

NEIL ABERCROMBIE  
GOVERNOR

BRIAN SCHATZ  
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

KEALI'I S. LOPEZ  
DIRECTOR

EVERETT S. KANESHIGE  
DEPUTY DIRECTOR

December 9, 2011

VIA FACSIMILE & U.S. MAIL

Mr. Roy Amemiya, Jr.  
President & CEO  
'Ōlelo Community Media  
1122 Mapunapuna Street  
Honolulu, HI 96819

Re: Application of 'Ōlelo Community Media for Designation of a PEG Access  
Organization on Oahu

Dear Mr. Amemiya:

On October 25, 2011, 'Ōlelo Community Media ("Ōlelo") submitted a written Application to provide public, educational, and governmental ("PEG") access services on Oahu ("**Application**"). In its Application, Olelo is requesting to be designated as a PEG access organization to oversee the development, operation, supervision, management, production and broadcasting of programs of PEG access facilities and equipment on Oahu.

The Department of Commerce and Consumer Affairs ("**Department**") requires certain additional information from 'Ōlelo in order to complete the review and processing of the Application. Accordingly, please provide the requested information in the attached Department of Commerce and Consumer Affairs' First Request for Information on or before December 23, 2011.

Thank you for your cooperation in this matter. If you have any questions, please call me at 586-2855 or Lauren Wong, CATV, at 586-7579.

Sincerely,

Everett S. Kaneshige  
Deputy Director of Commerce and Consumer  
Affairs

Enc.

**APPLICATION TO PROVIDE PEG ACCESS SERVICES  
ON OAHU BY 'ŌLELO COMMUNITY MEDIA**

**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
FIRST REQUEST FOR INFORMATION**

December 9, 2011

Each question should be answered separately, and copies of source documents should reference the question being answered. The Applicant shall answer each question fully and completely, and to the extent the question or any subpart is not applicable, the Applicant should explain why it is not applicable. If any information or documents provided by the Applicant are updated and amended after the date the Applicant submits its response and during the designation and selection process, then the Applicant shall provide the updated or amended information or documents immediately to DCCA.

- 
1. Financial audit. The Applicant refers to an independent audit conducted by N&K CPAs of its 2010 financial statements on page 17 of its October 25, 2011 "Application to Provide PEG Access Services" ("**Application**"). Please provide a copy of this audit to DCCA for public review. If the Applicant believes that it previously submitted a copy of the audit to DCCA, please confirm the submission date.
  2. Viewership Survey. The Applicant refers to a viewership survey conducted in May 2011 by Ward Research on page 22 of its the Application. Please provide a complete copy of this viewership survey to DCCA for public review.
  3. Proposal for PEG Access Services to PEG Institutions and Governmental Entities.
    - a. The Applicant proposes to continue providing PEG access services for Oahu that it provides today on page 47 of the Application. For 2011, the Applicant received \$4,726,482 in Access Operating Fees ("**AOFs**") for the provision of these services. For 2012, it is anticipated that the Applicant will be paid \$4,887,182 in AOFs for the provision of these services. However, under Funding Scenario I on page 52 of its Application, the Applicant is seeking \$5.2 million in year 1 in AOFs. This amount exceeds the Applicant's 2011 AOFs by \$473, 518 and the Applicant's estimated 2012 AOFs by \$312,818. Please provide a detailed explanation as to why the Applicant should receive more AOFs under a new contract.
    - b. On November 15, 2011, DCCA received the Applicant's November 14, 2011 letter transmitting its proposed 2012 Operating Budget

APPLICATION TO PROVIDE PEG ACCESS SERVICES  
 'ŌLELO COMMUNITY MEDIA  
 DCCA'S FIRST REQUEST FOR INFORMATION  
 December 9, 2011

(see, Attachment "A"). In its Operating Budget for 2012, the Applicant anticipates that it will expend \$5,563,770 to provide PEG access services. However, the Applicant's letter indicated that it would be working on increasing revenues and reducing costs. Assuming that the Applicant receives the AOFs requested under its Funding Scenerio I, please explain how the Applicant intends to make up the shortfall between the amount of revenues (\$5.2 million) it will receive and its projected expenses (\$5,563,770) for 2012.

- c. PEG Access Channel Management, page 47. In its 2010 Annual Activity Report dated February 28, 2011 (see, Attachment "B"), page 1, the Applicant reported the following:

Sector	Total hours of First Run Programming				
	2007	2008	2009	2010	2011 (projected)
Public	4,076.45	4,473.92	4,549.05	4,942.78*	5,083**
Government	1,562.23	1,165.75	1,333.17	1,217.85	
Subtotal	5,638.68	5,639.67	5,882.22	6,160.63	

\*Average # of public hours – 4,510.55

\*\*Application on page 26

However, on page 47 of the Application, the Applicant proposes to produce a minimum of 4,000 local, first-run program hours for cablecasting annually which is significantly below the amount produced over the past two years and the amount projected for 2011. Please explain the difference in the Applicant's proposed minimum for local first-run program hours with its actual performance over the past four years.

- d. PEG Access Channel Management, page 47. The Applicant proposes to work with government entities or their contractors and cablecast hearings (e.g., legislative hearings) live.
- i. Identify which types of government hearings the Applicant plans to cablecast live.
  - ii. What specific governmental entities will have its hearings cablecast live by the Applicant?
  - iii. Specify the number of hearings and/or hours of live hearings that the Applicant intends to cablecast on a live basis?

