

‘Ōlelo Community Television
Minutes of the Board of Director’s Meeting
August 26, 2009
5:30 p.m. - 7:30 p.m.
Māpunapuna Facility - Screening Room

Present:

Steve Van Ribbink (Chair), Roy Amemiya, Jim Boersema, Marsha Bolson, Robert Filius, Pat Garvey, Rochelle Gregson, Keali‘i López and Gerald Sumida.

Excused:

Bennete Evangelista, Keali‘iolu‘olu Gora, Melissa Pavlicek, Diane Peters-Nguyen and Vivian Yasunaga.

Chair Steve Van Ribbink called the meeting to order at 5:42 p.m.

Public Comment:

None

Approval of May 27, 2009 Minutes:

Chair Steve Van Ribbink asked for a motion to approve the May 27, 2009 minutes.

Action:

After thorough review, the Board moved, seconded, and unanimously approved the minutes.

Approval of July 7, 2009 Minutes:

Chair Steve Van Ribbink asked for a motion to approve the July 7, 2009 minutes.

Action:

After thorough review, the Board moved, seconded, and unanimously approved the minutes.

Nominations Committee Report:

Nominations Committee Chair Roy Amemiya reported that the Committee met to discuss the two Board vacancies that need to be filled. Following the discussion by the Committee, it was determined that Board members with expertise in the field of education and new technologies would complement the skills of the existing Board members, and strengthen the overall Board.

Mr. Amemiya added that the Board bylaws require four candidates to be named for the two vacancies. The Committee’s prioritized list of candidates for the Board’s consideration is as follows:

- **Lubuw Falanruw** – Digital Mediums
- **Ormond Hammond** – Pacific Resources for Education and Learning
- **Lincoln Jacobe** – Hawaii Pacific Entertainment
- **Sherlyn Franklin Goo** – INPEACE

Mr. Amemiya thanked the members of the Nominations Committee for their time and participation in the nominations process and directed the Board's attention to an information sheet on the candidates that had been prepared for the Board's review.

After discussion about the proposed Board candidates and their skills and qualifications, the Committee requested that the Board approve the Nominations Committee's recommendation that one of the four candidates, Lubuw Falanruw, be appointed to fill a Three-Year Term on the Board through December 31, 2011.

Action:

It was moved, seconded and unanimously approved that Lubuw Falanruw be appointed to fill a three-year term on the Board through December 31, 2011.

The Committee requested that the Board approve the Nominations Committee's recommendation that one of the four candidates, Ormond Hammond, be appointed to fill the remainder of Chris Parson's term through December 31, 2010.

Action:

It was moved, seconded and unanimously approved that Ormond Hammond be appointed to fill the remainder of Chris Parson's term through December 31, 2010.

Program and Marketing Committee Report:

Program and Marketing Committee Chair, Ms. Marsha Bolson reported that the Committee met on August 6, 2009 and discussed the following:

Programming and Training Goals

Ms. Bolson reported that staff reviewed 2nd quarter programming and training data with the Committee. Ms. Bolson noted that there was an increase in government programming, which was attributed, in part, to the opening of the mini-studio at the Capitol.

Ms. Bolson also added that there was a decline in Executive Productions (EPs) and that staff will be assessing the reason for the decrease in EPs and reporting back to the Committee.

Client Forum

Ms. Bolson reported that on July 8th a forum was held at Mapunapuna to update clients on events that could affect them. Items discussed included the current status of the Oceanic Time Warner franchise renewal, the realignment of hours at 'Ōlelo's community media centers and alternatives to the scheduling policy given the lack of prime time availability due to increased community productions.

Ms. Bolson noted that nearly two hundred attended the two hour meeting with an overall positive reaction from clients. Ms. Bolson added that the Committee noted and were supportive of the staff's efforts to address programming issues related to increased demand and lack of prime time availability to accommodate the increase in programming.

Public Relations and Branding

Ms. Bolson reported that the staff updated the Committee on ‘Ōlelo’s 2nd quarter advertising results which included the four page Community Report Update. The update, which was featured in the “Top 250” issue of *Hawaii Business Magazine*, focuses again on ‘Ōlelo’s successes and provides a foundation to express the expanded needs for the future with the Oceanic Time Warner’s franchise renewal.

Ms. Bolson also reported that there are ongoing and continued efforts to implement the organizational shift from ‘Ōlelo Community Television to ‘Ōlelo Community Media. Ms. Bolson noted that there were additional updates that included the upcoming franchise renewal and City Council Contract that would be covered more in depth by Ms. López in the President and CEO report.

Finance Committee Report:

Finance Committee Chair Mr. Pat Garvey reported that the Finance Committee met on August 12, 2009. At this meeting, the Committee reviewed the year to date financials ending June 30, 2009.

Mr. Garvey reported that the year to date financials reflect a budgeted deficit which was better than anticipated. Mr. Garvey added that the biggest positive variance in the budget was in electricity. Mr. Garvey noted that the deficit would be closer to budget at the end of the year with planned expenses. Mr. Garvey also reported that the Committee reviewed the 2009 Capital Summary through June 30, 2009 and noted that staff has requested to defer a few expenditures for capital projects to 2010.

