

**RECORD OF MINUTES**

Date: February 4, 2009
Meeting: Pre-Proposal/Bidder's Conference
RFP #01-2009, Public Access Cable Channel Operator
Location: One South Van Ness Avenue, 2nd Floor, San Francisco, CA
Present: *Sheila Maxwell, DT Contracts Administration*
Barry Fraser, DT Telecom Policy Analyst
Ron Vinson, DT Director of Media
Zane Blaney, SFCTC
Aaron Vinck, SFCTC
Nolan Ehrstrom, Access SF Volunteer/Little Wing Media
Paula Bradford, P2 Productions
Steve Zeltzer, PPNSF
Kazmi Torii, Labor Video Project

Distribution: Those Present, RFP recipients, File copy: RFP #01-2009

The following highlights the bidder's conference held on 2/4/09 to answer questions and to clarify any issues regarding the services solicited in the above-referenced RFP. Ms. Maxwell opened the meeting with introductions and highlighted points on the solicitation process, submission requirements, and City ordinance and contract compliance terms. Mr. Fraser provided an overview of the project and discussed the specific tasks of the services being solicited. Mr. Fraser and Mr. Vinson answered questions asked by the attendees throughout discussion of the RFP. Responses to each question are in bold print.

Meeting Start: 10:30 A.M.

-QUESTIONS AND ANSWERS-

1. Is it a requirement for the applicant to be a non-profit entity? Is the background and experience in operating a channel a requirement?
The recipient of the funding for this project must be a tax-exempt organization, hence, a nonprofit entity, as stated in the introduction paragraph of the RFP document. The City expects the successful applicant to demonstrate comparable or similar experience as outlined in Section VII. Evaluation and Selection Criteria of the RFP document.
2. Please explain how the applicant must document that it has access to or the capability to raise funds in the first year of the agreement.
The applicant must not necessarily have the funding in place, but must show evidence of its capability to raise additional revenues in the first year of the agreement.
3. What is the total amount of the 0.2 percent portion of the cable television franchise fee?
The City expects an estimate of \$360,000 for the 2009/2010 fiscal year.

4. Is the City paying the lease agreement for the facility only through April 30, 2010? **The City, at its option, may provide payments required under the current lease, which expires on April 30, 2010. The City is not obligated to make any additional facility lease payments after that date. This will be a policy decision in consideration of City budgetary constraints.**
5. What about utilities costs? Will the City consider expanding funding for this type of expense? **The monthly facility lease payments do not include the costs for utilities. The City has to comply with limitations placed on capital funds under the new State law. The funds are not to be used for operational expenses.**
6. What does the City see beyond April 2010 for lease of the facility? **That will depend on the applicant's ability and plan to raise revenue for channel operations. In addition, the lease agreement will be included as part of the transition of management responsibility for public access resources from CTC to the applicant.**
7. What is the quantity and the channel numbers of Public Access services that are subject to change? **The City Board of Supervisors can make the changes due to significant funding reductions. We would need the option to operate one or two.**
8. Has the City considered allocating the total of the available PEG operations funding to support public access? **Traditionally, the City has allocated available PEG operating funds equally among the Public, Education and Government channel operators, with each operator getting 1/3 of the total available. The City anticipates continuing to allocate these funds equally among the three PEG channel operators, as any increase in allocation to the public access channels would necessarily reduce the funding available to the education and/or government channels.**

The funding for PEG operating expenses was established through local cable television franchise agreement. Under DIVCA, this local franchise obligation will end on December 31, 2009. San Francisco Administrative Code Section 10.100-341 establishes a fund for receiving PEG fee payments, but it does not set the level of funding to be reserved for PEG purposes, and does not specify an allocation formula for disbursements.

9. (a) What can the new public access provider expect to see year-to-year in terms of capital funds? **Each year the City requests a capital needs report and proposed budget from each of the three PEG channel operators. The City then sets the capital budget for each operator, based on overall need and the amount of funding available. This method does not always result in an equal three-way split because capital needs will vary from year to year for each operator. However, if an operator does not receive all capital funds it requests in a given year, it can request more funding in subsequent years.** (b) What is the total amount the City will receive every year based on DIVCA requirements? What's the total amount the City is expected to have? **Knowing the scope of capital funds available impacts on operational priorities. For fiscal year 2009, PEG capital fees paid by video service providers are expected to total approximately \$1.2 million. The basis for calculating the PEG fee will change under DIVCA. Beginning in 2010, the City may establish, by ordinance, a PEG capital fee payment based on a percentage of the video service providers' gross revenues. This**

- could result in an increase in PEG capital fees beginning in fiscal year 2010, although the City has not yet adopted the ordinance or set the percentage basis.**
10. If there are no responses to this RFP solicitation, does the City plan to close the station down? **The City does not expect to let the channels go dark. The City will reassess the operation and look to direction from the policymakers.**
 11. The primary and the enhanced level services under the scope of work are not clear, please clarify. **The tasks listed are assumed necessary but not limited in the channel operations. Applicants may offer a modified scope as part of their proposal. Basically, the primary service level is temporary until such time as additional revenues can be raised.**
 12. Is the maintenance of equipment required? **The City expects the applicant to maintain playback equipment.**
 13. Is the definition of public access in the RFP? **With respect to content, it is outlined in the Public Access Philosophy paragraph on Page 3 of the RFP document.**
 14. Is there a City policy that prohibits or limits the use of volunteers under this type grant award? **There are no restrictions on the use of volunteers.**
 15. Please clarify what 's expected regarding the Role of the City in deciding appeals as discussed on Page 5 of the RFP document under Detailed Plan for Channel Administration, Oversight and Governance. **The City's role needs to be defined in resolving disputes or violations of channel policy. The applicant must provide a plan that outlines the City's function in the appeals procedure and disposition process.**
 16. In terms of raising funds, what's allowed commercially? **While the City encourages innovative ways to raise funds, applicants must bear in mind that certain commercial activity is discouraged by the City. Thus, specific guidelines for commercial activity would be addressed in the contract.**
 17. Is there an expectation for staff to raise funds and to manage public access on the \$120,000 budget? **Basically, it is the responsibility of the non-profit's Board to raise funds so that staff can do the day-to-day operations of the facility.**
 18. Can the City increase funding to the contract if additional funding for PEG operations becomes available? **That would depend on the specifics of funding availability. Under standard City contract terms, if an increase of funding to an agreement exceeds 20% of the original contract amount, then we would have to rebid.**

Meeting end: 12:25 P.M.

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