



MT. HOOD CABLE REGULATORY COMMISSION  
Remotely Meeting via phone or computer – Portland OR  
March 29, 2021 Meeting Minutes -- APPROVED

## **SUMMARY MINUTES**

Call to Order: 8:03 pm

- Roll Call

Commissioners present: Commissioner Dennerline, Commissioner McIntire, Vice Chair Harden, and Chair Studenmund.

Commissioners absent: Commissioner Thomas, Commissioner Murphy, and Commissioner Roche.

Staff: Elisabeth Perez Interim Director; Rana DeBey, Community Grants Manager; Michael Wong, Financial Manager; Julie Omelchuck, Special Projects Manager; Bea Coulter, Program Coordinator; Cinthia Diaz Calvo, Administrative Specialist.

- Agenda Review: None.

- Disclosures: Vice Chair Harden disclosed that the City of Wood Village has been in communication with Tim Goodman, Government Affairs with Comcast and have a meeting scheduled for April 8, 2021. Attendees will include Scott Harden, Greg Dirks, Jairo Rios-Campos, and pastor Tom Miles. They will discuss potential locations for LiftZones in Wood Village.

- Public Comment: None.

- Community Media Center Updates

Tomi Douglas, Executive Director with MetroEast shared their project goal, which involves the creation of a kitchen studio for teaching and creating culinary content while also providing a unique community gathering and event asset. She said MetroEast plans on hiring two new employees, one of them through a fellowship program and the other will be through a paid internship program. She added that most of their subject matter experts will come from their own team. John Lugton, who is a certified chef in Scotland will be joining them with his expertise.

Douglas shared their sample uses and programs include: Classes and programs on producing food/lifestyle content, nutrition programs, live and digital, food scarcity programs and education, local food producer content (wine, beer, food), life skills programs and classes, community meals and celebrations, kitchen rentals for production or entertainment, wine tasting events and party/event rentals.

Douglas said that to accomplish this project MetroEast will be pursuing support of the MHCRC Technology Grant, Oregon Community Foundation, Oregon Lottery Funds – Cultural Facility Fund, Doris Duke Foundation, Capital Funds, and local sponsors. Based on their sample budget and square footage calculations only, they anticipate this will need about \$256,200 in funding.

She noted there are three types of education areas which include, producing food and nutrition content and technical skills, beginning through advance cookery skills, and nutrition and sustainable food practices.

The tentative timeline for this project includes planning and building from February through September, for an expected grand opening in October 2022.

MetroEast has already began work on building partnerships in the community. These partners include but are not limited to their local farmer’s market, local food charities, and the Oregon Department of Agriculture.

Douglas noted that there may be the option of using the existing kitchen’s plumbing and water or retrofitting the existing conference room into the kitchen. Next immediate steps are finding a design team.

In regard to MetroEast personnel, Douglas shared they have hired a Finance Manager and an IT Manager.

Rebecca Burrell, Director of Strategy with Open Signal shared that they just wrapped up a collaboration with Outside the Frame, which is a local non-profit that provides media training for the homeless and marginalized youth. Open Signal received additional operating funding form the Metro Community Placemaking Grants and Juan Young Trust for this project, which allowed them to provide a 35-hour training for youth to help them produce 360-degree films.

Open Signal also completed their current new media fellowship program with a presentation by Miles Sebastian, one of their fellows who is a deaf artist and technologist. Sebastian created an incredible new technology that creates captions in sign language within virtual spaces. Burrell encourages the MHCRC and staff to check out his presentation at the Open Signal YouTube page.

In honor of Miles Sebastian, Burrell said they dedicated a page in the Open Signal website filled with accessibility videos. You can visit the Watch site using this link:

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

Open Signal Continues to host monthly session online with Black Film Makers through Open Signal Labs.

In January, because they are restricted in terms of the number of the number of folks that they can serve due to safety, Open Signal launched a new program which provides extra support to a smaller number of media makers who are in their priority community. Their priority communities are BIPOC, low-income and disabled media makers, English-language learners, and non-profits. Through an application process 10 media makers are able to check out equipment for the entire quarter. Applicant also receives customized training and weekly project support from their staff. This program ensures their resources and equipment are going into the hands of the people that need it the most, while providing the level and quality of support needed to help people complete a project that can be broadcasted.

