



Guidelines for Effectively Completing the Negotiation Phase

October 11, 2006

Slide 1



Introduction

- ❑ Shane Satterlund leads the Public Safety Outreach Team within the Transition Administrator (TA).
- ❑ Elaine Ayensu is a member of the Outreach and Communications team within the TA.





Microsoft Live Meeting – How To

- Question & Answers
- Moods
- Full Screen – Small Screen
- Scroll Bar
- Phones
- Reentering the Meeting
- PDFs



Learning Objectives

Upon completion of this module, participants will:

- Gain a better understanding of the negotiation process
- Receive guidance on negotiation preparations, what to expect and issues that typically lead to mediation.
- Be knowledgeable about the roles & obligations of all parties
- Receive general recommendations and will have the opportunity to address questions and concerns



Agenda

- Planning & Negotiation Schedule Status
- Negotiations
- What Do I Need to Negotiate?
- Prepare for Negotiations
- What to Expect
- Your Right to Get Help
- Roles in Negotiations
- What Leads Licensees to Mediation
- Helpful Hints for Completing Negotiations

[Snapshot 1]



Planning & Negotiation Schedule Status

WAVE 1							
Freeze* Start/PN Date	Request for Planning Funding (RFPF) Deadline	Start of Voluntary Negotiation Period	End of Voluntary Negotiation Period	Start of Mandatory Negotiation Period	End of Mandatory Negotiation Period	End of Freeze*	
Channels 1-120	May 27, 2005	N/A	June 27, 2005 ✓	September 26, 2005 ✓	September 27, 2005 ✓	December 28, 2005 ✓	February 8, 2006
NPSAC	December 30, 2005	July 17, 2006 ✓	February 1, 2006 ✓	April 30, 2006 ✓	May 1, 2006 ✓	October 31, 2006	December 14, 2006
WAVE 2							
Freeze* Start/PN Date	Request for Planning Funding (RFPF) Deadline	Start of Voluntary Negotiation Period	End of Voluntary Negotiation Period	Start of Mandatory Negotiation Period	End of Mandatory Negotiation Period	End of Freeze*	
Channels 1-120	September 2, 2005	N/A	October 3, 2005 ✓	January 2, 2006 ✓	January 3, 2006 ✓	April 2, 2006 ✓	May 12, 2006
NPSAC	June 30, 2006	August 1, 2006 ✓	August 1, 2006 ✓	October 31, 2006	November 1, 2006	January 31, 2007	March 15, 2007
WAVE 3							
Freeze* Start/PN Date	Request for Planning Funding (RFPF) Deadline	Start of Voluntary Negotiation Period	End of Voluntary Negotiation Period	Start of Mandatory Negotiation Period	End of Mandatory Negotiation Period	End of Freeze*	
Channels 1-120	December 2, 2005	May 15, 2006 ✓	January 3, 2006 ✓	April 2, 2006 ✓	April 3, 2006 ✓	July 2, 2006 ✓	August 14, 2006
NPSAC	October 2, 2006	November 1, 2006	November 1, 2006	January 31, 2007	February 1, 2007	April 30, 2007	June 12, 2007
WAVE 4**							
Freeze* Start/PN Date	Request for Planning Funding (RFPF) Deadline	Start of Voluntary Negotiation Period	End of Voluntary Negotiation Period	Start of Mandatory Negotiation Period	End of Mandatory Negotiation Period	End of Freeze*	
Channels 1-120	June 2, 2006	August 14, 2006 ✓	July 3, 2006 ✓	October 2, 2006	October 3, 2006	January 2, 2007	February 14, 2007
NPSAC	January 2, 2007	February 1, 2007	February 1, 2007	April 30, 2007	May 1, 2007	July 31, 2007	September 12, 2007

* The freeze on applications extends 70 miles outside of the affected NPSAC region(s) into adjacent regions that may be in a different Wave. The TA has used the FCC's guidance to calculate the freeze dates, however, only the FCC's Public Notice announcing the start of the voluntary negotiation period and the freeze start and end dates for each Wave/Stage will be definitive. The dates provided by the TA are approximate and for general guidance only. Licensees should not rely on the TA calculated freeze dates to determine the last possible day for filing an application prior to the start of an application freeze for a given wave.

** Frequency proposals for licensees in the border areas and for certain licensees near the border area will be delayed until further notice.



