

Blue Mountain Translator District

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Board of Directors

March 11, 2019 Regular Meeting

Board Packet

Blue Mountain Translator District

Table of Contents

Table of Contents	2
Board of Directors Regular Meeting	3
March 11, 2019	3

Blue Mountain Translator District

Regular Meeting at 12:00
Umpqua Bank, Meeting Room
1215 Adams Avenue
La Grande, OR 97850

Board of Directors Regular Meeting March 11, 2019

1. Call to Order and Roll Call Vote - 1:00
2. Declaration of Conflict of Interest - 1:00
3. Reports
 - a. Director Reports - 5:00
 - b. Staff Report - 5:00
4. Old Business
 - a. Safety - 1:00
5. New Business
 - a. Mt. Fanny Sublease
 - i. Executive Session - 10:00¹
 - ii. Public Discussion - 10:00
 - b. Expenditures - 5:00
 - c. Legislative Update and Travel Authorization - 10:00
 - d. Election Update - 10:00
 - e. Bylaws Amendments - 10:00
6. Public Comment - 5:00
7. Scheduling of Next Meeting and Adjournment - 1:00

¹ ORS 192.660. (2) The governing body of a public body may hold an executive session: (f) To consider information or records that are exempt by law from public inspection.

Blue Mountain Translator District

5.a. Mt. Fanny Sublease

BMTD has a longstanding arrangement with Oregon Public Broadcasting to operate the KTVR translator on Mt. Harris in exchange for housing BMTD transmitters on Mt. Fanny. Neither party receives payment for this arrangement. Following the 2017 spectrum auction, BMTD was responsible for expenses incurred repacking the KTVR translator.

In January 2019, OPB sent BMTD a bill for use of the Mt. Fanny facility, equal to a percentage of the facility use bill sent by the US Forest Service. Prior to 2019, the US Forest Service provided a waiver to BMTD as a local government agency, as per Code of Federal Regulations Title 36 Chapter 11 Section 251.57. As per the regulation, facility use fees may be fully or partially waived if the holder is "a State or local government or any agency or instrumentality thereof, excluding municipal utilities and cooperatives whose principal source of revenue from the authorized use is customer charges."

A USFS auditor contends that because BMTD charges customer for signal use, OPB is not eligible for the local government waiver to house BMTD's transmitters. Furthermore, USFS notes that BMTD does not receive a waiver for a separate lease of property on Mt. Fanny. However, BMTD's separate lease fee is not waived because revenue is collected from tenants on the property who sublease space. OPB has already paid for BMTD's portion of the lease fee, but the USFS determination of BMTD's waiver status can only be officially challenged by OPB as the lessee.

Due to the specific CFR reference to not waiving fees for a "municipal utility or cooperative" that collects revenue from customer charges, staff requested that BMTD's counsel draft a legal opinion clarifying the district's status as a "municipal utility or cooperative." The legal opinion is privileged and the Board will enter into executive session in order to inspect the document.² Following the executive session, the Board will consider waiving privilege in order to provide the document to OPB in order to continue discussing waiver status with the USFS.

² ORS 192.660. (2) The governing body of a public body may hold an executive session: (f) To consider information or records that are exempt by law from public inspection.

Blue Mountain Translator District

5.b. Expenditures

Payee	Description	Line Item	Amount
Always Connect Solutions	Cradlepoint and T-Mobile Services	Equipment	\$477
Always Connect Solutions	T-Mobile Internet March-June	Equipment	\$100.00
BMTD Officials	UC Chamber Banquet Table Supplies	Advertising	\$500.00
C's Storage	Rent April-June	Rent Expense	\$114.00
Chaves Consulting	February Mailing and Database Maintenance	Consultant	\$1,521.86
Eastern Oregon Net, Inc.	Mt. Fanny Internet 3/18-2/20	Equipment	\$958.80
Frontier	Office Internet 4/19-6/19	Phone & Internet	\$191.94
Hatfield & Dawson Consulting Engineers, LLC	FCC License Filing	Technicians	\$840.00
RS Technology	Beaver Mtn. KATU troubleshooting	Technicians	\$947.50
RS Technology	Web Power Switch	Equipment	\$300.00
Ryder Brother Stationery	Printer Paper	Office Supplies	\$9.90
Statewide Publishing	Bolded Listing Renewal	Advertising	\$144.00
Town Square Publications	Union County Visitors Map Renewal	Advertising	\$395.00
Union County Chamber of Commerce	Banquet Sponsorship	Advertising	\$80.00

