



Mt. Hood Cable Regulatory Commission

Serving Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale & Wood Village

MEETING NOTIFICATION

January 23, 2023

6:30 p.m.

In-Person: Open Signal, 2766 NE Martin Luther King Jr. Blvd, Portland

- Or -

Virtually: Join Zoom Meeting

<https://us02web.zoom.us/j/87375984202?pwd=TW5EN040S0tDYXBCcmVHSC9sVHY0UT09>

Meeting ID: 873 7598 4202

Passcode: 509880

One tap mobile

+14086380968,,87375984202#,,,,*509880# US (San Jose)

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AGENDA

- Roll Call
- Agenda Review
- Disclosures
- Public Comment (non-agenda items)
- Community Media Center Updates
 - MetroEast
 - Open Signal
- Franchisee Activity Report
 - Ziplly
 - Comcast

***CONSENT AGENDA – NO DISCUSSION**

All items listed below may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Commission so requests.

C1. December 19, 2022 Meeting Minutes

REGULAR AGENDA



MHCRC 1120 SW 5th Ave. Suite 405 Portland, Oregon 97204
503.823.5385 info@mhcr.org www.mhcr.org

*R1. Preliminary Funding Decisions: 2023 Community Technology Grants 45 min

*R2. Amend Contract with CBG Communications, Inc. 5 min

*R3. Extend Ziplly Cable Franchise Renewal Negotiation Period 5 min

- Staff Activity Reports and Updates
 - MHCRC FY23-24 Budget Process
 - Staffing update
- Committee Reports
 - Finance Committee
 - Equity Committee
 - Policy Committee
 - Open Signal Board Appointee
 - MetroEast Board Appointee
- New Business; Commissioner Open Comment
Meeting Schedule:
 - February, 4 2023 – Annual Planning Retreat, Portland Building, 1120 SW 5th Ave.
 - March 20th, 2023 – Hybrid: In-person hosted by MetroEast
 - April 2023: Recess
 - May 15, 2023 – Hybrid: In-person space hosted by Open Signal
 - June 26, 2023 (4th Monday due to holiday) – Hybrid In-person hosted by MetroEast
- Public Comment
- Adjourn

*Denotes possible action item

Please notify the MHCRC no less than five (5) business days prior to our event for ADA accommodations at 503-823-5385, by the City of Portland's TTY at 503-823-6868, or by the Oregon Relay Service at 1-800-735-2900.

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MT. HOOD CABLE REGULATORY COMMISSION

Hybrid – virtual or MetroEast Community Media – Gresham OR

December 19, 2022 Meeting Minutes – **DRAFT**

SUMMARY MINUTES

Call to Order 6:39 PM

Roll Call

Present: Chair Studenmund (in person), Commissioner DeGraw (virtual), Commissioner Thomas (in person), Commissioner Goodlow (virtual), Commissioner Wagner (virtual), Vice Chair Dennerline (in person)

Absent: Commissioner Roche

Staff: Elisabeth Perez (virtual), Rebecca Gibbons (in person), Rana DeBey (virtual), Michael Wong (virtual)

- Agenda Review
Chair Studenmund moved Consent Agenda Item C2. *Awarding Grant Dollars through Amendments Policy* from the consent agenda to the regular agenda. Studenmund said the item was worthy of discussion and an opportunity for new Commissioners to ask questions.
- Disclosures: None reported.
- Public Comment (non-agenda items): No public comment.
- Franchisee Activity Reports
 - Ziplly: none
 - Comcast: none

***CONSENT AGENDA – NO DISCUSSION**

All items listed below may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Commission so requests.

C1. October 17, 2022 Meeting Minutes

MOTION: Commissioner Thomas moved to approve the Consent Agenda as amended.
Commissioner Goodlow seconded.

VOTE: 6-0 passed





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REGULAR AGENDA

R1. MHCRC FY2021-22 Fund Audit

Michael Wong, MHCRC Financial Analyst, said the purpose of the audit is to allow for an independent review of the MHCRC's reported financial statements in accordance with generally accepted auditing standards. Wong invited the MHCRC independent audit team from Moss Adams to present.

Keith Simovic, Audit Engagement Partner at Moss Adams, shared a PowerPoint presentation that provided an overview of the audit process and findings. Simovic said the nature of the services provided includes an independent auditor's report on what is recorded and reflected on the financial statements present a clear and accurate picture of the MHCRC's financial position at year end 2022. Only once enough audit evidence is collected and reviewed to meet professional standards does Moss Adams issue an opinion on whether the financial statements are an accurate representation of the MHCRC's financial position. Simovic said the Independent Auditor's report is issued in accordance with Government Auditing Standards and provides an opinion on the MHCRC's internal controls/checks and balance procedures that prevent errors and fraud. Simovic said Moss Adam's also issues a report on the MHCRC's procurement processes in accordance with Oregon Municipal Corporations requirements.