APPLICATION TO PROVIDE PEG ACCESS SERVICES  
‘ŌLELO COMMUNITY MEDIA  
DCCA’S FIRST REQUEST FOR INFORMATION  
December 9, 2011

- e. PEG Access Facilities and Equipment Management, page 48. In its Application, the Applicant states that it will continue to provide and maintain equipment for use by the State Legislature, City and County of Honolulu Administration, and Honolulu County Council.
  - i. Please clarify whether the Applicant intends to replace old or broken equipment with new equipment as needed for use by the State Legislature, City and County of Honolulu Administration, and Honolulu County Council?
  - ii. Will the cost for replacement and upgrades be included within the scope of the contract negotiated?
- f. PEG Access Facilities and Equipment Management, page 48. In its Application, the Applicant states that it will continue to partner with Hawaii State DOE by providing video production equipment at on-campus locations.
  - i. Please clarify whether the Applicant intends to replace old or broken equipment with new equipment as needed for use by the schools at their on-campus locations?
  - ii. Will the cost for replacement and upgrades be included within the scope of the contract negotiated?
- g. Video Production Training, page 48. The Applicant proposes to continue to provide video production training to no fewer than 200 members from the general public annually from basic training through advanced courses. The Applicant also proposes to provide video training to no fewer than 200 students through its CMCs as well as through online media enrichment programs. However, on page 3 of its 2010 Annual Activity Report dated February 28, 2011 (see, attached), the Applicant reported that 1,515 students in 2009 and 1,091 students in 2010 completed training and received certifications.
  - i. Please explain the difference in the number of students trained annually in 2009 and 2010 by the Applicant, and the number of students the Applicant proposes to train each year under a new contract. Why is there a significant difference in these figures?
  - ii. For each of the past 5 years, specify the number of students who received training, completed training, and received certifications from the Applicant.



APPLICATION TO PROVIDE PEG ACCESS SERVICES  
‘ŌLELO COMMUNITY MEDIA  
DCCA’S FIRST REQUEST FOR INFORMATION  
December 9, 2011

Scenario II, how many more hours of first-run local programming will the Applicant cablecast on its channels? Please break down the number of these first-run local programming hours by each P, E, and G sector. What other services will the Applicant provide if it receives the full 3%?

8. Assistance to the City and County of Honolulu. On page 50 of its Application, bullet 2, the Applicant requests additional funding to either directly assist or provide grants to the City and County of Honolulu (“City”) beginning in 2012. Has the Applicant met with representatives of the City to discuss this proposal? Please identify the City representatives and results of any meetings. How are the proposed services to the City differ from the services presently provided by ‘Ōlelo to the City?
9. Additional Services the Applicant Proposes to Provide the State and Public. On page 50 of its Application, bullet 3, the Applicant proposes services to the State House and State Senate. As a result of these added services, specify:
  - a. The number of additional content hours of governmental programming the Applicant expects to produce.
  - b. The types and kinds of services the Applicant will provide;
  - c. The number of hours of locally produced programming.
  - d. How the proposed services to the State House and State Senate differ from the services presently provided by ‘Ōlelo to them?
10. Additional Services ‘Ōlelo Proposes to Provide the State and Public. On page 50 of its Application, ‘Ōlelo proposes to expand its in-house production capabilities. Does the Applicant intend to charge for its in-house production services? If so, how much?

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November 14, 2011

2011 NOV 15 P 2:07

COMMUNITY MEDIA

**Board of Directors**

Jim Boersema  
*Chair*

Jill Takasaki Canfield  
Lynette Cruz  
Lubuw Falanruw  
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Ormond Hammond  
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Bennette Misalucha  
Diane Peters-Nguyen  
Jon E. Murakami  
Mario R. Ramil  
Mike Rosenberg  
Steve Sombrero  
John Williamson

Roy K. Amemiya, Jr.  
President/CEO

Ms. Keali'i S. López  
Director  
Department of Commerce & Consumer Affairs  
335 Merchant Street  
Honolulu, HI 96813

DIRECTOR'S OFFICE  
COMMERCE AND  
CONSUMER AFFAIRS

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2011 NOV 16 AM 11:03  
CABLE DIVISION  
COMMERCE AND  
CONSUMER AFFAIRS

Dear Ms. López:

Pursuant to 'Ōlelo's contract with the Department of Commerce and Consumer Affairs (DCCA), 'Ōlelo is required to provide an annual operational plan and budget on or before November 1<sup>st</sup>.

Unfortunately, our 4<sup>th</sup> quarter Board meeting occurred on November 9, 2011 so were unable to meet the Nov. 1 deadline.

'Ōlelo has provided this annual information in the form of an Operating and a Capital budget. However, because 'Ōlelo and Oceanic Time Warner Cable have not been able to come to agreement on the Capital Fund Payments for 2012 through 2014 pursuant to D&O No. 346, 'Ōlelo is unable to submit a capital budget for 2012 to you at this time. As you are aware, 'Ōlelo and Oceanic Time Warner Cable are currently in arbitration before special Hearings Officer, Mr. David Karlen.

Note that the operating budget is based on estimated revenues and expenditures for the entire year, and are based on the terms of the current contract. Should there be any substantial changes to the franchise fee payment 2012; the Board may need to re-evaluate the 2012 operating budget.

**2012 Operating Budget**

Activities planned for 2012 are derived from a recently Board adopted strategic plan. Staff is currently determining action steps for the strategic plan for the upcoming year(s).

