

## ORDINANCE

### RE: PAYMENT OF CABLE TELEVISION FRANCHISE FEES IN VERMILION COUNTY ILLINOIS – NEW WAVE COMMUNICATIONS

**WHEREAS**, Telecommunications Management LLC, b/b/a New Wave operates a cable television system providing cable services to a portion of Vermilion County, Illinois authorized under the Authorization to Offer Cable or Video Services granted by the Illinois Commerce Commission pursuant to 220 ILCS 5/21-401; and

**WHEREAS**, the County under 220 ILCS 5/21-801 permits the County to collect service provider fees from a cable operator operating within the County pursuant to State authorization; and

**WHEREAS**, the County hereby adopts this ordinance relative to collection of service providers fees from Telecommunications Management LLC, d/b/a New Wave.

**NOW, THEREFORE BE IT ORDAINED** by the County Board of Vermilion County Illinois as follows:

Section 1. Telecommunications Management LLC, d/b/a New Wave (hereinafter “New Wave”) shall pay an annual service provider fee to the County in the amount equal to 5 % gross revenues derived from the provision of cable or video services to households located within Vermilion County. The twelve month period for the computation of the service provider fee shall be a calendar year.

Section 2. The service provider fee for 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 service provider fee, ‘gross revenues shall mean consideration of any kind or nature, including but not limited to, cash, credits, property, and in-kind contributions received by New Wave for the operation of its cable system to provide cable or video services within the County, 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 holder or its affiliates pursuant to compensation arrangements for advertising or for promotion or exhibition of any products or services derived from the operation of the holder's network to provide cable service or video service within the local unit of government's jurisdiction. The allocation shall be based on the number of subscribers in the local unit of government divided by the total number of subscribers in relation to the relevant regional or national compensation arrangement.

(viii) Compensation received by the holder that is derived from the operation of the holder's network to provide cable service or video service with respect to commissions that are received by the holder as compensation for promotion or exhibition of any products or services on the holder's network, such as a "home shopping" or similar channel, subject to item (ix) of this paragraph (1).

(ix) In the case of a cable service or video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the holder's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the holder can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.

(x) The service provider fee permitted by subsection (b) of 220 ILCS 5/21-801.

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, subject to item (vi) of paragraph (1) of this subsection (c).

(ii) Refunds, discounts, or other price adjustments that reduce the amount of gross revenues received by the holder of the State-issued authorization to the extent the refund, rebate, credit, or discount is attributable to cable service or video service.