Lastly, due to safety restrictions, Open Signal continues to operate by appointment only for their serious producers and participants of their application-based programs. Open Signal is working towards limited public hours beginning in July. They will present their current version of the opening plan to the MHCRC Equity Committee in April.

Open Signal is excited that they will be looking into offering cross certification with MetroEast on their new Panasonic camera kits, which will make the equipment available for check out in both locations.

Commissioner Dennerline asked if the MetroEast's kitchen plan includes commissioning the kitchen to folks that need to rent it part time. Douglas said that Rockwood already offers commissary kitchen services and they will hold off for now on offering a similar service. She encourages the MHCRC to check out what they are doing and looks forward to creating more of a pipeline by teaching folks how to tell their kitchen story and then refer them to Rockwood for kitchen rental.

Chair Studenmund asked how Open Signal's organizational structure was going. Burrell said it's going great. They are still working through logistical aspects, but they are making great decisions and having healthy debates. Burrell said they are working more collaboratively as a team than they ever have, and moral is high.

- CONSENT AGENDA

\*C1. January 25, 2021 Meeting Minutes

**MOTION:** Dennerline moved to approve the January 25, 2021 Meeting Minutes as amended. Harden seconded.

**VOTE:** 4-0

\*C2. February 20 & 28, 2021 Retreat Minutes

Chair Studenmund noted that the motions on the community grants cycle section need more information on the applications that were moved forward. She also noted that on

page 10, Julie Omelchuck's comment needs to be removed since she was not present at the meeting.

**MOTION:** Harden moved to approve the February 20 & 28, 2021 Retreat Minutes as presented. Dennerline seconded.

**VOTE:** 4-0

## **REGULAR AGENDA**

### **R1. MHCRC Fund Financial Review – Moss Adams Report**

Wong said that Moss Adams will be presenting a report on its review of the MHCRC Fund obligations and related practices, policies, and processes. The report has information about the scope of the project as well as the process that Adams used to conduct the review and six key recommendations for addressing their identified main issue. Staff would like to thank the MHCRC Finance Committee for providing input in areas that needed further clarification. In addition to the report, staff has created addition follow up items in relation to the recommendations that are included under the "management response" column.

Wong noted that overall staff was pleased that no major discrepancies or gaps in managing the funds were discovered and that staff supports the recommendations as outlined in the staff's intended action plans. Responsive to each, all actions can be completed in relatively short period of time, except for one, which is in relation to the financial summary document. The financial summary document will require a longer period of time to complete. Lastly, Wong turned over to Keith Simovic saying that staff is not looking for commissioner action at this time.

### **\*R2. Authorize Moss Adams for MHCRC FY 2020-21 Audits**

Keith Simovic with Moss Adams presented two other members of his team, Amanda Moore, and Halie Garcia, that worked on the fund financial review.

Simovic reiterated the nature of the services provided which included the following:

1. Assess current MHCRC policies and procedures and comprehensive management, tracking and reporting related to MHCRC.
2. Develop recommendations for changes in existing MHCRC policies, or areas where new policies may be needed.
3. Develop recommendations for updates to systems, processes or practices for tracking, budgeting, and reporting.
4. Analyze and report the various components of fund balance as of June 30, 2020.

Simovic also went over their scope and methodology, which includes:

1. Obtaining and reviewing relevant documentation

2. Conduct reviews with staff
3. Perform a gap analysis to identify areas of improvement
4. Analyze various components of fund balance at June 30, 2020
5. Complete formal report or recommendations

Simovic reported six observations and recommendations.

Observation #1 – Financial practices are driven by multiple documents, memos, agreements, and policies, making it difficult to onboard new employees.

Recommendation: Create a financial practices summary document.

Observations #2 – Past MHCRC practice requires each contract to go to the commission for approval, which can inhibit efficiencies in the case of smaller procurements.

Recommendation: Update policy to allow the Director of OCT to approve small administrative-type procurements.

Observation #3 – MHCRC staff have not routinely reconciled fund balance per the audited financial statements to the components tracked within management tracking spreadsheets.

Recommendation: Establish procedures to routinely reconcile fund balance to the various components tracked by staff.

Observation #4 – MHCRC staff have not historically implemented a tracking mechanism to monitor unexpended jurisdictional appropriations.

Recommendations: Establish procedures to routinely track actual amounts transferred from the MHCRC fund to the OCT budget and the unexpended portion.

Observation #5 – During the audit, errors in the recording of advances to MetroEast resulted in an audit adjustment.

Recommendation: Establish procedure to reconcile MetroEast and Open Signal advances on an annual basis between SAP and the amounts recoding within internal grant tracking spreadsheets.

Observation #6 – Process documentation does not currently exist to document the process flow of what happens with any unspent funds OCT charged to MHCRC.

Recommendation: create process flow documentation and incorporate into the financial practices' summary in recommendation #1.

In the Fund Balance Reconciliation report, Simovic noted the fund balance, per the audited financial statement which amounts to \$10,402,742. He also noted the variance of

\$4,453,113 which is primarily due to timing difference and the various components that management has been tracking within separate spreadsheets. These components include the following unobligated funds: interest revenues, PEG / I-Net Fees relating to grants, PEG / I-Net Fees related to the compliance program, and jurisdictional appropriations.

Simovic explained that as soon as commitment is made or a contract is signed, the staff's tracking spreadsheets are recognizing those as expenses and reducing those funding components by that amount. In the SAP system, the process is much slower, and the record doesn't show until the expense is incurred. It is primarily a timing difference.

Moss Adams was able to reconcile about \$4.4 million of the big-ticket items, leaving a difference of \$78,148 from \$10,480,890. This does not imply that money is missing, it only means that there are more items that need to be reconciled due to timing difference.

Simovic thanked Michael Wong, Julie Omelchuck, Elisabeth Perez, and their staff for their excellent facilitation of the review process.

Commissioner McIntire would like to know what type of unspent funds from OCT come back to the MHCRC. Simovic said that those funds typically include charges during year for operations. At the end of the year when those charges to the MHCRC fund are compared to actuals, what is left over is then returned as unspent funds. It is what happens to those unspent funds and how they get returned to the MHCRC what needs documentation.

Vice Chair Harden asked how the timing difference and a fund discrepancy can be prevented annually during the fund audit. Simovic explained that there will always be a timing difference and a fund discrepancy unless there is an internal mechanism within the spreadsheets to track it on a governmental accounting standards basis. Management is taking a conservative approach, thus as soon as they have committed to something, they remove the funds to avoid a situation in which there is overcommitment.

Omelchuck added that another way to describe it is that the spreadsheets are for programmatic purposes for budgeting and planning.

Vice Chair Harden asked where the request came from to allow administrative procurement with less commissioner oversight. Simovic clarified that the recommendation is from Moss Adams in order to improve overall processes. He added that the MHCRC will remain in compliance with State law. Vice Chair asked where the impetus was to conduct this fund financial review. Omelchuck responded that given staff transitioning, the MHCRC thought this review would be a good way to ensure OCT had systems to track the MHCRC funds and that the figures that had been presented to the MHCRC were solid. Staff also thought this fund financial review would provide a good overview and foundation to the work for the new MHCRC Financial Manager.

Chair Studenmund shared her appreciation for the report and there was consensus from the commission that it was really helpful in understanding the MHCRC financials.

**\*R2. Authorize Moss Adams for MHCRC FY 2020-21 Audits**

Wong said that staff recommends, in consultation with Finance Committee Chair Thomas, that the MHCRC authorize Moss Adams, to perform the MHCRC FY2020-21 Fund Audit in accordance with the Moss Adams contract extension with the City of Portland. Staff asks for approval for this extension.

Wong said the MHCRC has authorized Moss Adams to perform its annual audit since FY2012-13 through the City of Portland contract. Moss Adams has gained knowledge and understanding of the MHCRC and component unit (MetroEast) finances over these years making it cost effective for the MHCRC to continue to retain Moss Adams audit services.

An extension of the current contract would require a new RFP process as required per the City of Portland Auditor's Office instructions.

**MOTION:** Dennerline moved to authorize Moss Adams, to perform the MHCRC FY2020-21 Fund Audit in accordance with the Moss Adams contract extension with the City of Portland. McIntire seconded.