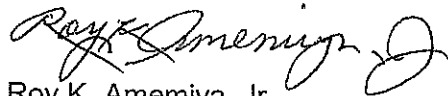
There is a projected increase in franchise fees based on the estimated CPI adjustment on the DCCA imposed cap on these fees. Management has embarked on measures to increase revenues with limited success in 2011 that we plan to build on in 2012. Additionally, management continues to review every major cost area to determine opportunities to reduce costs.

ATTACHMENT A

<b>2012 OPERATING BUDGET</b>	
<b>REVENUE</b>	
PEG Franchise Fees	4,889,811
Less: 25% Educational – HENC	(1,222,453)
<b>Net PEG FRANCHISE FEES</b>	<b>3,667,358</b>
Other Revenue	814,286
<b>Total REVENUE</b>	<b>4,481,644</b>
<b>EXPENSES</b>	
Grant & Contracts	0
Support & Client Services	5,563,770
<b>Total EXPENSES</b>	<b>5,563,770</b>
<b>NET</b>	<b>(1,082,126)</b>

Please feel free to contact me at 237-2103, if you have any questions.

Sincerely,



Roy K. Amemiya, Jr.  
 President/CEO  
 'Ōlelo Community Media

cc: Donn Yabusaki  
 Glen Chock



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February 28, 2011

2011 MAR -1 A 8:30

COMMUNITY MEDIA

Board of Directors

Jim Boersema  
Chair

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Diane Peters-Nguyen  
Michael Rosenberg  
Steve Sombrero  
John Williamson

Roy Amemiya  
President and CEO

Ms. Keali'i S. López  
Director  
Department of Commerce and Consumer Affairs  
P.O. Box 541  
Honolulu, HI 96809

DIRECTOR'S OFFICE  
COMMERCE AND  
CONSUMER AFFAIRS

Dear Director López:

Thank you for the opportunity to share our annual accomplishments for the last calendar year. Enclosed are the documents that make up 'Ōlelo's 2010 Annual Report. They include the:

- o Executive Summary for 2010.
- o 2010 Annual Activity Report required by 'Ōlelo's contract with the DCCA.
- o Year-End Activity Report that provides information about 'Ōlelo's other operational and administrative achievements during the year.

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CABLE DIVISION  
COMMERCE AND  
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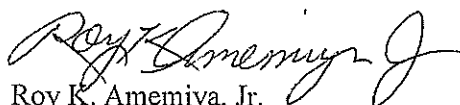
Together, these documents detail 'Ōlelo's activities in 2010. It was another year of growth in program hours. Premiere programming increased nearly 5%. This made scheduling shows in prime time a challenge. As a result, the decision was made to pair up series programs in prime time.

'Ōlelo also continued to support video archiving services for locally created community productions including meetings of the Honolulu City Council and the Hawaii State Senate. 'Ōlelo has worked closely with our Government partners to extend the reach of their public meetings through this on-demand internet access.

'Ōlelo continues to proactively increase the diversity of voices and programming through its network of community media centers across O'ahu. Adequate funding for staff to manage our services and programs, as well as capital funding for a necessary transition from outdated analog equipment to digital continues to be a challenge for us. Going forward, we would like to meet with DCCA officials to discuss removing the funding cap or other alternatives to ensure current and future services may continue without interruption.

'Ōlelo is proud of what we and the communities we serve accomplished in 2010. Please contact me if you have questions. Thank you for your continued support of community voices.

Sincerely,



Roy K. Amemiya, Jr.  
Interim President/CEO

ATTACHMENT B

**‘ŌLELO COMMUNITY TELEVISION  
2010 ANNUAL ACTIVITY REPORT  
EXECUTIVE SUMMARY**

**OVERVIEW**

This Executive Summary is one of three reports that—taken together—chronicle ‘Ōlelo’s activities for 2010. The DCCA has required this report, in addition to the Annual Report, since 2004.

In 2010, ‘Ōlelo cablecast 52,560 hours of programming (shown in Table 1). Overall first-run programming from the Public Sector was up by 9 percent; however total first-run Government programming decreased by 9 percent. This decrease in Government programming can be attributed to 2010 being an election year. If we compare Government programming in election years, then we note a program increase of 4 percent in 2010 over 2008 numbers.

**PROGRAMMING**

**Table 1. Total Hours of Programming: First Run, Repeat and Submitted but Not Aired**

Sector	Total Hours of Programming		Total Hours of First Run Programming		Total Hours of Repeat Programming		Total Hours of Programming Submitted but Not Aired †	
	2009	2010	2009	2010	2009	2010	2009	2010
<b>Public</b>	20,331.57	<b>21,613.15</b>	4,549.05	<b>4,942.78</b>	15,782.52	<b>16,670.37</b>	N/A	N/A
<b>Education</b>	14,638.78	<b>14,477.38</b>	‡	‡	‡	‡	N/A	N/A
<b>Government</b>	7,139.08	<b>6,853.63</b>	1,333.17	<b>1,217.85</b>	5,805.92	<b>5,635.78</b>	N/A	N/A
<b>Sub-Totals *</b>	42,109.43	<b>42,944.16</b>	5,882.22	<b>6,160.63</b>	21,588.44	<b>22,306.15</b>	N/A	N/A
<b>Other Sectors §</b>	10,450.57	<b>9,615.84</b>						
<b>Total</b>	52,560.00	<b>52,560.00</b>						

† All programs meeting standard administrative and technical submittal requirements were aired.

\* Education hours cannot be broken down by First Run vs Repeat since that information is not provided to ‘Ōlelo by HENC. Therefore Subtotals for First Run and Repeat only include Public and Government hours.

