ORDINANCE NO. _____

AN ORDINANCE TO FIX AND IMPOSE THE AMOUNT OF FEES AND CHARGES TO BE PAID TO THE CITY OF LITTLE ROCK, ARKANSAS, BY ALL COMPANIES THAT PROVIDE INTERSTATE OR INTRASTATE LONG DISTANCE TELECOMMUNICATION SERVICES, AND ALL BUSINESS INCIDENTAL TO, OR CONNECTED WITH, THE CONDUCTING OF SUCH TELEPHONE BUSINESS IN THE CITY OF LITTLE ROCK, ARKANSAS; TO AMEND SECTION 3 OF LITTLE ROCK, ARK., ORDINANCE NO. 15,706 (JULY 5, 1989); AND FOR OTHER PURPOSES.

WHEREAS, the City entered into a franchise agreement with Southwestern Bell Telephone on December 17, 1962; and,

WHEREAS, the City has had the authority to require such franchises for public utilities utilizing the City rights-of-way since 1935 by virtue of Act 324 of 1935, and upon any other statutory or legal authority; and,

WHEREAS, the transmission of communications by telephone or telegraph meets the definition of public utility under Arkansas law by virtue of Act 324 of 1935; and,

WHEREAS, subsequent to the passage of the original Franchise Agreement, and its subsequent amendments, there have been monumental changes in the telecommunications industry, including the divestiture of the long distance telephone service monopoly once enjoyed by Southwestern Bell Telephone and American Telephone and Telegraph Companies so that numerous companies compete to provide customers with Long Distance Telecommunication Services within the City of Little Rock; and,

WHEREAS, the City is entitled to receive such just and reasonable fees from the providers of Long Distance Telecommunication Services for their use of the City streets, alleys, airways, and other public rights-of-way, which the City may lawfully impose and the companies are obligated to pay.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. Section 3 of Little Rock, Ark., Ordinance 15,706 (July 5, 1989), as amended, is hereby amended to include the following:

> For the year beginning January 1, 2027, there is hereby levied against, and shall be collected from, all providers of Long Distance Telecommunication Services a fee in the

amount of $0.004 per minute for toll calls charged to a service address within the corporate limits of the City of Little Rock, Arkansas. The provider of Long Distance Telecommunication Services shall be responsible for assuring that this fee is paid to the City. This fee is levied as a Franchise Fee and shall be collected by the provider of Long Distance Telecommunication Services in accordance with Arkansas State Law.

Section 2. Payments to the City by companies providing Long Distance Telecommunication Services in accordance with the franchise fee imposed herein shall be made monthly within thirty (30) days of the end of each month commencing January 1, 2027.

Section 3. The City reserves the right to perform any necessary public works or make any necessary public improvements to the City's rights-of-way or airways (to the extent airways are related to facilities attached to or between poles) during the term of this Agreement. If, as a result of any action by the City, or by any action authorized by the City for the benefit of the public good, relocation of any of the Company's conduit or other facilities is required, such relocation shall be accomplished at the sole expense of the Company. Nothing in this Franchise shall be deemed a waiver of the City's right to require the Company to comply with all applicable zoning and other applicable regulatory ordinances or to pay any reasonable permit fees or to seek appropriate authorizations from the Company to perform any work in connection with the Franchise. Should the City close, eliminate, or discontinue use of any public street during the term of this Franchise, or any renewal term, this Franchise shall cease with respect to such streets upon the date of final action by the City with respect to the closure, elimination or discontinuance of such streets.

Section 4. ***Effective Date.*** Because an ordinance of this nature remains in effect until abandoned, and in light of the language of the current Section 1 of this ordinance, it is noted that the Franchise Fees set forth in Section 1 of this ordinance shall be in full force and on January 1, 2027.

Section 5. ***Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.

Section 6. ***Repealer.*** All ordinances and parts of ordinances that conflict herewith are hereby repealed; provided, however, only to the extent that the same are in direct conflict herewith. Except as provided, nothing herein shall be construed to alter or change the terms or conditions of the present franchise under which the providers of Long Distance Telecommunication Services are operating, pursuant to Ordinance No. 15,706 (July 5, 1989) and Ordinance No. 15,729 (August 1, 1989).

PASSED: November 17, 2026

ATTEST:

APPROVED:

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Allison Segars, City Clerk

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Frank Scott, Jr., Mayor

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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