

Blue Mountain Translator District 1

Board of Directors Regular Meeting Minutes December 8, 2017

1. Call to Order and Roll Call Vote	<p>President Tim Wallender called the meeting to order at 12:12 PM. The meeting was held at the nearest Practical Location, the Daniel Chaplin Building at 1001 Fourth Street in La Grande, Oregon.</p> <p>Directors: President Tim Wallender, Director April Simpson, Director Katy Thomas.</p> <p>Staff: Secretary/Treasurer Alex McHaddad.</p> <p>Absent: Director Christina Wood.</p> <p>Members of the Public: Mr. Fred Leitch, Ms. Mary McCracken.</p>
2. Declaration of Conflict of Interest	<p>Asked and none declared.</p>
3. Approval of Minutes	<p>President Wallender asked if the minutes had been reviewed by the Directors.</p> <p>Secretary/Treasurer McHaddad noted the need to add the date of the meeting to the minutes.</p> <p>Director Thomas moved to approve the minutes for the November 7, 2017 Regular Meeting as amended, second by President Wallender.</p> <p>Motion to approve the minutes for the November 7, 2017 Regular Meeting.</p> <p>Aye: President Wallender, Director Simpson, Director Thomas.</p> <p>Nay: N/A.</p> <p>Abstain: N/A.</p> <p>Minutes for the November 7, 2017 Regular Meeting approved.</p> <p><i>Minutes are available online at http://www.bmtd.org/public-notice/</i></p>
4.a. Director Reports	<p>President Wallender asked that the Secretary/Treasurer note the attendance of members of the public in the minutes. The District's channel repack operations are complete. The President has provided updates to the Board throughout the process. He commended the District's work to complete the process, highlighting the accomplishments of other Directors. It is possible that maintenance on</p>

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	<p>the Beaver Mountain site will have to occur next year for a permanent installation solution. As a result of conversations with Ms. Mary McCracken, he will research an additional channel. President Wallender talked about the process of creating video content to advertise the District's services utilizing actors in the community. Director Simpson expressed support for the creation of video content that would explain technical questions. President Wallender noted the increased problems in broadcasting following the analog to digital transition. Director Simpson prefers a series of small videos to explain frequently asked questions. Secretary/Treasurer McHaddad noted that they had received a video production quote from Brent Clapp Media Services that was included on a later agenda item.</p> <p>Director Simpson expressed enjoyment in interacting with Members on social media. President Wallender noted that social media interactions improve the District's public image, and that current advertising efforts are useful.</p> <p>President Wallender remarked that a review of the District's finances had been neglected. Director Thomas clarified that quarterly reviews of District finances no longer carry the same necessity now that bookkeeping services are provided by a contract accountant.</p>
4.b. Staff Report	<p>Secretary/Treasurer McHaddad reviewed the staff report included in the Board Packet. At the request of President Wallender, the Secretary/Treasurer clarified that the article in the Baker County Press simply summarized the November Board meeting, while the editorial in the Baker City Herald expressed some sympathy for the District's current administrative situation but declared that the District should only bill customers. During the past month, the Secretary/Treasurer discussed the broadcast of local emergency service alerts with Union County Commissioner Jack Howard. Secretary/Treasurer McHaddad spoke with U.S. Senator Jeff Merkley's office that week about the District's channel repack efforts.</p> <p>Secretary/Treasurer McHaddad summarized key points from the Local Budget Construction workshop he attended in Salem on Tuesday, December 5. The workshop was very informational given the unavailability of the government budgeting class at Eastern Oregon University while he was a student. He learned about applicable state laws and regulations. Key points for the District included organizational problems in the 2017-2018 budget, incomplete information on the LB-1, the need to pass a second "Supplemental" budget for the 2017-2018 fiscal year to include the channel repack costs, and the recommendation to use the LB-30 for writing the budget. Most importantly, the District should have ten members on its Budget Committee, all 5 Directors and five residents from within the district. President Wallender was surprised</p>

