

# **Competitive Cable & Video Services Act**

**Minority Owned Business  
Participation Plan  
Report  
for 2011**

Tennessee Regulatory Authority

# TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

June 1, 2012

The Honorable Bill Haslam  
Governor

Joe McCord  
Chief Clerk of the House

Russell Humphrey  
Chief Clerk of the Senate

Gentlemen:

Transmitted herewith is the annual report required by the General Assembly concerning Minority Owned Business Participation Plans set forth in the Competitive Cable and Video Services Act ("CCVSA") codified as Tenn. Code Ann. § 7-59-102 through § 7-59-318. The report is based on information provided by companies that received state-issued certificates of franchise authority under the CCVSA from 2008 through 2011. Please feel free to contact us if we can assist you.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth C. Hill".

Kenneth C. Hill  
Chairman

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# Background

Public Chapter 932 of 2008, known as the Competitive Cable and Video Services Act, ("CCSVA"), became law on July 1, 2008 and is codified as Tenn. Code Ann. § 7-59-102 through § 7-59-318. The CCSVA opened markets for cable and video services to competition by allowing providers to receive state-issued certificates of franchise authority. Applicants must provide a plan to facilitate the participation of minority owned businesses when establishing, providing or expanding cable or video services and related support facilities pursuant to § 7-59-313(c).<sup>1</sup> Tenn. Code Ann. § 7-59-313(a)(1) defines a minority owned business as:

...a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of the business and who is impeded from normal entry into the economic mainstream because of:

- (A) Past practices of discrimination based on race, religion, ethnic background or sex, including, but not limited to, women;
- (B) A disability as defined in § 4-26-102, including, but not limited to, disabled veterans; or
- (C) Past practices of racial discrimination against African-Americans.

Tenn. Code Ann. § 7-59-313(a)(2) defines a minority owned business plan as:

...a business plan for actively soliciting bids from minority owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities. The plan shall include the following information:

- (A) A proposal for purchasing goods and services from minority owned businesses;
- (B) Information on programs to provide technical assistance to such businesses; and
- (C) A statement of intent to follow its minority owned business participation plan.

The goals of a minority owned business participation plan are "...to maximize participation of minority owned businesses through both prime and second tier business contracting opportunities and shall strive to achieve a level of minority owned business participation representative of the population demographics of this state."<sup>2</sup>

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<sup>1</sup> Tenn. Code Ann. § 7-59-313(c) states, "Notwithstanding any provision of this part to the contrary, a state-issued certificate of franchise authority shall not be issued by the department to any applicant that fails to include a minority owned business participation plan in the applicant's application. The department shall review each application to confirm that the minority owned business participation plan includes all information required pursuant to this section."

<sup>2</sup> Tenn. Code Ann. § 7-59-313(b).

# Annual Review

Tenn. Code Ann. § 7-59-313(d) requires the Tennessee Regulatory Authority to conduct an annual review of the plans:

Notwithstanding any provision of this part to the contrary, the department shall annually review each holder of a state-issued certificate of franchise authority to determine compliance with the holder's minority owned business participation plan. In conjunction with the review, by January 31 of each year, each holder of a state-issued certificate of franchise authority shall prepare and submit an annual report to the department concerning the holder's minority owned business participation plan and compliance with the plan. The department shall annually prepare a compliance report to be delivered to the governor and the clerks of the senate and the house of representatives. The compliance report shall also be posted on the web site of the department.<sup>3</sup>

By the end of 2011, the Tennessee Regulatory Authority had granted twelve state-issued certificates of franchise authority. Each franchise holder has submitted its report certifying compliance with its small and minority owned business participation plan. Below are some highlights.

1. BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee certifies that it continues to comply with the Minority Owned Business Plan that it submitted with its franchise application.
2. Charter Communications Operating, LLC submitted a copy of its Minority Vendor outreach program, which includes a qualifying form sent to 127 vendors, 47 of which met Minority status. Charter also supplied a letter Charter Is that it is sending to certified Minority vendors supplied by the Department of Economic & Community Development.
3. Knology spent \$500.00 during 2011 with five minority-owned Tennessee vendors.
4. Cable One spent a total of \$7,518.17 with four minority-owned vendors in Tennessee and also submitted a list of female and minority-owned vendors that are used company-wide by its Phoenix, AZ headquarters.
5. Highland Telephone Cooperative submitted a progress report on efforts to utilize qualified minority vendors, for which it has requested help from a number of state agencies.
6. Comcast submitted a report covering the two franchises that it has obtained under its corporate entities, Comcast of Southern Tennessee, LLC and Comcast Cable Mgt LLC. Comcast notes that it spent 12.4% of its total supplier expenditures with diverse vendors.
7. The Electric Power Board of Chattanooga ("EPB") submitted its Purchasing Policies and Procedures Guide, which encourages increased participation by small, minority and women-owned businesses. EPB's Fiber Optics Division spent more than \$87,000 with one Tennessee business owned by women and minorities.

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<sup>3</sup> Tenn. Code Ann. § 7-59-313(d).

8. Twin Lakes Communications, Inc. attests that it continues to comply with its Minority-Owned Telecommunications Business Participation Plan, a copy of which it submitted with its response.
9. North Central Telephone Cooperative avers that it complies with the Minority-Owned Business Participation Plan that it filed with its franchise application.
10. TDS Telecom Service Corporation submitted a copy of the Minority-Owned Business Participation Plan that it filed with its initial application.
11. Spring City Cable TV, Inc. submitted a copy of the Minority-Owned Business Participation Plan that it filed with its initial application.

# **Appendix 1**

## **AT&T**



Paul T. Stinson, P.E.  
External & Legislative Affairs

AT&T Tennessee  
333 Commerce Street  
Suite 2106  
Nashville, TN 37201-1800

T: 615.214.3839  
F: 615.214.8867  
paul.stinson@att.com  
www.att.com

RECEIVED

2012 JAN 26 PM 4:00

T.R.A. DOCKET ROOM

January 26, 2012

Mr. Arnold Reed, Consultant  
Economic Analysis and Policy Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

RE: Minority Owned Business Plan Annual Report

Dear Mr. Reed,

In accordance with the Competitive Cable and Video Services Act, and as requested in your letter of December 15, 2011, AT&T provides this annual report concerning AT&T's Minority Owned Business Plan and the compliance with that plan. AT&T's Plan, which was provided as part of AT&T's video franchise application, is attached.

AT&T continues to comply with the attached Minority Owned Business Plan.

Sincerely,

Attachment

AT&T Tennessee's  
Minority Owned Business Participation Plan

AT&T Tennessee hereby sets forth its business plan for actively soliciting bids from minority-owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities.

I. **Definitions**

A. For the purposes of this plan, unless the context otherwise requires:

1. "Minority owned business" means a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of:
  - a. Past practices of discrimination based on race, religion, ethnic background, or sex including, but not limited to, women;
  - b. A disability as defined in T.C.A. § 4-26-201 including, but not limited to, disabled veterans; or
  - c. Past practices of racial discrimination against African-Americans; and
2. "Minority owned business participation plan" means a business plan for actively soliciting bids from minority owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities. Such plan shall include the following information:
  - a. A proposal for purchasing goods and services from minority owned businesses;
  - b. Information on programs to provide technical assistance to such businesses; and
  - c. A statement of intent to follow its minority owned business participation plan.

## **II. AT&T's Supplier Diversity Policy Statement**

It is the policy of AT&T to promote, increase and improve the quality of the overall participation of minority, women and service-disabled veteran owned business enterprises in its purchases of materials and services.

Maximum practicable opportunity shall be given to minority, women and disabled veteran-owned business enterprises to participate as suppliers of materials and services to AT&T.

AT&T also encourages subcontracting opportunities for minority, women and disabled veteran-owned businesses by requiring Supplier Diversity Participation Plans from its prime suppliers.

## **III. AT&T's Proposal For Purchasing Goods And Services From Minority Owned Businesses**

AT&T promotes the purchasing of goods and services from minority owned businesses through its extensive AT&T Supplier Diversity Program. Supplier Diversity Program staff at AT&T assist current and potential diversity suppliers in identifying and developing business opportunities with the company.

AT&T Supplier Diversity Programs are designed to promote, increase and improve the quality of the overall participation of small, minority, women and disabled veteran business enterprises in AT&T's supply chain. AT&T looks for opportunities to work with diversity suppliers in all aspects of its business – from advertising to central office engineering, computers, outside plant construction and network provisioning. Promoting the participation of a diverse supplier base not only provides better business solutions, it also cultivates greater customer loyalty, bidding advantages, and public policy support in the communities AT&T serves.

AT&T's diversity program has three main components – a program to encourage minority suppliers; a program to encourage minority hiring by AT&T's prime suppliers; and participation in diversity organizations.

Specifically, AT&T has a specific program pursuant to which it seeks to hire diverse suppliers. As part of the program, AT&T provides potential suppliers with information and contacts to assist those firms seeking to do business with AT&T. AT&T's Supplier Diversity Managers and Strategic Sourcing Managers work closely with minority suppliers to find opportunities to do business with AT&T. AT&T provides coaching and mentoring to its strategic diversity firms to ensure they continue to meet AT&T's supplier requirements. AT&T encourages diversity suppliers to gain quality certifications such as ISO 9000 and TL9000 to remain on the competitive edge.

Another of the essential efforts within the AT&T Supplier Diversity Programs is AT&T's Prime Supplier Participation Program. AT&T's Prime Supplier Program helps its prime suppliers increase the utilization of minority, women and disabled-veteran owned businesses in its supply chain through subcontracting and value added reseller arrangements. The program specifically helps prime suppliers (a) establish or enhance their own supplier diversity programs; (b) develop an annual plan with AT&T outlining how the supplier can provide better business solutions by working with diverse companies; and (c) report quarterly results to AT&T showing progress towards the supplier's diversity goals.

AT&T also is an active corporate member in important organizations such as the National Minority Supplier Development Council, the Women's Business Enterprise National Council and the Association for Service Disabled Veterans. AT&T also holds memberships with numerous minority Chambers of Commerce that work to promote supplier diversity. AT&T also provides funding to support several executive management training programs for minority owned businesses. The programs funded are among the most highly-regarded, graduate-level executive training programs in the country, providing valuable coaching and tangible business benefits to suppliers.

#### **IV. Information On Programs To Provide Technical Assistance To Such Businesses**

AT&T provides information for minority owned businesses on its website at [www.att.com](http://www.att.com). In addition, as set forth above, AT&T has an active mentoring process to encourage minority owned businesses to become suppliers of AT&T.

#### **V. Statement Of Intent To Follow Its Minority Owned Business Participation Plan**

Pursuant to this plan, AT&T Tennessee shall strive to maximize participation of minority owned businesses through both prime and second tier business contracting opportunities and shall strive to achieve a level of minority owned business participation representative of the population demographics of the state of Tennessee.

By January 31 of each year, AT&T Tennessee will prepare and submit an annual report to the Tennessee Regulatory Authority concerning AT&T Tennessee's minority owned business participation plan and compliance with such plan.

# **Appendix 2**

## **Charter Communications**



January 24, 2012

Mr. Arnold Reed  
TRA  
460 James Robertson Parkway  
Nashville, TN 37243

Dear Mr. Reed,

Enclosed is Charter Communications Minority Vendor outreach program for 2012.

- Exhibit A represents the document we sent to existing vendors to identify Minority Vendors. To date, 127 vendors received the document, 47 met Minority status and are currently being utilized by Charter.
- Exhibit B represents the letter we are sending to certified Minority Vendors supplied to us by the Tennessee Department of Economic and Community Development. Our hope is those contacted will respond and become part of our bid process.

Should you have any questions do not hesitate to contact me @ 865-273-2712.

Regards,

A handwritten signature in black ink that reads "Nick Pavlis".

Nick Pavlis  
Director of Government Relations  
Tennessee/Louisiana Operations

Enclosure: Exhibit A, B

**January 1, 2012**

**Dear Potential Vendor,**

Charter Communications values doing business with vendors both large and small. We are also committed to doing business with as many vendors as possible located in Tennessee. With the assistance of the Department of Economic and Community Development we received your name as a vendor that Charter could potentially utilize for future services. If you have interest in becoming an approved vendor then please complete the attached documents and submit to:

**Debbie Cassell  
Business Manager  
Charter Communications  
10417 Wallace Alley St.  
Kingsport, TN 37663**

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If your companies credentials match our qualifications we will contact you to participate in our bid process as your services are needed.

Thank you in advance for your interest and we look forward to your response and doing business with you in the future.

