

Date: 06/04/07

PURCHASING DEPARTMENT
101 EAST 11TH STREET
CITY HALL
RM G13
CHATTANOOGA, TENNESSEE
37402

REQUEST FOR PROPOSAL (RFP)

Proposal will be received at this office
101 East 11th Street, CITY HALL, Rm. G13
until 06/25/07

Requisition No.: R0097896
Ordering Dept.: Purchasing
Buyer: Shea Norwood
Phone No.: (423) 757-4759

Items Being Purchased: Cable Auditing Services

Request for Proposal for
The City of Chattanooga, Tennessee

REQUEST FOR PROPOSALS MUST BE RECEIVED
4:00 PM Local Time on June 25, 2007

The City of Chattanooga reserves the right to reject any
and/or all proposals, waive any informalities in the proposals
received, and to accept any proposal which in its opinion may
be for the best interest of the City.

The City of Chattanooga will be non-discriminatory in the
purchase of all goods and services on the basis of race, color
or national origin.

PLEASE PROVIDE US WITH THE FOLLOWING

Company Name: _____
Phone/Toll Free No.: _____
Fax No.: _____
E-Mail Address: _____
Contact Person: _____
Employer's ID No.: _____

Audit of Compliance with Cable Franchise Agreement

A Definitions for the Purpose of this RFP Include:

- **City:** The City is the City of Chattanooga, the municipality issuing this RFP.
- **Consultant or Contractor:** Individual or company whose proposal has been submitted and accepted by the City, and is awarded a fully executed written contract.
- **Proposal/Offer:** A formal proposal/offer submitted in response to this solicitation.
- **Proposer/Offeror:** An individual or company submitting a proposal/offer in order to attain a contract with the City.
- **Request for Proposal (RFP):** Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen.

B Minimum Qualifications

- The Consultant must be licensed to do business in the State of Tennessee.
- The Consultant must have five (5) to seven (7) years experience in cable financial audit.

C Financial and Compliance Audit: Consultant shall review the individual cable operator's operations for compliance including calculations of franchise fees balanced against the requirements of the enabling ordinance and the franchise agreement(s). This shall cover the past three (3) years of the cable agreement. Specific areas of the review will include:

- i. Overall identification of those revenue items required for inclusion in the calculation of gross revenues.
- ii. Inclusion in gross revenues of, among other things, all subscriber related revenues, revenues from copyright fees, FCC User fees, Franchise fees, Launch Fees, Advertising revenue, Home Shopping Revenue, Late fees, Returned check fees and Modem revenue.
- iii. Proper application of the franchise fee percentage and accurate calculations.
- iv. Any possible penalties or late filing assessments provided for in the enabling ordinance or franchise agreement(s).
- v. Once the fee audit is completed, the data shall be presented in spreadsheet form and with a detailed explanation of any payment discrepancies and penalties.
- vi. Consultant shall draft all correspondence to the cable operator for the City to copy and paste to its letterhead. This correspondence shall detail the findings and make demand for any restitution or submission of additional data, such as secondary address research.
- vii. All other noncompliance items noted during audit should also be reported specifically identifying the area(s) of noncompliance and the nature of the noncompliance action(s) including recommended actions and cable carrier's response.

D Time Schedule for Completion of Services

Financial and Compliance Audit: Please state the time requirement to complete audit in proposal not to exceed 6 months.

E Additional Requirements for Proposers:

- List of similar and recently conducted projects and the audit results
- List of three to five previous references is required
- Explanation of each proposed service to be rendered, if the Offeror's proposal contains several options
- Any additional information offeror deems necessary
- Three (3) copies of signed proposal