

AN ORDINANCE  
BY COUNCILMAN JIM MADDOX

**AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A FRANCHISE AGREEMENT WITH BELL SOUTH TELECOMMUNICATIONS, INC. A GEORGIA CORPORATION, PROVIDING TELECOMMUNICATIONS SERVICES USING PUBLIC RIGHT-OF-WAY; SPECIFYING THE COMPENSATION DUE THE CITY OF ATLANTA BY THE FRANCHISE AGREEMENT AND WAIVING CERTAIN PROVISIONS OF THE ROW FOR THIS INSTANCE ONLY; AND FOR OTHER PURPOSES**

WHEREAS, BellSouth Telecommunications, Inc. desires to provide telecommunications services on, under over and through the public right-of-way of the City; and

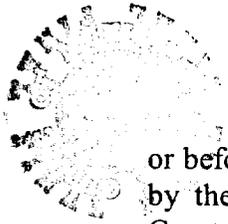
WHEREAS, BellSouth Telecommunications, Inc. has negotiated a franchise agreement with the City which provides such access and preserves the rights of the City.

**NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS:**

**SECTION 1:** That the Mayor be and is hereby authorized to execute a franchise agreement with BellSouth Telecommunications, Inc. for use of the public right-of-way for telecommunications purposes.

**SECITON 2:** That such franchise agreement shall expire and terminate on April 1, 2006.

**SECTION 3:** BellSouth Telecommunication Services, Inc. shall pay the City an annual franchise fee equal to three percent (3%) of the franchisee's annual Gross Revenue, provided that in any calendar year that Grantee's Gross Revenue does not exceed \$500,000.00, the Franchise Fee shall be \$15,000.00 per year; provided further, however, that in no event will the Franchise Fee exceed an annual inflation-based cap. During the first two years of this Agreement, this cap will be set at eleven million dollars (\$11,000,000.00) annually. For the following three years of this Agreement, this eleven million dollar (\$11,000,000.00) cap will be increased annually at the anniversary date of the execution of this Agreement, by the rate of inflation, which will be measured by the percentage change in the Gross-Domestic-Price Index ("GDI"), which is the gross domestic product fixed weight price index calculated by the United States Department of Commerce. The Grantee's obligation to pay the Franchise Fee shall commence on the Effective Date and continue throughout the Term; provided that for the period April 1, 2001 through September 30, 2002, the Grantee shall pay the City \$5,439,488.30, which represents the difference between the amount due consistent with the definition of the Gross Revenue herein and amounts paid by the Grantee to the City under the Franchise Agreement that expired on March 31, 2001. BellSouth shall deliver payment to the City in the amount of \$5,439,488.30 once the Franchise Agreement is binding upon the City. Thereafter, fees shall be paid on a quarterly basis for the preceding quarter, and shall be due on April 15, July 15, October 15, and the 15<sup>th</sup> day of January of each year throughout the Term. In the quarter, the Franchise Fee shall be prorated relative to the number of days in the quarter that the Franchise is in effect. On



or before each quarterly payment date, Grantee shall provide a certificate, signed and attested to by the appropriate corporate officers or authorized corporate representatives, which verifies Grantee's Gross Revenues for the prior quarter.

**SECTION 4:** That the City Attorney shall prepare a franchise agreement containing all of the foregoing terms, which shall be approved by the City Attorney as to form.

**SECTION 5:** That said franchise agreement shall not be binding on the City until executed by the Mayor sealed by the Municipal Clerk and delivered to BellSouth Telecommunications, Inc.

**SECTION 6:** That the City hereby modifies, waives or amends for this instance only, the following provisions of Chapter 138: 138-127(h)(1)-Compensation; 138-134 (a)(1) –Term of the franchise; 138-127 (7)-Audit; 138-134 (12)-Transfer provisions.

A true copy,

*Rhonda Daughin Johnson*  
Municipal Clerk, CMC

ADOPTED by the Council  
APPROVED by the Mayor

DEC 02, 2002  
DEC 10, 2002

RCS# 4254  
12/02/02  
2:46 PM

Atlanta City Council

Regular Session

02-0-1977

Franchise Agreement with BellSouth for  
Telecommunications Services Right-of-Way  
FINAL ADOPT

YEAS: 12  
NAYS: 2  
ABSTENTIONS: 0  
NOT VOTING: 2  
EXCUSED: 0  
ABSENT 0

Y Smith	Y Archibong	N Moore	Y Mitchell
Y Starnes	Y Fauver	N Martin	Y Norwood
Y Young	Y Shook	Y Maddox	NV Willis
Y Winslow	Y Muller	Y Boazman	NV Woolard

02-0-1977

02-0-1977

(Do Not Write Above This Line)

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 BY COUNCILMAN JIM MADDOX  
*Jim Maddox*  
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 COMPENSATION DUE THE CITY OF  
 ATLANTA BY THE FRANCHISE  
 AGREEMENT AND WAIVING CERTAIN  
 PROVISIONS OF THE ROW FOR THIS  
 INSTANCE ONLY; AND FOR OTHER  
 PURPOSES  
*Linda & Debra*  
 LINDA DISANTIS  
 CITY ATTORNEY

Final  
**ADOPTED BY**  
**DEC 0 2 2002**  
 CONSENT REFER  
 REGULAR REPORT REFER  
 ADVERTISE & REFER  
 1st ADOPT 2nd READ & REFER  
 PERSONAL PAPER REFER  
**COUNCIL**

Date Referred *11/4/02*  
 Referred To: *City Utilities*  
 Date Referred  
 Referred To:  
 Date Referred  
 Referred To:  
 Date Referred  
 Referred To:

First Reading

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Referred to \_\_\_\_\_

Committee *City Utilities*  
 Date *Nov 12 2002*  
 Chair *Clair Mulder*  
 Action:  
 Fav, Adv, Hold (see rev. side)  
 Other: *2nd Reading 12 February*  
 Members  
 Refer To

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Action:  
 Fav, Adv, Hold (see rev. side)  
 Other:  
 Members  
 Refer To

FINAL COUNCIL ACTION  
 2nd  
 1st & 2nd  
 Readings  
 Consent  
 V Vote  
 RC Vote

CERTIFIED

NOV 18 2002  
 DEC 0 2 2002

**CERTIFIED**  
 NOV 18 2002  
 DEC 0 2 2002  
*Rachel Bumpkin Johnson*  
 MUNICIPAL CLERK

MAYOR'S ACTION

*Shirley Smith*  
 DEC 10 2002