Simovic reviewed the critical audit areas that they reviewed. Simovic said the MHCRC benefits from the internal controls and systems that the City of Portland uses to prevent errors and fraud.

Simovic said the audit report presents an unmodified (clean) opinion on financial statements, with no compliance findings with no material weaknesses.

The audit includes required communications that document the audit process. Simovic said MHCRC staff and City of Portland accounting staff were all extremely responsive and all document requests were met without delay. The communication also identifies if any adjustments to the audit process were made. Simovic said a material misstatement would trigger an audit adjustment. Simovic said a few adjustments were made, corrections to financial statements, that were not significant or material. Simovic said the communication also include audit observations and recommendations. Simovic said best practice observations and recommendations are made but are not significant or material.

Chair Studenmund and Norm Thomas, Finance Committee Chair, thanked Simovic and staff.





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MOTION: Commissioner Thomas moved to acknowledge receipt of the MHCRC FY21-22 Fund Audit prepared by Moss Adams and directed MHCRC staff to submit the Audit to the Secretary of State by December 31, 2022. Commissioner DeGraw seconded.

VOTE: 6-0 passed.

R2. Awarding Grant Dollars Through Amendments Policy - Renewed

Rana DeBey, MHCRC Grants Manager, said staff is recommending that the MHCRC accept the proposed policy as shared understanding and direction to staff. DeBey said the MHCRC adopted this policy on a temporary basis last year. DeBey said the purpose of the policy was to allow consideration of grant contract amendments that increased grant award amounts. DeBey said the policy allowed the Commission to be responsive to community need and a continuously changing landscape in which grantees are being required to pivot due to ongoing COVID-19 complications, supply chain delays, and impacts of economic inflation. DeBey said the Commission awarded additional funds to three grantees under the policy last year. DeBey said the conditions that created the policy still hold true, therefore staff is recommending the Commissioner extend the policy through the end of the fiscal year, which coincides with when staff and the Equity Committee will present on larger adjustments to the MHCRC's grantmaking.

DeGraw expressed support citing the policy demonstrates that MHCRC is responsive to needs and the times.

MOTION: Commissioner DeGraw moved to accept the Awarding Grant Dollars through Amendments Policy as shared understanding and direction to staff. Commissioner Dennerline seconded.

VOTE: 6-0 passed

- Staff Updates

- OCT Bureau Transition: Elisabeth Perez, MHCRC Director, said that in follow up to the email sent to the Commission on October 28 that outlined the merger of the City of Portland Office for Community Technology with the City's Bureau of Planning and Sustainability she is opening up the floor to Commissioner comment and questions. Perez said the merger is going to increase the internal expertise through additional staff support in areas such as financial accounting, procurement, administrative support. Perez assured the Commission that the merger is going well and is very different from the previous merger with the Revenue Bureau. Perez said she will continue to have direct access to the Bureau Director and Council.

In response to a question from Commissioner Goodlow about why the merger and why the Bureau of Planning and Sustainability, Perez said the November election spelled out changes for the City of Portland. Perez said the charter changes aren't likely to support small offices. Perez said a previous study concluded that the office could be stand alone, remain in the Office for





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Management and Finance or merge with the Planning & Sustainability or the Bureau of Transportation. Perez said Planning & Sustainability (BPS) seemed to have the most mission alignment – OCT and BPS are both future thinking, both conduct franchising on behalf of the City. Perez said OCT staff also lead the City’s Digital Equity Program, which aligns with BPS’s Smart Cities Program.

In response to a comment from Thomas about MHCRC vs. City staff, Perez said OCT has three program areas: Utilities, MHCRC, and Digital Equity. Perez said OCT staff work interchangeably on those programs. Perez said individual staff are funded by the different programs.

Commissioner DeGraw shared her concern that the purpose, focus, and power of the small team could become diffused by merging with such a large bureau. DeGraw said that when she and Chair Studenmund and Commissioner Dennerline met with the Director of BPS he said the merger presented an opportunity to reduce redundancy and create efficiencies. DeGraw said reductions and efficiencies cut both ways. Perez said she is aware of this concern and recognizes the strengths of the small bureau. Perez said a limitation of the small bureau is that staff is stretched very thin and is too often wearing too many hats. Perez said the merger gives us an opportunity to share the work across more people so that the talented staff we have can focus on the core work. Perez said the merger will help raise the profile of the work of the team, the Commission included, because of the high-profile nature of BPS programs.

In response to a question from Goodlow about what might happen in a year’s time if this merger isn’t working out, Perez said the MHCRC’s staff’s services agreement with the City of Portland hasn’t been updated in a really long time. Perez said updating the staff services agreement could help the MHCRC build in assurances and contingencies if there are issues.