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	<p>by the requirement, and questioned how the District would be able to recruit 5 additional community members to serve on this committee. In response to a query from Mr. Fred Leitch, President Wallender explained the membership requirements and historical problems improving involvement in the District's business.</p> <p>Ms. Mary McCracken suggested talking to as many Members as possible to find Board and Committee Members. Secretary/Treasurer McHaddad and President Wallender discussed the relationship between District Boundaries and Board/Committee membership requirements with Ms. McCracken. Mr. Leitch also commented on Board/Committee membership requirements. Secretary/Treasurer McHaddad clarified that the County Clerk is able to verify eligibility.</p> <p>The following week, the Secretary/Treasurer will review the budget and necessary changes with a representative from the Department of Revenue. Director Simpson asked that the Board receive a summary of the meeting and a list of action items.</p> <p>Suggestions for a potential budget meeting location were discussed. No decision was reached.</p> <p><i>The staff report and financial report are listed on Pages 3-14 of the Board Packet, available online at http://www.bmtd.org/public-notice/</i></p>
5.a. T-Mobile Channel Displacement	<p>Secretary/Treasurer McHaddad informed the Board that he had no new information to add beyond President Wallender's Director report. He expressed pleasure that the repack process was complete.</p> <p>President Wallender asked for news on advocacy efforts related to repack expenses.</p> <p>In response to queries from Mr. Fred Leitch, President Wallender and Secretary/Treasurer McHaddad summarized the repack process. Secretary/Treasurer McHaddad discussed reasons for equipment shortages explained to him by his father, a member of the Society of Broadcast Engineers Chapter 47 in Southern California.</p> <p>President Wallender and Secretary/Treasurer McHaddad explained the legal authority for the channel displacement and the District's funding needs, as well as current Congressional activity related to repack funding, to members of the public.</p>
5.b. Second Reading, Board Policies Regarding the Collection of Service Charge Fees for Property	<p>Secretary/Treasurer McHaddad reviewed the proposed amendments to the draft policies, all of which had been reviewed by counsel.</p> <p>The first proposed amendment stated that if a property displayed the ability to receive adequate regional signals from another source, the District would not send a service charge letter.</p> <p>The second proposed amendment created a schedule and imposed time</p>

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<p>Entirely Surrounded by the District</p>	<p>constraints for sending service charge letters to the owners of properties entirely surrounded by the District.</p> <p>Secretary/Treasurer McHaddad noted that a third amendment had been drafted and reviewed by counsel that would require the District to communicate with a property owner prior to mailing a service charge letter. However, the District’s attorney noted a conflict with statutory requirements to mail a service charge letter to the owners of properties entirely surrounded by the District. As a result, this proposed amendment was not presented to the Board of Directors.</p> <p>Secretary/Treasurer McHaddad clarified the implementation of proposed amendment “A.a.” in response to a query from President Wallender.</p> <p>Director Simpson discussed the justification for sending a service charge letter to a property that displays the ability to receive the District’s signals.</p> <p>President Wallender noted that prior conclusions that prohibitive costs prevented the District from scrambling its signals were partially dismissed by the District’s current contract engineer. Klickitat County in Southern Washington was able to implement a low-cost signal scrambling system. Mr. Fred Leitch discussed implementation of this system with President Wallender.</p> <p>Secretary/Treasurer McHaddad noted that the Board could choose to pass the original draft Board Policies, or include either or both amendments. He reviewed the justification for the timeline in the proposed amendment “F.”</p> <p>Director Simpson summarized the contents of amendment “A.a.”</p> <p>Director Simpson moved to approve the second reading of the proposed Board Policies Regarding the Collection of Service Charge Fees for Property Entirely Surrounded by the District with the inclusion of amendment “F,” second by Director Thomas.</p> <p>Motion to approve the second reading of the proposed Board Policies Regarding the Collection of Service Charge Fees for Property Entirely Surrounded by the District with the inclusion of amendment “F.”</p> <p>Aye: President Wallender, Director Simpson, Director Thomas.</p> <p>Nay: N/A.</p> <p>Abstain: N/A.</p> <p>Board Policies Regarding the Collection of Service Charge Fees for Property Entirely Surrounded by the District and amendment “F” approved.</p> <p><i>Adopted policies are available online at http://www.bmtd.org/public-notice/</i></p>
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<p>6.a. Approval of Expenditures</p>	<p>Secretary/Treasurer McHaddad reviewed the included expenditures listed in the Board Packet.</p> <p>Mr. Fred Leitch asked if the District was still responsible for utility billing on Mt. Fanny. President Wallender clarified the billing process and noted that the District did not append additional administrative fees to power users on Mt. Fanny.</p> <p>President Walleder asked if the Board had reviewed the listed expenditures.</p> <p>Secretary/Treasurer McHaddad reviewed a possible error for the Mt. Fanny rent payment, then confirmed that no error had been made.</p> <p>Director Thomas moved to approve the expenditures listed in Item 6.a., second by Director Simpson.</p> <p>Motion to approve the expenditures listed in Item 6.a. Aye: President Wallender, Director Simpson, Director Thomas. Nay: N/A. Abstain: N/A.</p> <p>Expenditures listed in Item 6.a approved.</p> <p><i>Expenditures are listed on Page 18 of the Board Packet available online at http://www.bmtd.org/public-notice/</i></p>
<p>6.b. Board Membership</p>	<p>Secretary/Treasurer McHaddad announced that a member of the public in attendance, Ms. Mary McCracken, expressed interest in serving as a Director, and noted that President Wallender had discussed this prior to the meeting before a quorum of the Board had assembled.</p> <p>Ms. McCracken noted that her interest depended on available activities and that she is not well-versed in technology. She would be useful with outreach activities.</p> <p>President Wallender complimented Ms. McCracken's connections to the community. He also noted past advertising and advocacy activities pursued by the District. A Director is needed to be involved in all Board activities rather than pursue one specific goal.</p> <p>Ms. McCracken suggested that she could continue attending meetings as a member of the public. President Wallender thanked both members of the public for attending and involving themselves in the District's business.</p> <p>No action taken.</p>
<p>6.c. Refund Requests</p>	<p>Secretary/Treasurer McHaddad reviewed the refund requests listed in the item, beginning with the list of property owners who affirmed that they mailed in their letters. It is likely that several of these letters were</p>

