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STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE
STATE OF HAWAII

- 1. TO: Chief Procurement Officer
2. FROM: Department of Commerce & Consumer Affairs/CATV
Department/Division/Agency

Pursuant to §103D-306, HRS, and Subchapter 9, Chapter 3-122, HAR, the Department requests sole source approval to purchase the following:

3. Description of goods, services, or construction:
The statewide non-commercial broadcast of the wide range of educational, cultural, and historic television programs available through Public Broadcasting Service (PBS) plus other forms of non-commercial programming (locally and/or PBS Hawaii produced and nationally), outreach, storytelling and educational services available to residents, businesses and visitors across the State without a direct fee or service charge seven days a week with easy access for viewers though multiple content platforms.

4. Vendor Name: Hawaii Public Television Foundation
Address: dba PBS Hawaii
2350 Dole Street
Honolulu HI 96822
5. Price:
\$3,100,000/yr approx

6. Term of Contract: (mm/dd/yyyy) From: 7/1/2010 To: 2 year period
7. Prior Sole Source Ref No. 08-071

8. Feature: The good, service, or construction has the following unique features, characteristics, or capabilities:
DCCA has an existing contract with Hawaii Public Television Foundation ("HPTF"), dba PBS Hawaii, the State's only noncommercial public television station that offers at no cost to viewers statewide coverage of high quality local and national programming. PBS Hawaii has a noncommercial license from the Federal Communications Commission ("FCC") and its signal reaches more Hawaii households than all other television providers in the State -- commercial and cable -- effectively reaching 98% of Hawaii's population. PBS Hawaii is a member of the Public Broadcasting Service ("PBS"), a private nonprofit organization which provides access to quality television programming and related services to more than 355 noncommercial stations, including PBS Hawaii. In turn, PBS Hawaii is able to broadcast PBS' award winning, high quality programs seven days a week to more than 200,000 households. PBS membership is limited to television stations who are able to meet financial, technical, and programming obligations set forth by the organization (PBS) and the FCC. Because PBS Hawaii meets these requirements, it is able to provide marquee programming content that is available nowhere else in the State, programs such as Nova, Frontline, American Experience, Great Performances, Independent Lens, Nature, Live from Lincoln Center, Masterpiece Theater, Washington Week and PBS Newshour. PBS Hawaii provides balanced quality educational programming such as Sesame Street, Super Why!, Electric Company, Martha Speaks and other educational and entertaining programs for children and also televises a variety of award winning local and/or PBS Hawaii-produced productions. No other organization in Hawai'i provides this caliber of instructional and cultural programming.

REQUEST FOR SOLE SOURCE (Cont.)

Submit in Triplicate

9. Essential features. How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work: DCCA/CATV has long recognized that cable service is not only an important source of entertainment for the public but is also a means of providing informational and educational programming. In its oversight of the cable franchise operation, DCCA/CATV ensures that there is a wide diversity of programming and informational sources available to viewers. As a member station of PBS, PBS Hawaii is the only television station to have access to PBS programming since no other television station in Hawaii would be granted PBS membership because doing so would duplicate a service already provided by PBS Hawaii. If DCCA were to go out and bid for these services and another television station were selected, DCCA would require the new contractor to carry the same national programming as PBS Hawaii. However, a new contractor would not be able provide that programming since PBS Hawaii is as the sole PBS member entitled to the national programming in the State. PBS Hawaii also provides programs that not only educate and lead to a better informed public but also enrich the lives of viewers.

11. Alternate source. The following other possible sources for the good, service, or construction were investigated but do not meet our needs because: n/a

12. Direct any inquiries to:

Department: Commerce & Consumer Affairs
Contact Name/Title: Clyde Sonobe, CATV Administrator

13 Phone Number:

586-2620

Fax Number:

586-2625

Expenditure may be processed with a purchase order/pCard: Yes No If no, a contract must be executed and funds certified.

Agency shall ensure adherence to applicable administrative and statutory requirements, including HAR Chapter 3-122, Subchapter 15, Cost or Pricing Data, if required.

14. *I certify that the information provided above is to the best of my knowledge, true, correct and that the goods, services, or construction are available through only one source.*


Department Head Signature

17 MAY 10

Date

Reserved for CPO Use Only

15 Date Notice Posted: 5-18-10

Submit written objections to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer
State Procurement Office
P.O. Box 119
Honolulu, Hawaii 96810-0119

16.

Chief Procurement Officer's Comments:

This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply. Department is reminded that a sole source procurement over \$100,000 requires cost or pricing data pursuant to HAR Chapter 3-122 and subchapter 15.

