

ORDINANCE NO.

**FRANCHISE AGREEMENT BETWEEN THE CITY OF GULF SHORES, ALABAMA
AND MCIMETRO ACCESS TRANSMISSION SERVICES LLC,
THE CODE OF ORDINANCES OF
THE CITY OF GULF SHORES, ALABAMA**

Section 1. FRANCHISE AGREEMENT BETWEEN THE CITY OF GULF SHORES, ALABAMA AND MCIMETRO ACCESS TRANSMISSION SERVICES LLC, THE CODE OF ORDINANCES OF CITY OF GULF SHORES, ALABAMA, as such may be amended from time to time are incorporated herein by reference as if fully set out herein, including, but not limited to, the definitions set forth therein.

Section 2. Grantee. MCImetro Access Transmission Services LLC, as a provider of services, who, along with its lawful successor(s), transferee(s), or assignee(s), shall hereinafter be referred to as “Grantee”, has made application for a franchise.

Section 3. Grant. The City of Gulf Shores, Alabama (hereinafter “City”), where the City has the right and authority to do so, hereby grants to the Grantee a non-exclusive franchise to construction, maintain, and operate communication facilities in the rights-of-way in accordance with and subject to the provisions of CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA, applicable law, and any mutually acceptable additional terms, as may be set forth in this Franchise Agreement or any attachments thereto. Approval of installation of facilities at specific locations or on specific support structures will be administered through the permitting process.

Section 4. Certifications. Grantee hereby certifies as follows:

(a) Grantee is a Foreign Limited Liability Company, duly organized, validly existing, and in good standing under the laws of the State of Alabama, is qualified to do business under the laws of the State of Alabama, and has the power and authority to own its properties, to carry on its business as now being conducted and as proposed in its franchise application, to execute and deliver the acceptance of this Franchise, to carry out the transactions contemplated hereby, and to perform and carry out all obligations on its part to be performed under and pursuant to this Franchise.

(b) Grantee, as of the date of the grant of this Franchise, has adequate financial resources to install its utility facilities in accordance with the provisions of the CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA, and knows of no technical or legal impediment which would prevent it from performing as contemplated in said CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA

(c) Grantee is not prohibited by any agreement or applicable law from executing and accepting this Franchise.

(d) The person executing the written Acceptance of this Franchise has full authority to act on behalf of Grantee and to accept and agree to this Franchise.

(e) All corporate actions and consents required on Grantee’s part to execute and deliver the acceptance of this Franchise have been completed.

The foregoing certifications are material to the grant of this Franchise. A breach of any of the certifications in subsections (a) through (d) above shall constitute a non-curable default under this Franchise and shall entitle the City to immediately revoke the Franchise for cause. A breach of the certification contained in subsection (e) shall constitute a curable default under this Franchise, wherein following written notice, Grantee will have reasonable time to cure such default.

Section 5. *Nonexclusive.* Grantee's use of the rights-of-way pursuant to CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA and this Franchise shall be nonexclusive. The City specifically reserves the right to grant, at any time and from time to time, such additional franchises, licenses, use agreements or other rights to use the rights-of-way for any purpose as determined by the City, and to any other person, including itself, as it deems appropriate, subject to applicable law.

Section 6. *No title.* The grant of this Franchise shall not convey title, equitable or legal, in the rights-of-way, and the rights granted by this Franchise do not excuse the Grantee from obtaining appropriate access or attachment agreements before locating its facilities on another person's poles or support structures in the rights-of-way.

Section 7. *Term of Franchise.* Subject to termination or revocation, this Franchise shall be valid for a period of five (5) years commencing on the date of adoption of this resolution (hereinafter referred to as "Effective Date"). Upon Grantee's written certification to the public works director within 30 days of the expiration of the Franchise that Grantee remains in compliance with the provisions of CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA, including this Franchise and each outstanding permit, then the Franchise will be automatically extended for an additional five (5) year term without further action required by the City.

Section 8. *Franchise Fees.*

(a) *Fees.* Beginning one year from the effective date of this agreement, Grantee must pay to the City a quarterly franchise fee in an amount equal to three percent (3%) of its gross revenues derived from providing service in the City for the preceding three (3) months. Fees shall be payable for each quarter ending on March 31, June 30, September 31 and December 31 of each year during the term of this agreement.

(b) *Payment.* Each payment shall be accompanied by a statement showing the gross revenues by category and the manner in which the fee was calculated. Grantee shall specifically describe what revenues were included and excluded in calculating the franchise fee, and any adjustment made to gross revenues. The statement and fee payments shall be personally delivered or mailed to the City on or before the 15th of the month following the close of the preceding quarter to City of Gulf Shores Finance Department, PO Box 299, Gulf Shores AL, 36547.

(c) *Penalties and Interest.* All franchise fees not paid within 30 days from the date they fall due shall be increased by five percent (5%) for the first 30 days they shall be delinquent, or fraction thereof, and shall be increased by an additional five percent (5%) for a delinquency of 60 or more days, but this provision shall not be deemed to authorize the delay of 30 days in the payment of the fees due, which may be enforced at once. If the Grantee fails to timely pay any amounts due and owing according to the terms of this CODE OF ORDINANCES CITY OF GULF SHORES, ALABAMA Chapter 8, then Grantee shall pay interest on the unpaid balance from the date of the due date to the City.

All notices or demands shall be deemed effective, if personally delivered, upon delivery, and if mailed, certified mail, return receipt requested, three (3) days after mailing. The City or Grantee may from time to time designate in writing any other address for this purpose to the other party; provided, however, in no event will either the City or the Grantee be required at any time to send any notices or demands to more than two (2) designated addresses, even in the event that this Franchise is transferred or assigned in whole or part. Nothing herein shall prevent the parties from affecting personal deliveries via e-mail.

Section 15. Captions. The captions to sections and subsections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

Section 16. Severability. The severability provisions of the City Code are rules of construction specifically included herein by reference as if fully set forth.

Section 17. Governing law. This Franchise granted and every question arising hereunder shall be construed or determined according to the laws of the State of Alabama and applicable federal law.

Section 18. When ordinance effective. This Franchise shall become effective upon its adoption.

ACCEPTED AND AGREED TO BY the undersigned Grantee on this the 9th day of March, 2026.

By: _____
Dina Dye, Grantee
Its: Associate Director – Network Regulatory/Real Estate

By: _____
Robert Craft, Mayor
The City of Gulf Shores

THIS AGREEMENT is entered this 9th day of March 2026 by and between the City of Gulf Shores, an Alabama Municipal Corporation, and MCImetro, Franchisee.

Attest: _____
Tobi Waters, City Clerk