**DISCUSSION:** Vice Chair Harden mentioned that having the same auditor for 9 years in a row is a good reason to continue to hire them.

**VOTE:** 4-0

**\*R3. Community Technology Grant: Oregon Museum of Science & Industry (OMSI)**

DeBey said the Commission selected 17 Pre-Applications to invite to apply for funding at their January meeting. Following the Commission's decision, MHCRC staff begun to engage all 17 applicants in a process to complete full grant applications and contracts. In follow-up to specific Commissioner comments at the January meeting, staff has collaborated with applicants to make suggested revisions to the pre-applications including clearly defining measurable outcomes and evaluation measures, expanding on programmatic details, and the development of a detailed project budget that would more clearly identify the resources necessary to successfully implement the project.

Two applicants have since withdrawn themselves from the 2021 Community Technology Grants Program cycle: EasterSeals and Friends of the Children. Both applicants felt that after receiving feedback regarding the Commission's process and funding requirements, they were not able to move forward with a strong grant application at this time. Staff indicated that they are welcome to re-apply in the future.

MHCRC staff has reached agreement with three applicants on final grant agreements recommended for approval for a total amount of \$225,348 in grant funds.

The remaining 12 applicants are expected to finalize grant agreements in the coming months and will be presented at the May and June Commission meetings.

DeBey said that R3 is for the Oregon Museum of Science & Industry (OMSI). The grant request is for \$143,446.00, and a total project budget of \$381,609.00.

The “Reducing Disparities in STEM through Video Production” project will engage teen cohorts (ages 14 to 18) in the creation of videos featuring teen-designed science demonstrations. Each of the two cohorts of 20 teens will receive approximately 50 hours of programming over twelve-weeks which will include technical video production workshops alongside skills building activities in science communication, collaboration, and public speaking. The STEAM (Science, Technology, Engineering, and Art) video content created by the teens and by OMSI educators aims to increase participation by those traditionally underserved by STEAM educational experiences at OMSI and help to create a positive STEAM identity in youth. OMSI works with Portland YouthBuilders and Oregon MESA to recruit teens to participate in the ‘Teen Science Alliance’ cohorts. The 25 videos produced will be shared with both Open Signal and MetroEast Community Media.

One note about this application is that the request was increased from the pre-application to include a second camera and second editing station so that the teen participants are able to gain more direct experience with the technology during the program sessions.

Commissioner Dennerline asked for more information about use of the funds, since he thought it was a lot of money for a small studio. DeBey said that the project does include facility and infrastructure renovations which include soundproofing on the floors, ceilings and walls, electrical ventilation, lighting, door replacement and cabinets painting and permitting. They worked with their inhouse team to come up with the estimates to convert staff rooms into usable spaces for the projects. Commissioner Dennerline has concerns about the optics of granting OMSI \$50,000.00 to do remodeling while the same amount could go a long way for a smaller organization.

Commissioner McIntire asked if the funding is different now post COVID-19. There doesn't seem to be a difference in funding now due to COVID-19.

It was suggested to wait until there were more commissioners present, but there was consensus to go forward since that would mean a delay in process of two months and the application met all of the published eligibility criteria.

**MOTION:** Harden moved to approve the Community Technology Grant for Oregon Museum of Science & Industry (OMSI) for \$143,446.00. Dennerline seconded.

**VOTE:** 4-0

\*R4. Community Technology Grant: East Metro Arts, Community & Culture (EMACC)

DeBey said the grant request for East Metro Arts, Community & Culture is \$52,246. The total project budget for this organization is \$110,746.

EMACC is the support organization for the Rockwood Playhouse which strives to be a 'theater of community where strangers become friends, families create memories and experiences build pathways to joyful inspiration and belonging.' The "Rockwood Playhouse for the Arts Educational Video Library" project aims to contribute to that mission through the production of two full-length stage performances and three or more community musical/dance performances at the Rockwood Preparatory Academy. The theater will be outfitted with stage lighting and sound equipment, and cameras and sound boards will be installed to support turning the performances into videos. The performances will be appropriate for public school curriculums, turned into videos shared with MetroEast Community Media for public consumption, and available for check-out by Rockwood community educators. In addition, the project aims to provide a media education component to 20 volunteers who will be trained in the use and maintenance of the equipment and software used to produce the video content for inclusion in the video library. The volunteers come from the Rockwood Community and the project aims to serve at least 50% who identify as BIPOC (Black, Indigenous, People of Color) and/or low-income.