17.

APPROVED DISAPPROVED NO ACTION REQUIRED

Adams. Fajal 5/27/2010
Chief Procurement Officer Date

Attachment to "Notice & Request for Sole Source"

To: Chief Procurement Officer

From: Ron Boyer, Director, DCCA **RB**

Date: May 17, 2010

5. Price: approx. \$3,100,000.00/year. Under the cable television franchises issued to Time Warner Entertainment Company, LP ("TWE"), currently the State's only cable operator, DCCA directs TWE to pay 1% of its annual gross revenue to HPTF. For 2009, this was approximately \$3,100,000.00/year.

8. PBS Hawaii has the most far-reaching transmission signal in the State, effectively reaching 98% of Hawaii's population. PBS Hawaii became one of the country's first public television stations to make the digital transition. For residents in some rural areas, PBS Hawaii is the sole source of television. In 2010, PBS Hawaii added live news and lifestyle programming from Tokyo by NHK World, a new English language global news and information source. PBS Hawaii continues to produce programming focused on exceptional local content. Five locally produced programs air each week: Na Mele: Traditions in Hawaiian Song; Long Story Short by Leslie Wilcox; Leahey and Leahey; Insights on PBS Hawaii; and PBS Hawaii Presents. PBS Hawaii is working with public, private and charter high schools and middle schools to create a statewide student news network. Student newscasts and other content will be made available on PBS Hawaii's broadcast and web platforms. "Hiki Nō" is the first of its kind and the Hiki Nō newscasts will be added to the PBS Hawaii's lineup in early 2011.



PBS.

**MEMBERSHIP CERTIFICATION
TO BE SUBMITTED BY JULY 31, 2010**

KHET / KMEB

Station (call letters or state network, as appropriate)

Hawaii Public Television Foundation

Licensee organization (legal entity that holds the FCC license)

dba PBS Hawaii

Operating organization (if different)

2350 Dole Street

Street Address

Honolulu, HI 96822

City, State, Zip code

The above named licensee organization, a member of the Public Broadcasting Service ("PBS"), certifies that the public television broadcast station or stations operated by the organization (i) provide(s) nonsectarian, nonpolitical, noncommercial educational program service to the general public in the community served by the station(s), in accordance with PBS policies; and (ii) complies - and at all times will comply - with the terms, conditions and guidelines set forth in the PBS Member Station Handbook and all other applicable PBS policies (available on PBS Connect at <http://connect.pbs.org> under Systemwide/Management).

The licensee organization understands that this certification is a condition of its membership in PBS.

Leslie Wilcox

Officer

Name & Title and Signature

Leslie Wilcox, President & CEO

5.5.2010

Date

PBS Member Station Information

I. GM Contact Information

Primary PBS Contact Information (GM): Leslie Wilcox

Address: 2350 Dole Street

Honolulu, HI 96822

Email: lwilcox@pbshawaii.org

Phone Number: 808-973-1999

II. Station Information

Please confirm the following transmitter information:

*KHET/11, Honolulu**

KMEB/10, Wailuku

Please detail below any changes to your transmitter or operation that may have impacted your digital population coverage (for example, change in the number of transmitters, location, power, etc.). Please see attached.

III. Digital Services

A. Broadcast Multicast Channels. Please provide below the name and general description of each of your station's multicast channels. You do not need to provide a description of nationally packaged channels like PBS World, Create and V-me. Also, please specify which of the multicast channels is your primary PBS channel.

Channel 1: Primary PBS channel - HD

Channel 2: SD multi-cast channel (kids and NHK programming)

Channel 3: _____

Channel 4: _____

Channel 5: _____

Channel 6: _____

Primary PBS Channel: 1

PBS HAWAII'S CONVERSION TO DIGITAL BROADCASTING

OAHU

PBS Hawaii has been broadcasting a digital signal since September 2006 at a new site above Makakilo on Channel 18, a UHF frequency. We converted our digital broadcast back to Channel 11, a VHF frequency, on February 18, 2009 at 5AM at the same site. The new site (2200 ft. higher), new antenna pattern (semi-circle vs. omni-directional) and lower ERP (19.6kW average vs. 146kW peak) has changed the coverage area and received signal strength negatively in ways that the theoretical coverage maps dictated. Because most of the OTA viewers were used to a very strong NTSC signal due to the transmission site being within a few miles of their indoor antennas, the new location at Palehua located 20+ miles away, made pre-existing indoor reception systems inadequate.