Blue Mountain Translator District

Union County Chamber of Commerce	Annual Membership	Membership Dues	\$100.00
Western Communications	Baker City Herald Sports Calendars S/F/W	Advertising	\$207.00
Western Communications	La Grande Observer Sports Calendars S/F/W	Advertising	\$207.00
Hancock Forest Management Passes			
Golden Pond Timberlands, Inc.	Mt. Harris Access Permit	Leases	\$144.00
Hancock Timberland X, Inc.			\$756.00
John Hancock Life Insurance Company USA			\$240.00
System Global Timberlands, Inc.			\$60.00

Blue Mountain Translator District

5.c. Legislative Update & Travel Authorization

Legislative Progress

The Senate Committee on Business and General Government held a joint public hearing on Senate Bills 393 and 394. The first reading of Senate Bill 901 occurred on February 28, 2019.

Senate Bill 393 received a Do-Pass recommendation from the Committee following the adoption of an amendment exempting state properties from translator district service charges. 4 out of 5 Senators voted in favor of the Do-Pass recommendation. This bill was referred to the Senate Committee on Finance and Revenue by order of the Senate President on March 1.

Senate Bill 394 received a Do-Pass recommendation from the Committee. On March 4, the Senate passed this bill by a unanimous vote of all 25 present Senators. This bill's first reading in the House of Representatives took place on March 5 and is awaiting referral from the Speaker as of March 6, 2019.

Senate Bill 901 was originally drafted as Legislative Concept 837. This bill permits BMTD voters to authorize a property tax levy, as well as allow BMTD to sign agreements with cities to inspect properties for antennas and collect service charges. The bill has not been scheduled for a hearing. Bills must be scheduled for a hearing by March 29 in order to move forward.

Travel Authorization³

Location: Salem, Oregon.

Dates: March 11-14, 2019.

Purpose: Discuss Senate Bills 393 and 394 with members of the House of Representatives. Discuss hearing for SB 393 with Senator Cliff Bentz.

Lodging	\$179.94
Travel	\$240.00
Per Diem	\$210.00
TOTAL	\$629.94

Travel Considerations

Travel schedules for legislative affairs will be increasingly unpredictable going forward. Staff asks the Board to consider granting the Executive Director discretionary authorization to utilize travel funds as needed until the conclusion of the legislative process.

³ Remaining Travel & Education Funds: \$2,157.44

Blue Mountain Translator District

5.d. Elections

Introduction

Elections for special districts are scheduled for May 21, 2019. All five Director positions are up for election.

Class 1: 3 Seats

Three Director positions are up for election every year following a midterm election. Current terms expire on June 30, 2019.

Office Holders: President Tim Wallender, Director Corrine Wilfong, Director Christina Wood.

Class 2: 2 Seats

Two Director positions are up for election every year following a Presidential election. Current terms were set to expire on June 30, 2021. Vacancies in both offices occurred after July 2017, and appointments expire on June 30, 2019. Special elections for the remainder of both terms must be held.

Office Holders: Director Jean Inerarity, Director Mike Kenney.

Process

BMTD has no official label for the two staggered classes of Directors mandated by state law. This causes difficulties for County elections officials. Staff recommends amending Bylaws to assign a label to Director classes.

Blue Mountain Translator District

5.e. Bylaws Amendments

Second Reading, BMTD Bylaws

Section IV. **PRESIDENT AND VICE PRESIDENT** - The President shall preside at all meetings of the corporation. ~~He/she shall have a vote only when a tie exists on a matter under consideration.~~ **The Vice President shall preside at meetings when the President is not available.** When the President **and Vice President are** ~~is~~ unable to chair the meeting, the attending Directors shall elect a "chair Pro-Tem" to conduct the meeting.

SECRETARY/TREASURER - He/she shall have charge of the corporation records; keep minutes of all board meetings; be responsible for publication of official notices for board meetings and budget committee meetings; shall have charge of the corporation books of account; shall prepare the corporate income tax return; prepare and send out billings and information to customers; prepare monthly and quarterly reports; prepare records for yearly audit by accountant; prepare the budget document for yearly budget meeting; will be responsible for accounting of all fiscal activities; will be responsible for administrative duties for the District. The functions of the Secretary/Treasurer shall be fulfilled by a paid staff person. Such person shall be bonded in an amount determined by the Board of Directors. The official title of the office may be stylized at the discretion of the Board of Directors.

