafter be amended. This section does not constitute a waiver of Company's right to challenge laws, statutes, ordinances, rules or regulations now in force or established in the future.

- 4.9 Street Vacation. If Municipality vacates or consents to the vacation of Public Rights-of-Way within its jurisdiction, and such vacation necessitates the removal and relocation of Company's Facilities in the vacated Public Rights-of-Way, Company shall, as a condition of this Permit, consent to the vacation and remove its Facilities at its sole cost and expense when ordered to do so by Municipality or a court of competent jurisdiction. Company shall relocate its Facilities to such alternate route as Municipality and Company mutually agree applying reasonable engineering standards.
- 4.10 Relocation. If Municipality requests Company to relocate, protect, support, disconnect, or remove its Facilities because of street or utility work, or other public projects, Company shall relocate, protect, support, disconnect, or remove its Facilities, at its sole cost and expense, including where necessary to such alternate route as Municipality and Company mutually agree, applying reasonable engineering standards. The work shall be completed within a reasonable time period.
- 4.11 Public Emergency. Municipality shall have the right to sever, disrupt, dig-up or otherwise destroy Facilities of Company if such action is necessary because of a public emergency. If reasonable to do so under the circumstances, Municipality will attempt to provide notice to Company. Public emergency shall be any condition which poses an immediate threat to life, health, or property caused by any natural or man-made disaster, including, but not limited to, storms, floods, fire, accidents, explosions, water main breaks, hazardous material spills, etc. Company shall be responsible for repair at its sole cost and expense of any of its Facilities damaged pursuant to any such action taken by Municipality.
- 4.12 <u>Miss Dig.</u> If eligible to join, Company shall subscribe to and be a member of "MISS DIG," the association of utilities formed pursuant to Act 53 of the Public Acts of 1974, as amended, MCL § 460.701 et seq., and shall conduct its business in conformance with the statutory provisions and regulations promulgated thereunder.
- 4.13 <u>Underground Relocation</u>. If Company has its Facilities on poles of Consumers Energy, Detroit Edison or another electric or telecommunications provider and Consumers Energy, Detroit Edison or such other electric or telecommunications provider relocates its system underground, then Company shall relocate its Facilities underground in the same location at Company's sole cost and expense.
- 4.14 <u>Identification</u>. All personnel of Company and its contractors or subcontractors

who have, as part of their normal duties, contact with the general public shall wear on their clothing a clearly visible identification card bearing Company's name, their name and photograph. Company shall account for all identification cards at all times. Every service vehicle of Company and its contractors or subcontractors shall be clearly identified as such to the public, such as by a magnetic sign with Company's name and telephone number.

# 5 Indemnification

- Indemnity. Company shall defend, indemnify, protect, and hold harmless Municipality, its officers, agents, employees, elected and appointed officials, departments, boards, and commissions from any and all claims, losses, liabilities, causes of action, demands, judgments, decrees, proceedings, and expenses of any nature (collectively "claim" for this Part 5) (including, without limitation, attorneys' fees) arising out of or resulting from the acts or omissions of Company, its officers, agents, employees, contractors, successors, or assigns, but only to the extent such acts or omissions are related to the Company's use of or installation of facilities in the Public Rights-of-Way and only to the extent of the fault or responsibility of Company, its officers, agents, employees, contractors, successors and assigns.
- Notice, Cooperation. Municipality will notify Company promptly in writing of any such claim and the method and means proposed by Municipality for defending or satisfying such claim. Municipality will cooperate with Company in every reasonable way to facilitate the defense of any such claim. Municipality will consult with Company respecting the defense and satisfaction of such claim, including the selection and direction of legal counsel.
- 5.3 <u>Settlement</u>. Municipality will not settle any claim subject to indemnification under this Part 5 without the advance written consent of Company, which consent shall not be unreasonably withheld. Company shall have the right to defend or settle, at its own expense, any claim against Municipality for which Company is responsible hereunder.

# 6 Insurance

Coverage Required. Prior to beginning any construction in or installation of the Telecommunication Facilities in the Public Rights-of-Way, Company shall obtain insurance as set forth below and file certificates evidencing same with Municipality. Such insurance shall be maintained in full force and effect until the end of the Term. In the alternative, Company may satisfy this requirement through a program of self-insurance, acceptable to Municipality, by providing reasonable evidence of its financial resources to Municipality. Municipality's acceptance of such self-insurance shall not be unreasonably withheld.

