

MT. HOOD CABLE REGULATORY COMMISSION
MetroEast's Rockwood DIY Facility
October 16, 2017 Meeting Minutes – **DRAFT**

SUMMARY MINUTES

THESE MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE COMMISSION AT A SUBSEQUENT MEETING. PLEASE REFER TO SUBSEQUENT MINUTES FOR APPROVAL OR CHANGES.

Call to order: 6:39

- **Roll Call**
Commissioners Present: Leif Hansen, Chair; Rich Goheen; Scott Harden; Norm Thomas; Mike Bennett; Sue Dicile

Commissioners Absent: Carol Studenmund

Staff Present: Ann Goldenberg, Staff Director; Ben Walters, Legal Counsel; Julie Omelchuck, Program Manager; Scott Ellertson, Program Coordinator; Rebecca Gibbons, Digital Equity Program Coordinator; Tyler Dice, Assistant Program Coordinator.
- **Agenda Review**
Diciple requested to remove the September meeting minutes from the consent agenda to allow for discussion. Chair Hansen concurred.

Hansen reported that a Commission member had requested that Consent Agenda Items C2-C4 be moved to the Regular Agenda.

- Disclosures: None.
- Public Comment (non- agenda items) : None.
- **CONSENT AGENDA – No agenda items.**
- **REGULAR AGENDA**

C1. September 18, 2017 Meeting Minutes

Dicile stated that the draft meeting minute sections under the State and Federal Update and at the end of the staff reports did not accurately summarize the meeting content in these areas. Dicile requested staff to listen to the audio recording and revise the draft meeting minutes as appropriate. Chair Hansen tabled consideration of the September 18, 2017 meeting minutes until the December meeting.

***C2. Community Technology Grant Agreement: Boys & Girls Club of Portland Metro Area**

Gibbons referred to the agenda materials in the meeting packet. Gibbons stated five of the selected pre-applications had moved forward at the last MHCRC meeting and the remaining three are being considered tonight. Gibbons stated that these eight grants will close out this years' grant cycle. In response to a question from Hansen, Gibbons stated that the initial total amount in requested grant funds based on the pre-applications was \$833,000. Two grants withdrew and if the three remaining grants are approved, the total amount the Commission will grant in this cycle will be \$668,497; about \$165,000 less than the initial amount requested.

Dicile noted that the Commission had extensive discussions about all the pre-applications at its meeting in January but the decisions were delayed due to the lawsuit, which has since been dismissed. She thanked staff and the community organizations for being patient and flexible in the grant process.

Motion: Dicile moved to approve the Community Technology Grant Agreement for the Boys & Girls Club of Portland Metro Area. Harden seconded.

Vote: 6-0 pass

C3. Community Technology Grant Agreement: Mt. Hood Community College

Motion: Dicile moved to approve the Community Technology Grant Agreement for the Mt. Hood Community College. Thomas seconded.

Vote: 6-0 pass

C4. Community Technology Grant Agreement: City of Portland, Portland Fire & Rescue

Motion: Dicile moved to approve the Community Technology Grant Agreement with the City of Portland, Portland Fire & Rescue. Harden seconded.

Vote: 6-0 pass

Thomas requested that the Commission carry over the \$165,000 from the 2017 grant cycle to the 2018 competitive Community Technology Grants cycle. Dicile supported this concept. Omelchuck stated that the Commission's standard funding allocation method has been to roll over amounts not granted for I-Net costs or Community Technology grants in each fiscal year into the TechSmart Initiative. However, this allocation method is at the Commission's discretion. The Commission agreed without objection to make the \$165,000 available for the 2018 Community Technology Grants.

R1. MHCRC Year-End Financial Report – Unaudited

Omelchuck highlighted the MHCRC FY16-17 year-end financial report contained in the meeting packet. She noted that the number of cable tv subscribers' trend data has been updated to include all cable subscribers instead of only residential cable subscribers. Staff believes this method is more relative to the MHCRC since cable companies pay franchise fees on gross revenues for all video services. In response from a question from Harden related to the increase in franchise fees, Omelchuck said franchise fee reports do not break down fees based on company line item revenues. Therefore, staff does not know specifically what contributes to an increase in the amount of the franchise fee. but the cable companies might be able to provide more data or specific information. In a response to a question from Dicile about Open Signal's funding reduction contained in the report, Omelchuck clarified that the reduction is from FY16-17. This report does not reflect Open Signal's efforts for the current fiscal year, in which it was not forced to take a reduction.