**Regards,**

**Debbie Cassell  
Business Manager  
Tennessee/Louisiana Operations**



**Charter**  
COMMUNICATIONS<sup>®</sup>

A WIRED WORLD COMPANY

**Charter Communications**

**10417 Wallace Alley St**

**Kingsport TN 37663**

**VENDOR INFORMATION**

**Vendor Name**

---

**Address**

**Bill to Address**

**If different:**

---

**City, State, Zip**

**Bill to**

**City, State, Zip:**

**Phone #**

**Fax #**

**Email Address**

**Do you have an Internet Website? If so, please provide below:**

---

**Parent or Subsidiary?**

**Yes**

**No**

**If Yes, please provide info below:**

---

**Type of Business:**

**Corporation**

**Government**

**Limited Liability Company (LLC)**

**Partnership**

**Sole Proprietorship (Individual)**

**Minority Status:**

**African American Female**

**African American Male**

**Asian Indian Female**

**Asian Indian Male**

**Asian Pacific Female**

**Asian Pacific Male**

**Hispanic Female**

**Hispanic Male**

**Native American Female**

**Native American Male**

**Non Minority**

**White Female**

---

**Signature**

**Printed Name**

---

**Date**

**Please fax this form and the W-9 to 423 212-2340 or email  
to Karen.Graham@chartercom.com. Please sign both forms.**

# Appendix 3

## Knology



Telephone    Cable TV    Internet

January 30, 2012

Mr. Arnold Reed  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243

**Re:    Annual Report on Compliance with Minority Business  
Participation Plan**

Dear Mr. Reed:

Pursuant to §7-59-313 of the Tennessee Code, please find Knology's Minority Owned Business compliance status report. As always, thank you in advance for your courtesies in this matter. Should you have any questions about the enclosed material, please don't hesitate to call me at (706) 645-3966.

Respectfully submitted,

Bruce Schoonover, Jr.  
Director – Regulatory Affairs  
Knology, Inc.

Enclosures

## **KNOLOGY, INC.**

### **MINORITY OWNED BUSINESS PARTICIPATION PLAN**

Pursuant to the Competitive Cable and Video Services Act, Public Chapter 932 (The "ACT" § 14, Knology, Inc. ("Knology") submits this minority owned business participation plan (the "Plan").

#### **I. PURPOSE**

The purpose of the Competitive Cable and Video Services Act, Public Chapter 932 (the "Act") § 14 is to provide opportunities for minority-owned businesses to provide goods and services to video service providers. Knology is committed to the goals of § 14 of the Act and to taking steps to support the participation of minority-owned businesses in the video-cable industry. Knology will continue to work to provide opportunities for minority-owned businesses to compete for contracts and subcontracts for goods and services. Knology will make efforts in its procurement process to identify and inform minority-owned businesses that are qualified and capable of providing goods and services to Knology of such opportunities. Knology will also seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

#### **II. DEFINITIONS**

***Minority-Owned Business.*** Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex, or national origin and such business has annual gross receipts of less than \$4,000,000.

#### **III. ADMINISTRATION**

The Knology Plan will be overseen by the individual named below, hereinafter referred to as the Administrator. The Administrator of the Plan will be: Mr. Jason Clabo.

The Administrator's responsibilities will include:

- 1) Maintaining an updated Plan in full compliance with § 14 of the Act and the rules and orders of the Tennessee Regulatory Authority.
- 2) Ensuring policies and procedures necessary for the successful implementation of the Plan are in place.

# **Appendix 4**

## **Cable One**



1314 NORTH 3RD STREET  
PHOENIX, ARIZONA 85004  
PH:602•364•6000  
FX:602•364•6010

Watch us make you smile.

February 10, 2012

Tennessee Regulatory Authority  
ATTN: Arnold Reed  
460 James Robertson Parkway  
Nashville, TN 37243

Re: Annual Report on Compliance With Minority Business Participation Plan

Dear Mr. Reed:

Pursuant to its state-issued Certificate of Franchise Authority, Cable One, Inc hereby submits the following report on compliance with its Minority-Owned Business Participation Plan. During the 2011 calendar year, Cable One did business with the following minority- owned businesses in the State of Tennessee.

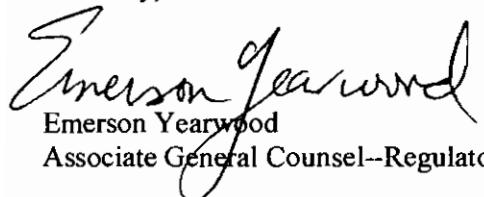
<u>Vendor</u>	<u>Expenditure (\$)</u>
<b>Daylight Donuts</b> 1442 Hwy 51 Dyersburg, TN 38024 Phone: 731-285-9740 Owner: Rita Plewa (female)	\$597.98
<b>Livingston Janitorial Services</b> P. O. Box 398 Dyersburg, TN 38024 Phone: 731-825-0877 Owner: Chris Livingston (male minority)	\$1,055.00
<b>SEZ SEW, Inc.</b> P. O. Box 707 325 S. Mill Ave. Dyersburg, TN 38025 Owner: Betty Dennis (female) Phone 737-285-2120	\$365.19
<b>Private Cleaning Services</b> Owner: Terry Douglas (female) 3766 Sharpsferry Rd Newbern, TN 38059 Phone: 731-287-7797	\$5,500.00

Arnold Reed  
Tennessee Regulatory Authority

February 10, 2012  
Page 2

In addition to local purchasing efforts, most Cable One purchasing is centrally managed from the company's Phoenix, AZ headquarters. A list of minority and female vendors used company-wide is also attached. Please do not hesitate to contact me at (602) 364-6195 if you require additional information on this matter.

Sincerely,

  
Emerson Yearwood  
Associate General Counsel--Regulatory Affairs

cc: K. Wright

















































Vendor Name	Address 1	Address 2	Address 3	Status	Class Code
ELECTROLINE EQUIPMENT INC	11025 Old Dixie Hwy	Arapahoe Crandall		5	NOCLASS
CITY DIRECTORY INC.	1130 V Main	Hill 343		5	NOCLASS
PEOPLES ELECTRIC COOP	1130 V Main	Sheridan, IA 50421		5	NOCLASS
BOLIVAR COUNTY	PO Box 429	Adair, OK 74821-0429		5	NOCLASS
DENTON COUNTY TAX ASSESSOR COLLECTOR	Box 1249	PO Box 249		5	NOCLASS
DENNIS JENKINS	27 Jenkins Street	Denton, TX 76202-1249		5	NOCLASS
MURKIE JENKINS		Almatis, MS 38720		5	NOCLASS
COM SONICS	1360 Port Republic Road	P O Box 1106	Hanoverburg, VA 22801	5	NOCLASS
WILLIAM MCMANN	P O Box 6553	Diamondhead, MS 39042-6553		5	NOCLASS
SALE OF TEXANANA	3313 Hwy 51 N orth	P O Box 3353	Tyler, TX 75704	5	NOCLASS
THE PANOLIAN	PO Box 150	Salisbury, MS 38600		5	NOCLASS
THE BOLIVAR COMMERCIAL	1100 CommScope Place SE	Cleveland, MS 38732		5	NOCLASS
COMM SCOPE COMPANY	833	MS 38602		5	NOCLASS
UNITED WAY OF ODESSA	P O Box 572	Attention: Brenda Fletcher		5	NOCLASS
ADVERTISING NEWS	18 North Broadway	P O Box 469		5	NOCLASS
ACME TOOLS	8344 Acme Tools/Acme Parts	P O Box 469		5	NOCLASS
MICROSOFT CORPORATION	6345 P O Box 844510 Birth of	Tool Chatterbox/Farming	1003 Zorn Ave. Inc.	6	NOCLASS
DET COUNCIL	Co. Reg. #52	Tax ID #91-114442	Dallas, TX 75204-4110	6	NOCLASS
DIGITAL COMMUNICATIONS CORPORATION	8410 Biscayne Blvd	Stevenson, TN 37774		5	NOCLASS
THE TRINITY NEWS	8410 Biscayne Blvd	Flemington, TN 37048		5	NOCLASS
BU EWL CHAMBER OF COMMERCE	8410 Biscayne Blvd	Hannock, AZ 85025		5	NOCLASS
INTEGRATED RESEARCH INC	8500 N 2nd Street	P O Box 1	Heathrow, FL 32834	5	NOCLASS
PAPER PEST CONTROL	8509 42nd Avenue	Edinboro, CO 80011		5	NOCLASS
MITCHELL BLAND	8509 42nd Avenue	Phoenix, AZ 85003		5	NOCLASS
CITY OF BATESVILLE	8512	Phoenix, AZ 85001		5	NOCLASS
CITY OF YAZOO CITY	P O Box 689	Batesville, MS 39006		5	NOCLASS
BRADLEY OTLEY	8551	Yucca City, NM		5	NOCLASS
CHARLES MEYERS	8621 5804 Hwy 61	Alpharetta, GA 30070-9516		5	NOCLASS
CDC COMPUTER CENTERS	8644 N 32 W Milwaukee	Vernon Hills, IL 60061		5	NOCLASS
SPECTRUM TECHNICAL SERVICE	8682 6th Avenue	South Waukegan, IL 60074		5	NOCLASS
AMERICAN HEART ASSOCIATION	8717 Services	Phone: 82-65016		5	NOCLASS
TOWN OF COURTLAND	8776 P O Box 51	Phone: 82-65016		5	NOCLASS
TOWN OF POKE	8778 1930 S State Street	Salt Lake City, UT 84115-		5	NOCLASS
OC TANNER RECOGNITION COMPANY	8793	250 N 4th		5	NOCLASS
BORDER STATES ELECTRIC SUPPLY	8841 Hwy 7250	Memphis, TN 38465-7225		5	NOCLASS
CHARLES LAW SERVICE	8845 Co. Wren Lewis Service	Auto, OK 74220-1146		5	NOCLASS
CHIAGO ELECTRIC POWER CO	8859 P O Box 187	Auto, OK 74220-1146		5	NOCLASS
SINKING RIVER ELECTRIC POWER ASSOCIATION	8869 P O Box 187	Louisville, MS 39093-0167		5	NOCLASS
KNIGHT ARBURY COMMERCIAL PRINTERS INC.	8943 315 Callewood Street	Bluff, MS 39050		5	NOCLASS
PHILIP MARENZ	9001 P O Box 144	Phoenix, AZ 85022		5	NOCLASS
CITY OF PAGE	9022 P O Box 144	Phoenix, AZ 85040		5	NOCLASS
RUFUS LISCOMBE CREEFMORE	9029 1297 Memorial Drive	Cleveland, OH 44136		5	NOCLASS
BIG RED PRINTING CO INC	9103 129 North 3rd Street	Norfolk, NE 68701		5	NOCLASS
KHANAS CLUB OF GROVE	9132 P O Box 238	Lone Grove, OK 73443-		5	NOCLASS
ORION EXTERMINATING CO	9162 3650 W. Indian School Road	Phoenix, AZ 85019		5	NOCLASS
IRVING ELECTRIC & AIR CONDITIONING	9185 One Irving Electric & Air Conditioning	Plano, TX 75205		5	NOCLASS
KANSAS GAS SERVICE	9203 300 N Third	Po Box 1916		5	NOCLASS
THE PONCA CITY PUBLISHING	9352 P O Box 61	Ponca City, OK 74461		5	NOCLASS
DAVID COBB	9422 P O Box 773	Mooreland, MN 56551-0779		5	NOCLASS
MOORHEAD PUBLIC SERVICE DEPARTMENT	9422 P O Box 773			5	NOCLASS
SERVICE UNLIMITED	9422 P O Box 773	114 Salina Place		5	NOCLASS
STAGS KITCHEN	9423 128 S Main Street	Po Box 114		5	NOCLASS
SALVATION CHURCH SERVICE	9424 2024 Hwy 101 SW	Fargo, ND 58103-2550		5	NOCLASS
MARSHALL BROAD CASTING	9437 Hwy 101 SW	912 21st Cypress		5	NOCLASS
PHYLIS FOREMAN	9437 6110 Summerville Rd	Vin Cave, MS 39065		5	NOCLASS
SOUTH MISSISSIPPI BUSINESS MACHINES INC	9449 P O Box 957	Gulfport, MS 39502		5	NOCLASS
ALUTS PM INC	9451 Hwy 13	Po Box 1077		5	NOCLASS
THE DUNCAN BANNER	9452 Hwy 13	Abbeville, OH 45821		5	NOCLASS
ROSLINIAN KORNISH	9453 355 N 1st Street	Duncan, SC 29344-2708		5	NOCLASS
ROBINSON ELECTRIC CO INC	9453 355 N 1st Street	Gainesville, MS 38532-2326		5	NOCLASS
INTERNATIONAL DEMOGRAPHICS INC	9463 355 W Alabama	OliveBranch, MS 38654		5	NOCLASS
CITY OF SAYRE	9469 Hwy 13	Houston, TX 77008-1718		5	NOCLASS
ATC	9466 4601 N Hickory Avenue	Savvy, OK 74862		5	NOCLASS
COMPUTIME INC	9467 1702 Yellow Creek Road	Prattville, AL 36065		5	NOCLASS
AMERICAN SIGNS & BANNERS	9469 Hwy 13	Texaroma, AR 71654		5	NOCLASS
TOWN OF BOYLE	9475 Hwy 13	Town of Brumley, MS 38770		5	NOCLASS
VICIE BAILEY	9476 Hwy 13	Wadsworth, OH 44285-0113		5	NOCLASS
COUNTY OF PAROLA	9476 Hwy 13			5	NOCLASS
COUNTY OF SUNFLOWER	9477 Hwy 13			5	NOCLASS
CINDI BROADBUND	9477 Hwy 13			5	NOCLASS
SHERMAN ADVERTISING	9486 Hwy 13			5	NOCLASS
USDA-FOREST SERVICE	9486 Hwy 13	P O Box 60000		5	NOCLASS
JMS ELECTRIC SERVICE	9487 Hwy 13	Benton, MS 39003		5	NOCLASS
CITY OF DEBEMBLE	9487 Hwy 13	Benton, MS 39003		5	NOCLASS
CITY OF OCEAN SPRINGS	9488 Hwy 13	Benton, MS 39003		5	NOCLASS
JACKSON COUNTY-TAX COLLECTOR	9484 Hwy 98	Benton County, MS 39007		5	NOCLASS
HARRISON COUNTY BOARD OF SUPERVISORS	9485 Hwy 98	P O Box 5050		5	NOCLASS
KYES-TV	9487 Hwy 98	McMinnville, TN 37341-1271		5	NOCLASS
AMERICAN SOLUTIONS FOR BUSINESS	9488 Hwy 98	Glenwood, MS 39334		5	NOCLASS