Cash Flow - 07/01/2018 to 02/28/2019

Selected Accounts

- [Assets](#)
- [Assets:Current Assets](#) and selected subaccounts
- [Imbalance-USD](#)
- [Orphan-USD](#)

Money into selected accounts comes from

Equity:Checking Opening Balance	\$115,809.33
Equity:Money Market Opening Balance	\$49,168.09
Equity:Mt. Fanny Opening Balance	\$25,801.41
Income:Interest Income:MF Interest	\$10.41
Income:Interest Income:MM Interest	\$16.37
Income:Lease Income	\$9,048.05
Income:Other	\$2,930.25
Income:Power Reimbursement	\$12,485.45
Income:Powerline Leases	\$8,000.00
Income:Property Taxes	\$42,289.61
Income:Service Charges	\$51,459.00
Money In	\$317,017.97

Money out of selected accounts goes to

Expenses:Advertising	\$2,781.94
Expenses:Consultant	\$2,441.60
Expenses:Election Cost	\$1,132.77
Expenses:Engineering:GF Equipment	\$12,846.00
Expenses:Engineering:GF Technicians	\$7,855.00
Expenses:Fees	\$901.02
Expenses:Insurance:Worker's Comp.	\$564.90
Expenses:Leases	\$3,487.27
Expenses:Membership Dues	\$1,043.04
Expenses:Office Supplies	\$74.22
Expenses:Payroll Expenses	\$7,741.04
Expenses:Postage	\$1,905.63
Expenses:Professional Services	\$2,292.53
Expenses:Refunds	\$400.00
Expenses:Rent Expense	\$1,510.13
Expenses:Taxes	\$2,364.24
Expenses:Travel & Education	\$50.00

Expenses:Utilities:Phone & Internet \$683.38

Expenses:Utilities:Power \$17,530.95

Money Out **\$67,605.66**

Difference **\$249,412.31**

Profit & Loss For Period Covering 07/01/2018 to 02/28/2019

Revenues

<u>Income</u>		\$0.00
<u>Antenna Sale</u>		\$0.00
<u>Interest Income</u>	\$0.00	
<u>MF Interest</u>	\$10.41	
<u>MM Interest</u>	\$16.37	
<u>Lease Income</u>		\$9,048.05
<u>Other</u>		\$2,930.25
<u>Power Reimbursement</u>		\$12,485.45
<u>Powerline Leases</u>		\$8,000.00
<u>Property Taxes</u>		\$42,289.61
<u>Service Charges</u>		\$51,459.00
Total Revenue		\$126,239.14

Expenses

<u>Expenses</u>		\$0.00
<u>Advertising</u>		\$2,781.94
<u>Antenna Cost</u>		\$0.00
<u>Consultant</u>		\$2,441.60
<u>Election Cost</u>		\$1,132.77
<u>Engineering</u>	\$0.00	
<u>GF Equipment</u>	\$12,846.00	
<u>GF Repairs & Maintenance</u>	\$0.00	
<u>GF Technicians</u>	\$7,855.00	
<u>MF Powerline Maintenance</u>	\$0.00	
<u>MM Equipment</u>	\$0.00	
<u>Fees</u>		\$901.02
<u>Insurance</u>	\$0.00	
<u>Liability</u>	\$0.00	
<u>Worker's Comp.</u>	\$564.90	
<u>Leases</u>		\$3,487.27
<u>Membership Dues</u>		\$1,043.04
<u>Office Supplies</u>		\$74.22
<u>Payroll Expenses</u>		\$7,741.04
<u>Postage</u>		\$1,905.63
<u>Professional Services</u>		\$2,292.53

<u>Professional Services</u>		\$2,292.55	
<u>Refunds</u>		\$400.00	
<u>Rent Expense</u>		\$1,510.13	
<u>Taxes</u>		\$2,364.24	
<u>Travel & Education</u>		\$50.00	
<u>Unknown Expenses</u>		\$0.00	
<u>Utilities</u>	\$0.00		
<u>Phone & Internet</u>	\$683.38		
<u>Power</u>	\$17,530.95		
Total Expenses			\$67,605.66
Net income for Period			\$58,633.48