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	<p>misplaced by a former employee of the District. President Wallender echoed sentiments expressed by Director Wood at the Board’s November meeting, understanding that service charge letters were not properly organized by the previous Secretary/Treasurer. However, he questions how long the District will have to issue refunds. Secretary/Treasurer McHaddad clarified that the end of property tax season meant that fewer property owners were likely to ask for refunds. He also clarified that the office had been completely organized and all misplaced service charge letters had been found and filed. President Wallender expressed that these property owners should be refunded due to the actions of the previous Secretary/Treasurer, also noting that property owners have a responsibility to return service charge letters to the District. Several options exist for returning the letter. President Wallender is confident in the ability of the current Secretary/Treasurer to properly file all service charge letters. Director Sipson noted the presence of a staff recommendation on all but one of the refund requests listed in the item. Director Simpson moved to approve all staff-recommended refund requests in Item 6.c., second by Director Thomas.</p> <p>Motion to approve all staff-recommended refund requests in Item 6.c. Aye: President Wallender, Director Simpson, Director Thomas. Nay: N/A. Abstain: N/A. Staff-recommended refund requests in Item 6.c. approved.</p>
6.d. Financial Policy Update	<p>Secretary/Treasurer McHaddad reviewed the existing financial policies and the proposed amendment. The proposed amendment “C.f.” differs from section “C.e.” to ensure that reasonable expenditures incurred by staff without time for the District’s bookkeeper to cut a check can be reimbursed. Staff will inform the Board in writing prior to incurring an expense. Mr. Fred Leitch asked about current audit requirements. President Wallender confirmed that existing financial policies include an audit requirement, and that the District has not implemented it recently. Mr. Leitch and President Wallender discussed the District’s management of the powerline on Mt. Fanny. Director Simpson moved to approve the Board Policies Regarding Finances as amended, second by Director Thomas.</p> <p>Motion to approve the Board Policies Regarding Finances as amended. Aye: President Wallender, Director Simpson, Director Thomas. Nay: N/A.</p>