# **Appendix 5**

## **Highland Telephone Cooperative**



7840 Morgan County Hwy.  
P.O. Box 119  
Sunbright, TN 37872

EMAIL  
HIGHLAND@HIGHLAND.NET

voice 423/628 2121  
423/663 3939  
606/376 5311

Fax 423/628 2409

January 17, 2012

Mr. Arnold Reed  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

F. L. Terry  
MANAGER

***RE: Minority-Owned Business Participation Report of  
Highland Telephone Cooperative, Inc.***

Ernest A. Petroff  
ATTORNEY

DIRECTORS  
James E. Terry  
PRESIDENT  
JoAn Haynes  
VICE PRESIDENT  
Clara Terry  
SECRETARY-TREASURER

Bingham  
Jan Byrd  
Lorna Denney  
David Freytag  
Sheila Jo Jones  
Sam Strunk  
John Tate  
Jerry Williams

Dear Mr. Reed:

Pursuant to Tennessee Code Annotated §7-59-313(d), Highland Telephone Cooperative, Inc. ("Highland") hereby submits its annual report to the Tennessee Regulatory Authority regarding its minority-owned business participation plan. Highland has complied with its minority-owned business participation by taking steps to implement the plan consistent with its statutory obligations.

Highland Telephone will determine when goods and services need to be outsourced. Highland has contacted several applicable agencies and organizations to benefit from their resources and to work with them to achieve the goals of the company's minority-owned business participation plan. First, Highland reached out to the Governor's Office of Diversity Business Enterprise ("DBE") within the Tennessee Department of General Services. The DBE provides MBE/WBE/SDVBE/SBE certification to companies to enhance their eligibility to bid on state contracts.

Also, Highland will oversee how and from whom bids will be solicited for goods and services. While Highland is not a state agency and cannot advertise requests for proposals through this department, DBE maintains a public database of all of the companies for which it has provided certification. When the need arises Highland reviews this database to identify companies that may be qualified to bid on potential present and future contracts. Highland will contact those firms to make them aware of Highland's potential needs and the process for providing relevant information to the company. Bids may be solicited by the US Postal Service or by telephone. Qualified businesses interested in contacting Highland Telephone for

outsource opportunities can contact Highland Telephone Cooperative at:

Highland Telephone Cooperative, Inc.  
7840 Morgan County Highway  
P. O. Box 119  
Sunbright, TN 37872

If bids are solicited, replies will be kept on file for two (2) years, which will enable Highland Telephone to review the effectiveness of its plan.

Secondly, Highland has contacted numerous other state agencies and private organizations to learn what, if any, programs currently exist to help connect communications companies to minority-owned contractors and subcontractors. The organizations that were contacted by Highland include, but are not limited to, the following: Tennessee Department of Economic and Community Development, Tennessee Department of Labor and Workforce Development, Memphis Area Minority Contractors Association, and the Black Business Association of Memphis.

In addition to working with the organizations identified above, as part of Highland's minority-owned business plan, the company continues to monitor opportunities to utilize minority-owned businesses and encourage qualified minority-owned businesses to bid on available work. Highland also maintains a record-keeping system to track communications with applicable agencies and organizations as well as known minority-owned businesses.

Highland is committed to the objectives stated in Section 313 of the Tennessee Competitive Cable and Video Services Act, T.C.A. §7-59-313, and strives to promote participation of minority-owned businesses through the activities outlined above. Thank you for the opportunity to submit this information to the TRA. Should you need any additional information regarding Highland and its minority-owned business participation plan, please do not hesitate to contact us.

Sincerely,



Mark Patterson  
Interim Manager

ds

# **Appendix 6**

## **Comcast**



Comcast Cable  
2925 Courtyards Drive  
Norcross, GA 30071

VIA FACSIMILE & OVERNIGHT MAIL

January 26, 2012

Mr. Kenneth C. Hill  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

*Re: Minority Owned Business Plan Annual Report*

In accordance with Section 7-59-313 (d) of The Competitive Cable and Video Services Act, Comcast Cable Communications Management, LLC ("Comcast") submits this annual report on its Minority Owned Business Participation Plan ("Plan") performance.

Enclosed is a copy of the Plan filed as Exhibit E to Comcast's applications for state-issued certificates of franchise authority contained in Docket No. 09-00137.

Comcast continues to comply with the Plan. For 2011, 12.4% of the total supplier expenditures made by the Comcast operating entities holding state certificates were to diverse vendors.

Sincerely,

John C. Barrett  
Regional Senior Vice President

encl.

cc: Andy Macke  
Tim Gage

## **MINORITY-OWNED BUSINESS PREPARATION PLAN**

Comcast hereby sets forth its business plan for actively soliciting bids from minority-owned businesses and awarding contracts to such businesses when establishing, providing or expanding cable services and related support facilities in Tennessee. This business plan includes information regarding promoting, increasing, and improving the quality of the overall participation of minority, women, and service-disabled veteran-owned business enterprises in its purchases of materials and services.

### **1. TERMS AND TERMINOLOGY**

For purposes of this plan, unless the context otherwise requires:

- A. "Comcast" refers to the Comcast entities listed in Exhibit A to the Application. Except where otherwise indicated, the information in this Plan is provided with respect to Comcast as a whole.
- B. "Minority-Owned Business(es)" means a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual(s) who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of:
  - 1) past practices of discrimination based on race, religion, ethnic background, or sex including, but not limited to, women;
  - 2) a disability as defined in T.C.A. Section 4-26-201 including, but not limited to, disabled veterans; or
  - 3) past practices of racial discrimination against African-Americans.
- C. "Minority-Owned Business Participation Plan" means a business plan for actively soliciting bids from Minority-Owned Businesses and awarding contracts to such businesses when establishing, providing or expanding cable services and related support facilities. Such Plan includes the following information:
  - 1) A proposal for purchasing goods and services from Minority-Owned Businesses;
  - 2) Information on programs to provide technical assistance to such businesses; and
  - 3) A statement of intent to follow its Minority-Owned Business Plan.

### **2. SUPPLIER DIVERSITY POLICY STATEMENT**

Qualified, dependable, diverse partners provide Comcast with the goods and services needed to continue growing and serving our customers. Small and diverse suppliers provide us with new perspectives, insights, and understandings that enable us to innovate, compete, and tailor our business to existing and emerging markets. Comcast believes that small and diverse suppliers, who instill competitiveness into the bidding process, make all of our vendors work harder to give us their best possible product. Ultimately, our diverse supplier partnerships

empower both parties to create jobs, strengthen communities, and build value for our shareholders. As such, it is the policy of Comcast:

- A. to promote, increase, and improve the quality of the overall participation of minority, women, veteran, and service-disabled veteran-owned business enterprises in its purchases of materials and services;
- B. to provide maximum practical opportunity to minority, women, veteran, and disabled veteran-owned business enterprises to participate as suppliers of materials and services to Comcast; and
- C. to encourage subcontracting opportunities for minority, women, veteran, and disabled veteran-owned business enterprises by requiring Supplier Diversity Participation Plans from its prime suppliers.

3. **PROPOSAL FOR PURCHASING GOODS AND SERVICES FROM MINORITY-OWNED BUSINESSES**

Comcast promotes the purchasing of goods and services from Minority-Owned Businesses through its comprehensive Small and Minority Owned Business Preparation Plan which incorporates the following:

- A. Comcast employs a full-time Senior Manager of Supplier Diversity who reports to Comcast's Executive Director of Procurement. This individual is responsible for coordinating and managing Comcast's supplier diversity program and providing leadership, relationship management, and tactical direction to vendors looking to conduct business with Comcast.
- B. Comcast employs Directors of Purchasing along with procurement support staff in each of Comcast's four operating divisions who actively participate in advancing Comcast's supplier diversity initiatives and who are responsible for encouraging the inclusion of minority-owned vendors in the competitive bid process accomplished through the use of the following tactics:
  - 1) Training programs for procurement personnel that emphasize the importance of diversity initiatives and techniques to find qualified minority-owned suppliers to compete on bid opportunities.
  - 2) Establishment of supplier diversity goals.
  - 3) Development and use of a "score card" to measure actual versus goal for supplier diversity efforts.
  - 4) Partner with minority-owned and women business organizations. (See Section 4, below)
  - 5) Regularly update external communications regarding supplier diversity.
- C. To assist potential vendors in determining their eligibility to participate in Comcast's Supplier Vendor Diversity Program, Comcast publishes the Program's criteria and qualifications on its website, [www.comcast.com](http://www.comcast.com).<sup>1</sup>

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<sup>1</sup> Comcast's "Criteria and Qualifications document can be accessed on the web using the following link:  
<http://www.comcast.com/corporate/about/diversity/suppliers/criteria.html>

#### **4. BUSINESS PARTNERSHIP INITIATIVES**

Comcast is partnering with the following organizations, in an effort to identify qualified Minority-Owned Businesses.

- A. National Minority Supplier Diversity Council ("NMSDC"): Comcast is a national member of this organization. Additionally, we partner with eight of the local councils in order to find qualified minority-owned businesses with which to partner.
- B. Women's Business Enterprise National Council ("WBENC"): Comcast actively participates with WBENC nationally. Additionally, we partner with six local councils in order to find qualified women-owned business with which to partner.
- C. Women in Cable and Telecommunications ("WICT"): This is a cable-specific organization that assists Comcast in identifying and developing female leaders within the cable & telecommunications industries.
- D. National Association for Minorities in Cable ("NAMIC"): This is a cable-specific organization that assists Comcast in identifying and developing minority leaders within the cable industry.
- E. National Veteran Owned Business Association ("NaVOBA")
- F. Walter Kaitz Foundation: advocates for diversity in the cable and telecommunications industries. Comcast is an annual sponsor of the Walter Kaitz Fundraising Dinner and the Supplier Diversity Connection seminars at the National Cable Television Association ("NCTA") and Society of Cable Television Engineers ("SCTE") conferences.
- G. National Association of Women Business Owners ("NAWBO").
- H. Comcast also partners with numerous Chambers of Commerce that work to support supplier diversity.
- I. Member of Mid-South Minority Business Council which provides access to their database of certified minority-owned businesses.
- J. Member of Memphis Chapter of Black Business Association ("BBA")
- K. Member of Memphis Chapter of Hispanic Business Alliance ("HBA").

#### **5. STATEMENT OF INTENT TO FOLLOW THE MINORITY-OWNED BUSINESS PARTICIPATION PLAN**

Pursuant to this plan, Comcast shall strive to maximize participation of Minority-Owned Businesses through both prime and second tier contracting opportunities and shall strive to achieve a level of minority business participation representative of the population demographics of the state of Tennessee. On or before January 31 of each year, Comcast will prepare and submit an annual report to the Tennessee Regulatory Authority concerning Comcast's Minority-Owned Business Participation Plan and compliance with such plan.

Inquiries concerning this Plan may be directed to the Plan Administrator:

Ajamu Johnson  
Comcast Cable  
One Comcast Center  
Philadelphia, PA 19103  
(215) 286-4052

# **Appendix 7**

## **Electric Power Board of Chattanooga**

Legal Services Division  
P.O. Box 182255  
10 W. MLK Blvd  
Chattanooga, TN 37422  
[www.epb.net](http://www.epb.net)

## FACSIMILE TRANSMISSION SHEET



TO: Arnold Reed                          FROM: Anna Ratledge  
COMPANY: Electric Power Board (EPB)                          SUBJECT: Minority Business Participation Plan  
FAX #: 615-741-5015                          DATE: January 31, 2012  
PAGES: 28 w/cover sheet

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IF YOU HAVE ANY DIFFICULTY RECEIVING THIS FACSIMILE,  
PLEASE CALL 423/ 648-1325.

