

## CITY OF KINGSPORT, TENNESSEE

TRIAL BUSINET ROOM

December 9, 2008

Tennessee Regulatory Authority ATTN: Docket Room (08-00169) 460 James Robertson Parkway Nashville, TN 37243

RE: Fee on Fee Resolution - December 2, 2008

Charter Communications, LLC - Franchising Authority

## Dear Sirs:

Pursuant to Section 4(11)(A)(i) of the Competitive Cable and Video Services Act, please find enclosed a certified copy of a resolution that results in the inclusion of the franchise fee in the definition of "Gross Revenues".

If additional information is needed, please advise.

Sincerely,

James H. Demming City Recorder

## Enclosure

cc: Mayor Dennis Phillips

John Campbell, City Manager

J. Michael Billingsley, City Attorney

## **RESOLUTION NO. 2009-136**



A RESOLUTION TO RETAIN THE FRANCHISE FEE AS PART OF GROSS REVENUES FOR CABLE AND VIDEO SERVICES

WHEREAS, the state of Tennessee has enacted the Competitive Cable and Video Services Act as Public Chapter No. 932 of the Public Acts of 2008; and

WHEREAS, the Act allows cable providers to obtain a state wide cable franchise; and

WHEREAS, Charter Communications has filed a request with the Tennessee Regulatory Authority for a state wide cable franchise; and

WHEREAS, when a cable provider obtains a state wide cable franchise the franchise fee is five (5%) percent of the gross revenues; and

WHEREAS, the franchise fee permitted in the franchise agreement between the City of Kingsport and Charter Communications is five (5%) percent of the gross revenues including the franchise fee, commonly known as a fee on fee franchise fee, which has the effect of making the actual receipt of revenue by the city at a percentage slightly greater than five (5%) percent; and

WHEREAS, the definition of gross revenues in the Act does not include the franchise fee; and

WHEREAS, section 4(11)(A)(i) of the Act allows the board of mayor and aldermen to adopt a resolution that results in the inclusion of the franchise fee in the definition of gross revenues; and

WHEREAS, the board finds that such resolution should be approved;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That pursuant to section 4(11)(A)(i) of the the Competitive Cable and Video Services Act, Public Chapter No. 932 of the Public Acts of 2008 the franchise fee shall be included as part of the definition of gross revenues, as defined by the Act.

SECTION II. That pursuant to the Act a certified copy of this resolution shall be sent to the Tennessee Regulatory Authority as the notice required by the Act.

City of Kingsport, Tennessee, Resolution No. 2009-136, December 2, 2008 Ref: AF: 361-2008

SECTION III. That the effect of this resolution shall be retroactive to the date of the application of Charter Communication with the Tennessee Regulatory Authority for a state wide franchise.

ADOPTED this the 2<sup>nd</sup> day of December, 2008.

DENNIS R. PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney