



Mt. Hood Cable Regulatory Commission

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

COVER SHEET – AGENDA ITEM #R2

For Commission Meeting: January 27, 2025

“Preliminary Funding Decisions: 2025 Community Technology Grants”

The Commission has budgeted \$1,000,000 to grant in the 2025 competitive grant cycle under the Community Technology Grants program.

There are also available contingency funds to use toward grantmaking.

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. 31 Pre-Applications were received by the December deadline; 27 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 27th 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 15, 2025





Mt. Hood Cable Regulatory Commission

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

COVER SHEET – AGENDA ITEM #R3

For Commission Meeting: January 27, 2025

“MHCRC Strategic Planning: NEX Strategies Presentation (information only)”

Background

NEX Strategies staff, Autum Carter and Reed Wagner, will provide an update on strategic planning activities and present on a proposed updated workplan that considers what we’ve learned to date from engagement with the jurisdictions, stakeholders, and legal advisers.

Commissioners may recall that the strategic planning process identified 3 implementation phases:

1. **Preparation Phase** - Education and Initial Assessment: Engage with member jurisdictions and stakeholders to understand current perspectives and align strategic planning efforts with MHCRC’s needs and objectives. – COMPLETE
2. **Analysis Phase** - Stakeholder Engagement and In-Depth Analysis: Conduct thorough research, interviews, focus groups, and data analysis to assess the current regulatory and market landscape, identifying future opportunities and challenges associated with operating the organization and adequately supporting the community amid an evolving cable and telecommunications sector. – PARTIALLY COMPLETE
3. **Strategic Development Phase** - Presentation, Finalization, and Consensus-Building: Develop a comprehensive, forward-looking strategic plan that addresses identified needs and positions MHCRC for increased organizational certainty amid industry and regulatory changes. – NOT YET STARTED

Going forward, to complete the analysis phase, the workplan includes hiring a financial analysis expert to help assess the financial impact and feasibility of the primary scenarios identified as viable options for a future iteration of the commission. Nancy Werner from Bradley Werner, LLC will provide legal expertise in the analysis of these primary scenarios.

As part of the Strategic Development Phase, NEX Strategies is proposing to modify its consultative role by performing an independent evaluation of the scenarios and authoring a strategic roadmap for consideration by the commission and jurisdictions. This roadmap will consider findings from the financial and legal analysis, direct conversations with individual jurisdictions and their respective commissioners, and other relevant factors to provide realistic recommendations for future direction.

Commissioners are encouraged to take into consideration Agenda Item R4. NEX Strategies Contract Amendment: Modified scope of work, increased compensation, and extended term and Agenda Item R5. MHCRC Strategic Planning: Procure Direct Legal Services from Bradley Werner, LLC included in the meeting packet when reviewing this item and engaging in discussion at the meeting on Monday.

Attachment: NEX Strategies PowerPoint Presentation

Prepared By: Seema Gadh Kumar
January 22, 2025



PROPOSED STRATEGIC ROADMAP DEVELOPMENT PLAN

MT. HOOD CABLE REGULATORY COMMISSION – JANUARY 27, 2025



OVERVIEW: STRATEGIC PLANNING PROCESS



- Held 1-on-1 meetings with stakeholders & jurisdictions
 - Conducted SWOT analysis of the current IGA & approach
 - Summarized shared principles & jurisdiction perspectives
 - Delivered jurisdiction education presentations
 - Regular planning meetings with MHCRC staff & Chair
- Facilitated legal support & scenario development
 - Hosted commission retreats & work sessions with jurisdictions
 - Conducted regular planning meetings with staff & Chair
 - Collaborated with staff on initial financial analysis
 - Synthesized stakeholder input for deeper financial analysis
- **February/March:** Assess costs, funding needs, & scenario implications
 - **March/April:** Workshop financial findings with jurisdictions
 - **April:** Develop actionable recommendations aligned with jurisdiction priorities
 - **April/May:** Refine recommendations through stakeholder feedback
 - **April/May:** Present final strategic plan & recommendations

OBJECTIVES FOR STRATEGIC PLAN

- 1 Assess feasible strategies** informed by engagement with the commission & jurisdictions.
- 2 Foster alignment & shared understanding** on potential paths forward.
- 3 Explore options to address the financial challenges** posed by declining cable revenues.
- 4 Recommend approaches to governance & operations** that support jurisdiction needs.