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SPECIAL INSTRUCTIONS/COMMENTS: Please see attached documents.

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NOTE: This facsimile contains PRIVILEGED and CONFIDENTIAL information intended only for the use of the specific individual or entity named above. If you or your employer are not the intended recipient of this facsimile or an employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any unauthorized dissemination or copying of this facsimile or the information contained in it is strictly prohibited. If you have received this facsimile in error, please immediately notify the person named above at once by telephone and return the original facsimile to us at the above address via the U.S. Postal Service. Thank you.

---

P.O. Box 182255  
Chattanooga, Tennessee  
37422-7255  
[www.epb.net](http://www.epb.net)



January 30, 2012

Tennessee Regulatory Authority  
ATTN: Arnold Reed  
460 James Robertson Parkway  
Nashville, TN 37243

RE: Annual report on compliance with minority business participation plan

Dear Mr. Reed:

Pursuant to the requirements of T.C.A. §7-59-313, please find enclosed Electric Power Board's report regarding compliance with the minority owned business plan. For your convenience, I am also enclosing a copy of EPB's Minority Business Participation Plan.

If you have any questions or concerns, please feel free to contact me at (423) 648-1391 or via e-mail at [webbad@epb.net](mailto:webbad@epb.net).

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Webb".

Aaron D. Webb  
Vice President-Legal Services  
Electric Power Board of Chattanooga

enclosure



**2012 Annual Report  
Minority Business Participation Plan Compliance  
Competitive Cable and Video Services Act**

On March 23, 2010, the Electric Power Board of Chattanooga filed an application for a state-issued certificate of franchise authority with the Tennessee Regulatory Authority. As required by the Competitive Cable and Video Services Act, EPB submitted a Minority Owned Business Participation Plan with the application. On March 30, 2010, TRA approved EPB's application.

EPB is proud to support minority and women owned companies within the Tennessee area for many years. EPB's Minority and Women Owned Business Development Program has five (5) key objectives:

1. Identify goods and services for which minority and women owned businesses have the capability of becoming a source of supply;
2. Seeking out minority and women owned businesses capable of supplying goods and services for EPB's operations;
3. Using minority and women owned business whenever possible in order to increase the volume of expenditures into the minority business community;
4. Nurturing minority and women owned businesses and help them to become competitive, viable and self-sustaining enterprises; and
5. Foster relationships within the minority and women owned business community.

EPB has designated a Manager to oversee its Minority and Women Owned Business Development Program, and that Manager works with the Purchasing Department and members of leadership to ensure the continual success of the program. In 2011, EPB's Fiber Optics Division did business with one (1) minority and women owned company in Tennessee and spent in excess of Eighty-Seven Thousand Dollars (\$87,000.00) in this business endeavor.

As always, EPB Fiber Optics will continue to seek out qualified minority and women owned businesses to support and utilize, and find ways to increase opportunities for minority and women owned businesses in the future.



## **Purchasing Policies and Procedures Guide**

**Effective: May 1, 2007**

## FOREWORD

The Purchasing Policies and Procedures Guide is a collaborative effort between the Purchasing Department and the departments of the Electric Power Board ("EPB") to create an efficient centralized purchasing system. EPB's purchasing policies and procedures ensure that all necessary materials, supplies, equipment, and services are obtained from reliable and approved sources in a timely manner and at the best cost based upon current market conditions.

This policy applies to all EPB Divisions and employees, and is intended to maintain fairness and integrity in the purchasing process. This policy shall be revised as needed from time to time. It shall be made available to all prospective vendors upon request.



H. E. DePriest  
President and CEO

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## SECTION 1: INTRODUCTION

### 1.1 Policy Statement.

The Purchasing Department ("Purchasing") is responsible for obtaining quality goods and services at best available value. Purchasing Agents work directly with vendors to negotiate fair and reasonable contracts for goods and services, provide assistance to departments in preparing bid specifications, and analyze bids received. Purchasing shall operate in accordance with sound business practices in order to realize the maximum value for every dollar expended. Purchasing is under the administrative supervision of the Finance Division.

The Purchasing Policies and Procedures Guide ("the Policy") provides direction for all EPB employees with purchasing responsibility and authority. The Policy, in conjunction with EPB's Vendor Ethics Policy, establishes guidelines and clarifies procedures for purchasing supplies and materials, as well as contracting for services. These guidelines apply to all of the following: project contracts, acquisition of supplies, equipment, and material; professional service agreements, and acquisition of services on behalf of EPB. It does not apply to the acquisition, sale, conveyance, or lease of real property.

As an Equal Opportunity Employer, EPB fully complies with all applicable laws and regulations. As a municipal entity, EPB requires all vendors to be aware and knowledgeable of all applicable laws and to fully comply with both the form and intent of such laws. Purchasing will furnish all tax exemption certificates, both state and federal, as required.

The guidelines outlined herein are intended to work in harmony with applicable, existing EPB policies. Where a conflict may exist, the provisions of this policy shall control unless stated otherwise.

### 1.2 Purchasing Manager Duties.

The purchasing process will be administered by the Purchasing Manager, under the direction of the Finance Division's Senior Manager. The Purchasing Manager shall be responsible for the following: maintaining information related to EPB's purchasing practices and history, negotiating and approving requested purchases, consolidating purchases of like or common items, administering the purchasing guidelines, and continually evaluating and seeking ways to streamline the purchasing process.

### 1.3 Signatory Authority.

The Senior Vice President and Chief Financial Officer, Senior Manager and Controller, and Purchasing Manager have signatory authority for Purchase Orders. Division Vice Presidents, or their designees, shall have signatory authority on requisitions. Contracts can only be executed by a duly authorized officer of EPB (President/CEO or a Vice President). Contracts to be executed by an officer other than the President/CEO must be reviewed and approved by the Senior Vice President and Chief Financial Officer.

#### 1.4 Unauthorized Purchases.

All transactions, regardless of the source of funds, must be handled in accordance with established purchasing procedures. No employee is authorized to purchase items that obligate EPB without prior authorization from Purchasing; exceptions may apply in certain instances. An employee who purchases materials, goods, or services without proper authorization will be subject to discipline up to and including termination. Purchasing commitments by employees who do not have proper contracting authority are voidable and may subject the responsible employee to disciplinary action up to and including termination.

#### 1.5 Conflict of Interest.

EPB maintains the highest standards of ethical conduct in all of its dealings with its vendors, customers and suppliers. EPB expects all employees to fulfill their responsibilities with fairness and impartiality and to refrain from any activity that may be in conflict with EPB's legitimate business interest. Any personal or financial relationship between an EPB employee or representative and a prospective contractor or vendor must be disclosed in accordance with EPB's Code of Business Conduct and Ethics. No direct family relationship with the purchasing decision-maker shall be approved. Further, no EPB employee shall accept or solicit any gift, favor, or service that might reasonably influence the employee in the discharge of any official duty, or which the employee knows, or should know, is offered with the intent to influence official conduct.

### **SECTION 2: GENERAL PURCHASING PROVISIONS**

Even though Purchasing is responsible for most purchasing issues, it is important for departmental staff to understand basic purchasing principles:

- The Purchasing Manager reserves the right to require bidding for any and all purchases of equipment, supplies, or services when determined to be in EPB's best interest;
- During the bid or proposal process, departments should be particularly careful not to discuss any details of the outstanding bid or proposal with any potential vendor;
- Bids may be canceled prior to award when determined to be in EPB's best interest;
- Each department should contact Purchasing when developing a vendor list at the department level to insure compliance with the Policy;
- Purchasing shall be responsible for all purchase negotiations and requests for price quotes over \$5,000, excluding those for professional services.
- Purchasing shall conduct all correspondence with suppliers and/or vendors, except in special cases where the technical details involved make it advisable to delegate this authority to other departments. In such cases, Purchasing must receive copies of all correspondence.
- The Purchasing Manager shall approve all standard terms and conditions applicable to bid specifications, solicitations or requests, purchase orders and contracts.

- The terms "bids" and "proposals" are used interchangeably in this Policy.

### **SECTION 3: SOURCE SELECTION/COMPETITIVE PROCEDURES**

#### **3.1 Bid Solicitations.**

EPB encourages a competitive bidding process. By encouraging competition among viable vendors, EPB strives to obtain quality materials, goods and services at the best possible cost. Typically, a contract will be awarded to the lowest, responsive, and responsible bidder whose bid meets the outlined requirements and criteria. EPB is not limited to selections based on price alone. Rather, purchase orders and contracts may be awarded based upon availability, quality, reputation, and the vendor's performance capability. Nothing contained in this section shall be construed to mean that EPB must purchase goods or services that are inferior or substandard.

EPB will adhere to the following bid guidelines:

<b>Value</b>	<b>Minimum Bid Requirement</b>
\$5,001 to \$9,999	Three (3) verbal (including telephone) quotes. <i>Refer to 3.2 and 3.5 (a)</i>
\$10,000 - \$49,999	Three (3) written (including fax, letter or email) quotes. <i>Refer to 3.2 and 3.5 (a)</i>
\$50,000 and above	Competitive sealed bids or proposals via formal bidding process for non-emergency and non-proprietary product or service purchases. <i>Refer to 3.2 and 3.5 (b)</i>

Bids solicitations ranging from \$50,000 - \$99,999 require a minimum of two (2) weeks to process from the date the requisition is submitted, while bids of \$100,000 or greater require a minimum of four (4) weeks. Therefore, departments must submit all bids in a timely manner. Please be advised that some bids (technical bids, or bids involving multiple departments) may require a longer processing period. Proposals for amounts greater than \$50,000 should allow a minimum of two (2) weeks for vendors to process and respond, from the bid opening date.

EPB reserves the right to substantiate each bidder's qualifications, capability to perform, availability, past performance record, and to verify that the bidder is current in its obligations to EPB. EPB will not contract with businesses or individuals who are delinquent in their financial obligations to EPB.

### 3.2 Purchase Requisitions.

Department or division requests for goods, material, or services should be completed on an EPB requisition form. A requisition is used to obtain price quotes or to assist departments in drafting formal requests for proposals. A requisition should include the following information:

- The item description including, where applicable, catalog number, item and/or model number(s) (this item should be listed in the Item Description field, followed by a descriptive text).
- Requisitions should include at least three (3) alternative options.
- If the product, catalog or model number is not available, provide a complete description of the item requested. For detailed information of Bid Specifications and Standards, please refer to Section 3.3;
- The specific quantity and the corresponding unit of measure (ex: box of 12, 24 or 144). The unit price for the quantity and unit of measure indicated should be verified;

Departments may only request "no substitutes" on a requisition if the requested item must interface with existing equipment and other products are not compatible. This is referred to as a "sole source" requisition. For more details, refer to the section entitled "Waiver of Bid Requirements," and the subsection on "Sole Source."

A sequential number will be assigned to each requisition. After the order for goods or services is approved, a record linking the requisition number to the Purchase Order number shall be maintained.

Individuals must obtain department approval to submit, enter, or edit requisitions. For additional information on the approval process, refer to Section 4.2.

Each requisition should be submitted in a timely manner in order to allow Purchasing to collect price quotations or bids, evaluate and award the bid, and prepare a Purchase Order or contract. The length of time required to obtain an item will depend upon the product characteristics, service details, the number of vendors or contractors, product availability and location, etc. A requisition is an internal document and should not be submitted to the vendor.

### 3.3 Bid Specifications and Standards.

Bid specifications should incorporate a clear and accurate description of all technical requirements for the requested material, product, or equipment. These descriptions should not contain features that unduly restrict competition. In response to an EPB bid, vendors must submit a bid response showing exact price, shipping costs (to the point of delivery), delivery schedule, payment terms, etc.

When it is impractical or not feasible to submit a clear and accurate description of the technical requirements, a "brand name or equal" description may be used, and EPB may accept a

manufacturer's standard products. However, if a vendor proposes an alternate product, that vendor is responsible for demonstrating, to EPB's satisfaction, that the product is "equal" to that specified (in design, strength, durability, usefulness, efficiency, quality and convenience) in the bid proposal. Such requests must be submitted in sufficient time to allow EPB to adequately review the request, and submit any questions and/or requests for additional information or clarification. Purchasing will also consult with the requesting department prior to award. EPB is under no obligation to accept proposed substitutions or engage outside consultants or experts to evaluate proposed substitutions. If EPB determines that an "equal" product is acceptable, it may issue a written notice to other participating bidders prior to the award date.

### 3.4 Types of Bids/Requests for Proposals.

(a) Informal Bids. An informal bid is a request for prices or quotations that are mailed, faxed, communicated by telephone, emailed or otherwise delivered electronically. There is no public reading of informal bids or quotations. Each prospective bidder will receive a target date and time for bid submission. Any quote received after the target date and time may be evaluated at the Purchasing Manager's discretion, provided that an award has not been made, and a Purchase Order has not been processed.