‡ UH and DOE programming hours are provided in the HENC reports.

§ This programming is not designated P, E or G, and includes Island Info, overnight satellite feeds, other non-PEG specific programs and any outages.

**Table 2. Programming by Origin: Locally Produced, Non-Locally Produced & Bulletin Board**

Sector	Total Hours of Programming		Total Hours of Locally Produced Programming		Total Hours of Non-Locally Produced Programming		Total Hours of Bulletin Board Programming	
	2009	2010	2009	2010	2009	2010	2009	2010
<b>Public</b>	20,331.57	<b>21,643.15</b>	16,807.30	<b>18,994.27</b>	3,524.27	<b>2,648.88</b>	N/A	N/A
<b>Education</b>	14,638.78	<b>14,564.92</b>	†	†	†	†	N/A	N/A
<b>Government</b>	7,139.08	<b>6,853.63</b>	7,108.88	<b>6,838.56</b>	30.20	<b>15.07</b>	N/A	N/A
<b>Sub-Totals</b>	42,109.43	<b>43,061.70</b>	38,554.96	<b>40,397.75</b>	3,554.47	<b>2,663.95</b>		
<b>Bulletin Board</b>	1,505.63	<b>988.67</b>					1,505.63	988.67
<b>Other Sectors §</b>	8,944.94	<b>8,509.63</b>						
<b>Total</b>	52,560.00	<b>52,560.00</b>						

§ This programming is not designated P, E or G, and includes overnight satellite feeds, other non-PEG specific programs and any outages.

† UH and DOE programming hours are provided in the HENC reports.

**Table 3. Programming By Source: First Run Hours from P, E and G Sectors in the Categories of Dropped off for Play, PEG Trained and Certified Producers and Hours Created by `Ōlelo (Open Mic and Created by PEG)**

Sector	Total Hours of Programming "Dropped Off for Play" *		Total Hours of Programming Created by PEG Trained and Certified Producers		Total Hours of Programming Created by Open Mic †		Total Hours of Programming Created by PEG ‡	
	2009	2010	2009	2010	2009	2010	2009	2010
Public	2,001.35	2,124.07	2,547.70	2,818.72	N/A	N/A	N/A	N/A
Education §	†	†	†	†	§	§	N/A	N/A
Government	42.92	41.92	1,290.25	1,175.93	N/A	N/A	N/A	N/A
<b>Totals</b>	<b>2,044.27</b>	<b>2,165.99</b>	<b>3,837.95</b>	<b>3,994.65</b>	<b>18.84</b>	<b>3.45</b>	<b>59.82</b>	<b>76.92</b>

\* These hours include `Ōlelo trained and certified producers who don't use `Ōlelo facilities for some programs.

† These hours are not tracked using the P, E or G designations. Open Mic includes *O'ahu Speaks* and *Capitol Commentary*.

‡ These hours are not tracked using the P, E or G designations.

§ UH and DOE programming hours are provided in the HENC reports.

### **BULLETIN BOARD (ISLAND INFO)**

*Island Info*, `Ōlelo's video bulletin board service, provides information to the public about community events, neighborhood board meetings and available jobs. In 2010, a total of 1926 notices were posted from individuals, community organizations and agencies, including O'ahu Job Links and the Hawaii State Legislature.

### **OPEN MIC (OAHU SPEAKS)**

O'ahu Speaks is one of `Ōlelo's Open Mic services. It allows anyone from the community to come to the Mapunapuna CMC and videotape a message of up to seven minutes in length. This program runs weekly, and provides a convenient way to get brief messages on the channels with minimal turn-around time between recording and cablecasting. In 2010 this service was used 24 times and resulted in just over 3 hours of original open mic programming. This represents a 50% increase in use from 2009. However, compared with the mini studio service, is far less popular. The Mini Studio offers the same benefits as O'ahu Speaks, but allows the speaker a longer time to communicate their message. `Ōlelo's other open mic service, Capitol Commentary, accounted for 25 programs with 20 first-run hours of citizen and legislative speech in 2010 which represents a 15% increase in the total hours of first run programming produced through this service.

## **TRAINING**

### **VIDEO PRODUCTION TRAINING**

As Table 4 shows, fewer classes were taught and fewer people completed training in 2010 than in 2009. The percentage of students completing classes (certification rate) decreased from 87 percent in 2009 to 81 percent in 2010. During 2010, `Ōlelo awarded community members 1,091 certifications in various areas of video production. While the number of classes and students decreased for all subjects due to reduced staff capacity, Studio and Van training classes decreased markedly (from 10 to 2 for Studio and 2 to 0 for Van) due to decreased demand. Demand for these more advanced classes seems to run in multi-year cycles.

**Table 4. Video Production Training: All Locations**

Class Name	Number of Sessions		Total Number of Enrolled Students		Total Number of Students that Completed		Percentage of Students Completing Class	
	2009	2010	2009	2010	2009	2010	2009	2010
Mini Camera	72	54	503	409	436	367	87%	90%
Final Cut Pro	79	55	595	472	512	405	86%	86%
Producer	72	53	477	367	406	237	85%	65%
Feather Pack	13	8	73	74	73	67	100%	91%
EFP/Van	2	0	32	0	32	0	100%	0%
Studio	10	2	60	18	56	15	93%	83%
<b>Total Instances</b>	248	172	1,740	1,340	1,515	1,091	87%	81%

**Table 5. Number of Students Trained and Certified as Producers: All Locations**

2009	2010
406	237

**SUMMARY OF COMPLIMENTS, SUGGESTIONS AND COMPLAINTS**

Complaints range from viewers disagreeing with a program’s content or message or being displeased that a program they previously viewed changed airtimes or was no longer available, or a program did not air as scheduled.