Mr. Garvey added that investment options that would give ‘Ōlelo a higher return on investments were reviewed with the Committee along with updates, most of which were operational or procedural, which included, the current ground lease negotiations, Oceanic’s franchise renewal, insurance policies, change in payroll provider and the annual equipment audit.

President/CEO Report:

Ms. Keali’i López reported on the following as part of the President and CEO Report.

Franchise Renewal Update

Ms. López reported that Oceanic Time Warner Cable (TWE) submitted its application for renewal of its O’ahu cable television franchise on July 21, 2009. In its application, Oceanic states that they will continue to provide the same PEG access fee as required under the current franchise, 3 percent for PEG access and annual capital payments of \$3.00 per subscriber for capital equipment. However, there is a provision in the Oceanic application to adjust the rates should changes be made to PEG services (i.e. PEG channels to digital, video on demand, etc.).

Oceanic also proposes that the number of PEG channels under the new franchise not exceed five channels with the provision to adjust the number of channels based on the level of demand for PEG programming such as viewership. Areas of concern for community media include issues related to bandwidth; live two-way video and audio from additional live locations; sufficient funding and possible diversion of funds currently received; channel location; programming promotion and upgrade of the PEGNet.

The Oceanic franchise renewal process is the most critical and long term issue facing 'Ōlelo and community media. The State was very visionary when it issued the current franchise in November of 1988. It established strong support for Community Media which included multiple origination points to provide live coverage of City and State hearings, and other important civic and community events; required 10% of Oceanic's channel capacity be made available for community access and called for potential increase in PEG access funding and support.

The DCCA has scheduled a public hearing for Tuesday, September 15th from 5:00 to 8:00 p.m. at McKinley High School's Hirata Hall. The deadline for written testimony is Friday, September 18th. The State hopes to finalize its decision regarding Oceanic's franchise application by October 23, 2009. The Honolulu cable franchise is extremely important and will likely set precedence Statewide, as the neighbor island franchises are scheduled to be renewed over the next two to four years.

Board of Directors Elections

Since 2004, one of 'Ōlelo's Board of Directors seats has been held by a member elected from 'Ōlelo's client base. This year will be the third such election to fill the elected Board seat currently held by Keali'iolu'olu Gora. Mr. Gora's term ends December 31, 2009. The nominations period is currently open with the deadline for nomination set for Monday, August 31st. The voting period will run from September 28th through October 16th at each of the Community Media Centers. The election results will be announced on October 19th. The elected Board member will serve from January 1, 2010 to December 31, 2012.

Procurement Policy Board Petitions

On August 5, Judge Eden Hifo approved and ordered a Circuit Court Stipulation to Dismiss without Prejudice 'Ōlelo's petition for a Declaratory Ruling regarding the State Procurement Policy Boards Declaratory Order dated February 24, 2009 denying 'Ōlelo's petition. 'Ōlelo and the State agreed to the dismissal based on the Procurement Policy Board agreeing to reconsider 'Ōlelo's September 12, 2006 petition and allow new evidence to be submitted in support of the petition. On August 10, 2009 'Ōlelo submitted evidence in support of its September 2006 petition and also submitted a new petition. 'Ōlelo's September 12, 2006 petition focused on PEG access services being exempt from the State's Procurement Code because the PEGs are utility-like, and therefore, like utilities, should be exempt from the Procurement Code. The new petition focuses on PEG access services being exempted because acquisition of PEG services through the procurement process is neither advantageous nor practicable to the State.

City Council Contract

On June 16, 2009, 'Ōlelo was awarded the Honolulu City Council telecasting services contract. The term of the contract is from July 1, 2009 through June 30, 2010. The amount awarded for the first year is \$202,500. However, due to a protest filed by the incumbent service provider, commencement of the contract is pending the outcome of the protest. This delay could be extended should the protest be denied, and the incumbent provider requests an Administrative Hearing.

Unapproved-Pending Board Approval

Studio@Capitol

On February 2, 2009, 'Ōlelo launched its Studio@Capitol facility at the State Capitol. The Studio@Capitol has been utilized by legislators and the State administration during and after session. The first round of video production training courses begins in September and continues through December. A short video highlighting Studio@Capitol was shown to the Board.

Executive Session

Board Chair Steve Van Ribbink called for a motion to move into Executive Session to meet with its attorneys and discuss privileged information pertaining to contract issues with the DCCA and the consideration of matters affecting privacy will be involved.

Action:

The Board moved, seconded and unanimously approved to move into Executive Session.

The Board adjourned at 6:21 p.m. to go into Executive Session.

Board Chair Steve Van Ribbink reconvened the Regular Board Meeting at 7:55 p.m.

Board Chair Steve Van Ribbink announced that the Board had discussed confidential matters pertaining to 'Ōlelo's contract with the DCCA and confidential matters pertaining to 'Ōlelo's ground lease with HRPT. Mr. Van Ribbink announced that no board action was taken during the Executive Session.

The Board adjourned at 7:56 p.m.

Respectfully Submitted,

Diane Peters-Nguyen, Secretary