(b) Formal Sealed Bid. A Formal Sealed Bid is a formal solicitation usually made in the form of an Invitation for Bid (IFB), which sets forth minimum specifications and or performance requirements and invites vendors to propose equipment, systems, goods or services that meet those requirements. In evaluating bids, EPB may give added consideration to bidders who exceed the minimum requirements as being the "best value." Bid results are read at a public bid opening.

Adequate and reasonable public notice is required for formal sealed bidding with a bid opening on a scheduled date, time, and at a specific location. The public notice **must** include publication in a newspaper of general circulation. In addition to publication in a newspaper of general circulation, publication may also be sent via mail, fax, posting on EPB's internet web page, email notice to approved bidders or other media means. All public notices shall state the project name, where plans or specifications can be obtained, deposit amount (if applicable), whether bidding documents are available, the date of the pre-proposal conference, bid closing date, and other information deemed necessary.

If a vendor requests clarification of bid specifications, that vendor must submit all questions in writing (fax, mail, or email) no later than five (5) working days prior to the bid opening date; departments should not respond to vendor questions. Purchasing will answer vendor questions in writing and will circulate the written questions and responses to all vendors. If a response to a vendor's question alters a bid specification, Purchasing will issue a bid addendum, in order to ensure that substantive information has been distributed to all bidders.

Purchasing will accept proposal responses up to the specified date and time. Any proposal received after the deadline is considered late and will be returned to the applicant unopened (subject to the CFO's approval).

(c) Request for Proposal (RFP). A Request for Proposal is a formal solicitation usually based on stated desired results or performance criteria or technical capabilities with many

possible solutions to achieve the desired outcomes. Because an RFP is results driven, it allows the end user(s) to evaluate a variety of proposed solutions for a particular product or service need. There is no public reading of the proposals.

In order to initiate an RFP, the department shall submit a requisition along with written project information. An RFP shall also include specific standards or specifications and any contractual terms and conditions. For more information on bid specifications refer to the above sections. Purchasing will then work with the department to develop a proposal package. Because Purchasing may have experience with other similar types of RFPs, It may be able to assist the department in writing specifications. The Purchasing Manager must approve all RFP recommendations as being in full compliance with this Policy.

Once bids or proposals are received, a selection team should be used to choose a vendor. A representative from Purchasing must participate in order to insure the integrity of the process. This individual will not score the proposals. Once a decision has been made, Purchasing will work with the issuing department and the Legal Services Division to draft a contract or purchase order. The department will receive a copy of either the final Purchase Order or the executed contract. Original contracts will be maintained in the Legal Services Division.

(d) Requests for Information (RFI). A Request for Information sets forth performance criteria and invites vendors to propose equipment, systems, or services in order for a department to obtain information necessary to issue an RFP. Because an RFI is information driven, it allows the end user(s) to consult a number of sources, and to specify criteria necessary for an RFP. An RFI may be advertised by Purchasing, as appropriate. Upon receipt of responses, the RFI shall be processed in the same manner as an RFP.

### 3.5 Waiver of Bid Requirements.

Purchasing has the sole discretion to waive competitive bidding requirements in certain situations, including, but not limited to, the following:

(a) Emergency Purchases. Purchasing may obtain, or authorize others to obtain, emergency purchases. An emergency is defined as any circumstances beyond EPB's control that either:

- (i) Presents an immediate threat to performing essential EPB functions;
- (ii) Will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken;
- (iii) Creates a serious and obvious threat to the health, welfare or safety of EPB's operation in performing its duties to the public; or
- (iv) Any other reason deemed immediate by the President or Executive Vice President.

Examples of such immediate or unforeseen circumstances include, but are not limited to, the following: flood, natural disaster, equipment failure, transportation or contractor delays, unanticipated volume of work.

Competitive bidding is not required when an emergency exists. However, emergency purchases shall be awarded to the lowest and best vendor whenever possible considering the conditions existing at that point in time; emergency purchases of less than \$10,000 do not require competition. The individual or department that requests an emergency purchase shall complete the Emergency Purchase Order Form, which specifies the amount spent, the items purchased, vendor name, and the nature of the emergency. An Emergency Purchase Order Form is available on the EPB intranet. A copy of the completed form shall be provided to Purchasing. Periodically, Purchasing shall review its records relating to emergency purchases. If a trend indicating excessive use of the emergency purchasing process exists, Purchasing shall notify the Chief Financial Officer and Internal Audit department for consideration of any further action. Purchasing shall include in its monthly report all emergency purchases individuals make without the proper paperwork.

(c) Sole Source. A contract or order may be awarded without competition when it is determined, after a good faith review of available sources, that there is only one source capable of supplying the subject matter in a timely fashion; or, when there are special facilities or market conditions that result in only one source. In order to justify the sole source purchase, one of the following two (2) criteria must be shown:

(i) *Compatibility with existing equipment.* The goods or services are being purchased to directly interface with or attach to equipment from the same manufacturer, and no other manufacturer's goods will correctly interface with the existing equipment.

(ii) *Only one supplier can be identified to supply compliant goods or services.* When there is only one supplier available, the department shall provide information regarding attempts to locate other suppliers such as letters, quotations, or telephone contacts.

A sole source determination must be supported by a written finding that the supplier, contractor or consultant is the only one that can supply EPB with the required goods or services. Such determinations are subject to verification by the Purchasing Manager and will be reviewed periodically. Approval does not preclude Purchasing from securing a formal quote for the product or service, if it is possible to negotiate more favorable agreements or solicit better pricing, terms and conditions. If the department fails to submit a written basis for the sole source designation, such orders will be placed per the normal process.

(d) Noncompetitive Justification. The following may be reasons for using noncompetitive purchasing methods:

(i) Patent rights, copyrights, secret processes, or control of basic raw materials may preclude competition, although this does not always justify using noncompetitive procurement;

(ii) Bids have been solicited and no responsive bid (conforming to the bid or proposal specifications has been received; or

(iii) Purchases in the open market, including fuel and perishable commodities.

3.6 Withdrawal/Rejection of Bids.

(a) Withdrawal. Vendors may withdraw bids prior to the time set to receive bids. Each request for withdrawal will be considered on its own merit. After the time set to receive bids, a vendor can only withdraw a bid in the event of an obvious and documented error creating a manifest injustice if the vendor were required to perform. A bid may be withdrawn if the following conditions are met:

- (i) The Purchasing Manager, or a designee, receives a timely written request to withdraw the bid;
- (ii) The vendor provides written documentation of an alleged error; and,
- (iii) The Purchasing Manager, or a designee, conducts a formal review and approves the vendor's request to withdraw the bid.

The withdrawal request shall be made part of the vendor's record, and any future request for bid withdrawal by the same vendor may be cause for removal from EPB's bid lists as an indication of a non-responsible vendor.

(b) Rejection. EPB reserves the right to reject a bid for any of the following reasons:

- (i) *Non-responsive bid.* Any bid that does not conform with the specific bid requirements and the general conditions applicable to all bids;
- (ii) *Alterations and erasures.* EPB may reject any bid that contains an unapproved material alteration or erasure, unless the bidder initials the change in ink, and it is approved by Purchasing;
- (iii) *Rejection of all bids.* EPB may reject all bids and reissue a bid at a later date with the same or revised specifications, terms and conditions.

3.7 License and Bond Requirements.

(a) License Requirements. All bid responses shall adhere to applicable city, county, state and/or federal licensing requirements.

If a department is uncertain whether a project requires a contractor's license, the specific type of license required, or has any additional questions regarding contractor licensing, the department should contact the Legal Services Division.

(b) Bond Requirements. Bidders will comply with bond requirements as stated in the bid documents. A bond is intended to ensure payment for labor and materials used by a contractor, subcontractor, or a remote subcontractor. Bid bonds submitted by unsuccessful vendors will be returned after a contract is awarded.

If a bid bond is not submitted, the individual or entity may, at the time of contracting, provide payment and performance bonds in amounts equal to the combined monetary value of the service provided, or the value of the work to be managed. All advertisements for RFPs, RFIs, and other bids shall include information on the bond required.

### 3.8 Additional Contractor or Supplier Requirements.

Contractors, subcontractors, vendors and/or suppliers also must comply with the following:

- Provide a certificate of liability insurance or additional types of applicable insurance with limits as determined by EPB indicating the underwriter, and a provision that notice be given to EPB prior to insurance cancellation;
- Equal Opportunities in Employment guidelines pursuant to federal and state guidelines;
- Adherence to provisions of Title VII of the Civil Rights Act of 1964, as amended;
- All existing safety, unemployment and workers' compensation requirements;
- Provide such other legal and financial requirements that EPB determines necessary or desirable;
- A construction contractor must submit an Affidavit with its bid, which states that it operates a drug-free workplace program in accordance with state and federal law;
- Submit a notarized Non-Collusion Affidavit, which states that the contractor or vendor has not conspired, discussed, or shared information with a fellow competitor in developing the bid or proposal; and,
- Submit a notarized Affidavit that includes verification of non-discriminatory employment practices and absence of any conflicts of interest with EPB prior to becoming an approved source. This Affidavit will be valid for a three (3) year period and will be kept on file in Purchasing. Contractors, subcontractors, vendors and/or suppliers shall provide an updated verification to EPB every three (3) years.

## **SECTION 4: PURCHASE ORDERS**

### 4.1 Purchase Orders.

The Purchase Order is a binding agreement between EPB and the supplier. It authorizes a supplier to deliver and charge for specific goods or materials based upon a successful bid, and commits EPB funds for the acquisition of those goods or services. The Purchase Order is controlled financial stationery as it is pre-numbered consecutively and is subject to audit.

Purchasing is authorized to issue Purchase Orders on behalf of EPB in accordance with this guideline, and is responsible for the issuance of all Purchase Orders. All Purchase Orders must be signed by the Purchasing Manager or designee. Any order, agreement, or obligation entered into contrary to this provision may be declared invalid.

#### 4.2 Purchase Approvals.

EPB requires two written (2) approvals for each purchase. The first approval shall be that of the individual requesting/initiating the purchase, and the second approval shall be that of a Vice President, Manager, or designee, where applicable. Because Purchasing is an integral part of the purchasing process, each Purchase Order must be reviewed and signed by the Purchasing Manager, or a designated member of Purchasing.

EPB has implemented the following approval process:

<b>Level of Authorization</b>	<b>Dollar Amount</b>
Supervisor	\$4,999 or less
Managers or Senior Managers	\$5,000 - \$49,999
Vice Presidents or Assistant Vice Presidents	\$50,000 - \$99,999
President, Executive Vice President	\$100,000 or more

Written approval shall be obtained prior to executing a Purchase Order, and **BEFORE** work is actually performed.

#### 4.3 Vendor Invoices.

Vendor Invoices will be processed as follows: Each Vendor Invoice for goods or services which are not recurring or in payment of routine purchases shall include a corresponding Purchase Order number. Purchasing shall submit a periodic Receiving Report to Accounts Payable. Invoices matching the entries on the Receiving Report are entered into the accounts payable system. Vendor Invoices shall then be paid according to the terms outlined in the invoices. Invoices that fail to include a Purchase Order number may be placed on hold until a Receiving Report is provided to Accounts Payable verifying EPB's receipt of such goods or services.

In the event of discrepancies, such as overpricing by a vendor, sales tax charges, or erroneous charges, Accounts Payable may place the invoice on hold while the discrepancies are being resolved with Purchasing and/or the applicable department or may process the invoice noting any special action(s) taken with regard to the invoice.

#### 4.4 Approval and Return Procedures.

Each department must verify that the goods and materials correspond with the terms and conditions in the Purchase Order or contract. Any order problems, including things such as errors, damage in transit, etc., should be immediately reported to Purchasing. Purchasing will work with each vendor, shipper, and the department to remedy the situation. Likewise, if an item must be returned for any reason, Purchasing should be notified promptly, and provided specific details that will assist in reaching an agreement with the vendor.

#### 4.5 Vendor or Contractor Non-Performance.

If a vendor or contractor fails to perform according to the terms and conditions outlined, written documentation of specific instances of non-performance during the relevant performance period should be provided to Purchasing by the department. This will allow Purchasing to prevent the vendor or contractor from bidding on any additional EPB projects until the issue is resolved. Rejection of a bid or RFP under these circumstances requires a documented history of poor service or performance.

#### 4.6 Inspection and Testing.

When practical and feasible, all materials, equipment, and services are subject to testing, inspection, and/or evaluation by EPB personnel. All inspection, testing, and/or evaluation should be performed promptly in order to avoid unnecessary delays in invoice payment or approval. Whenever possible, the materials or equipment shall be inspected upon receipt, and before payment is rendered. Possible evaluation criteria include product association testing reports, independent research laboratories or governmental testing reports.