SCENARIOS FOR FURTHER ANALYSIS

STATUS QUO (ADJUSTED)

Retain the commission structure & adjust budget to address fiscal challenges.

SUNSET CURRENT COMMISSION STRUCTURE

Transition to new IGA to coordinate shared responsibilities.

INDEPENDENT ORGANIZATION

Establish a standalone entity to manage responsibilities autonomously.

KEY ASSUMPTIONS SHAPING THE STRATEGIC PLAN

EXTERNAL FACTORS

- Cable revenues are expected to decline significantly & may disappear within a decade.
- Media access, transparency, & digital equity remain shared jurisdiction priorities.

OPERATIONAL & STRUCTURAL CONSIDERATIONS

- Resources to sustain community media center operations should take precedence over those allocated to community grants.
- Franchise negotiations & regulatory functions require specialized knowledge, regardless of staffing structure.
- Financial analysis will prioritize efficiencies to minimize jurisdictional contributions.

STRATEGIC PLANNING FRAMEWORK

- The strategic plan will focus on a 5-year horizon with consideration for impacts up to 10 years.
- Final recommendations may blend multiple scenarios rather than adhere to one.



THANK YOU. PRESENTED BY:



Autumn Carter, Managing Partner
Reed Wagner, Partner

1/27/25

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Mt. Hood Cable Regulatory Commission

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COVER SHEET – AGENDA ITEM #R4

For Commission Meeting: January 27, 2025

“NEX Strategies Contract Amendment: Modified scope of work, increased compensation, and extended term”

Recommendation

Staff recommends the Commission approve an amendment to the service contract with NEX Strategies to revise the scope of work as presented in Attachment A to Amendment No 1, increase the amount of compensation by \$105,000 for a new not to exceed total of \$220,000, and extend the term of the contract through December 31, 2025.

Background

In December 2023, the MHCRC approved a contract with NEX Strategies for the purpose of conducting the MHCRC’s strategic planning process. The contract allocated \$115,000 to achieve the goals, objectives, and deliverables of the strategic planning process and the contract is set to expire January 31, 2025.

NEX Strategies has made significant progress towards achieving the scope of work:

Services	Tasks and Deliverables	Status
Preparation Phase - Education and Initial Assessment: Engage with member jurisdictions and stakeholders to understand current perspectives and align strategic planning efforts with MHCRC’s needs and objectives.	Phase 1: Education and Initial Assessment <u>Objective:</u> Educate member jurisdictions about MHCRC’s role and assess their current satisfaction and future needs.	Complete <ul style="list-style-type: none"> ● Conducted 1-on-1 meetings with MHCRC, staff, stakeholders, Jurisdictions ● Conducted SWOT analysis of current IGA ● Summarized shared principles and priorities and unique jurisdiction perspectives ● Led Jurisdiction presentations ● Engaged in regular planning meetings with staff and MHCRC Chair
Analysis Phase - Stakeholder Engagement and In-Depth Analysis: Conduct thorough research, interviews, focus groups, and data analysis to	Phase 2: Stakeholder Engagement and In-Depth Analysis <u>Objective:</u> Conduct comprehensive research and	Partially Complete <ul style="list-style-type: none"> ● Collaborated with staff to engage legal support ● Influenced scenarios development and vetting

<p>assess the current regulatory and market landscape, identifying future opportunities and challenges associated with operating the organization and adequately supporting the community amid an evolving cable and telecommunications sector.</p>	<p>analysis, gathering detailed insights for strategic planning.</p>	<ul style="list-style-type: none"> ● Conducted work session with MHCRC members and Jurisdictions ● Engaged in regular planning meetings with staff and MHCRC Chair, and legal support to feed into the Strategic Development Phase
<p>Strategic Development Phase - Presentation, Finalization, and Consensus-Building: Develop a comprehensive, forward-looking strategic plan that addresses identified needs and positions MHCRC for increased organizational certainty amid industry and regulatory changes.</p>	<p>Phase 3: Presentation, Finalization, and Consensus-Building <u>Objective:</u> Present findings and collaborate on the development of strategic recommendations for the future Intergovernmental Agreement (IGA).</p>	<p>Not yet started</p>

Staff and NEX Strategies, in consultation with Chair DeGraw, have identified additional tasks, deliverables, and time needed to complete the project. Specifically, staff and NEX Strategies is recommending that the Commission, through NEX Strategies, seek the guidance and recommendations of a third-party financial analysis to assess each remaining scenario's financial impact and feasibility. In addition, because of continued policy changes and uncertainty, staff is recommending that NEX Strategies continue to work closely with the Commission's special legal counsel, Nancy Werner of Bradley Werner, to vet recommendations.

NEX Strategies is proposing to modify its consultative role by performing an independent evaluation of the scenarios and authoring a strategic roadmap for consideration by the commission and jurisdictions. This roadmap will consider findings from the financial and legal analysis, direct conversations with individual jurisdictions and their respective commissioners, and other relevant factors to provide realistic recommendations for future direction.

Services	Tasks and Deliverables	New Budget
<p>Analysis Phase (expanded)</p>	<p>Consider the financial and operational realities of the commission and its member jurisdictions.</p> <ul style="list-style-type: none"> ● Engage Financial Expert to conduct financial analysis based on 3 scenario options 	<p>After spending down what remains on the current</p>

	<ul style="list-style-type: none"> ● Collaborate with Commission’s legal counsel on policy, governance considerations in light of financial analysis ● Engage in additional informal and formal meetings with each of the jurisdictions to workshop recommendations ● Present recommendations to MHCRC in April 	contract, \$105,000 is needed for a new not to exceed total of \$220,000
Strategic Development Phase	<p>Provide a detailed, independent evaluation of the remaining scenarios under consideration, present actionable recommendations to decision-makers, and guide jurisdictions toward alignment on a shared path forward.</p> <ul style="list-style-type: none"> ● Finalize findings and recommendations for future IGA ● MHCRC presents process and findings to each city council <p>Outcome: MHCRC jurisdictions will collectively decide:</p> <ol style="list-style-type: none"> 1. The future of collaboration on cable, internet, and telecommunications technology including shared principles and priorities. 2. Direction for collective efforts on cable, internet, and telecommunications technology in the future. 3. Direction for collective efforts on how to promote, teach, and develop local community media. 4. Funding opportunities and agreement for collective efforts on cable, internet, and telecommunications technology in the future. 	

MHCRC financial analyst and chief confirmed the MHCRC FY24-25 budget Encumbrance Carryover line item has the funds available to increase the amount allocated to this project by \$105,000 for the additional services and extended timeline.

Therefore, staff is recommending the Commission amend the contract with NEX Strategies to revise the scope of work as presented in Amendment No. 1 Attachment A, increase the amount of compensation by \$105,00 for a not to exceed total of \$220,000, and extend the term of the contract through December 31, 2025. The budget breakdown of the increased compensation allocates \$70,000 (\$45,000 for NEX Strategies and \$25,000 for technical consultant) for the period January 1 - June 30 and \$35,000 in reserve for July 1 - December 31 (if needed).

Attachment:

- AMENDMENT No. 1 to NEX Strategies Contract, including Attachment A: revised scope of work

Prepared By: Rebecca Gibbons
January 16, 2025

**AMENDMENT No. 1 to
AGREEMENT No. 2024MHCRC_01NEX
FOR**



Strategic Planning Amid Technology and Sector Developments

This Amendment No. 1 amends Agreement No. 2024MHCRC_01NEX dated 15 of January, 2024, by and between NEX Strategies LLC ("Contractor") a corporation of the State of Oregon, and the Mt. Hood Cable Regulatory Commission, an intergovernmental entity formed under Oregon Revised Statutes Chapter 190 by the cities of Fairview, Wood Village, Troutdale, Gresham and Portland, and Multnomah County ("MHCRC") by and through their duly authorized representatives. This Amendment may refer to Contractor and MHCRC individually as a "Party" or collectively as the "Parties."

The Effective Date of this Amendment is February 1, 2025. The purpose of this Amendment is to revise the scope of work as presented in Attachment A, increase the amount of compensation by \$105,000 for a new not to exceed total of \$220,000, and extend the term of the contract through December 31, 2025.