Perez linked the staff services agreement in the chat:

Staff Services: <https://www.mhcr.org/about-the-mhcr/staff-services-contract/>

IGA: <https://www.mhcr.org/about-the-mhcr/iga/>

DeGraw said she is excited about the communications department capacity that the merger presents.

- Comcast and Ziplly Cable Franchise Renewal Negotiations: Elisabeth Perez said staff is reconvening in early January with Comcast to discuss where we are in franchise negotiations. Perez said a primary sticking point is the PEG Fee. Perez is meeting with all





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the jurisdictions to provide an update on where we are in the negotiations and all the jurisdictions have expressed support the staff/MHCRC approach.

Pere said the Ziplly franchise expires on December 31, 2022. Perez said representatives from Ziplly have informally indicated that the company will no longer provide cable services by the end of 2023.

- Cable company Rate Increases – Gibbons said both Comcast and Ziplly are implementing rate increases and referred to the notices included in the meeting packet.
- Community Technology Grant Process – DeBey said 19 Pre applications were received by the application deadline. DeBey said 18 applications will be moving forward in the review process. DeBey said there were 10 new applicants, and 6 applications were from grassroots or emerging organizations.

In response to a question from Studenmund, DeBey said she has met with the new Commissioners to support that in learning the grant review process.

- MHCRC Annual Planning Retreat – Gibbons said the annual retreat is scheduled for February 4. Commissioner Dennerline said he is unable to attend due to a work conflict.
- MHCRC FY23-24 Budget Process – Wong said the City of Portland has begun its budgeting process for FY23-24. Wong said the City’s Special Appropriations estimate is in line with previous MHCRC budget.

- Community Media Center Updates:

- Rebecca Burrell, Open Signal Director of Strategy, shared a PowerPoint and said Open Signal held a celebratory screening for the Summer 2022 Cohort Program, the main way individuals enter the media education program. A member of the cohort became an Open Signal staff member. Each participant is given intense 1-on-1 training over five months to complete a media project. Burrell described a few of the projects that were screened at the event. The next cohort will engage in orientation the first week of January. Open Signal is hosting monthly gatherings for members to skill share and engage with other professional speakers. Open Signal’s holiday party was a variety show that was well attended and a lot of fun. Burrell said Vega Tom joined the Board and will serve as the Board Treasurer. Burrell said Open Signal received a clean audit. Burrell said the leadership team participated in some strategic planning.
- John Lugton, MetroEast, said its Digital Literacy Club is still going strong. Lugton said the focus is on the Latinx community, but the Napoli and Rohingya participants are still dropping in access the technology and produce content. Lugton said MetroEast also hosted a holiday event that included 22 Latinx families. Lugton said education team is out working in the middle and high schools. Lugton said the main studio has new cameras and equipment. Lugton said MetroEast is working with the Right Brain Initiative and Young Audiences in a train the trainer program. Lugton said MetroEast is also in the midst of strategic planning.





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In response to a question from Studenmund about viewing content online, Burrell and Lugton dropped the URLs in the chat:

MetroEast programming:

<https://videoplayer.telvue.com/player/5QlcS026fQy98qR8aFzKSh5DvYNq1NKn>

Open Signal programming: <https://www.opensignalpdx.org/cable-tv> Or

<https://www.watch.opensignalpdx.org/cable>

- Committee Reports
 - Finance Committee: none.
 - Equity Committee: none.
 - Policy Committee: none.
 - Open Signal Board Appointee: Commissioner DeGraw said she attended the last two Board meetings. DeGraw said she appreciates the sense of community that the Board and Leadership team have created.
 - MetroEast Board Appointee: Commissioner Dennerline said he missed the last Board meeting. Dennerline said the Board is still recruiting new members. Dennerline said the Board has reviewed some first draft financial policies and bylaws.

- New Business; Commissioner Open Comment: None

- Public Comment: None

Adjourned: 8:01 PM

Respectfully submitted,

Rebecca Gibbons

Strategic Initiatives Manager



REGULAR AGENDA



Mt. Hood Cable Regulatory Commission

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Troutdale & Wood Village*

COVER SHEET – AGENDA ITEM #R1

For Commission Meeting: January 23, 2023

“Preliminary Funding Decisions: 2023 Community Technology Grants”

The Commission has allocated at least \$1,200,000 to grant in the 2023 competitive grant cycle under the Community Technology Grants program.

Commissioners received information for its decision-making process, including the grant Pre-Applications and evaluation instructions.

