

SYNOPSIS OF AN ORDINANCE WHEREBY THE CITY OF HUNTSVILLE, ALABAMA, GRANTS TO LIMESTONE COUNTY WATER AND SEWER AUTHORITY, AN ALABAMA PUBLIC CORPORATION, THE NON-EXCLUSIVE RIGHT TO USE THE RIGHTS-OF-WAY IN ORDER TO CONSTRUCT AND OPERATE ITS WATER AND SEWER FACILITIES IN ORDER TO PROVIDE WATER SERVICE AND SEWER SERVICE TO ITS CUSTOMERS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS AND CONDITIONS OF A FRANCHISE AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA AND LIMESTONE COUNTY WATER AND SEWER AUTHORITY.

1. On July 23, 2026, the City Council for the City of Huntsville, Alabama, adopted Ordinance No. 26-615, granting to Limestone County Water and Sewer Authority, an Alabama public corporation authorized to do business in the State of Alabama, (the “Authority”) for a thirty-year period from the effective date, which is the date of publication, the non-exclusive franchise to use the rights-of-way of the City of Huntsville, Alabama (the “City”) within defined franchise areas for the sole purpose of constructing, improving, enlarging, extending, installing, operating, repairing, and maintaining defined facilities of its water system and sewer system in order to serve its customers, including its resale customers and its retail residential, commercial, and industrial customers, in accordance with and subject to the provisions, terms, and conditions of the Franchise Agreement between the City of Huntsville, Alabama and Limestone County Water and Sewer Authority (the “Franchise Agreement”).
2. The rights granted under the franchise are subject to the City's police powers, including the City's management of its rights-of-way. The Franchise Agreement also includes provisions governing the Authority’s construction and related activity in the City’s rights-of-way and requirements that the Authority indemnify the City and maintain insurance coverage.
3. The Franchise Agreement requires that the Authority provide to the City, as consideration for the rights granted under the franchise, the following:
 - (a) Payment, on a monthly basis, of franchise fees of 6% of gross revenues consisting of any and all forms of compensation in any form whatsoever received directly by the Authority, or by any affiliate, (after adjustments for the net write off of uncollectible accounts and corrections of bills theretofore rendered) from (i) the retail sale of water service to its customers in the water service franchise area; (ii) the retail sale of sewer service to the Authority’s customers in the sewer service franchise area; and (iii) the lease of the facilities, or any portion thereof; and

(b) The operation, maintenance, extension, replacement, and improvement of fire hydrants, and related equipment and appurtenances, within the franchise area, and the provision of a continuous water supply to a system of fire hydrants sufficient to provide fire protection for the City; and

(c) A 25-year extension of the “Sellers Restriction Period” set forth in Section 4.10 of that certain Asset Purchase Agreement dated December 16, 2010, (see Resolution No. 10-1019) as amended by that certain Amendment to Asset Purchase Agreement dated January 12, 2012, (see Resolution No.12-41) for the sale of certain sewer assets to the City.

4. A copy of Ordinance No. 26-615 together with the Franchise Agreement may be obtained from the Office of the City Clerk of the City of Huntsville, Alabama, during normal business hours.

Publication of this Synopsis is done by or at the direction of Shaundrika Edwards, City Clerk of the City of Huntsville, Alabama, and at the expense of the Authority.

Speakin’ Out News and Athens News Courier