The Parties agree to Amend the Agreement as follows:

1. The Agreement not-to-exceed amount of \$115,000 is increased by \$105,000 for a new total not-to-exceed amount of \$220,000.
2. The Term is extended from January 31, 2025 to December 31, 2025, unless terminated sooner under the provisions of the Agreement.
3. The Statement of Work is amended to include the additional activities outlined in Attachment A to this Amendment.

All other terms and conditions of the Agreement remain unchanged by this Amendment and in full force and effect.

This Amendment may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same instrument. The Parties agree that they may execute this Amendment by electronic means, including the use of electronic signatures.

IN WITNESS WHEREOF, the Parties hereby cause this Amendment to be executed.

CONTRACTOR

Authorized Signature Date

Printed Name and Title

Address: _____

Phone: _____

Email: _____

Prepared By: ___Rebecca Gibbons, MHCRC Operations Manager_____

Sent to: autumn@nexstrategies.com

Contract Number: 2024MHCRC 01NEX

Amendment Number: 1

Contract Title: Strategic Planning Amid Technology and Sector Developments

CITY OF PORTLAND SIGNATURES

By: _____ Date: _____
Julia DeGraw, MHCRC Chair

Approved as to Form:

By: _____ Date: _____
MHCRC Legal Counsel

MHCRC Strategic Roadmap Development Plan

January 17, 2025

Overview

This plan outlines the recommendation development and decision preparation phase of the Mt. Hood Cable Regulatory Commission's (MHCRC) strategic planning process, focusing on evaluating and recommending viable options for the future structure, role, and funding. It will build upon extensive feedback gathered during prior facilitated sessions with the MHCRC commission, jurisdiction representatives, community media centers, and other stakeholders. It will also consider the financial and operational realities of the commission and its member jurisdictions.

The primary objective of this phase is to provide a detailed, independent evaluation of the remaining scenarios under consideration, present actionable recommendations to decision-makers, and guide jurisdictions toward alignment on a shared path forward.

Anticipated Timeline

Time Frame	Activities
January 2025	Present the project plan to the commission.
	Engage external financial consultants and finalize the scope of analysis.
February and Early March 2025	Conduct a financial analysis of the scenarios.
	Review organizational governance structures and detailed roles and responsibilities within each of the scenarios.
March and April 2025	Facilitate discussions with individual jurisdictions and respective commissioners to discuss financial impact and inform jurisdictional discussions.
	Develop a draft proposed strategic plan and recommendations based on financial analysis and jurisdiction feedback.
	Engage jurisdictions to finalize recommendations.
May 2025	Deliver final strategic plan and recommendations to the commission.
	Define next steps and identify any items for future consideration.



Remaining Scenarios

1. **Status Quo (Adjusted).** Retain the commission structure and roles, but identify budget adjustments to address declining cable revenues, such as potentially reallocating resources from community technology grants to media center operations and reducing meeting frequency.
2. **Sunset Current Commission Structure.** Manage a phase-out of the current commission structure, establishing an IGA for jurisdictions to coordinate shared responsibilities (e.g., franchise negotiations) under agreed-upon terms, seeking reduced administrative overhead and potentially discontinuing community technology grants.
3. **Form an Independent Organization.** Create a new, autonomous entity not tied to jurisdictional appointments, approvals, or jurisdiction staffing. Seeks flexibility to manage funding and operations independently. Potentially discontinues community technology grants. Variants may include nonprofit or regional governance models.

Analysis Questions

To support informed decision-making, a third-party financial analysis will help assess each remaining scenario's financial impact and feasibility. The following are sample questions that may be presented to inform the analysis.

Area	Sample Questions
Funding Requirements	What are the expected annual costs of each scenario, including administration/operations, franchise negotiations, PEG oversight, communications, engagement, legal/compliance, finance support, and audits?
Cost-Sharing Models	How can costs be equitably distributed among jurisdictions?
	What factors should be considered when determining the appropriate level of ongoing financial support from jurisdictions to media centers?
Potential Savings	What operational savings could be achieved by eliminating or restructuring the commission?
	How might reallocating funding from community technology grants impact the financial sustainability of the commission and media centers?
Media Center Impact	What financial support is required to sustain core services like public meeting broadcasts?