- 6.1.1 Commercial general liability insurance, including Completed Operations Liability, Independent Contractors Liability, Contractual Liability coverage, railroad protective coverage and coverage for property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage, in an amount not less than Five Million Dollars (\$5,000,000).
- 6.1.2 Liability insurance for sudden and accidental environmental contamination with minimum limits of Five Hundred Thousand Dollars (\$500,000) and providing coverage for claims discovered within three (3) years after the term of the policy.
- 6.1.3 Automobile liability insurance in an amount not less than One Million Dollars (\$1,000,000).
- 6.1.4 Workers' compensation and employer's liability insurance with statutory limits, and any applicable Federal insurance of a similar nature.
- 6.1.5 The coverage amounts set forth above may be met by a combination of underlying (primary) and umbrella policies so long as in combination the limits equal or exceed those stated. If more than one insurance policy is purchased to provide the coverage amounts set forth above, then all policies providing coverage limits excess to the primary policy shall provide drop down coverage to the first dollar of coverage and other contractual obligations of the primary policy, should the primary policy carrier not be able to perform any of its contractual obligations or not be collectible for any of its coverages for any reason during the Term, or (when longer) for as long as coverage could have been available pursuant to the terms and conditions of the primary policy.
- Additional Insured. Municipality shall be named as an additional insured on all policies (other than worker's compensation and employer's liability). All insurance policies shall provide that they shall not be canceled, modified or not renewed unless the insurance carrier provides thirty (30) days prior written notice to Municipality. Company shall annually provide Municipality with a certificate of insurance evidencing such coverage. All insurance policies (other than environmental contamination, workers' compensation and employer's liability insurance) shall be written on an occurrence basis and not on a claims made basis.
- Oualified Insurers. All insurance shall be issued by insurance carriers licensed to do business by the State of Michigan or by surplus line carriers on the Michigan Insurance Commission approved list of companies qualified to do business in Michigan. All insurance and surplus line carriers shall be rated A+ or better by A.M. Best Company.

- 6.4 <u>Deductibles</u>. If the insurance policies required by this Part 6 are written with retainages or deductibles in excess of \$50,000, they shall be approved by Manager in advance in writing. Company shall indemnify and save harmless Municipality from and against the payment of any deductible and from the payment of any premium on any insurance policy required to be furnished hereunder.
- 6.5 Contractors. Company's contractors and subcontractors working in the Public Rights-of-Way shall carry in full force and effect commercial general liability, environmental contamination liability, automobile liability and workers' compensation and employer liability insurance which complies with all terms of this Part 6. In the alternative, Company, at its expense, may provide such coverages for any or all its contractors or subcontractors (such as by adding them to Company's policies).
- 6.6 Insurance Primary. Company's insurance coverage shall be primary insurance with respect to Municipality, its officers, agents, employees, elected and appointed officials, departments, boards, and commissions (collectively "them"). Any insurance or self-insurance maintained by any of them shall be in excess of Company's insurance and shall not contribute to it (where "insurance or self-insurance maintained by any of them" includes any contract or agreement providing any type of indemnification or defense obligation provided to, or for the benefit of them, from any source, and includes any self-insurance program or policy, or self-insured retention or deductible by, for or on behalf of them).

# 7 Term

- 7.1 Term. The term ("Term") of this Permit shall be until the earlier of:
  - 7.1.1 Five (5) years from the Effective Date; or
  - 7.1.2 When the Telecommunication Facilities has not been used to provide telecommunications services for a period of one hundred and eighty (180) days by Company or a successor or an assignee of Company; or
  - 7.1.3 When Company, at its election and with or without cause, delivers written notice of termination to Municipality at least one-hundred and eighty (180) days prior to the date of such termination; or
  - 7.1.4 Upon either Company or Municipality giving written notice to the other of the occurrence or existence of a default by the other party under Sections 4.8, 6, 8 or 9 of this Permit and such defaulting party failing to cure, or commence good faith efforts to cure, such default within sixty (60) days (or such shorter period of time provided elsewhere in this Permit) after delivery of such notice; or

7.1.5 Unless Manager grants a written extension, one year from the Date of Issuance if prior thereto Company has not started the construction and installation of the Telecommunication Facilities within the Public Rights-of-Way and two years from the Effective Date if by such time construction and installation of the Telecommunication Facilities is not complete.

# 8 Performance Bond or Letter of Credit

8.1 <u>Municipal Requirement</u>. Municipality may require Company to post a bond (or letter of credit) as provided in Section 15(3) of the METRO Act, as amended [MCL § 484.3115(3)].