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	<p>Abstain: N/A.</p> <p>Board Policies Regarding Finances and additional amendment approved.</p> <p><i>Adopted policies are available online at http://www.bmtd.org/public-notice/</i></p>
6.e. Advertising Authorization	<p>Secretary/Treasurer McHaddad reviewed the advertising opportunities listed in the item.</p> <p>The Union County Chamber of Commerce reached out to the District about involvement in the local community map. The cost of highlighting a location and placing an advertisement is \$395.00. In response to a query from President Wallender, Secretary/Treasurer McHaddad clarified the pricing of placing a marker on the map.</p> <p>Brent Clapp Media Services provided a quote for producing 5 15-seconds videos that can be placed on Facebook. Secretary/Treasurer McHaddad described an idea to produce each video as a short Q&A segment in which an interviewee answered common questions while dressed in a fun costume.</p> <p>In response to queries from Director Simpson and President Wallender, the Secretary/Treasurer announced that specific questions about copyright and use would be asked during further conversations. The result of this discussion would be financial authorization for the creation of these videos if the final terms and conditions met the Board's standards. Secretary/Treasurer McHaddad clarified the services included in the quote, including \$110.00 to build each ad and \$15 to boost it on social media, while 30 minutes of filming time in the studio could be included if the District committed to making 5 videos.</p> <p>Director Thomas asked for clarification on the circulation of the Chamber's community maps. Secretary/Treasurer McHaddad declared that he needed to contact the Chamber for further information.</p> <p>President Wallender announced a 5-minute recess.</p> <p>President Wallender concluded the recess. Secretary/Treasurer McHaddad provided information on circulation, noting that every business receives few of these maps to distribute to their customers, and that several real estate companies in Union County provide these maps in the hundreds to their clients. 7,000 of the maps will be distributed over the next two years. The map will include a copy of an advertisement provided by the District. President Wallender expressed indifference to the authorization, noting the need for an expanded community presence but questioning the outsized portion of the advertising budget that would be used. In response to a query from Director Simpson, Secretary/Treasurer McHaddad clarified that the authorization would not exceed 1% of the District's advertising budget, set at \$5,000.00 for the</p>

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	<p>2017-2018 fiscal year. President Wallender noted that he thought the advertising budget was only \$2,500 and no longer worries about the size of the expenditure.</p> <p>Director Simpson move to approve the advertising authorizations listed in Item 6.e., second by Director Thomas.</p> <p>Motion to approve the advertising authorizations listed in Item 6.e. Aye: President Wallender, Director Simpson, Director Thomas. Nay: N/A. Abstain: N/A.</p> <p>Advertising authorizations listed in Item 6.e. approved.</p> <p><i>Advertising authorizations are listed on Page 25 of the Board Packet available online at http://www.bmtd.org/public-notice/</i></p>
7. Communications from the Floor	<p>Secretary/Treasurer McHaddad asked that the Board of Directors discuss the powerline use contract with Xana. The correct contract signed by President Wallender was not properly delivered to the radio station, which is being sold. President Wallender presented a document that was not properly presented and executed with the station owner. The document needed to be signed so that the powerline usage agreement could be executed in January, provided that the buyer was agreeable to current terms and conditions. The document would be presented to the new buyer with the name of the new buyer. The current owner asked if the District could refund him for half the year's fee given that the station was sold in the middle of the year. President Wallender and Director Simpson want the new buyer to provide a refund. The District will present the buyer with the updated contract, and expect current owner to ask the buyer for a refund. Secretary/Treasurer McHaddad noted that a the executed contract would have to be signed by a notary public, and Director Thomas noted that she holds a notary commission.</p> <p>President Wallender announced that the Secretary/Treasurer would begin an inventory of existing District contracts. The Secretary/Treasurer noted an existing contract with Elkhorn Media Group that had lapsed in December 2016, and that this contract needed to be revisited.</p> <p>Secretary/Treasurer McHaddad will begin scanning and reviewing all existing contracts. It was noted that Eastern Oregon Net Inc. and Oregon Wireless pay different rental fees to the District, a disparity that needed to be corrected. Director Simpson recommended a process for organizing District contracts and scheduling actions in execution of these contracts.</p> <p>President Wallender noted that powerline usage fees needed to be deposited in an account separate from checking. Multiple existing contracts were negotiated by a former Secretary/Treasurer. Director</p>

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Simpson questioned whether the Secretary/Treasurer had the time and resources necessary to complete this inventory, and whether additional hours needed to be budgeted to complete the project. Secretary/Treasurer McHaddad noted that this can be his main core project going forward now that service charges and property taxes have been properly addressed, but he will inform the Board if current hours are insufficient to complete the inventory.