**MOTION:** Dennerline moved to approve the Community Technology Grant for East Metro Arts, Community & Culture (EMACC) for \$52,246. Harden seconded.

**VOTE:** 4-0

\*R5. Community Technology Grant: Growing Gardens

DeBey said the grant request for Growing Gardens amounts to \$29,656 with a total project budget of \$59,316.

Growing Gardens "Virtual Education for Food Justice" project seeks to address food insecurity and malnutrition in low-income households by teaching people how to grow their own food. The project will use video production technology to create and disseminate educational video content related to backyard food production, nutrition, and cooking with fresh produce. The staff will also create hands-on environmental science lessons for kids (grades K – 5) to be shared out with educators in their 12 partner schools located in the Portland Public School District and David Douglas School District. Last, videos will be produced which highlight local chefs of color who participate in the organization's 'Chef in Your Garden' dinner series and who are actively working to create a better food system in their communities. The Chefs will share the history of their food and their personal stories. The video content will be in both English and Spanish (Growing Gardens has a bilingual staff) and will be shared out through Open Signal and MetroEast Community Media.

**MOTION:** Harden moved to approve the Community Technology Grant for Growing Gardens for \$29,656. Dennerline seconded.

**VOTE:** 4-0

DeBey noted that Comcast representatives get a chance to review the applications a week prior to the packet being sent out to the MHCRC (and published on the website) and did not provide feedback or comment on these three grants.

- Staff Updates  
Perez introduced Walle Brown as the new Portland representative chosen by Commissioner Rubio.

Brown said he is excited to join the commission and about infrastructure. He is originally from Georgia and holds a master's degree in urban planning. He has been working in a few utilities in the City of Portland, Hillsboro, and Metro. Brown specialized in process mapping and budget mapping, so he looks forward to the financial and audit reports.

Perez mentioned that this month the MHCRC received a second newsletter which is meant for the them to share with their respective jurisdictions. Perez will work with Portland commissioners to settle on who will be the point of contact to share the update.

Lastly, Perez reminded the commission about the retreat survey also found in the newsletter.

Perez clarified Comcast has full authority on how the I-Net funds are spend but the do need to notify the MHCRC once they make that decision. This type of funding is a relic of 10 years ago and will not be seen again. Coulter added that the funds could be used for a low-income housing project, where there would be a service added to that project. Coulter noted that the power the MHCRC has is in the sharing of the information and it would be helpful if the jurisdictions where made aware that there is funding available. Staff has tried to get Comcast to spend it on positive community investments and they have refused. The more creative ideas the MHCRC has on how to spend those funds the better.

Vice Chair Harden said that Comcast might be able to spend the money on permanent LiftZones. There was general consensus that jurisdictions need to be engaged.

Perez said that she is working with commissioner Rubio to schedule time to meet with the MHCRC Chair and Portland representatives. Commissioner Rubio is very supportive of the MHCRC work.

- New Business; Commissioner Open Comment

Commissioner Dennerline will probably miss May, June, and July meetings.

- Meeting Schedule:
  - April – Recess
  - May 17 – Remotely
  - June 21 – Remotely
  - July 19 – Remotely
  - August 16 - Remotely

MHCRC meeting in July is not certain. Coulter said there will be a public hearing associated with the franchise renewal in August, and unless staff reaches a point in which the negotiations need to be extended, then August 8<sup>th</sup> date may need to be delayed.

- Committee Reports
  - Finance Committee: None.
  - Equity Committee: None.
  - Policy Committee: None.
  - Open Signal Board Appointee: None.
  - MetroEast Board Appointee: None.
- Franchisee Activity Report
  - Zply – not present.
  - Comcast – not present.
  - Century Link – not present.
- Public Comment: None.
- Adjourn: 8:34 pm

Respectfully submitted by:  
Cinthia Diaz Calvo, Administrative Specialist