# 9 Fees

9.1 <u>Establishment; Reservation</u>. The METRO Act shall control the establishment of rights-of-way fees. The parties reserve their respective rights regarding the nature and amount of any fees which may be charged by Municipality in connection with the Public Rights-of-Way.

# 10 Removal

- 10.1 <u>Removal; Underground</u>. As soon as practicable after the Term, Company or its successors and assigns shall remove any underground cable or other portions of the Telecommunication Facilities from the Public Rights-of-Way which has been installed in such a manner that it can be removed without trenching or other opening of the Public Rights-of-Way. Company shall not remove any underground cable or other portions of the Telecommunication Facilities which requires trenching or other opening of the Public Rights-of-Way except with the prior written approval of Manager. All removals shall be at Company's sole cost and expense.
  - 10.1.1 For purposes of this Part 10, "cable" means any wire, coaxial cable, fiber optic cable, feed wire or pull wire.
- 10.2 <u>Removal; Above Ground</u>. As soon as practicable after the Term, Company, or its successor or assigns at its sole cost and expense, shall, unless waived in writing by Manager, remove from the Public Rights-of-Way all above ground elements of its Telecommunication Facilities, including but not limited to poles, pedestal mounted terminal boxes, and lines attached to or suspended from poles.
- 10.3 <u>Schedule</u>. The schedule and timing of removal shall be subject to approval by Manager. Unless extended by Manager, removal shall be completed not later than twelve (12) months following the Term. Portions of the Telecommunication Facilities in the Public Rights-of-Way which are not removed within such time

period shall be deemed abandoned and, at the option of Municipality exercised by written notice to Company as set forth in Part 12, title to the portions described in such notice shall vest in Municipality.

- Assignment. Company may assign or transfer its rights under this Permit, or the persons or entities controlling Company may change, in whole or in part, voluntarily, involuntarily, or by operation of law, including by merger or consolidation, change in the ownership or control of Company's business, or by other means, subject to the following:
  - 11.1 No such transfer or assignment or change in the control of Company shall be effective under this Permit, without Municipality's prior approval (not to be unreasonably withheld), during the time period from the Effective Date until the completion of the construction of the Telecommunication Facilities in those portions of the Public Rights-of-Way identified on Exhibit A.
  - 11.2 After the completion of such construction, Company must provide notice to Municipality of such transfer, assignment or change in control no later than thirty (30) days after such occurrence; provided, however,
    - 11.2.1 Any transferee or assignee of this Permit shall be qualified to perform under its terms and conditions and comply with applicable law; shall be subject to the obligations of this Permit, including responsibility for any defaults which occurred prior to the transfer or assignment; shall supply Municipality with the information required under Section 3.1; and shall comply with any updated insurance and performance bond requirements under Sections 6 and 8 respectively, which Municipality reasonably deems necessary, and
    - 11.2.2 In the event of a change in control, it shall not be to an entity lacking the qualifications to assure Company's ability to perform under the terms and conditions of this Permit and comply with applicable law; and Company shall comply with any updated insurance and performance bond requirements under Sections 6 and 8 respectively, which Municipality reasonably deems necessary.
  - 11.3 Company may grant a security interest in this Permit, its rights thereunder or the Telecommunication Facilities at any time without notifying Municipality.

# 12 Notices

- 12.1 <u>Notices</u>. All notices under this Permit shall be given as follows:
  - 12.1.1 If to Municipality, to: City of Rochester Hills, c/o Beverly A. Jasinski, City Clerk, 1795 Mackwood Rd., Rochester Hills, MI. 48307 With a copy to:

12.1.2 If to Company, to: SBC Michigan, c/o Robert Meganck Operations Director C&E, 54 N. Mill St., Box 3, Pontiac, MI. 48342.

With a copy to: Paulette Regula, 54 N. Mill St., Box 32, Pontiac, MI. 48342

12.2 <u>Change of Address</u>. Company and Municipality may change its address or personnel for the receipt of notices at any time by giving notice thereof to the other as set forth above.