(a) Material or Equipment. If any material or equipment fails to meet the requirements set forth in the bid specifications or standards, the lot or any portion thereof may be rejected in full. If a department rejects any material or equipment, it shall immediately notify Purchasing in writing and detail the following: the date of receipt, the date of the rejection, the reason for the rejection, and reference the specification or standard that the material or equipment failed to comply with. Prompt notification will allow Purchasing to allow the vendor to timely correct, return or replace the material or equipment.

(b) Services. The department shall perform a timely and routine evaluation of services in order to determine if the work performed is satisfactory and in compliance with the terms and conditions of the contract/agreement between the parties. Termination of the contract may be justified if the department determines that unsatisfactory or non-compliance rises to the level of non-performance.

### **SECTION 5: CONTRACTS AND CONTRACT ADMINISTRATION**

#### 5.1 Types of Contracts.

Even though the Purchase Order is the basic form used to obtain materials, goods, and equipment, EPB may execute contracts when a Purchase Order is not considered adequate to cover all of the necessary terms and conditions. Where applicable, a contract may incorporate applicable terms specified in the RFP, RFI, bid or Purchase Order. Factors that should be considered in negotiating a contract include, at a minimum, the following:

- Price competition
- Price analysis
- Cost analysis
- Urgency of the requirement
- Performance period

- Contractor's technical capability and financial responsibility
- Adequacy of the contractor's accounting system
- Concurrent contracts
- Extent and nature of proposed subcontracting
- Acquisition history

The following is a list of various types of contracts:

(a) Multi-year. Unless otherwise provided, or prohibited by law, a contract or award may be entered into for any period of time deemed to be in EPB's best interest. A contract may be extended or renewed by mutual agreement when the extension maintains bid pricing and related services as originally proposed (on the same or more favorable terms, or terms originally quoted for the renewal period). However, if the extension includes a change to any term or condition, the department, in cooperation with Purchasing, shall negotiate the same.

(b) Multiple Source Award. A multiple source award is an award of an indefinite quantity for one or more items, or services from more than one (1) bidder. A multiple source award may be awarded when it is necessary to retain two (2) or more vendors/providers in order to ensure adequate delivery, service or product compatibility. Multiple source awards shall not be made when a single award will meet EPB's need without sacrifice of economy or service. However, EPB shall reserve the right to accept separate bids or proposals if it is determined to be in its best interest after consideration of quantity or quality issues.

(c) Fixed or Lump Sum. A fixed or lump sum contract is one in which the contractor agrees to perform for one fixed price or lump-sum amount, regardless of the ultimate cost. It includes person hours, material, equipment hours, and all fees and services. The contract does not require invoices or progress billings, etc., to separately state these charges. Lump sum contracts are used mainly for assignments in which the content and the duration of the services, and the required output of the consultants, are clearly defined and the scope and schedule of the project is sufficiently defined to allow the contractor to estimate project costs. Payments are linked to outputs (deliverables), such as reports, drawings, bidding or proposal documents, bills of quantities, and software programs. Typically, lump sum contracts are easy to administer because payments are due on clearly specified dates.

(d) Unit Price. A fixed price contract where the supplier agrees to furnish specific goods at unit prices, and the final price is dependent on the quantities needed to complete the work. Typically, the contract price is based upon estimated quantities of items included in the project and their unit price. When a unit price contract is used for services, rather than goods, the project is divided into specific tasks called work units, and a price is attributed to each. The unit price includes labor (salary, fringe benefits, and overhead) or materials necessary to properly complete the task, and profit is included in the unit price.

(e) Cost Plus Percentage Fee. A cost plus contract is an agreement wherein the purchaser agrees to pay the cost of all labor or materials plus an amount for contractor overhead and profit (usually as a percentage of the labor and material cost). This type of contract is favored when the scope of the work is undetermined or highly uncertain, and the kinds of labor, material and equipment needed are also uncertain. With a cost plus percentage fee contract, the contractor must maintain complete records of all time and materials spent.

Note: The list above is only a general overview of the various types of contracts available. It is not intended to be an exhaustive list, but instead, should be used as a guide when considering the appropriate type of contract for a specific project. While it is not uncommon to combine different types of contract terms, such as a unit price for specific parts of a lump sum contract, these combinations should be reviewed and approved by the Purchasing Manager to ensure that there is no potential conflict among the contract provisions.

#### 5.2 Standard Contract Language.

The Purchasing Manager, after consultation with the Legal Services Division, may establish standard contract clauses that clearly define each party's rights, duties, and responsibilities. These clauses should be relied upon in drafting any proposed contract or other agreement.

#### 5.3 Contract Administration.

Purchasing shall implement a contract tracking system designed to ensure that contracts are up-to-date and that the parties are in full compliance with the terms and conditions of the contract. Consistent with Section 4.5, managing departments shall work with Purchasing to evaluate contractor performance and to document whether a party has complied with the contract terms, conditions and specifications. All original contracts must be stored in the Legal Division with a copy provided to the applicable department.

As part of the contract tracking system, Purchasing shall "flag" contracts that contain optional renewal periods or extensions. These flags shall include notices to Purchasing and the managing department. Purchasing will notify the department head and Legal Services two (2) months prior to any termination, extension or renewal period provided in the contract.

The Division Vice President, Chief Financial Officer, and Vice President of Legal Services must approve any contract with a total term (initial and renewal) that exceeds six (6) years or \$1,000,000.

#### 5.4 Contract Approval and Execution.

All contracts should be reviewed by Purchasing and the Legal Services Division prior to execution. All contracts must be signed and approved in accordance with the designated approval process outlined in Section 4.2.

#### 5.5 Software and Equipment License/Maintenance Agreements.

Each software and equipment license or maintenance agreement must arise from a Purchase Order or contract that contains detailed costs associated with the software or equipment being provided, and a defined term for the subject order or contract. License and maintenance agreements must be reviewed by the Finance Division, and in certain instances, by the Legal Services Division. If the agreement is renewed at the end of the original term, a new Purchase Order or contract shall be created that will follow the normal approval procedure.

In addition, any agreement for equipment lease or rental, including software, must also be reviewed by Finance and Legal, and signed by the Purchasing Manager. An employee should not execute such an agreement unless authorized by the Finance and Legal Services Divisions.

## **SECTION 6: SPECIAL PURCHASING REQUESTS**

### **6.1 Blanket Purchase Orders.**

A Blanket Purchase Order allows a department to purchase routinely used goods and services from the same supplier on a regular basis. Blanket purchase orders shall be used at the discretion of the Purchasing Manager in consultation with the Chief Financial Officer.

Blanket Purchase Orders are subject to the same approval requirements outlined in Section 4.2. Purchasing will review all Blanket Orders that are not supported by a contract or Purchase Order, and that are dated older than one (1) year, in order to determine whether the order should be closed, re-issued with an estimated annual spend, or subject to bid through the competitive bidding process. Purchasing is authorized to review spending for like items on credit cards.

At Purchasing's discretion, a Blanket Order may be closed for minimal activity (annual spending of less than \$10,000.00 or twelve (12) transactions), or misuse. Purchasing shall notify any department prior to closing a Blanket Order. If a department seeks to extend a Blanket Purchase Order beyond the initial twelve (12) month period, that department must submit written documentation that the order price is at or better than current market conditions, or some other reasonable justification. Any extension must be approved, in writing, by the Purchasing Manager and the Division Vice President. Departments that use Blanket Orders are responsible for all charges against the orders.

### **6.2 Check Requests.**

A Check Request is an internal form used to communicate a request for reimbursement in an amount less than \$5,000. A check request should be used to pay for items such as membership dues, subscriptions, conference registrations, honorariums, and cash advances. The check request must be approved by the appropriate persons and must be accompanied by an invoice or other supporting documentation, approved by Finance, that explains the business purpose for the expenditure (ex: contracts or statements for services rendered). Each Check Request must include proper written approval pursuant to Section 4.2.

A Check Request is intended to supplement, and not replace, the regular Purchase Order process. It is for limited use, and is not available for reimbursement of goods or non-professional services, which in the normal course of business, would be ordered through the standard purchasing process.

#### 6.3 Credit Card.

Departments may utilize a corporate credit card to obtain low-cost purchases for immediate use. These corporate credit cards are assigned to Department Managers who will then delegate authority to individual employees for purchasing EPB required goods, equipment and/or supplies. Each card will have an established monetary limit based upon EPB's Credit Card Policy. Any credit card purchase shall be reviewed by the responsible Department Manager in conformity with EPB policy. All credit card use shall be consistent with this Policy.

#### 6.4 Petty Cash

EPB reserves the use of petty cash for employees' incidental expenses for which alternate methods of payment are unavailable or unfavorable. Authorized employees may use petty cash funds for reimbursements or advances of authorized business expenses, which an employee has incurred or will incur in the near future. To request/receive petty cash, an employee shall submit a completed Petty Cash Request Ticket, with proper manager authorization, to Remittance Processing or a designated petty cash custodian within the organization. Evidence to support the request should always accompany the completed Petty Cash Request Ticket.

#### 6.5 Changes to Purchase Orders and Contracts.

After a purchase is awarded, a party may desire to change the original cost and/or terms. Departments wanting to purchase additional items, substitute items, or otherwise change an existing Purchase Order must contact Purchasing prior to contacting the vendor. These occurrences should be rare, as products should be bid as desired. Departments may not negotiate directly with contractors to change prices, quantities, specifications, etc. If the contractor finds that existing conditions necessitate modifications to the Purchase Order or contract terms and/or conditions, the contractor shall promptly report any such matter to the Purchasing Manager. All suggested changes will be taken into consideration. EPB will not permit changes to any contract conditions or specifications unless the contractor receives written approval from the Purchasing Manager.

A contract change can be in one of two (2) forms:

- (a) An amendment drafted by the Legal Services Division. Purchasing should be informed of any proposed amendments prior to implementation, and the Purchasing Manager must endorse the same; or,
- (b) Purchasing may issue a change order to insure that the proper payments, items, and prices correspond. The change order shall be approved by the supplier, an EPB officer, manager or representative authorized to approve the change, and endorsed by the Purchasing Manager. Change orders that exceed 10% of a contract with an original value in excess of \$50,000, or change orders in excess of \$50,000 shall be approved by the Division Vice President, or a designee. All change orders shall be awarded and executed in the same manner as the original contract, and shall be performed under the applicable terms and conditions of the original contract.

Proposed changes to a Purchase Order or Contract, including contract renewal or amendment, must be submitted in writing to Purchasing, and copies of any changes should then be distributed to all interested or affected parties. All changes, contract amendments or renewals shall be confirmed by the applicable department, and maintained on file with the original contract in the Legal Services Division.

## **SECTION 7: PROFESSIONAL SERVICES**

Professional service agreements are contracts for unique or technical functions performed by an independent contractor with specific education, experience, or technical abilities. Professional service agreements may involve partnerships, firms, or corporations, as well as individuals. In most cases these services are for a specific project, and are not a continuing, ongoing EPB responsibility.

EPB departments may negotiate a contract with the most qualified professional at a price that it determines to be fair and reasonable. In making an award, departments should account for the estimated value of the services to be rendered, as well as the scope, complexity, and professional nature of the services. If the reasonably anticipated value of a professional services agreement totals \$50,000 or more, the department is advised to submit the agreement to Purchasing for review and/or approval prior to execution. This monetary threshold is not based on a one-time cost, but rather on a cumulative cost for ongoing services under the project terms.

- Examples of "professional services" include consulting, software development/design, graphic design, legal services, educational and/or training consultants, accounting services, financial brokers, banking, financial management, insurance brokers, real estate brokers, real estate agents, or real estate appraisers, architects, and surveyors.
- Services that would not be considered "professional services" include repair services, small equipment rental, construction services, printing, computer programming, etc. These services are often referred to as "routine services." Transactions involving "routine services" will be handled consistent with the supply purchasing policies and procedures. A professional services agreement need not be prepared, but prior approval of Purchasing is required (generally in the form of a Purchase Order).

### **7.1 Provider Selection**

Selection of a professional service provider shall be based on a variety of criteria including, but not limited to, demonstrated competence, knowledge, references, and unique qualifications to perform the services, in addition to offering a fair and reasonable price that is consistent with current market conditions. Additional criteria may be used as appropriate to the circumstances.

## 7.2 Provider Accountability.

Work requirements should clearly define all performance objectives, work expectations, and project milestones, and hold the contractor accountable for successful completion of the resultant agreement. Requirements include, but are not limited to, reports, training sessions, assessments, evaluations, or other tangible services.

## 7.3 Provisions of Professional Service Agreements.

This section is intended to provide minimum guidelines for any and all professional service agreements:

(a) Performance Requirements. Performance requirements should be precise and written in such a way that can easily be determined if and when the contractor has successfully fulfilled its obligations under the agreement. Consequences for noncompliance such as non-payment or termination of the contract must also be defined. Scheduled due dates that specify milestone targets must be clearly identified and may include, but are not limited to, regular meetings scheduled to evaluate progress, identification of problem areas to determine actions to be taken to resolve any concerns, dates for formal written reports, required oral progress reports, and contract monitoring requirements.

