

ORDINANCE NO. 11-25

AN ORDINANCE PROVIDING FOR THE PAYMENT OF FRANCHISE FEES BY SOUTH ARKANSAS TELEPHONE COMPANY, INC D/B/A AIR CAST; GRANTING TO SOUTH ARKANSAS TELEPHONE COMPANY, INC D/B/A AIR CAST A FRANCHISE TO CONSTRUCT, OPERATE, AND MAINTAIN A DATA TRANSMISSION SERVICES SYSTEM IN THE CITY OF CAMDEN, ARKANSAS; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM AND THE PUBLIC RIGHTS-OF-WAY; PRESCRIBING PENALTIES FOR THE VIOLATION OF THE PROVISIONS HEREIN; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, the City of Camden (the "City") is a city of the first class, organized and existing under and pursuant to the law of the State of Arkansas (the "State"); and

WHEREAS, pursuant to Arkansas Code Annotated Section 14-200-101 (the "Statute"), the City is authorized to charge a franchise fee (the "Fee") to public utilities for which the public utilities may be permitted to occupy the streets, highways, or other public places within the City; and

WHEREAS, pursuant to the statute, South Arkansas Telephone Company, Inc d/b/a Air Cast is allowed to consent to entering into a franchise agreement for data transmission services and desires to do so; and

WHEREAS, South Arkansas Telephone Company, Inc d/b/a Air Cast desires to provide data transmission services system (the "System"), including but not limited to internet services within the City, through underground fiber optic cables; and

WHEREAS, such development can contribute significantly to the communication needs and desires of the residents and citizens of City and the public generally; and

WHEREAS, the City may achieve better utilization and improvement of public services and enhanced economic development with the development and operation of the System; and

WHEREAS, subject to the terms hereof, to be recognized as the Franchise Agreement, the City is willing to allow South Arkansas Telephone Company, Inc d/b/a Air Cast, and its affiliates, designees, or assigns, the privilege of using the right-of-way of the City's streets, highways, and other public places in the City for a period of ten (10) years (the "Franchise") and to establish franchise fees to be paid by South Arkansas Telephone Company, Inc d/b/a Air Cast; and

WHEREAS, adoption of this Ordinance granting the Franchise is in the best interests of the City and its residents.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMDEN, ARKANSAS THAT:

SECTION 1. South Arkansas Telephone Company, Inc d/b/a Air Cast, and its affiliates, designees, and assigns, may use the right-of-way of the City's streets, highways, and other public places in the City for the purpose of providing data transmission services, including but not limited to internet services to customers through underground fiber optic cables, for a period of ten (10) years.

SECTION 2. For privilege of using the right-of-way of the City's streets, highways, and other public places, South Arkansas Telephone Company, Inc d/b/a Air Cast shall (a) pay to the City franchise fees in the amount of four and a quarter percent (4.25%) of its current year's gross revenues collected from customers located in the corporate limits of the City; and (b) after the City's payment of a one-time hook-up charge not to exceed the actual cost thereof, provide access of fiber optic data services to all City departments without additional charge.

SECTION 3. The franchise fees levied by this Ordinance shall be payable by South Arkansas Telephone Company, Inc d/b/a Air Cast quarterly each year with payment being due no later than the 15th day of the month following the end of each quarter of the year.

SECTION 4. If it becomes necessary for the City to expand its use of the rights-of-way of the City's streets, highways or other public places, then South Arkansas Telephone Company, Inc d/b/a Air Cast, on the request of the City, shall relocate or raise or lower its fiber optic cables in the rights-of-way of the City's streets, highways or other public places. The expense of such removal, relocation, raising or lowering of the fiber optic cables shall be paid by South Arkansas Telephone Company, Inc d/b/a Air Cast. South Arkansas Telephone Company, Inc d/b/a Air Cast shall remove, relocate, raise or lower its fiber optic cables in the rights-of-way of City's streets, highways or other public places within ninety (90) days of the notice by the City to do so.

SECTION 5. The rights provided herein for the use of the City's rights-of-way shall be non-exclusive. Nothing contained in this Ordinance shall be construed as giving South Arkansas Telephone Company, Inc d/b/a Air Cast any exclusive privileges.

SECTION 6. The provisions of this Ordinance are hereby declared to be separate, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of the Ordinance.

SECTION 7. This Ordinance may be codified in the Code of Ordinances and the sections may be renumbered or redesignated to accomplish such intention.

SECTION 8. (EMERGENCY CLAUSE). It is hereby found that South Arkansas Telephone Company, Inc d/b/a Air Cast desires to provide data transmission services through underground fiber optic cables to the citizens of the City immediately and that it cannot access the City's rights-of-way without permission of the City, all of which is necessary for the public peace, health, and safety of the City, its inhabitants, and their property. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health, and safety shall take effect and be enforced from and after its passage.

PASSED AND APPROVED THIS _____ DAY OF _____, 2025.

Mayor

City Clerk

CERTIFICATE OF FRANCHISE ACCEPTANCE

WHEREAS, the City of Camden Board of Aldermen has adopted Ordinance Number 11-25 granting a franchise to South Arkansas Telephone Company, Inc d/b/a Air Cast (Grantee) to use the rights-of-way of the City's streets, highways and other public places for providing data transmission services, in accordance with the terms and conditions as stated in the Ordinance;

NOW, THEREFORE, for and in consideration of the terms and conditions as stated in Ordinance Number 10-25, the Grantee does hereby agree to accept said Franchise and to abide by the provisions thereof.

IN WITNESS WHEREOF, the Grantee sets its hand and seal on this ____ day of _____, 2025.

SOUTH ARKANSAS TELEPHONE COMPANY, INC D/B/A AIR CAST (GRANTEE)

By: _____

WITNESS: _____

STATE OF ARKANSAS)
COUNTY OF OUACHITA)

ACKNOWLEDGMENT

On this day personally appeared before me _____ and _____, to me personally well known, who acknowledged that they were the _____ and _____ of SOUTH ARKANSAS TELEPHONE COMPANY, INC D/B/A AIR CAST (GRANTEE), and that being properly authorized to do so, they had executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal this _____ day of _____, 2025.

Notary Public

Commission Expires: _____