# 13 Other items

- No Cable, OVS. This Permit does not authorize Company to provide commercial cable type services to the public, such as "cable service" or the services of an "open video system operator" (as such terms are defined in the Federal Communications Act of 1934 and implementing regulations, currently 47 U.S.C. §§ 522 (6), 573 and 47 CFR § 76.1500).
- 13.2 <u>Duties</u>. Company shall faithfully perform all duties required by this Permit
- 13.3 <u>Effectiveness</u>. This Permit shall become effective when issuer by the Municipality and the Company has provided any insurance certificates and bonds required in Parts 6 and 8, and signed the acknowledgement of receipt.
- 13.4 <u>Authority</u>. This Permit satisfies the requirement for a permit under Section 5 of the METRO Act [MCL 484.3105].
- 13.5 <u>Amendment.</u> Except as set forth in Section 2.1 this Permit may be amended by written agreement of Municipality and Company.
- 13.6 <u>Interpretation and Severability</u>. The provisions of this Permit shall be liberally construed to protect and preserve the peace, health, safety and welfare of the public, and should any provision or section of this Permit be held unconstitutional, invalid, overbroad or otherwise unenforceable, such determination/holding shall not be construed as affecting the validity of any of the remaining conditions of this Permit. If any provision in this Permit is found to be partially overbroad, unenforceable, or invalid, Company and Municipality may nevertheless enforce such provision to the extent permitted under applicable law.
- 13.7 Governing Law. This Permit shall be governed by the laws of the State of Michigan.

	City of Rochester Hills
	Ву:
	Its:
	Date:
Acknowledgement of Receipt: Municipality.	Permittee acknowledges receipt of this Permit granted by
viumcipanty.	Michigan Bell Telephone Company d/b/a SBC Michigan
	By:
	Its: Operations Director Michigan C&E
	Date:

# Exhibit A

# Public Right-of-Way to be used by Telecommunication Facilities

All existing facilities assumed in all Existing Rights of Way in the Municipality shown on the "SBC Route Maps for PA 48" CD-ROM disc dated October 2003 that was submitted with the Application, which is considered part of this Permit and Exhibit. Calculations of lineal footages used in determining maintenance fees for municipality are based on these Maps, with the assumption SBC Michigan occupies all rights of ways.

Municipality's acceptance of the described CD-ROM disc, which designates the Roads, Rights of Ways and Routes existing facilities follow by a single line, with road names identified, but not the actual location of Permitee's existing facilities within the Rights of Way, is not a waiver of, nor an acknowledgement that the CD-ROM satisfies the requirement in Section 2.3 of the Application to: "Attach route maps showing the location of Applicant's existing and proposed facilities in the public rights of way", or the statutory basis for the language under section 6(5) of the METRO Act. If it is later determined by the METRO Authority, Michigan Public Services Commission, or a court of competent jurisdiction, in a final order that is not challengable or appealable and binding on the Permitee: that the CD-ROM disc does not satisfy the requirements of Section 6(5) of the METRO Act, the Municipality reserves the right to require the Permitee to submit an amended Route Map that conforms to the requirements of, and within the timeframes set forth in the order or judgement.

Exhibit B

Bond

::ODMA\PCDOCS\GRR\764521\3



# **Rochester Hills Master Report**

1000 Rochester Hills Drive Rochester Hills, MI 48309 (248) 656-4660 Home Page: www.rochesterhills.org

File Number: 2004-0638

File Number: 2004-0638

File Type: Permit

Status: To Council

Version: 1

Reference:

Controlling Body: City Council

Requester: City Council

Cost:

Introduced: 07/27/2004

File Name: Safe Harbor Permit Application - Michigan Bell/SBC

**Final Action:** 

Michigan

Title: Request for Safe Harbor Right-of-Way Telecommunications Permit for Michigan Bell

Telephone d/b/a SBC Michigan

Notes:

**Code Sections:** 

Agenda Date:

Indexes:

Agenda Number:

Sponsors:

**Enactment Date:** 

Attachments: Agenda Summary.pdf, Application.pdf, Permit.pdf, 0638 Enactment Number:

Resolution.pdf

# History of Legislative File

Ver- Acting Body:

Date: Action:

Sent To:

Due Date:

Return Date:

Result:

# Text of Legislative File 2004-0638

..title

sion:

Request for Safe Harbor Right-of-Way Telecommunications Permit for Michigan Bell Telephone d/b/a SBC Michigan

..body

Now Therefore Be It Resolved that the Rochester Hills City Council hereby approves the City of Rochester Hills Uni-Lateral MPSC Safe Harbor Right of Way Telecommunications Permit for Michigan Bell Telephone d/b/a SBC Michigan;

Be It Further Resolved, that the Rochester Hills City Council authorizes the Mayor to sign the Permit on behalf of the City.