(b) Period of Performance. The resultant agreement must also specify a start and completion date. While there may be exceptions, in most circumstances an end date to the agreement will be required. If an end date cannot be determined, a maximum time limit or maximum number of hours should be stated. Agreements with organizations are typically written for a specific term of successive years. In some instances, these agreements are renewable annually. Other provisions of the agreement may include a renewal clause beyond the original term of the agreement.

(c) Compensation and Payment. Compensation and payment terms include elements relating to cost and payment, such as maximum cost (i.e., not to exceed cost), cost per deliverable, hourly rates for individuals providing services, number of hours required, allowable expenses and total authorized-for expenses, and payment and invoicing procedures. Compensation and payment terms should also include a statement as to whether EPB will pay expenses incurred and if so, which ones. Such expenses includes, but are not limited to, airfare (economy or coach class), lodging and subsistence necessary during periods of required travel, expenses incurred during travel for telephone, copying and postage, and private vehicle mileage. If other expenses are allowed, they must be clearly defined.

(d) Performance Monitoring. The department shall monitor the compliance with the terms and conditions of the agreement and applicable laws and regulations.

(e) Provision of Liability. The provider may be required to show proof of insurance coverage and workers compensation in compliance with statutory requirements, in the form specified by EPB.

## SECTION 8: SMALL BUSINESS, WOMEN AND MINORITY OWNED BUSINESSES

EPB is committed to supporting diversity through increasing contracts and supplier opportunities for small, minority and women-owned businesses. EPB seeks to create a diverse contractor community that reflects the communities it serves. In order to accomplish these goals, EPB encourages small business, women, and minority owned businesses (MWOBs) to participate in its purchasing process. For purposes of this policy, the following terms shall be defined as follows:

Minority-Owned Business – business that is at least 51% owned or controlled (assets or outstanding stock) by an individual or group of individuals who personally manage and control the daily operations of the business, and who are:

1. Impeded from normal entry into the economic mainstream because of race, sex or national origin;
2. have gross annual receipts of less than \$4 million dollars (\$4,000,000); and,
3. are non-dominant in the marketplace.

Small Business – business based and operating in the United States with annual gross receipts of less than \$4 million dollars (\$4,000,000) and is non-dominant in its field of operation or an affiliate or subsidiary of a business dominant in that field of operation.

Women-Owned Business – business that is at least 51% owned or controlled by women.

The Manager of Minority and Women-Owned Business Development, with support from the Purchasing Manager, will provide the following services in order to increase diversity among suppliers, vendors, and contractors:

- Provide publicity, publications, and training programs designed to assist MWOBs in learning how to do business with EPB; and,
- Compile and maintain source listings of MWOBs for inclusion on solicitations to encourage procurement from MWOBs.

Prospective small, women and minority-owned businesses desiring to be added to EPB's source list should contact the Manager of Minority and Women-Owned Business Development to obtain and complete a Quality Value Analysis (QVA) Supplier Questionnaire Certification Form. The Purchasing Manager, whenever possible, will ensure that such businesses are included in solicitations for goods and services by the following: (1) accepting alternate forms of security to encourage procurement; or, (2) including provisions for progress payments or other requirements to be fulfilled by the vendor as may be deemed necessary or proper by EPB to encourage a successful procurement.

**SECTION 9: DISPOSAL OF SCRAP AND SURPLUS MATERIALS**

Purchasing is responsible for the disposal of equipment that has been declared surplus and is no longer required for use by EPB. Departments wishing to dispose of items considered surplus property must coordinate with Purchasing. The Purchasing Manager shall, in accordance with sound business and ethical practices and all legal requirements, determine the manner, time and methodology for disposing of surplus materials and equipment. Such methods may include sealed bids or quotes by negotiated sale, traded the surplus property in on the purchase of new and/or used equipment, or internet or public auction, where feasible. EPB reserves the right to accept or reject all bids.

## BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 12, 2010

IN RE: )  
 )  
APPLICATION OF ELECTRIC POWER BOARD OF ) DOCKET NO.  
CHATTANOOGA FOR A STATE-ISSUED CERTIFICATE ) 10-00044  
OF FRANCHISE AUTHORITY )  
)

## CERTIFICATE OF FRANCHISE AUTHORITY

On March 23, 2010, Electric Power Board of Chattanooga ("Applicant") filed with the Tennessee Regulatory Authority ("TRA") an application for a state-issued certificate of franchise authority. The application complies with the provisions set forth in Tenn. Code Ann. § 7-59-301, *et seq.*, also known as the Competitive Cable and Video Services Act (the "CCVSA"). Therefore, pursuant to the CCVSA, issuance of this state-issued Certificate of Franchise Authority hereby conveys:

1. A nonexclusive grant of authority to provide cable or video service in the areas set forth in the application;<sup>1</sup>
2. A nonexclusive grant of authority to construct, maintain and operate facilities through, along, upon, over and under any public rights-of-way, subject to the laws of the state of Tennessee, including the lawful exercise of police powers of the municipalities and counties in which such service is delivered;
3. Notwithstanding the provisions of paragraphs 1 & 2 above, this grant of authority is subject to lawful operation of the cable and video service by the Applicant or its successor in interest; and,
4. Notwithstanding the provisions of paragraphs 1 & 2 above, this grant of authority does not confer upon the holder of the state-issued certificate of franchise authority the right to place facilities on private property without the owner's consent to such placement, except that nothing herein shall alter the condemnation authority provided pursuant to Tenn. Code Ann. § 65-21-204 for internal improvements or as provided in title 29, chapter 16 of the Tennessee Code.

BE IT HEREBY ISSUED.

  
Sara Kyle, TRA Chairman

<sup>1</sup> Specifically, this Certificate includes Graysville and portions of Blodsoe County, Bradley County, Marion County, Rhea County, and Sequatchie County. For a series of maps detailing the geographic areas subject to this Certificate, see Exhibit A to the application.

# **Appendix 8**

## **Twin Lakes Communications, Inc.**

# MILLER & MARTIN PLLC

ATTORNEYS AT LAW

1200 ONE NASHVILLE PLACE  
150 FOURTH AVENUE, NORTH  
NASHVILLE, TENNESSEE 37219-2433  
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RECEIVED

2012 JAN 25 PM 4:04

Sarah Lodge Tally

Direct Dial (615) 744-8432

Direct Fax (615) 744-8466

T.R.A. DOCKET ROOM

stally@millermartin.com

January 25, 2012

**VIA HAND DELIVERY**

Tennessee Regulatory Authority  
ATTN: Arnold Reed  
460 James Robertson Parkway  
Nashville, TN 37243

RE: Minority Owned Business Plan Annual Report

Dear Mr. Reed:

As required in the Competitive Cable and Video Services Act, Twin Lakes Communications, Inc., provides this annual report concerning Twin Lakes Communications' Minority Owned Business Plan and Twin Lakes Communications' compliance with that plan. The Plan, which was provided as part of Twin Lakes Communications' franchise application is attached.

Twin Lakes Communications continues to comply with the attached Minority Owned Business Plan.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Sarah Lodge Tally

SLT/

Enclosure

**EXHIBIT 2**  
**TO**  
**APPLICATION OF TWIN LAKES COMMUNICATIONS, INC. FOR**  
**A STATE-ISSUED CERTIFICATE OF FRANCHISE AUTHORITY**

**MINORITY-OWNED BUSINESS PLAN**

Pursuant to T.C.A. §§ 7-59-305(c)(11) and 7-59-313, Twin Lakes Communications, Inc. (“TLCI”) submits this minority-owned Telecommunications business participation plan (the “Plan”) along with its Application for a State-Issued Certificate of Franchise Authority.

**I. PURPOSE**

The purpose of § 7-59-313 is to provide opportunities for small and minority-owned businesses to provide goods and services to video service providers. TLCI is committed to the goals of § 7-59-313 and to taking steps to support the participation of minority-owned businesses in the video-cable industry. TLCI will endeavor to provide opportunities for minority-owned businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, TLCI will make efforts to identify and inform minority-owned businesses that are qualified and capable of providing goods and services to TLCI of such opportunities. TLCI’s representatives have already contacted the Department of Economic and Community Development to obtain a list of qualified vendors. Moreover, TLCI will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

**II. DEFINITIONS**

As defined in § 7-59-313:

*Minority-Owned Business.* Minority-owned business means a business that is solely owned, or at lease fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of the business and

who is impeded from normal entry into the economic mainstream because of past practices of discrimination based on race, religion, ethnic background or sex, including, but not limited to, women; a disability as defined in § 4-26-102, including, but not limited to, disabled veterans; or past practices of racial discrimination against African-Americans.

### **III. ADMINISTRATION**

TLCI's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting TLCI's full efforts to provide equal opportunities for minority-owned businesses. The Administrator of the Plan will be:

Wayne Gassaway  
Twin Lakes Communications, Inc.  
201 West Gore Avenue  
Gainesboro, Tennessee 38562  
Telephone: (931) 268-2151  
Facsimile: (931) 268-2734.

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with § 7-59-313 and the rules and orders of the Tennessee Regulatory Authority;
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan;
- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates;
- (4) Serving as the primary liaison to and cooperating with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and minority-owned businesses to locate and use qualified minority-owned businesses as defined in § 7-59-313;

- (5) Searching for and developing opportunities to use minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts;
- (6) Providing records and reports and cooperating in any authorized surveys as required by the Tennessee Regulatory Authority;
- (7) Establishing a record-keeping system to track qualified minority-owned businesses and efforts to use such businesses; and
- (8) Providing information and educational activities to persons within TLCI and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce

The Tennessee Department of Economic and Community Development

The United States Department of Commerce

Small Business Administration, Office of Minority Business

The National Minority Supplier Development Counsel

The National Association of Women Business Owners

The National Association of Minority Contractors

Historically Black Colleges, Universities, and Minority Institutions.

The efforts to promote and ensure equal opportunities for minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to minority-owned businesses will include offering, where appropriate and feasible, minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

#### **IV. RECORDS AND COMPLIANCE REPORTS**

TLCI will maintain records of qualified minority-owned business and efforts to use the goods and services of such businesses. In addition, TLCI will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted

to support this plan. TLCI will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, TLCI will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority.

Twin Lakes Communications, Inc.

By: \_\_\_\_\_  
Wayne Gassaway

Dated: May \_\_\_, 2010.

# **Appendix 9**

## **North Central Telephone Cooperative**

**Lafayette**

872 Highway 52 Bypass East  
P.O. Box 70  
Lafayette, TN 37083  
(615) 666-2151

**Scottsville**

1630 Bowling Green Rd  
P.O. Box 96  
Scottsville, KY 42164  
(270) 622-7500

Tennessee Regulatory Authority  
ATTN: Arnold Reed  
460 James Robertson Parkway  
Nashville, Tennessee 37243

Via US Mail

Re: Annual report on compliance with minority and business participation plan

March 29, 2012

Dear Mr. Reed:

Please accept this letter as a report of North Central Communications, Inc., ("NCC") compliance with its minority owned business participation plan required under T.C.A. §7-59-313.

NCC was granted its certificate of public convenience and necessity on November 23, 2010. A copy of the company's minority and business participation plan was filed as part of that application and is included here.

NCC continues to adhere to the plan and remains confident that our plan meets the expectations of T.C.A. §7-59-313.

Should you have any questions, please contact Johnny McClanahan at 615-666-2151.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy J. White".

Nancy J. White, President/CEO

Enclosures

*All for One! Making Possible New Options in Telecommunications.*

Pursuant to T.C.A. §7-59-313, as amended, North Central Telephone Cooperative (“NCTC”) submits this minority-owned business participation plan (the “Plan”) along with its Application of North Central Telephone Cooperative for a State-Issued Certificate of Franchise Authority in Tennessee.

## I. Purpose

The purpose of §7-59-313 is to provide opportunities for minority-owned businesses to provide goods and services to video and cable service providers. NCTC is committed to the goals of §7-59-313 and to taking steps to support the participation of minority-owned businesses in the video and cable industry. NCTC will endeavor to provide opportunities for minority-owned businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, NCTC will make efforts to identify and inform minority-owned businesses that are qualified and capable of providing goods and services to NCTC of such opportunities to do so. NCTC will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

## II. Definitions

### **As defined in §7-59-313.**

*Minority-Owned Business:* Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex, national origin, or disability.

## III. Administration

NCTC’s Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting NCTC’s full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Human Resources Manager  
North Central Telephone Cooperative  
872 Highway 52 By Pass East, PO Box 70  
Lafayette, TN 37083  
Telephone: 615-666-2151; fax: 615-666-6244

The Administrator’s responsibilities will include:

1. Maintaining an updated Plan in full compliance with §7-59-313 and the rules and orders of the Tennessee Regulatory Authority.

