

ORDINANCE NO.: 2018-7-2-A

AN ORDINANCE CREATING SECTION 3.28.045 SERVICE PROVIDER FEES

WHEREAS, Telecommunications Management LLC, dba NewWave operates a cable television system providing cable television services to households in the City of Vandalia, Illinois authorized under an Authorization to Offer Cable or Video Services granted by the Illinois Commerce Commission on May 17, 2018 pursuant to 220 ILL. COMP. STAT. 5/21-401; and

WHEREAS, 220 ILL. COMP. STAT. 5/21-801 permits the City to collect service provider fees from a cable operator operating within the City pursuant to a state authorization; and

WHEREAS, the City hereby adopts this Ordinance in order to collect service provider fees from Telecommunications Management LLC, dba NewWave

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VANDALIA, ILLINOIS:

The following is hereby inserted as Chapter 3 Section 28 Paragraph 45 (3.28.45)

SECTION 1. Telecommunications Management LLC, dba NewWave shall pay an annual service provider fee to the City in an amount equal to 2% of annual gross revenues derived from the provision of cable or video service to subscriber households located within the City. The twelve (12) month period for the computation of the service provider fee shall be a calendar year.

SECTION 2. The service provider fee payment shall be due quarterly and payable within 45 days after the close of the preceding calendar quarter. Each payment shall be accompanied by a brief report prepared by a representative of the Grantee showing the basis for the computation. If mailed, the fee shall be considered paid on the date it is postmarked.

SECTION 3. For purposes of the calculation of the service provider fee, "gross revenues" shall mean consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by Telecommunications Management LLC, dba NewWave for the operation of its cable system to provide cable or video service within the City, including the following: (i) recurring charges for cable service or video service; (ii) event based charges for cable service or video service, including, but not limited to, pay-per-view and video-on-demand charges; (iii) rental of set-top boxes and other cable service or video service equipment; (iv) service charges related to the provision of cable service or video service, including, but not limited to, activation, installation, and repair charges; (v) administrative charges related to the

provision of cable service or video service, including but not limited to service order and service termination charges; (vi) late payment fees or charges, insufficient funds check charges, and other charges assessed to recover the costs of collecting delinquent payments; (vii) a pro rata portion of all revenue derived by the cable system from advertising or for promotion or exhibition of any products or services; and (viii) a pro rata portion of compensation derived by the cable system from the promotion or exhibition of any products or services sold by "home shopping" channels or similar services carried by the cable system.

SECTION 4. For purposes of the calculation of the service provider fee, "gross revenues" shall not include: (i) revenues not actually received, even if billed, such as bad debt; (ii) the service provider fee or any tax, fee or assessment of general applicability; (iii) any revenues received from services not classified as cable service or video service, including, without limitation, revenue received from telecommunications services, voice over internet protocol (VoIP) services, information services, the provision of directory or Internet advertising, or any other revenues attributed by the holder to noncable service or non-video service in accordance with the holder's books and records and records kept in the regular course of business and any applicable laws, rules, regulations, standards, or orders; (vi) security deposits collected from subscribers, or (vii) any amounts paid by subscribers to "home shopping" or similar vendors for merchandise sold through any home shopping channel offered as part of the cable service or video service.

SECTION 5. If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate, or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 6. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 7. This Ordinance shall be in full force and effect upon its passage, approval, and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Passed this 2ND day of July, by "yea" and "nay" vote
with the Aldermen voting as follows:

LESTER	<u>yea</u>
BARKER	<u>absent</u>
REBBE	<u>absent</u>
B. CLARK	<u>yea</u>
HUBLER	<u>yea</u>

STUNKEL

absent

HOBLER

yes

CRAWFORD

yes

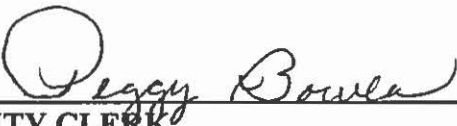
Approved this 2ND day of July, A.D., 2018.

THE CITY OF VANDALIA, ILLINOIS,



MAYOR

ATTEST:


CITY CLERK