In 2010, ‘Ōlelo received an average of two phone calls each business day concerning its programming. Of those, the vast majority were in regards to air times and viewer questions on how to obtain copies of shows. Inquiries also came via U.S. Mail, email and in-person communication.

Two programming issues received several inquiries. Over fifty calls or emails were received when satellite difficulties were encountered causing an interruption of the programs “Classic Arts Showcase”, “Deutsche Welle”, and “Democracy Now” for nearly four weeks. Once service was restored several calls were received expressing appreciation for the return of the program. Over a dozen comments were received from viewers of the Church of Latter Day Saints annual conference from Salt Lake City thanking ‘Ōlelo for the live cablecast.

Of the approximate 280 comments received in 2010 20% were compliments and less than 3% were complaints about specific programming, with the balance being general programming inquiries.

**SUMMARY OF COMPLAINT RESOLUTIONS**

All complaints are looked into as soon as possible during normal business hours and they are normally resolved within 10 business days of receipt. When ‘Ōlelo receives calls about programs, staff explains how programs are produced and scheduled. Viewers who take issue with program content are offered the opportunity to create their own programming to present their viewpoints. Additionally, the name and contact of the program producer is provided so that the viewer can share his or her views directly with the producer. Staff also explains how programs are scheduled, letting callers know if and when the program in question will air again and how to contact the producer to obtain copies of a program, if desired.

In 2010 we had a unique situation occur when we encountered satellite difficulties which caused ‘Ōlelo to not be able to cablecast certain normally received programs that are via satellite. Working together with the programming providers in Germany and making technical changes to our satellite dish we were able to restore programming. During the period the programs were

not available we received numerous calls and e-mails from concerned viewers. In each instance staff informed the viewer of the situation and advised that we would keep them advised of the situation via either phone or e-mail (their choice) which was done. Once we knew when the program would be available e-mails and phone calls were made to all those who had contacted us advising them of the date, channel and times the programs would be cablecast.

**'ŌLELO COMMUNITY MEDIA  
2010 ANNUAL ACTIVITY REPORT**

**OVERVIEW**

- This report contains information required by 'Ōlelo's contract with the Department of Commerce and Consumer Affairs (DCCA) that is not part of the Executive Summary. This is one of three reports that collectively summarize 'Ōlelo's activities for 2010.
- The second report, the Executive Summary, contains information on programming, training, and complaint resolution. For ease of reading, the table on Total Hours of Programming is contained in both this report and the Executive Summary.
- The Year-End Activity Report is the third report. It provides added narrative information, particularly about those projects that relate to community building as well as projects that had an impact on 'Ōlelo's resources.

**PROGRAMMING HIGHLIGHTS**

- First-run programming hours from the Public sector increased by 9 percent in 2010 over 2009 levels while First-run Government programming decreased by 9 percent from 2009 levels. It should be noted that this decrease in Government programming is typical during an election year. Government programming during an election year has increased in 2010 as compared to 2008 by 4 percent.

**Total Hours of Programming: First Run, Repeat and Submitted but Not Aired**

Sector	Total Hours of Programming		Total Hours of First Run Programming		Total Hours of Repeat Programming		Total Hours of Programming Submitted but Not Aired †	
	2009	2010	2009	2010	2009	2010	2009	2010
Public	20,331.57	21,613.15	4,549.05	4,942.78	15,782.52	16,670.37	N/A	N/A
Education	14,638.78	14,564.92	‡	‡	‡	‡	N/A	N/A
Government	7,139.08	6,853.63	1,333.17	1,217.85	5,805.92	5,635.78	N/A	N/A
Sub-Totals *	42,109.43	43,031.70	5,882.22	6,160.63	21,588.44	22,306.15	N/A	N/A
Other Sectors §	10,450.57	9,528.30						
<b>Total</b>	<b>52,560.00</b>	<b>52,560.00</b>						

† All programs meeting standard administrative and technical submittal requirements were aired.

\* Education hours cannot be broken down by First Run vs Repeat since that information is not provided to 'Ōlelo by HENC. Therefore Subtotals for First Run and Repeat only include Public and Government hours.

‡ UH and DOE programming hours are provided in the HENC reports.

§ This programming is not designated P, E or G, and includes Island Info, overnight satellite feeds, other non-PEG specific programs and any outages.

### OUTAGE SUMMARY

In 2010, outages on 'Ölelo's individual channels totaled 13.84 program hours while outages that affected all channels simultaneously totaled 9.71 hours. This resulted in a grand total of 72.10 program hours of outages for the entire year. Detailed figures for individual channel outages are shown in the table below.

Channel	49	52	53	54	55	56	Total
Individual Hours	0.08	0.00	10.35	0.00	0.68	2.73	13.84
Simultaneous Hours	9.71	9.71	9.71	9.71	9.71	9.71	58.26
<b>Total Hours</b>	<b>9.79</b>	<b>9.71</b>	<b>20.06</b>	<b>9.71</b>	<b>10.39</b>	<b>12.44</b>	<b>72.10</b>

The great majority of the outages were attributable to problems with the cable distribution system which occurred 18 times in 2010. The rest of the outages were due to interruptions to feeds from the University of Hawaii and the Department of Education. A small portion of the outages were due to seasonal solar interference which interrupted satellite feeds.