Background

The Commission’s decision-making process is as follows:

1. 19 Pre-Applications were received by the December deadline; 18 Pre-Applications met the grant eligibility criteria and were forwarded on to the Commission for review.
2. Each Commissioner reads, evaluates and scores each Pre-Application in preparation for the preliminary funding decision making meeting.
3. At the January 23rd meeting, the MHCRC will decide which Pre-Applications it would like to invite to apply for funding within the published funding guidelines.
4. Selected applicants are invited to fill out a full online grant application.
5. MHCRC staff drafts grant contracts for applicants who have successfully completed an online grant application to staff’s satisfaction. Not all applicants who are selected in the Pre-Application process will necessarily receive a grant award.
6. The MHCRC approves grant contracts at future MHCRC meetings.

Prepared By: Rana DeBey
January 09, 2023





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COVER SHEET – AGENDA ITEM #R2

For Commission Meeting: January 23, 2023

“Amend Contract with CBG Communications, Inc.”

Recommendations

Staff recommends that the Commission amend its contract with CBG Communications, Inc. in order to extend the contract term through June 30, 2023.

Background

The Commission approved a contract with CBG in December 2020 for Franchise Renewal Consulting Services with a contract expiration date of November 30, 2021. CBG began work under the contract in February 2021.

In July 2021 it became apparent that the Comcast renewal negotiation period would need to be extended to accommodate novel issues resulting from federal cable franchise policy legal appeal decisions and to complete negotiations on key issues related to franchise terms and requirements. In addition, the Zply franchise renewal period was opening. Therefore, at the September 2021 Commission meeting, the MHCRC amended the CBG contract to include additional funds to support the Zply franchise renewal process and extended the term of the CBG contract and the Comcast negotiations period through March 31, 2022.

In March 2022, with still no agreement on the Comcast franchise, the MHCRC again acknowledged an agreement with Comcast to extend the renewal period through September 30, 2022.

MHCRC staff and its consulting team continue to meet with Comcast and Zply representatives regarding franchise renewal. While negotiations continue the terms and conditions of the existing franchise agreements apply.

Budget Implications

There are not budgetary impacts. The Commission has already allocated funds in the budget and the previous CBG Communications, Inc. extension.

Attachments: Contract Amendment (draft)

Prepared By: Elisabeth Perez
January 18, 2023



CONTRACT AMENDMENT FOR PROFESSIONAL SERVICES (draft)

This is an amendment to the Contract for Professional Services (Contract) #35002063 between the Mt. Hood Cable Regulatory Commission (MHCRC) and CBG Communications, Inc. (Consultant) (together referred to as the "Parties").

RECITALS

1. The MHCRC approved the Contract in December 2020 for a term expiring November 30, 2021, in an amount not to exceed \$50,020.

2. The MHCRC amended the Contract in September 2021 for a term expiring December 31, 2022 and increasing the total amount of the contract by \$120,000 (\$60,000 to complete the original Contract Scope of Work under the new Comcast renewal negotiation period extension and \$60,000 for completion of the functions, tasks, and deliverables associated with the Northwest Fiber (dba Ziplly Fiber) franchise renewal negotiations) for a total not to exceed amount of \$170,020.

3. Additional time is needed to complete the amended Contract Scope of Work for the Comcast and Ziplly franchise renewals.

AGREEMENT

1. The Contract term is extended through June 30, 2023.

2. All other terms of the Contract shall remain in full force and effect.

CBG Communications, Inc. (Consultant)

Mt. Hood Cable Regulatory Commission

By: _____

By: _____

Carol Studenmund, Chair

Date: _____

Date: _____

Approved as to Form:

Mark Wolf, MHCRC Legal Counsel



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COVER SHEET – AGENDA ITEM #R3

For Commission Meeting: January 23, 2023

“Extend Ziplly Renewal Negotiation Period”

Recommendation

Staff recommends that the Commission authorize the Chair to send a letter to Ziplly acknowledging the agreement to extend the cable franchise renewal negotiation period through December 31, 2023.

Background

The Ziplly cable franchise renewal negotiation period was initially estimated to conclude by or before December 31, 2022.

In a letter dated February 6, 2020, Frontier Communications (now Ziplly Fiber) preserved its rights under Section 626 of the Cable Act (47 U.S.C. §546) for renewal of its Franchises between the Commission’s Member Jurisdictions and Frontier Communications.

Negotiations have not started due to delays in the Comcast cable franchise renewal. To secure terms that are in the best interest of the public, MHCRC staff, consultants, and Ziplly representatives have agreed to extend the franchise renewal negotiation period through December 31, 2023.

Ziplly has informed MHCRC staff that it no longer desires to renew its franchises with Commission Member Jurisdictions but has not indicated when it will not cease Cable TV operations.

In November and December 2022, MHCRC staff met with each Member Jurisdiction to discuss the status of the franchise and the negotiations timeline. No questions or concerns have been raised.

Approval of the updated negotiations period will take the form of a letter from the MHCRC Chair to Ziplly acknowledging agreement to extend the negotiation period.

Prepared By: Elisabeth Perez
January 28, 2023