***R2 Reynolds School District TechSmart Grant Agreement Amendment**

Goheen stated that the Grant Committee recommends approval of the Reynolds School District TechSmart grant amendment as contained in the meeting packet. The purpose of the grant project is to introduce technology in 6th-9th grade math classes. The Grant Committee discussed and approved the recommendation in May, but it didn't move forward at that time due to considerations related to the lawsuit. Essentially the amendment adds both grant and match resources to continue to support the TechSmart grant in three Reynolds middle schools and the high school.

MHCRC staff, the PRE-evaluation, and Reynolds staff discovered that the amount of coaching support needed for teachers was more than the amount included in the original project plan.

In addition to the coaching need, the Committee also considered the fact that the original Reynolds grant amount was about \$220,000 less than the amount allocated for Reynolds at the time the grant was approved.

Based on the need and the availability of funds, the Committee recommends that the Commission approve the amendment to the Reynolds grant agreement.

Motion: Dicile moved to approve the amendment to increase the total amount of the Reynolds School District grant agreement by \$114,000 and to amend the grant project budget. Thomas seconded.

Vote: 6-0 pass

***R3. CTC Technology & Energy Contract Extension**

Omelchuck said the Commission approved a contract with CTC, which expired September 30, 2017. Staff is requesting the contract be extended to January 30, 2018, to complete the work under the contract. In response to a question from Hansen, Omelchuck clarified that there is no increase in cost, only an extension in time.

Motion: Thomas moved to approve the amendment to extend the consulting contract with CTC Technology & Energy Contract through January 31, 2018. Bennett seconded.

Vote: 6-0 pass

- Staff Activity Reports and Updates
 - FCC/Federal/State public policy updates

Goldenberg stated that MHCRC staff filed a 706 comment at the FCC regarding the FCC's proposal to lower the national standard for determining the adequacy of in-home broadband speed. The MHCRC was a member of a coalition consisting of the City of Boston, City of Portland and Arundel County, Maryland. BBK law firm organized the coalition and filed on behalf of the group. Goldenberg stated that FCC Commissioner Pai was confirmed by Congress as FCC Chair and the FCC now has all the Commissioner positions filled. She also stated that the FCC's Broadband Deployment Advisory Committee (BDAC) will be releasing a report in November 2017 with recommendations and findings about wireless and wireline rules. Currently, the biggest issue is wireless rules because the industry is seeking to use the public rights-of-way for commercial purposes at little or no cost to the companies and use city property and assets without proper reimbursement, safety or aesthetic requirements. Oregon has been monitoring a similar state wireless bill in California, which passed the state legislature but, just yesterday, the California Governor vetoed the bill. 15 states have enacted wireless bills, which limit municipal authority over the public rights-of-ways and city-owned assets. Goldenberg stated there is no additional news from the FCC regarding the Net Neutrality Notice of Rulemaking at this time.
 - Community Technology 2018 grant round

Gibbons stated the 2018 grant round launched with the notice of availability of funds on October 6, 2017. Staff is conducting an open informational meeting Friday, October 20, 2017. The deadline for pre-applications is December 5, 2017.
 - TechSmart Initiative

Omelchuck stated that she is working with Centennial School District and the current draft grant project plan is similar in focus to the previous one. The project is related to integration of math and science curriculum at the middle schools aimed at improving 9th grade credit attainment. She anticipates having a draft project plan Jan/Feb timeframe. Omelchuck stated that she met with David Douglas school district to work on second round of funding. The project plan will be building on the work done at Earle Boyles.
 - Digital Inclusion - DEAP

Omelchuck stated that she and Gibbons met with Marc Farrar and other employees from Comcast to discuss the DEAP and DIN efforts and furthering partnerships in these areas. Comcast's Internet Essentials program has been in existence for five years and Comcast has made a focused effort to update the program to better meet the needs of low-income households. Omelchuck said that CenturyLink recently announced it's discontinuing its low-cost internet basics service nationwide.
 - NATOA conference

Goldenberg thanked the Commission for allowing staff to participate in the NATOA conference this year. Some staff takeaways from the conference were: the prevalence and growing influence of the wireless companies and technologies; I; many of the local government regulatory staff who grew up in the cable franchise era are retiring and that a

new generation is coming up through the wireless framework; the possibilities of upcoming grants for new technologies, such as drones for video production

In response to a question from Bennet, Goldenberg stated that there was discussion about technical nuts and bolts regarding wireless and fiber networks, and the need for both these types of technologies.

