AN ORDINANCE
BY

00- O -1998

AN ORDINANCE AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXTEND THE TERM OF THE EXISTING INTERIM TELECOMMUNICATIONS FRANCHISE AGREEMENT BETWEEN THE CITY AND BUSINESS TELECOM, INC., FOR THE PROVISION OF TELECOMMUNICATIONS SERVICES USING THE PUBLIC RIGHT-OF-WAY, AND FOR OTHER PURPOSES.

WHEREAS, the City has entered into an interim telecommunications franchise agreement with **Business Telecom, Inc.,** which provides telecommunications services on, under, over and through the public rights-of-way the City; and

WHEREAS, this agreement will terminate at midnight on December 31, 2000; and

WHEREAS, it is in the best interest of the City to extend the agreement for a period of three (3) months, to and through March 31, 2001, pending the enactment of a comprehensive ordinance governing the use of the City's rights-of-way pursuant to the 1996 Federal Telecommunications Act;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, as follows:

SECTION 1: That the Mayor or his designee and is hereby authorized to execute an agreement to extend the interim telecommunications franchise agreement with **Business Telecom, Inc.**

SECTION 2: That such agreement extends the existing interim franchise agreement for a period of three (3) months, to and through March 31, 2001

SECTION 3: That the City Attorney shall prepare an agreement providing for such extension, and that such agreement shall not be binding on the City until approved by the Mayor or his designee and delivered to **Business Telecom, Inc.**

EXTENSION OF THE INTERIM FRANCHISE AGREEMENT BETWEEN CITY OF ATLANTA AND BUSINESS TELECOM, INC.

This EXTENSION OF THE INTERIM FRANCHISE (the "Extension"), executed as of the _____ day of _____, 2001 (the "Effective Date") by and between THE CITY OF ATLANTA, GEORGIA (hereinafter referred to as the "City"), and **BUSINESS TELECOM, INC.** duly organized and validly existing and authorized to transact business under the laws of the State of Georgia, whose principal place of business is located at 4300 Six Fork Road, Raleigh, North Carolina 27609 (hereinafter referred to as the "Grantee").

WITNESSETH

WHEREAS, the City has the authority pursuant to applicable State and local laws to grant franchises and other authorizations for the use and occupancy of the Streets (as hereinafter defined); and

WHEREAS, consistent with applicable law, the City desires to manage the Streets and obtain fair and reasonable compensation from Telecommunications Providers (as hereinafter defined for the use of the streets on a non-discriminatory basis; and

WHEREAS, the City and the Grantee previously entered into a non-exclusive Franchise Agreement (the "Franchise Agreement") for use of the City's Streets; and

WHEREAS, the City desires to extend the franchise to permit Grantee to use and occupy the Streets for the purpose of constructing and maintaining a Telecommunications System (as hereinafter defined) and providing Telecommunications Services (as hereinafter defined) on a competitively neutral and nondiscriminatory basis in accordance with the Federal Telecommunications Act of 1996, 47 U.S.C. §151 et seq., and

WHEREAS, the City intends to exercise, to the fullest extent permitted by applicable law, its authority with respect to the regulation of the occupation and use of the Streets in connection with the provisions of Telecommunication Services; and

WHEREAS, the City is considering adoption of a comprehensive telecommunication ordinance that would, consistent with applicable laws, establish the procedures and requirements for granting franchises for the use of the Streets in connection with the provision of Telecommunications Services the "Telecommunications Ordinance"); and

WHEREAS, the Grantee desires that the City continue and extend its telecommunications franchise prior to adoption of the Telecommunications Ordinance to permit Grantee to proceed and/or continue with the construction of a Telecommunications Systems; and

WHEREAS, the City and the Grantee desire to extend the Franchise Agreement for a term of three (3) months, to, through and including March 31, 2001; and

WHEREAS, by Ordinance adopted _____, 2000, by the Atlanta City Council, the Mayor is authorized to sign this Extension. A true and correct copy of the authorizing legislation is attached to this Extension and made a part hereof as Exhibit "A"; and

WHEREAS, the Grantee understands and acknowledges that if the City adopts the Telecommunications Ordinance, the Grantee shall be subject to the requirements of such ordinance, which requirements shall be in addition to the terms and conditions of the Franchise Agreement, as extended; and

NOW, THEREFORE, in consideration of the foregoing clauses, which clauses are hereby made a part of this Extension of the Franchise Agreement, the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1.

This Extension of the Franchise Agreement shall commence on the Effective Date and shall continue for an additional three (3) months to, through and including March 31, 2001. The Franchise Agreement, as hereby extended, shall expire at midnight on March 31, 2001. The City is not obligated to renew or extend the Franchise further and the Grantee is not obligated to extend or renew the Franchise. The Grantee acknowledges that it has no right to an extension or renewal of the Franchise.

2.

The City and the Grantee shall be bound by all of the original terms, conditions and covenants of the original Franchise Agreement, which shall remain unchanged, and which are incorporated herein by this reference and made a part of this Extension as though set out in full text.

3.

Grantee's General Liability and Workers Compensation Insurance Certificate which extends its coverage to, through and including March 31, 2001, is attached hereto and incorporated herein as Exhibit "B".

4.

This Extension shall not become binding on the City, and the City shall incur no liability upon the same, until this Extension has been executed by the Mayor, approved by the City Attorney as to form, officially sealed by the Municipal Clerk and delivered to the Grantee.

5.

This Extension, and the Franchise Agreement executed between the parties on or about _____,2001, constitute the entire and integrated agreement between the parties. No provisions of the Franchise Agreement, as extended, shall be amended or otherwise modified, in whole in part, except by an instrument, in writing, duly executed by the City and the Grantee, which amendment shall be authorized on behalf of the City through the adoption of an appropriate resolution or ordinance by the City, as required by applicable law.

IN WITNESS WHEREOF, the party of the first part, by its Mayor, thereunto duly authorized by the City Council of the City has caused the corporate name of the City to be hereunto signed and the corporate seal of the City to be affixed and the Grantee, the party of the second part, by its officers thereunto duly authorized, has caused its name to be hereunto signed and its seal to be hereunto affixed as of the date and the year first above written.

CITY OF ATLANTA, GEORGIA

Attest:

By: _____
Mayor

_____
Municipal Clerk
(City Seal)

RECOMMENDED:

_____
Commissioner, Department of Public Works

By: _____
Chief Operating Officer

APPROVED AS TO FORM:

APPROVED:

_____
Assistant City Attorney

_____
Chief Financial Officer

Attest:

BUSINESS TELECOM, INC.

By: _____
Corporate Secretary
(Corporate Seal)

By: _____