

# Notice of Measure Election

## City

3-191

SEL 802

rev 01/16 ORS 250.035, 250.041,  
250.275, 250.285, 254.095, 254.465

<b>Notice</b>		
<b>Date of Notice</b> 08/04/2016	<b>Name of City or Cities</b> City of Lake Oswego	<b>Date of Election</b> November 8, 2016
<b>Final Ballot Title</b> The following is the final ballot title of the measure to be submitted to the city's voters. The ballot title notice has been published and the ballot title challenge process has been completed.		
<b>Caption</b> 10 words which reasonably identifies the subject of the measure.		
ADVISORY VOTE ON A MUNICIPAL BROADBAND NETWORK		
<b>Question</b> 20 words which plainly phrases the chief purpose of the measure.		
Should the City of Lake Oswego provide a municipal fiber optic broadband network for residents and businesses?		
<b>Summary</b> 175 words which concisely and impartially summarizes the measure and its major effect.		
<p>The Lake Oswego City Council has considered entering into a partnership with a private company to finance, construct, and operate a high speed (gigabit per second) fiber broadband network. It would be operated on a break-even basis, with the goal to keep high speed Internet cost as low as possible for Lake Oswego residents and businesses.</p> <p>Current estimates are that gigabit (1,000 megabits per second) residential Internet service could be provided for \$59.95/month. This estimate is subject to actual costs of construction and operation. There would be some financial risk to the City if an insufficient number of households use the service. To minimize this risk, the project would not proceed until enough residents sign up for service to ensure the system can be self-supporting. This advisory vote is intended to gauge voter interest in the issue, and does not preclude any future action by the City.</p>		
<b>Explanatory Statement</b> 500 words that impartially explains the measure and its effect.		
<p>If the county is producing a voters' pamphlet an explanatory statement must be drafted and attached to this form for:</p> <p>→ any measure referred by the city governing body; or → any initiative or referendum, if required by local ordinance.</p> <p style="text-align: right;"><b>Explanatory Statement Attached?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<b>Authorized City Official</b> Not required to be notarized.		
<b>Name</b> Anne-Marie Simpson	<b>Title</b> City Recorder	
<b>Mailing Address</b> P.O. Box 369, Lake Oswego, OR 97034	<b>Contact Phone</b> 503-534-4225	
<p><i>By signing this document:</i></p> <p>→ I hereby state that I am authorized by the city to submit this Notice of Measure Election; and → I certify that notice of receipt of ballot title has been published and the ballot title challenge process for this measure completed.</p>		

Signature Redacted

Signature

Date Signed

8/4/2016

CCE-24

ORS 251.355

**CLACKAMAS COUNTY  
EXPLANATORY STATEMENT FOR COUNTY VOTERS' PAMPHLET**

[THIS INTERACTIVE FORM CAN BE FILLED IN ON-LINE]

ELECTION DATE November 8, 2016	MEASURE NUMBER 3-491
BALLOT TITLE CAPTION ADVISORY VOTE ON A MUNICIPAL BORADBAND NETWORK	
NAME OF PERSON RESPONSIBLE FOR CONTENT OF STATEMENT Anne-Marie Simpson	
NAME OF ORGANIZATION PERSON REPRESENTS, IF ANY City of Lake Oswego	
TELEPHONE (HOME)	TELEPHONE (WORK) 503-534-4225
FAX NUMBER 503-697-6594	E-MAIL ADDRESS asimpson@lakeoswego.city

See attached Explaniatory Statement.

482

The total word / number count may not exceed 500 words / numbers. Word / number count total: \_\_\_\_\_

Signature Redacted

\_\_\_\_\_

SIGNATURE OF PERSON RESPONSIBLE FOR CONTENT OF STATEMENT

8/4/2016

DATE

### EXPLANATORY STATEMENT

With increased reliance on the Internet by households and businesses, broadband service is considered by many communities to be an essential service. The objective of a City-owned broadband utility is to make high speed Internet service available to all homes and businesses in the City, setting the monthly price at a break-even basis.

To avoid issuing bonds and adding staff, the Lake Oswego City Council has explored a public-private partnership approach, where one or more private partners would provide lease-purchase financing for the system, design and construct the network, and provide Internet service. The City would guarantee the private partner minimum lease-purchase payments. At the end of the lease-purchase period (tentatively projected to be between 20 and 30 years), the City would own the network outright.

While the City owns and operates a fiber-optic broadband network connecting City-owned buildings, providing this service to households and businesses would be a new utility service for the City. The City is considering contracting with a Lake Oswego-based startup company to operate the utility.

If customer revenues fall below the minimum lease-purchase payment amounts, the City would owe the difference to the private partner. To minimize the financial risk to the City, the project would not go forward unless customers have signed up in advance in numbers that would create subscription revenues that meet or exceed the minimum payment amounts.

As tentatively planned, the primary focus would be high speed Internet service with a price target of around \$60/month, but households that subscribe to the service could also choose (at additional cost) telephone (Voice over Internet Protocol) and digital television service. Prices for these services would be comparable to those offered by other video and phone providers. Subscribers would also have access to streaming video services such as those provided by companies like Hulu and Netflix, some of which charge for services. There would be no data caps.

The alternative to a municipal broadband utility is continuation of the current situation where Internet service is provided only by private for-profit cable TV and telecommunication companies. Internet service prices are unregulated, and there are no requirements for universal broadband service (i.e., service made available to all homes and businesses in the city).

The results of this advisory vote will be informative for the City Council, but will not require or prohibit any future action by the City. There are numerous details that would be involved in implementing a City-owned broadband utility, including many to be negotiated as part of an agreement with a private partner. This advisory measure asks only if voters support the City pursuing a municipal broadband service under the general approach outlined in the ballot summary and this Explanatory Statement. Approval of this measure will not be considered

3-491

ADVISORY VOTE ON A MUNICIPAL BROADBAND NETWORK

blanket approval of all potential agreement terms or financial details. The City Council retains the responsibility to determine whether the project is in the public interest.