Secretary/Treasurer McHaddad noted that he had not been depositing powerline rental revenue into special accounts. He will discuss the deposits with the District's contract bookkeeper and move over the funds to the proper amounts. President Wallender moved one of the checks into the proper account prior to the hiring of Secretary/Treasurer McHaddad.

Secretary/Treasurer McHaddad recalled the discovery of undeposited checks in the office and that he had contacted everyone who had sent a check. Some checks had already been replaced, while one had not expired and was deposited.

President Wallender noted that the office is now organized and that he had visited the office the prior week following a meeting with the Secretary/Treasurer, Baker County Assessor Kerry Savage, and Mr. Richard Chaves.

Secretary/Treasurer McHaddad asked if Directors had any questions about the errant translator fee investigation summary noted in Item 6.c. President Wallender noted that the report summarized the meeting with Assessor Savage and Mr. Chaves. Director Simpson expressed that other parties involved should have taken more responsibility for the situation given that it is rarely the fault of one party, and commended Secretary/Treasurer McHaddad for the work contributing to resolution. President Wallender revealed that he was surprised to learn from Mr. Chaves that there was no electronic conveyance of the delinquent property list between the District and the County Assessor; the delinquent property list is provided to the Assessor by the District. The set of delinquent properties ultimately utilized by the Assessor was compiled from different lists. Secretary/Treasurer McHaddad clarified that the Assessor received several delinquent property lists from the District during the period of administrative disarray initiated by the change in staffing over the summer. Assessor Savage did not receive the list until the first week of November. Director Simpson noted that use of a list presented by the District involved data entry, which tends to involve human error. Ultimately, the Assessor's office should have taken responsibility for the mere possibility that a mistake could have been made on their end. Any declarations that no errors could have been made whatsoever indicate dishonesty. President Wallender expressed

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	<p>agreement, recalling comments made by Assessor Savage and his wife at the previous meeting. In the future, the delinquent property list used by the Assessor must also include properties entirely surrounded by the District that have been physically inspected.</p>
8. Public Comment	<p>President Wallender and Mr. Fred Leitch discussed the types of antennas that can be used to receive the District's signals.</p> <p>Mr. Leitch stated that his comments related to powerline billing during the discussion of Item 6.a. were opinions, not facts.</p> <p>Ms. Mary McCracken expressed approval of the District's work.</p> <p>President Wallender noted improvements in the District's performance and commended the productivity of Secretary/Treasurer McHaddad, noting that an entire team was required to complete the District's work. The District is on a good path forward with marketing and advertising, though more time was needed to fulfill current visions. Ms. McCracken expressed that she would like to remain an engaged "foot soldier" and that she would volunteer to fulfill any tasks offered by the District.</p> <p>Director Simpson noted that Ms. McCracken could continue engaging with Free Speech TV to see if the channel can be broadcast by the District, given her comments about personal research work at the November Board meeting.</p> <p>Mr. Leitch discussed the ownership of the Mt. Harris site with President Wallender, who clarified the current owners of the site. In the past, the site was provided for free by Boise Cascade before Hancock Forest Management assumed control. Adjacent property is owned by the Oregon Department of Forestry. Power billing on other sites was also discussed.</p>
9. Scheduling of Next Meeting and Adjournment	<p>The Board of Directors discussed the meeting schedule. Past revisions to the Bylaws selected specific months in which the Board did not meet. Secretary/Treasurer McHaddad suggested that the Board plan on holding a short meeting to approve expenditures, though the upcoming meeting with the Department of Revenue would possibly elongate the meeting's duration.</p> <p>Director Thomas proposed that the next meeting be held on January 9, 2018 at noon.</p> <p>The Board of Directors discussed the proper meeting location. President Wallender suggested that the meeting be held in La Grande in response to Director comments.</p> <p>President Wallender adjourned the meeting at 2:09 PM.</p> <p><i>Respectfully submitted, A. Alex McHaddad, Secretary/Treasurer December 13, 2017</i></p>

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	<i>Approved, Board of Directors, 1/9/2017</i>
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