### FACILITY AND EQUIPMENT USAGE

'Ölelo's overall facility and equipment usage increased in 2010. Details are shown in the table below. The increase was attributable to increases in a few capital-intensive areas (feather pack, studio and EFP van), plus an explosion in use of inexpensive consumer cameras, that more than offset declines in other areas. A decline in non-linear editing and linear editing continues the trend recognized in 2009, where 'Ölelo's continuing budget squeeze has constrained the number of community hours at most CMCs. In the case of linear editing, age-related declines in functionality and reliability have limited client access to the point that we have advised clients who depend on these systems that the technology is near its end of life, and they should prepare to transition to non-linear editing.

As mentioned above, feather pack, studio and EFP van usage grew again in 2010: 46%, 6% and 37% over 2009, respectively. This can be attributed to the continuing support of these resources even during days and/or hours where the rest of the facility is closed. It is worth noting that the value of 'Ölelo's resources have also increased by 11%.

Equipment Type	2009 Total Hours Used	2010 Total Hours Used	% Difference	Hours Per Session	Estimated Value Per Session	2009 Total Estimated Value	2010 Total Estimated Value	% Difference
Studio	2,306	2,455	6%	8	\$3,000	\$864,750	\$920,531	6%
Feather Pack	7,430	10,861	46%	8	\$2,000	\$1,857,500	\$2,715,360	46%
Non-Linear Editing	34,094	32,641	-4%	6	\$300	\$1,704,700	\$1,630,840	-4%
Linear Editing	3,293	2,356	-28%	4	\$300	\$246,975	\$176,719	-28%
Field (PD 170)	158,932	142,716	-10%	24	\$400	\$2,648,867	\$2,378,608	-10%
Field (DSR390)	4,734	3,149	-33%	24	\$800	\$157,800	\$104,967	-33%
Mini Studio Service*	3,205	3,302	3%	2	\$600	\$961,500	\$990,600	3%
EFP Van	504	692	37%	8	\$4,000	\$252,000	\$346,100	37%
Consumer Cams	13,967	61,080	337%	24	\$200	\$116,392	\$508,998	337%
<b>Total Estimated Value of Resources Used:</b>						<b>\$8,810,483</b>	<b>\$9,772,723</b>	<b>11%</b>

### **MARKETING AND ADVERTISING**

As in years past, 'Ōlelo continued to reinforce awareness of its programs and their value through the use of the PEG television channels. On 'Ōlelo cable channels, a special thirty second TV commercial promoting election programming was aired frequently.

One thousand spots also ran on Oceanic Time Warner cable channels during the primary and general election campaign. The commercials were shared with the neighbor island PEG stations for their use of election programming.

In 2010 'Ōlelo initiated bi-weekly ads on the cover of the Star Advertiser TV Week section. We used this ad space for eight election-related ads to promote the "Vote Informed" initiative.

### **SUMMARY OF REVENUE FROM SOURCES OTHER THAN FRANCHISE FEES**

A total of \$941,666 was collected in addition to franchise fees. Tenant rental income and reimbursements accounted for \$676,955 and interest income was \$195,827. Youth Xchange donations accounted for \$37,499 and \$16,468 was derived from training and tape sales. The remainder, \$14,917, was primarily miscellaneous income from different CMCs and programs.



## **‘ŌLELO COMMUNITY TELEVISION 2010 YEAR-END ACTIVITY REPORT**

### **OVERVIEW**

This 2010 Year-End Activity Report highlights challenges and accomplishments during the year. It provides added information about important operational and administrative achievements and community building efforts which add value to ‘Ōlelo’s services. This report complements data in the Annual Activity Report and the Executive Summary. Together, the three reports provide a comprehensive overview of ‘Ōlelo’s major efforts in 2010.

## **2010 OPERATIONAL ACHIEVEMENTS**

### **PROGRAMMING**

‘Ōlelo continued to operate six cable channels on Oceanic’s system to provide PEG Access services on O’ahu. New programming continues to outpace ‘Ōlelo’s ability to accommodate all producer requests for prime time. The increases in the programming created by clients and cablecast on ‘Ōlelo’s channels in 2010, as well as other operational matters, are covered in more detail in the Executive Summary and Annual Report.

### **COMMUNITY MEDIA CENTERS**

‘Ōlelo continues to operate eight media centers across O’ahu. Included in those centers are ‘Ōlelo’s main facility in Mapunapuna, six Community Media Centers (CMCs) located at the following DOE partner schools: Wai’anae High, Waipahu Intermediate, Leilehua High, Kahuku High and Intermediate, King Intermediate and Jarrett Middle; and an access center located at the State Capitol. ‘Ōlelo was able to maintain its commitment to serving the Public, Education and Government sectors through these eight access centers despite budgetary challenges. Lifting the funding cap would help ensure ‘Ōlelo is able to continue to provide service to all of O’ahu’s residents within the Honolulu area as well as the more rural areas across the island.

## **ONGOING COMMUNITY-BUILDING PROJECTS**

### **CAPITOL COMMENTARY**

*Capitol Commentary* is an on-location, open-mic service that was made available at the State Capitol throughout the 2010 legislative session. The end of the legislative session in May 2010 also marked the successful completion of *Capitol Commentary*’s twelfth season. The purpose of this service is to give community members and legislators the opportunity to share their views on proposed or recently enacted legislation in a timely manner. From January to May, 150 different speakers participated, with 63 legislators and 87 community members. Twenty-five programs, totaling 20 programming hours, were created during the session.