- Other

Ben Walters introduced Maya Haium, a newly-hired Portland City Attorney, who will be providing legal counsel for the MHCRC following Walters retirement in January 2018.

Tyler Dice said he would be leaving the Office for Community Technology and the City of Portland in December.

- Committee Reports

- Finance Committee

Thomas stated that the Finance Committee will be meeting on November 29, 2017 to consider the MHCRC Fund 2016-17 Financial Statements.

- Grant Committee

Goheen asked Gibbons to share any updates regarding the Grants. In response to a request from Goheen, Gibbons said the 2018 Community Technology Grants process is underway and staff is working with potential applicants to answer questions and provide feedback on proposals. In response to a question from Harden, staff confirmed Committee appointments remain the same until the Chair notifies Commissioners otherwise.

- Community Ascertainment Committee: None

- Open Signal Board Appointee

Dicile handed out a press release from Open Signal and noted that Open Signal is working hard to gain commitments and other funding. Dicile stated Harn is doing a wonderful job and has made a real transformation.

- MetroEast Board Appointee

Thomas stated that at MetroEast's last Board Meeting, the Board accepted the annual audit.

- New business; Commissioner Open Comment

- MHCRC Annual Planning Retreat – Facilitator

Hansen stated that he anticipates continuing with the same facilitator, Paula Manley, for the MHCRC annual planning retreat based, in part, on the competitive bid process undertaken last year for a retreat facilitator. Commissioners agreed that they are pleased with Manley's facilitation skills and would like her to continue. Harden noted that Manley was also contracted to assist with a community needs ascertainment and wondered if a report could be discussed at the retreat. Omelchuck was unsure if we would have a report at the retreat, as we are at the front end of the process.

Thomas thanked whomever requested the grant items be moved from Consent to Regular agenda. He appreciated being able to discuss these items in greater detail.

- Franchisee Activity Report
 - Frontier

Steve Sandman, Frontier, Director of Operations, thanked the Commission for acknowledging that Frontier cured its customer service violation. Sandman shared Frontier’s pricing for FiOS. Frontier is hiring 20 new techs in the footprint of the MHCRC. He expects to fill these positions in 30 days and have these staff fully trained in 6 weeks for fiber and copper jobs.
 - Comcast

Marc Farrar, Comcast, announced its Grand Opening of a store in East Multnomah County, which will sell wireless devices and accessories. Comcast launched a new video product called Instant TV, video streaming product targeted for internet only customers and on digital devices. Farrar said Comcast considers this a video service under its cable franchise agreements and plans to pay franchise and PEG/I-Net fees on the revenues.
 - CenturyLink

Samantha Ridderbusch, CenturyLink, said CenturyLink’s’ Teachers and Technology Grant is open for applications, with \$1.4 million allocated towards this program. CenturyLink will have a booth at the Oregon Connections conference. CenturyLink recently launched an over-the-top product called Stream, which it does not consider a cable product under the cable franchise. CenturyLink’s commitment to the Internet Basics product had ended, however Ridderbusch is working with her counterpart in Seattle for a possible low-cost internet service for the northwest region.
 - Reliance Connects: none

- PEG Provider Activity Report
 - MetroEast Community Media

Marty Jones, MetroEast, shared information about MetroEast’s Rockwood DIY site and program; 250 people trained this last year and 100% of the participants were under the poverty level. July 25th, 2018, will celebrate one year in operation. MetroEast had a “clean” audit for FY16-17. MetroEast generated \$167,000 in additional or “new” revenue last year, with more funding possibilities in the works.
 - Open Signal: None

- Public Comment

- Adjourn 8:20

Respectfully submitted,
 Tyler N. Dice
 Assistant Program Specialist