Negotiations

In each wave, the negotiation of FRAs can occur during three periods:

1. The first is a three-month **voluntary negotiation** period, during which the parties are *strongly encouraged* to begin negotiating an FRA
2. The second consists of a three-month **mandatory negotiation** period, during which the parties *must* negotiate in good faith
3. If the parties have not submitted an FRA to the TA by the end of the mandatory negotiation period, **mediation also known as Alternative Dispute Resolution** will be conducted by a TA Mediator.
 - During this process the licensee and Sprint Nextel identify specific issues in dispute, state their positions with respect to those issues and work towards reaching an agreement with assistance by a neutral party (the TA Mediator).

Where are you in the Negotiation process?

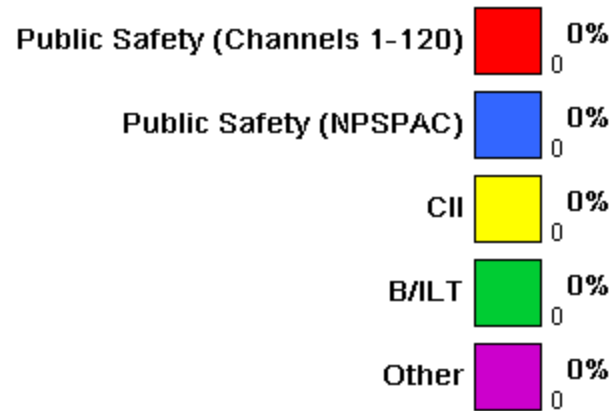
Polls are open.



[Poll 1]

To which of the following groups do you belong?

Polls are open.



[Poll 3]



Negotiations

- In general, the voluntary negotiation period has not been utilized for active negotiations.

- If you attempt to negotiate during this time, but do not get a response from Sprint Nextel, you may utilize the "Request for TA to Communicate with Sprint Nextel."

- For public safety licensees, whose systems are typically more complex and require more extensive preparations for reconfiguration, eleventh-hour negotiations will tend to be more pressured and reduce the ability of parties to carefully consider all details.



Interactive Q&A

TA Contact:

Phone: 1-888-800-8220
Website: www.800TA.org
Email: comments@800TA.org

FCC – 800 MHz Reconfiguration:

Website: <http://800MHz.gov>



What Do I Need To Negotiate?

Key terms and conditions to be negotiated include:

- Agreement on the reconfiguring licensee's new frequencies (i.e., that they are comparable)
- ➔ The overall costs for reconfiguration
- ➔ A Cost Estimate (and Statement of Work for complex systems)
- ➔ Transactional costs, such as fees for attorneys and fees for consultants
- ➔ Timetable for physical reconfiguration
- ➔ Payment terms
- ➔ Who will prepare and file FCC applications



Prepare for Negotiations

Prepare for negotiations (complete your “homework”).

- Complete Requests for Planning Funding (RFPF), if necessary, by the established deadlines to allow adequate time for negotiations
- Provide adequate detail and explanation for RFPFs and cost estimates
- Don't assume that Sprint Nextel knows your issues or your system
- Help us understand your unique system and how it correlates to your reconfiguration costs
- Become familiar with published TA policies (Incumbent Labor Rate, Education Reimbursement, Cost Classification, etc.)
- Think about areas where you may be flexible regarding costs
- Don't just “wing it”



What to Expect

Typically during the negotiations period:

- You should be contacted by Sprint Nextel to commence negotiations. If that doesn't occur, contact Sprint Nextel at 800MHz@Sprint.com.
- Negotiations occur via phone calls and emails between you and Sprint Nextel
- Face-to-face meetings can be scheduled, if necessary
- Reconfiguration activities negotiated will include (among others):
 - Costs indicated in your RFPF and/or Cost Estimate
 - Vendor and consultant rates and activities required for completion of reconfiguration.
 - Intermodulation studies and other "exceptions" indicated by licensee



Your Right to Get Help

Licensees have the right to:

- Utilize qualified experts, consultants or legal counsel for various activities such as review of proposed frequencies, FCC filings, negotiations, etc.
- Request a copy of the FRA template at the onset of negotiations to enable your legal department to commence review of terms and conditions and expedite the negotiations
- Request TA assistance in communicating with Sprint Nextel, if necessary
- Request early mediation, if necessary

Sprint Nextel will bring experienced negotiators to the table. You have the right to involve your own legal counsel (internal and/or external) to assist with negotiations. Be sure to stay involved and ensure that negotiations take into consideration the unique design of your specific system.