MAUI

At 12 Noon on January 15, 2009, we shut-off the analog Channel 10 transmitter atop Mt. Haleakala (10,000 ft.) and turned-on the digital Channel 10 transmitter at Ulupalakua (4600 ft.). The difference in elevation from the NTSC transmitter to the ATSC transmitter caused a loss in coverage...area pretty much followed what was calculated. Most of the calls we got were from viewers in Hamakua, Hawaii and Haiku, Maui. There were some calls from viewers on Molokai. A power increase (maximization) in May 2009 made our signal one of the easier to receive by those who could. The northwestern side of Maui loss all OTA television signals.

KAUAI TRANSLATORS

We converted all the 100W analog translators to 50W digital translators during the week of December 13, 2009. Coverage has pretty much stayed the same even though one translator has been decommissioned. The Kalaheo translator was deemed to not be needed because the main function of this translator was to relay the signal from Honolulu to the Lihue translator. With the relocation of the Honolulu transmitter, the signal can now be received at the Lihue translator site directly without the need for the Kalaheo translator relay site and the coverage afforded by the Lihue translator further supports the necessity of eliminating this site.

BIG ISLAND TRANSLATORS

This translator system had the biggest challenge of all. We had to establish a new translator site on the slopes of Mauna Loa where our Maui digital signal could be received and then relayed on to our Hilo translator site. The Hilo translator has been upgraded to be a 1000W ATSC translator as opposed to the 100W NTSC version. All other translators were converted to digital during the week of December 6, 2009. All sites were replaced with 50W average translators as opposed to the 100W peak translators we were using. Coverage has pretty much stayed the same.

B. Cable/Satellite/FiOS/Internet/Other

Please generally describe any additional services including retransmission via cable or satellite your station is providing via cable, satellite, FiOS, mobile, the internet (e.g., an education channel on cable).

Oceanic Cable - HD, SD, Analog, Kids

DISH - HD, Analog

DirecTV - HD, Analog

Annual Sectarian Programming Certification

In June 2009, the PBS Board of Directors approved the application of PBS's nonpolitical, noncommercial and nonsectarian criteria to all channels or platforms offered by Member Stations that are branded PBS or contain PBS content. The Board also voted to allow any PBS Member Station that offered sectarian content (e.g., a televised worship service) on its primary PBS channel as of June 16, 2009 to continue to do so, provided that it certifies as to such content to PBS on an annual basis. No increase in sectarian programming on the primary PBS channel or any channel that carries PBS programming will be permitted.

The PBS Board strongly encourages stations that offer sectarian content on PBS channels to migrate this programming to non-PBS platforms or channels.

Please include below the titles and the number of hours of each title of all programming that may be considered sectarian that your station is offering on your primary PBS channel or on any other PBS-branded channel or channels that contain PBS programming. News coverage of a religious program, historically significant programming about religion, cultural (i.e., arts and entertainment) performances of a religious nature or other objective commentary presented in a religious venue (church, mosque, synagogue, temple, etc.) are not considered sectarian.

N/A

If you have any questions about this certification, please contact Joyce Herring (jherring@pbs.org) or Thomas Crockett (tcrockett@pbs.org).

Please send to the PBS Corporate Secretary
Mail: 2100 Crystal Drive Arlington, VA 22202-3785
E-mail: CorporateSecretary@pbs.org
Fax: 703/739-5358
By July 31, 2010



LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310

P.O. Box 541

HONOLULU, HAWAII 96809

Phone Number: 586-2850

Fax Number: 586-2856

www.hawaii.gov/dcca

RONALD BOYER
DIRECTOR

RODNEY A. MAILE
DEPUTY DIRECTOR

May 24, 2010

Re: Notice and Request for Sole Source, Hawaii Public
Television Foundation, dated May 17, 2010

Written Determination of Multi-year Contract

Written determination is made that the contract between Hawaii Public Television Foundation, dba PBS Hawaii, and the Department of Commerce and Consumer Affairs ("DCCA") referred to in above-identified Request is a multi-term contract. Pursuant to Hawaii Administrative Rules ("HAR") §3-122-149(b), the DCCA/PBS Hawaii contract extends more than one year from July 1, 2010, and under cable television franchises issued by DCCA to Time Warner Entertainment Company, LP ("TWE"), currently the State's only cable operator, DCCA directs TWE to make annual payments equivalent to 1% of its annual gross revenue to PBS Hawaii, unless otherwise ordered by DCCA.


RONALD BOYER
Director of the Department of Commerce and
Consumer Affairs