

**SUGARCREEK TOWNSHIP**  
**RESOLUTION NO. 2013.01.22.07**

IN RE: Establishing a Video Service Provider Fee to be Paid by any Video Service Provider Offering Video Service in the Township; Authorizing the Chairperson to Give Notice to the Video Service Provider of the Video Service Provider Fee and Declaring an Emergency

WHEREAS, the Ohio General Assembly enacted Sections §1332.21 through §1332.34 of the Ohio Revised Code, effective September 24, 2007, to provide a statewide “uniform regulatory framework” for the provision of cable television and/or other video service (the “Video Law”); and,

WHEREAS, the Township of Sugarcreek has a cable television franchise agreement with Time Warner Cable, A Division of Time Warner Entertainment Company L.P., which expires, by certified notification received from Time Warner Cable, on or about February 1, 2013, and pursuant to which Franchisee is paying franchise fees in the amount of five percent (5%) of the gross revenue it receives from cable subscribers in the Township; and,

WHEREAS, under the Video Law a video service provider that is providing video service to subscribers in the Township pursuant to the state-issued video service authorization must pay the Township a video service provider fee (“VSP Fee”) based on a percentage of the provider’s gross revenues received from providing video service in the Township, not to exceed five percent (5%) of such gross revenues; and,

WHEREAS, the Video Law requires that the percentage of gross revenues on which VSP Fees are paid must be the same as the percentage of gross revenues that a cable operator pays pursuant to a franchise agreement that is in effect in the Township (the “VSP Fee Percentage”) or, if there is no effective franchise agreement under which franchise fees are payable for a given calendar quarter, the VSP Fee Percentage shall be zero percent (0%) of gross revenues unless the Township determines by resolution that the VSP Fee will be a percentage of gross revenues not to exceed five percent (5%) of gross revenues; and,

WHEREAS, the Video Law further requires the Township to provide a video service provider with written notice of the VSP Fee Percentage within ten (10) days of receiving notice

from the video service provider, pursuant to R.C. §1332.27(A), that it will begin offering service in the Township; and,

WHEREAS, the Video Law provides that advertising revenues will not be included in the gross revenues base upon which the VSP Fee Percentage is applied unless the Township specifically enacts a resolution uniformly applicable to all video service providers requiring that advertising revenues also be included in the gross revenues base; and,

WHEREAS, the Video Law requires the Township to promptly notify affected video service providers of the resolution that requires the inclusion of advertising revenues in the gross revenues base and that requirement will not take effect until the first day of the first calendar quarter that begins more than thirty (30) days after giving such notice of the resolution; and,

WHEREAS, in order to provide timely notice to a video service provider of the VSP Fee Percentage and of the inclusion of advertising revenues in the VSP Fee gross revenues base, it is necessary for this Board of Trustees (i) to establish the VSP Fee Percentage; (ii) to include advertising revenues in the VSP Fee gross revenues base, and (iii) to authorize the Chairperson of the Trustees to provide the appropriate notice of the VSP Fee Percentage and the inclusion of advertising revenues in gross revenues to a video service provider within ten (10) days of the Township receiving notice that a video service provider will begin providing service in the Township; and,

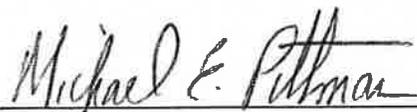
NOW, THEREFORE BE IT RESOLVED, That this Board of Trustees of the Township of Sugarcreek hereby establishes a VSP Fee that is calculated by applying a VSP Fee Percentage of five percent (5%) to the video service provider's gross revenues as defined in Section §1332.32(B) of the Video Law. For purposes of calculating the VSP Fee, the provider's gross revenues shall include advertising revenues in accordance with Section §1332.32(B)(2)(g) of the Video Law. The VSP Fee Percentage and Video Law gross revenues definition, as modified in this resolution, shall apply equally to all video service providers and cable television operators providing video service in the Township.

BE IT FURTHER RESOLVED, that the VSP Fee shall be paid by each video service provider providing service in the Township on a quarterly basis but not sooner than forty-five (45) days nor later than sixty (60) days after the end of each calendar quarter. R.C. §1332.32(A).

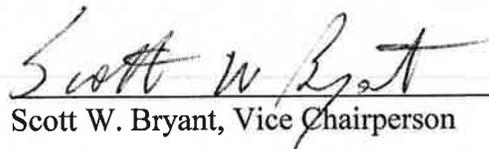
BE IT FURTHER RESOLVED, that the Chairperson of the Trustees is authorized and directed to provide any video service provider with notice of the VSP Fee Percentage and gross revenues definition as determined by this Board above, which notice shall be given by certified mail, upon receipt of notice from such video service provider that it will begin providing video service in the Township pursuant to a state-issued video service authorization.

BE IT FURTHER RESOLVED, that it is found and determined that all formal actions of the Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board of Trustees, and that all deliberations of the Board and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

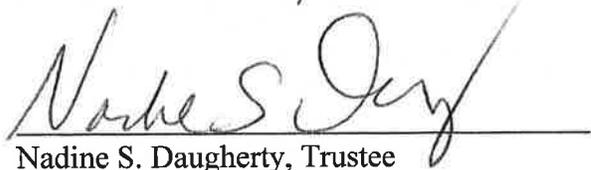
BE IT FURTHER RESOLVED, that this resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare of the Township of Sugarcreek, and this resolution shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to this Board of Trustees, otherwise from and after the earliest period allowed by law.



Michael E. Pittman, Chairperson



Scott W. Bryant, Vice Chairperson



Nadine S. Daugherty, Trustee



---

Theodore L. Hodson, Fiscal Officer