Licensee Role in Negotiations

- ✓ **Keep a record of communications, offers, counter-offers, etc.**
- ✓ **Respond to Sprint Nextel offers with counter-offers; do not reject outright**
- ✓ **Maintain open communications during negotiations**
- ✓ **Stay involved and remain accountable. Do not leave discussions entirely to outside assistance**
- ✓ **Be open-minded**
- ✓ **Respond to TA inquiries regarding progress of negotiations**
- ✓ **Don't sign an agreement you don't agree with**



Sprint Nextel's Role in Negotiations

- Sprint Nextel is generally responsible for the cost of relocating all affected 800 MHz incumbents to new spectrum with facilities comparable to those presently in use.
- Expect Sprint Nextel to maintain open communications and respond to offers or counter-offers submitted by the licensee.
- Sprint Nextel is responsible for formatting the final contract and upon licensee signature, submitting to the TA.

Sprint Nextel can not speak for the TA or make assertions as to what the TA will or will not approve in a given agreement. If questions about TA policies arise, contact the TA directly.



The TA's Role in Negotiations

The TA **cannot negotiate for you**, but can provide help and guidance through the process.



Interactive Q&A

TA Contact:

Phone: 1-888-800-8220
Website: www.800TA.org
Email: comments@800TA.org

FCC – 800 MHz Reconfiguration:

Website: <http://800MHz.gov>



What Leads Licensees To Mediation?

1. Cost Disagreements

- Disagreements regarding total cost for reconfiguration or a component of it (i.e., project management costs, travel, equipment, etc)
- Ensure that Sprint Nextel (and the TA) understand your unique system

2. Scheduling Issues

- Some licensees may have issues that could affect schedule and timeline
- Make us aware of anything that will impact your ability to participate in negotiations
- If there is a particular reason why you can't start reconfiguration implementation immediately, explain why so that everyone is clear during negotiations

What Leads Licensees To Mediation?



What Leads Licensees To Mediation?

3. Complexity of Reconfiguration Needs

- Many licensees have unique circumstances and issues regarding the reconfiguration of their system that add time to negotiations
- Don't wait until the last minute to clearly define/describe these circumstances

4. Requests for Exceptions

- The TA provides guidelines for reconfiguration processes that must be followed
- The TA will review exceptions on a case by case basis but will not deviate from the reconfiguration guidelines without a good reason for doing so and a detailed explanation of why it's necessary

What Leads Licensees To Mediation?



Helpful Hints for Completing Negotiations

- Start negotiations early – especially if you have a large system and need planning funding
- Try to resolve disputes through private negotiation, rather than waiting for the TA or the FCC
- Negotiate reasonably, responsively, and efficiently
- Keep accurate and detailed records of the negotiation process
- Contact the TA, if you believe TA intervention will facilitate an agreement
- Keep negotiating
- Understand the ADR Plan and comply with all requirements



Summary

Utilize Mediation

- Mediation is not a punishment
- Mediation has been successful in assisting the parties to negotiate mutual satisfactory agreements
- Mediators are experienced with 800 MHz Band Reconfiguration issues
- The mediation process has been continuously refined based on the TA's experience in prior Waves



Interactive Q&A

TA Contact:

Phone: 1-888-800-8220
Website: www.800TA.org
Email: comments@800TA.org

FCC – 800 MHz Reconfiguration:

Website: <http://800MHz.gov>

Where do you most get your information from the TA about Reconfiguration?



[Poll 2]



Available Resources

Utilize Available Resources

- TA Online Reference Guide – Also known as the “Reconfiguration Handbook,” this extensive resource covers topics from planning for reconfiguration through implementation. Go to <http://www.800TA.org/org/default2.asp>

- TA Fact Sheets - http://www.800TA.org/content/documents/reconfig_materials.asp

- TA Webinars - <http://www.800TA.org/content/news/events.asp>

- TA ADR Plan - www.800TA.org/content/PDF/policy/ADRplan.pdf

- ADR Request Forms - <http://www.800TA.org/content/800mhz/forms.asp>



Contact Information

TA Contact:

- Phone: 1-888-800-8220
- Fax: 1-888-701-4380
- Email: comments@800TA.org
- Website: www.800TA.org

Sprint Nextel Contact:

- Fax: 678-405-8252
- Email: 800MHz@Sprint.com

ADR Point of Contact

- Email: TAMediation@ssd.com