### **III. Administration (continued)**

2. Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
3. Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of updates as may be required.
4. Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §7-59-313.
5. Searching for and developing opportunities to use minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
6. Providing records and reports and cooperating in any authorized surveys as required by the Tennessee Regulatory Authority.
7. Establishing a record-keeping system to track qualified minority-owned businesses and efforts to use such businesses.
8. Providing information and educational activities to persons within NCTC and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

- Chambers of Commerce
- The Tennessee Department of Economic and Community Development
- The United States Department of Commerce
- Small Business Administration
- Office of Minority Business
- The National Minority Supplier Development Council
- The National Association of Women Business Owners
- The National Association of Minority Contractors
- Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

#### **IV. Records and Compliance Reports**

NCTC will maintain records of qualified minority-owned business and efforts to use the goods and services of such businesses. In addition, NCTC will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

NCTC will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan when requested. Moreover, NCTC will cooperate fully with surveys and studies required by the Tennessee Regulatory Authority.

# **Appendix 10**

## **TDS Telecom Service Corporation**



10025 Investment Dr, Ste 200  
Knoxville, TN 37932-  
[www.tdstelecom.com](http://www.tdstelecom.com)

February 12, 2012

Mr. Arnold Reed  
Consultant- Economic Policy & Policy Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Minority Owned Business Participation Plan

Dear Mr. Reed,

Enclosed on behalf of TDS Telecom's wholly owned subsidiaries, Concord Telephone Exchange, Inc. and Tennessee Telephone Company is the current Minority Owned Business Participation Plan.

Please let me know if you have any questions.

Sincerely,

*Bruce Mottern*

Bruce Mottern  
Manager State Government Affairs  
TDS Telecom  
865-671-4753  
[Bruce.mottern@tdstelecom.com](mailto:Bruce.mottern@tdstelecom.com)

**TDS Telecom Service Corporation – Tennessee**

**MINORITY-OWNED  
BUSINESS PARTICIPATION PLAN**

## **MINORITY-OWNED BUSINESS PARTICIPATION PLAN**

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## **MINORITY – OWNED BUSINESS PARTICIPATION PLAN**

### **1.0 PLAN**

- 1.1 This Minority –Owned Business Participation Plan (“Plan”) is submitted by TDS Telecom (“TDS” as required by the Competitive Cable & Video Service Act of 2008, codified as T.C.A 7-59-313
- 1.2 The Administration of this Plan is the responsibility of TDS. It is the policy of TDS to provide an opportunity for Minority Owned Businesses to compete for subcontracts awarded by TDS on a fair and equitable basis with certified suppliers and contractors.
- 1.3 This plan is a state of objectives and is not intended to create any legal obligation of TDS of any person or organization.

### **2.0 DEFINITIONS**

- 2.1 Minority Business – For the purpose of this Plan, “minority business” means a business that is solely owned, or at least fifty-one (51%) of the assets or outstanding stock of which is owned by an individual who personally manages and controls the daily operations of such business, and who is impeded from non entry into the economic mainstream per T.C.A 7-59-313(1)(A-C)

### **3.0 PLAN RESPONSIBILITY AND POLICY STATEMENT**

- 3.1 It is the policy of TDS to afford Minority –Owned Businesses an opportunity to participate in the performance of contracts in accordance with T.C.A 7-59-313(b).
- 3.2 As a purchaser of goods and services, it is TDS – responsibility to:
  - Identify and maintain a pool of qualified suppliers
  - Provide opportunities for Minority Owned Businesses to bid in those solicitations for products or services which they are capable of providing, and which meet RUS (Rural Utility Service) standards.

#### **4.0 PLAN PERIOD OF EFFECTIVENESS**

4.1 TDS is committed to providing affirmative access to contracting opportunities for Minority-Owned Businesses. TDS is proactive and will move toward inclusion of such firms in the supplier base. This plan represents an on-going commitment by the Company, and has no fixed time period for effectiveness.

#### **5.0 PLAN ADMINISTRATION**

5.1 TDS Plan Administrator is:

Mr. Jon Finseth  
Manager – Procurement  
525 Junction Road  
Madison, WI 53717  
Telephone: 608-664-4067  
FAX: 608-664-4519

5.2 The Administrator manages the Plan as described below.

5.3 The Administrator's specific job duties, as they related to this Plan are as follows:

- (a) Develops and maintains policies and procedures to ensure that Minority-Owned Businesses have an equitable opportunity to be awarded contracts.
- (b) Establishes and maintains policies and procedures to ensure that Minority-Owned Businesses have an equitable opportunity to be awarded contracts.
- (c) Ensures inclusion of Minority – Owned Businesses in those solicitations for products or services which they are capable of providing, and which meet United States Department of Agriculture Rural Utility Service (RUS) standards.
- (d) Maintains Minority – Owned Businesses related correspondence and record keeping.
- (e) Coordinates activities during the conduct of any compliance review by the Tennessee state agencies.
- (f) Attends or arranges for attendance by appropriate members of management at, Minority Business Enterprise Seminars, Trade Fairs, and Conventions.

## **6.0 PLAN TO ASSURE EQUITABLE OPPORTUNITY**

6.1 The Administrator shall ensure that appropriate source listings and services are properly utilized in support of the Plan. Sources / listings include, but are not limited to the following:

- (a) The TDS approved Master Supplier list.
- (b) Information received from the Small Business Administration Procurement Automated Source System (PASS).
- (c) Information sources received from the TN Department of Economic Development's Office of Minority Business Enterprise and Small Business Office.
- (d) Information received from the local Chamber of Commerce.

6.2 Outreach efforts will be made as follows:

- (a) The Administrator shall cultivate and maintain relationships with Small Business trade associations and business development organizations in an effort to locate and qualify capable Minority – Owned Businesses for participation in contracting opportunities.
- (b) The Administrator shall ensure that TDS assists Minority – Owned Businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns.
- (c) The Administrator shall ensure that TDS provides adequate and timely consideration of the potentialities of Minority – Owned Businesses in "make or buy" decisions.
- (d) Appropriate members of management will attend seminars and trade fairs in order to develop sources.

## **7.0 PLAN REPORTING**

7.1 TDS will submit such periodic reports and cooperate in those studies or surveys as may be required to determine the extent of compliance with this Plan.

7.2 TDS will maintain, if required, the following types of records:

- (a) Source lists, guides, and other data that identify Minority-Owned Businesses.
- (b) Lists of organizations contacted in an attempt to locate sources that are Minority - Owned Businesses.
- (c) Records of any outreach efforts to contact trade associations, business development organizations, and conferences and trade fairs attended.

7.3 TDS's Supplier Master List identifies Minority-Owned Businesses. The Supplier List shall be utilized in identifying potential contractors. A Summary Sheet shall be maintained in each suppliers file and shall be reviewed and evaluated by the Plan Administrator.

# **Appendix 11**

## **Spring City Cable TV, Inc.**

# FARRIS MATHEWS BOBANGO, PLC

ATTORNEYS AT LAW

Nashville • Memphis

HISTORIC CASTNER-KNOTT BUILDING  
618 CHURCH STREET, SUITE 300  
NASHVILLE, TENNESSEE 37219

(615) 726-1200 telephone • (615) 726-1776 facsimile

Charles B. Welch, Jr.  
[cwelch@farrismathews.com](mailto:cwelch@farrismathews.com)

Direct Dial:  
(615) 687-4230

January 27, 2012

Arnold Reed  
Economic Analysis and Policy Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

Dear Mr. Reed:

In accordance with T.C.A. §7-59-313 which requires holders of state-issued Certificates of Franchise Authority to submit an annual report each year to the Tennessee Regulatory Authority, please find the minority business participation plan for Spring City Cable TV, Inc. attached hereto.

If you should have any questions, please do not hesitate to contact me.

Very truly yours,

FARRIS MATHEWS BOBANGO PLC



Charles B. Welch, Jr.

Enclosure

Cc: Walter E. Hooper III

## **MINORITY-OWNED BUSINESS PARTICIPATION PLAN**

### **1.0 PLAN**

- 1.1 This Minority-Owned Business Plan (“Plan”) is submitted by Spring City Cable TV, Inc. (“Spring City Cable”) as required by the Competitive Cable & Video Service Act of 2008, codified as T.C.A. § 7-59-313.
- 1.2 The Administration of this Plan is the responsibility of Spring City Cable. It is the policy of Spring City Cable to provide an opportunity for Minority Owned Businesses to compete for subcontracts awarded by Spring City Cable on a fair and equitable basis with certified suppliers and contractors.
- 1.3 This plan is a state of objectives and is not intended to create any legal obligation of Spring City Cable of any person or organization.

### **2.0 DEFINITIONS**

- 2.1 Minority Business – For the purpose of this Plan, “minority business” means a business that is solely owned, or at least fifty-one percent (51%) of the assets of outstanding stock of which is owned by an individual who personally manages and controls the daily operations of such business, and who is impeded from non-entry into the economic mainstream per T.C.A. § 7-59-313(1)(A-C).

### **3.0 PLAN RESPONSIBILITY AND POLICY STATEMENT**

- 3.1 It is the policy of Spring City Cable to afford Minority-Owned Businesses an opportunity to participate in the performance of contracts in accordance with T.C.A. § 7-59-313(b).
- 3.2 As a purchase of goods and services, it is Spring City Cable’s responsibility to:
  - Identify and maintain a pool of qualified suppliers.
  - Provide opportunities for Minority Owned Businesses to bid in those solicitations for products or services which they are capable of providing, and which meet RUS (Rural Utility Service) standards.

### **4.0 PLAN PERIOD OF EFFECTIVENESS**

- 4.1 Spring City Cable is committed to providing affirmative access to contracting opportunities for Minority-Owned Businesses. Spring City Cable is proactive and will move toward inclusion of such firms in the supplier base. This Plan represents an ongoing commitment by Spring City Cable and has no fixed time period for effectiveness.

## **5.0 PLAN ADMINISTRATION**

- 5.1 Spring City Cable Plan Administrator is:

Walter Hooper  
President & CEO  
Spring City Cable TV, Inc.  
140 Ellis Street  
Spring City, Tennessee 37381  
Telephone: (423) 365-7288  
Fax: (423) 799-0900  
[Walter3@springcitycable.com](mailto:Walter3@springcitycable.com)

- 5.2 The Administrator manages the Plan as described below.
- 5.3 The Administrator's specific job duties, as they related to this Plan, are as follows:
- (a) Develop, establish and maintain policies and procedures to ensure Minority-Owned Businesses have an equitable opportunity to be awarded contracts.
  - (b) Ensure inclusion of Minority-Owned Businesses in those solicitations for products or services which they are capable of providing and which meet United States Department of Agricultural Rural Utility Service (RUS) standards.
  - (c) Maintain Minority-Owned Businesses related correspondence and record keeping.
  - (d) Coordinate activities during the conduct of any compliance review by Tennessee state agencies.
  - (e) Attend or arrange for attendance by appropriate members of management at Minority Business Enterprise Seminars, Trade Fairs and Conventions.

## **6.0 PLAN TO ASSURE EQUITABLE OPPORTUNITY**

- 6.1 The Administrator shall ensure appropriate source listings and services are properly utilized in support of the Plan. Sources/listings include, but are not limited to, the following:
- (a) The Spring City Cable approved Master Supplier List.
  - (b) Information received from the Small Business Administration Procurement Automated Source System (PASS).
  - (c) Information sources received from the Tennessee Department of Economic Development's Office of Minority Business Enterprise and Small Business Office.
  - (d) Information received from the local Chamber of Commerce.

- 6.2 Outreach efforts will be made as follows:
- (a) The Administrator shall cultivate and maintain relationships with Small Business trade associations and business development organizations in an effort to locate and qualify capable Minority-Owned Businesses for participation in contracting opportunities.
  - (b) The Administrator shall ensure Spring City Cable assists Minority-Owned Businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns.
  - (c) The Administrator shall ensure Spring City Cable provides adequate and timely consideration of the potentialities of Minority-Owned Businesses in "make or buy" decisions.
  - (d) Appropriate members of management will attend seminars and trade fairs in order to develop sources.

## 7.0 PLAN REPORTING

- 7.1 Spring City Cable will submit periodic reports and cooperate in those studies or surveys as may be required to determine the extent of compliance with this Plan.
- 7.2 Spring City Cable will maintain, if required, the following types of records:
  - (a) Source lists, guides and other data that identify Minority-Owned Businesses.
  - (b) Lists of organizations contacted in an attempt to locate sources that are Minority-Owned Businesses.
  - (c) Records of any outreach efforts to contact trade associations, business development organizations, and conferences and trade fairs attended.
- 7.3 Spring City Cable's Supplier Master List identifies Minority-Owned Businesses. The Supplier Master List shall be utilized in identifying potential contractors. A summary sheet shall be maintained in each supplier's file and shall be reviewed and evaluated by the Plan Administrator.