	How might media centers adjust to reduced or redirected funding?
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Engagement Plan

This phase will prioritize engagement with jurisdictional representatives and decision-makers, focusing on:

- Providing detailed financial analysis to ensure informed discussions.
- Conducting individual jurisdiction meetings to workshop options and gather targeted feedback.
- Iteratively refining recommendations to align with jurisdictional priorities.

Engagement opportunities will include:

- Meeting with jurisdictional representatives and their commissioners to:
 - Review financial analysis and discuss implications.
 - Workshop draft recommendations to refine alignment.
- Commission presentations in January and May to provide updates and finalize decisions.
- Supporting the development of the commission's proposal for future changes.

Key Assumptions

- The strategic plan will focus on an approximately 5-year horizon, potentially considering implications up to 10 years.
- Resources to sustain community media center operations should take precedence over resources currently allocated to the community grants program.
- While scenarios will be used to explore possibilities, the final recommendations may not strictly adhere to any single scenario but could instead be a hybrid solution drawing from multiple scenarios and other factors.

Next Steps

1. Finalize and present this plan to the commission by the end of January.
2. Engage financial consultants to begin analysis in February.
3. Schedule initial jurisdictional meetings to present financial findings.
4. Begin drafting the strategic plan in March, integrating financial and jurisdictional input.



Estimated Costs

Based on our current understanding of the objectives and our proposed approach, we estimate the true cost of this work will be approximately \$80,000 for work completed between January 1 and June 30, 2025. If additional follow-up engagement, facilitation, or advising support is required following the completion of the strategic planning process, we would budget \$35,000 for work between July 1 and December 31, 2025. This table summarizes the total breakdown anticipated for January to December:

Tasks	Deliverables	Est. NTE Cost
Project Planning & Strategy	Project Setup, Kickoff Planning, Strategy Development, Ongoing Project Management	\$35,000
Research, Writing, & Reviewing	Independent Analysis, Strategic Plan Development, Structural Revision Proposal Development Support	\$35,000
Client Calls & Meetings	Planning and Check-in Meetings, Dedicated Planning Meetings, Presentations; Meetings with Jurisdictions and Commission	\$20,000
External Analysis Services	Technical Financial Analysis	\$23,000
Miscellaneous Expenses	Materials, Supplies, and Travel as Needed	\$2,000
Projected Remaining on February 1, 2025		-\$10,000
Proposed Budget Amendment	<i>January - June: \$70,000; July - December: \$35,000 (if needed)</i>	\$105,000





Mt. Hood Cable Regulatory Commission

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

COVER SHEET – AGENDA ITEM #R5

For Commission Meeting: January 27, 2025

“MHCRC Strategic Planning: Procure Direct Legal Services from Bradley Werner, LLC”

Recommendation

The Commission authorizes staff to use budgeted external materials and services carryover funds to continue to engage Nancy Werner, of Bradley Werner, LLC, in the MHCRC strategic planning process in billable hours not-to-exceed \$25,000 in FY2024-25.

Background

At the June MHCRC meeting, staff reported on activities associated with the strategic planning process and said staff was working to hire Legal Counsel to create scenarios for Commissioners to consider while mapping out the future of the Commission. Criteria for the Legal Counsel was someone who could provide a historical lens and expertise on past and future federal legislation. Staff was able to secure the services of Nancy Werner, of Bradley Werner, LLC, in accordance with small purchase procurement procedures. At the time the services were secured, the guidelines around small purchase procurement set a cap at \$10,000. Staff was recently informed that the small purchase procurement cap has since been revised in accordance with state rules to \$25,000.

Staff, NEX Strategies, and Chair DeGraw believe the support provided by Nancy Werner to date to craft and present the scenario options and address larger policy/legal authority questions from staff, MHCRC members, and the Jurisdictions has been extremely helpful to the overall strategic planning process and fills a gap in expertise.

Nancy’s billable hours through December have reached the original \$10,000 cap. Staff is seeking the support of the Commission to continue to procure services from Bradley Werner, LLC as part of the updated strategic planning workplan as billable hours not to exceed \$25,000 total in FY2024-25.

MHCRC financial analyst and chief confirmed the MHCRC FY24-25 budget Professional Services line item has the funds available to make available \$15,000 in additional funding for this purpose.

Prepared By: Rebecca Gibbons
January 22, 2025