

AN ORDINANCE No. 87-80 - 105

ADOPTED MAY 28 1987

To amend and reordain Ordinance No. 86-84-144, adopted May 28, 1986, concerning the period for which charges applicable for providing access to Home Box Office, Cinemax and other programming for which a charge over and above the basic access charge is added to its subscribers by Continental Cablevision of Richmond, Inc., to delete so much of said ordinance as provided for expiration provisions of the additional charges to be included within the gross receipts for computation of fees payable to the City by Continental Cablevision of Richmond, Inc., and make such fees continue in force and effect until hereafter modified by law or duly enacted ordinance.

Patron - City Manager

Approved as to form and legality
by City Attorney

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 86-84-144, adopted May 28, 1986, be and is amended and reordained as follows:

2. Definitions:

A. "Access Channel" includes all public and Leased Channels.

B. "Basic Service" means the delivery by the Grantee of those audio and visual signals required or permitted by the FCC to be carried on a CATV System.

C. "Channel" means a frequency band which is capable of carrying a standard broadcast audio-video television signal.

D. "City Manager" means the City Manager of Richmond or his duly authorized representative.

E. "City" means the City of Richmond.

F. "Council" means the City Council of Richmond.

G. "Community Antenna Television System", or "CATV System", or "System" means any facility which is operated to perform for hire, either in whole or in part, the service of receiving, amplifying, modifying or originating television, radio or other electrical signals for the purpose of transmitting or distributing such signals by wire, cable or other means to subscribing members of the public, except that such definition shall not include: (1) any system which serves fewer than two hundred and fifty (250) subscribers: (2) any system which serves only the residents of one or more continuous apartment dwellings under common ownership, control or management, and commercial establishments located on the premises of such dwellings; or (3) any system commonly known as a master antenna system.

H. "Depreciated Value" shall mean the value as shown on the Grantee's books and records of all the cable television system's tangible assets after depreciation which shall be calculated to the end of the Grantee's last fiscal year. Said value shall not include "good will" or any value that Grantee's books and records attribute to the franchise.

I. "Fair Market Value" shall mean the price that a willing buyer would pay to a willing seller for a going concern based on the system valuation and sale multiples prevailing in the industry at the time at which the Board elects to exercise its option.

J. "FCC" means the Federal Communications Commission.

K. "Franchise" means and includes any authorization granted hereunder in terms of a franchise, privilege, permit, license or otherwise to construct, operate and maintain a CATV System in the City.

L. "Gross Subscriber Revenues" means all revenue derived from the supplying of regular subscriber services as defined by the FCC, including but not limited to installation fees, and disconnect and reconnect fees, and from providing access to HBO (Home Box Office), Cinemax and other programming for which a charge over and above the basic access charge is added to its subscribers.

M. "Grantee" means the person, firm or corporation to whom or to which a Franchise is granted by the City Council under this ordinance, or anyone who succeeds said person, firm or corporation in accordance with the provision of this franchise.

N. "Leased Access Channel" means a channel on the System which is reserved for carriage of program material

provided by persons who lease channel time from the Grantee.

O. "Net Profit" shall mean the amount remaining after deducting from gross revenues all of the actual, direct and indirect, expenses associated with operating the cable television system including the franchise fee, interest, depreciation and Federal or State income taxes.

P. "Passed by the CATV System" means the construction of the System in a given area has been completed such that no major construction is required to provide Basic Service upon request.

Q. "Residential Subscriber" means a purchaser of service delivered over the System to an individual dwelling unit, where the service is not to be utilized in connection with a business, trade, or profession.

R. "Streets" means the streets, avenues, highways, boulevards, bridges, tunnels, alleys, public places, and any other rights of way and easements within or belonging to the City.

S. "Subscriber" means a purchaser of service delivered over the system.

T. "Total Number of Subscribers" means the number of Subscribers determined as follows: In the event a single fee is paid for service to a multiple dwelling unit, the number of equivalent subscribers shall be determined by

dividing such fee by the then prevailing Residential Subscriber rate and rounding the resulting quotient to the nearest whole number. To this number shall be added the number of all other Subscribers.

§ 2. [~~This ordinance~~] Ordinance No. 86-84-144, adopted May 28, 1986, shall be in force and effect July 1, 1986, [~~with the inclusion of Home-Box-Office and Cinemax to continue in force only through June 30, 1987, unless extended by ordinance adopted by Council prior to said expiration date~~] and shall continue in force and effect until modified by law or by duly adopted ordinance.