Resulting programs were aired on ‘Ōlelo’s channels, made available on ‘ŌleloNet, and distributed to Neighbor Island PEG Access stations throughout the session.

### **YOUTH CAPITOL COMMENTARY**

*Youth Capitol Commentary*, a successful offshoot of Capitol Commentary, completed its seventh year in 2010. This initiative trains students across O’ahu to videotape legislators from their districts on Opening Day. In 2010, 54 students from 17 schools were mentored by ‘Ōlelo staff. *Youth Capitol Commentary* is part of ‘Ōlelo’s continuing effort to provide students with a sense of engagement and insight into the legislative process using video production.

Resulting programs were aired on 'Ōlelo's channels, made available on 'ŌleloNet, and distributed to Neighbor Island PEG organizations.

### **YOUTH SUMMER MEDIA PROGRAMS AT THE CMCs**

In addition to our efforts to better organize our services to the community, 'Ōlelo's CMCs were also very busy this year with a growing youth intern program that served over one hundred young people from some of the neediest families on O'ahu. 'Ōlelo's CMCs put forth considerable time and effort into training these interns with the goal of demonstrating our commitment to building stronger communities, one voice at a time.

#### **❖ City and County of Honolulu's Student Work Opportunities Program (SWOP)**

This collaborative effort with the City allowed young people whose families met the City's low-income threshold to earn wages while interning at 'Ōlelo's CMCs. Over the summer, 'Ōlelo hosted a total of 57 students between the ages of 14 -21. These young people received video production training from 'Ōlelo staff, then assisted with various 'Ōlelo productions and learned how to produce their own video programs. Many of these interns assisted with 'Ōlelo Executive Productions as camera operators, directors and editors.

#### **❖ Federal Department of Defense**

The Department of Defense, in partnership with a local non-profit organization, Island Star, partnered with 'Ōlelo to provide employment to young people whose families met the program's income guidelines. Thirty-eight students participated in this program across each of 'Ōlelo's CMCs. The students were trained by 'Ōlelo staff and participated in various video production-related services in the community.

#### **❖ Queen Liliuokalani Children's Center (QLCC) Summer Media Program**

The Summer Media Program, started in 2003, is 'Ōlelo's longest running youth mentoring partnership. In 2010, 'Ōlelo staff trained 24 students in video production at our Mapunapuna and Waipahu CMCs. New students learned to create oral history projects featuring members of their Ohana. Returning students helped create informational videos for Healing Our Spirit Worldwide, an international indigenous conference. The final oral history projects premiered at the annual Ho'ike that marked the end of the Summer Media Program. This year the Ho'ike was held at Dole Cannery theaters with well over one hundred people in attendance to celebrate the success of these students

#### **❖ Other Individual Internships**

In addition to the group internships noted above, 'Ōlelo also supported individual interns from the Department of Labor, Hawaii Pacific University, Stanford University, Assets High School, Waipahu High School, and Goodwill Industries.

### **GIVING ALOHA**

*Giving Aloha* is a turn-key service that 'Ōlelo provides to non-profit organizations to give them an opportunity to share their messages with the community via 30 minute studio discussions produced by 'Ōlelo staff. *Giving Aloha* programs air on OAHU, channel 52. In 2010, seven organizations taped shows, including Kapiolani Park Preservation Society, Diamond Head State Monument Foundation, Humane Society of the United States, Keiki o Ka Aina, Planned Parenthood of Hawaii, Hawaii International Child, Hawaii Habitat for Humanity. All programs were aired on 'Ōlelo's channels and made available on 'ŌleloNet.

## YOUTH XCHANGE

'Ōlelo received a record 575 videos entries from K-12 students for the seventh annual *Youth Xchange* video competition. They competed in eleven categories (5 general and 6 Sponsored): mini-documentary, news segment, short, animated video, PSA, Start Living Healthy, Peacemaker, HI-5 Recycling, Global Warming, Traffic Safety and Expert. Eighty-one schools participated statewide.

The second annual Pearlridge Video Marathon took place on Saturday, April 24, 2010, at Pearlridge Center. Two Awards Banquets were held on May 17, 2010 at the JW Marriott Resort & Spa: one for elementary schools in the morning and another for intermediate/high schools in the afternoon. Sony video cameras were awarded to the winning schools.

Sponsors included Sony-Hawaii, First Hawaiian Bank, Ko Olina Resort & Marina, Pearlridge Center, HECO, Chaminade University, Rotary Club of Honolulu, Hawaii State Department of Health, Blue Planet, Honolulu Advertiser and GEICO. The State Department of Education also gave 'Spirit Awards' to schools with the highest student participation.

Over 17 hours of *Youth Xchange* programming aired on 'Ōlelo's channels, were made available on 'ŌleloNet, and were distributed to Neighbor Island PEG organizations.

## VOTE! 2010

'Ōlelo provided voters with in-depth information covering local and statewide issues, candidate profiles, debates and forums prior to the primary and general elections in 2010.

*Vote!* is an 'Ōlelo service offered during election periods designed to increase civic participation in the democratic process. In addition to the Primary and the General elections, Special elections were also held in 2010. *VOTE!*-related programs included: *Candidates in Focus*, *Candidates Debate*, and *Executive Productions* covering election-related content.

*Candidates in Focus (CIF)* provided all candidates for O'ahu and Statewide office the opportunity to record five-minute messages for their constituents. All eligible statewide and O'ahu candidates from each contest were invited to participate. All candidates' messages were compiled by race to give voters an overview of each contest. In addition to being cablecast, these messages were also made available on 'ŌleloNet. For the Primary election period, 133 candidates from 5 political designations participated, and for the General election period, 94 candidates from 5 political designations were represented.

'Ōlelo worked with the League of Women Voters to produce three Lieutenant Governor Candidate Forums leading up to the Primary election. All candidates for this contest were invited and 8 candidates participated.

'Ōlelo worked with the Association of Hawaiian Civic Clubs to produce four OHA Candidate Forums. All candidates for this contest were invited and 11 OHA candidates participated.

Two Special elections were held in 2010: one for US Congressional District 1 and one for Honolulu City Council District 1. Candidates in both of these elections were invited to take advantage of 'Ōlelo's *CIF* service. Thirteen candidates for the US Congressional District 1 contest and ten candidates for the Honolulu City Council District 1 contest participated in *CIF*.

'Ōlelo's *Vote Informed* initiative provided O'ahu viewers election programming for nine hours each day for twenty one days prior to the Primary and General elections. 'Ōlelo arranged with KHPR and KITV to provide additional exposure of election programming they produced. 'Ōlelo partnered with neighbor-island community access stations to create a common promotional

theme and distribute the first exclusive statewide live TV Governor's debate for the General election.

### **VOLUNTEER ACTIVITY/EXECUTIVE PRODUCTIONS**

Video production requires a considerable amount of work, as well as great dedication and the assistance of many volunteers. In 2010, over 530 dedicated volunteers provided more than 22,000 hours of their time creating programs that aired on 'Ōlelo's channels. These numbers are conservative; there are many volunteers who do not complete vouchers to claim the hours they donate.

Executive Productions (EPs) are particularly dependent on volunteers. Through the EP program, not-for-profit organizations and community groups are able to request coverage of events that they want cablecast on 'Ōlelo's channels. 'Ōlelo staff matched those requests with available volunteers. The resulting programming extended the impact of these events to the broader community. In 2010 there were a total of 139 Executive Productions resulting in over 200 hours of community event programming. This is an 85 percent increase from the 75 Executive Productions in 2009.

### **OTHER ADMINISTRATIVE EFFORTS**

#### **LEGISLATIVE MEASURES OF INTEREST**

Three Measures were introduced during 2010, in the State Legislature that had the potential to affect PEG Access. 'Ōlelo provided testimony on each; none of these Measures passed.

**SB2543:** This Bill would have established the Hawaii communications commission and the Hawaii broadband commissioner within the DCCA. Among other responsibilities, the bill required the commission and commissioner in cooperation with the public utilities commission to work towards various goals, including increasing broadband availability in the state, providing increased, flexible, timely and responsible access to public rights of way and public facilities for broadband service providers, and providing a more streamlined permit approval process that reduces the time and cost of broadband infrastructure deployment.

**SB707:** This Bill would have authorized the Department DCCA to designate public, educational and governmental access organizations according to standards that would be established through Chapter 91 rulemaking procedures, and with advice from the Cable Advisory Committee. The Bill would have exempted the PEG Access organizations from the State Procurement Code.

**HB2902:** This Measure would have authorized the Legislative Auditor to conduct an analysis of the allocation of cable operator franchise fees to PEG access organizations, Hawaii Public Television Foundation and the Department of Commerce and Consumer Affairs' Cable Television Division to determine the basis and rationale for the distribution of amounts to each entity for fiscal years 2007, 2008, and 2009. The measure also would have authorized the DCCA to contract for a performance review or audit of 'Ōlelo Community Television to determine the effectiveness with which it implements its programs and uses its allocated resources.

### **MERINA INVENTORY AUDIT**

The DCCA, through its consultants, Merina and Company, conducted its annual PEG access fixed assets and inventory verification on May 21 through May 28, 2010. This audit required a significant amount of staff hours and resources, and validated that 'Ölelo's inventory controls were adequate.

### **PEG ACCESS SERVICES REQUEST FOR PROPOSALS**

The process for the Request for Proposal (RFP) of the operation, maintenance and management of PEG access channels, funds, facilities and equipment in all four counties of the State was resumed on November 9, 2010. The DCCA hosted a site visit at 'Ölelo for potential bidders on November 29, 2010; none showed up. 'Ölelo submitted written questions for the RFP by the December 13 deadline and the DCCA provided answers to those questions on January 20, 2011. The RFP is currently stayed as a result of numerous protests.

### **REQUEST FOR AN ADDITIONAL CHANNEL**

On July 9, 2010 'Ölelo submitted a request to the DCCA for an additional PEG Access Channel. One of the points of the requests was that in the last five years since the initial request for the sixth PEG access channel, program volume has increased by 32 percent and 'Ölelo's current channel capacity to meet this increased level of programming has been inadequate

On July 20, 2010 the DCCA denied 'Ölelo's request for an additional channel. The challenge for staff, and more importantly community producers, has been an ever decreasing amount of available prime time.

### **CAPITAL BUDGET MEDIATION**

As part of the current Cable Franchise Agreement that was effective at the start of 2010, Oceanic Time Warner and 'Ölelo were to meet and agree upon the capital funding for 2011 through 2014. After initial meetings, both parties remained far apart, but agreed to mediation. While both parties were unable to come to terms on a four year agreement, 'Ölelo agreed to accept \$823,000 for 2011, and both parties agreed to resume negotiations this June to work out the capital funding for the next three years.