



ACTION

MT. HOOD COMMUNITY COLLEGE DISTRICT BOARD OF EDUCATION

DATE: *January 16, 2019*

ITEM TITLE: 4.1a

CONTACT PERSON: *Laurie Popp, Executive Assistant to the Board of Education*

SUBJECT: APPROVAL OF MINUTES – December 12, 2018 Special Work Session #970 Meeting Minutes

Board Meeting Minutes – Session #970

Members present: Diane McKeel (Chair), Jim Zordich (Vice Chair), Annette Mattson, Kenney Polson, and Tamie Arnold

Additional Attendees: Lisa Skari, Jennifer DeMent

Chair Diane McKeel called the meeting to order at 6:09 pm and stated work sessions are to gather information and discuss and review various aspects of matters outlined on the agenda. The board will not be taking any action and no public input will be taken during the work session.

1. KMHD

The work session opened with a discussion by board members on KMHD, supported with Skari and DeMent as needed. Skari provided two handouts to board members. The first handout had a high-level overview of board responsibilities and four questions for the board to consider in their discussion, and the second handout had quick facts on KMHD to briefly synthesize and highlight finances and the impact on students and the community. The focus for the discussion tonight was to consider each of the options. The Board will vote on this at the January board meeting. Skari outlined the options:

A. Option One:

Bring KMHD back to MHCC in full operation. This means having programmers, support around underwriting, and fundraising. It would be a functioning radio station and implied that the current jazz program be maintained, although based on the fundraising raised that could potentially shift. There could be some impact to current KMHD listeners. Oregon Public Broadcasting (OPB) cannot share the donor information with us, so we would need to start over.

There was a brief discussion about donor information and whether OPB would share that information with MHCC. DeMent stated she asked OPB if they would provide the donor information to us and was informed their privacy policy does not allow for it unless the donor opts in. This would require further discussions, with collaboration and agreement on both sides, and could be a costly campaign. We could ask them what it would take to accomplish this, although the cost for this would be ours as it is for our purposes.

Skari stated this option is estimated to not have a significant increase in enrollment. The annual cost to bring the station back to full operation for year one would be \$550,000. If cost increases for staffing are included, by year five it would be \$617,000. This could be offset by fundraising. The transition would take place in August, so the first year would be four months with an estimated fundraising amount of about \$25,000. The past performance when KMHD was previously here was \$300,000.

Questions and comments raised for Option One during the discussion:

1. When could the transition begin? There was a brief discussion on possible transition options and when it would be. Skari stated there are not any funds allocated for this and OPB would need to agree to terminate the contract early. The contract is thru August 2019.
2. Could the fundraising begin before the contract ends and it changes hands? Skari stated we would need to obtain an adjustment to this year's budget and plan for it in next year's budget.
3. What is the year one cost for employment and the FTE? The fundraising support was stated at 2.0 FTE total, with .5 FTE for administrative support, .5 FTE for marketing, and 1.0 FTE for development for just over \$200,000 in new staff. The additional \$350,000 funds are for positions that include a faculty advisor, chief operator, operations coordinator, adjunct faculty, part-time hourly student office manager, contracted engineering technical support, and accounting and audit support. There is 25% administrative and direct costs. OPB currently pays for the transmitter and power bills.
4. If the KMHD station was brought back, what is the minimum in fundraising needed to get that moving? DeMent shared the estimated costs for this option were

calculated using the foundation staffing and their current costs and use as a baseline. There is a need to make an investment in staff to get things started, such as a membership campaign and underwriting for commercial sales. DeMent shared that when we had KMHD previously, we had at least one full-time staff that handled underwriting. Skari stated it would be a grass roots effort to build up the donor databases, which takes time to build trust and confidence with donors for fundraising.

5. Could we negotiate to put our people in place for the fundraising drives between January and August? Could we have any of the funds? There was a brief discussion on fundraising.
6. Zordich stated OPB is currently in fundraising right now for KMHD. Several questions were asked: what kind of programming will fundraising be based on? Will it be based on having an all music station or having a community-related music combination station where we entertain and inform our community? What is more valuable? If you have a community-oriented station, will you have the same level of support for that kind of philosophy versus an all music format?
7. Skari asked if there were any associated costs for safety factored into the calculations. DeMent stated there was no budget included for safety upgrades or concerns. There were previous safety concerns when volunteers were here at night and would have to go outside to use the restroom. Ten years ago, there were security concerns with the layout of where the station was located. There may still be concerns for volunteers or staff who have to work late after hours.

B. Option Two:

Bring the station back focused on being a student lab. It would replicate our current KMHD 2 not in the online format but could be with the FM format. Because it would be a student lab, the current programming could be reduced over what it currently is because of the availability of students and not having paid staff there. It could be impacted and be somewhat dependent on the students that quarter. There is potential for loss for some listeners. There could be a possible format change for advertising and there would be no significant increase in enrollment. The annual cost would be about \$200,000. With the increases, it would be roughly \$220,000 by year five.

Questions and comments raised for Option Two during the discussion:

1. What if there was a transmitter failure? DeMent shared the transmitter is 10 plus years old and is currently a deferred maintenance item. We do not have any funding set aside for it. OPB has suggested they would be willing to help finance the cost of a transmitter, but there are FCC implications around that. If we bring the station back, we would incur all of those costs.

2. Is there still a new transmitter downstairs that could be used if needed? JD Kiggins stated there is a transmitter that is at the facility right now that is a modified television transmitter, which could be used in an emergency but it would need to be certified by the FCC before being used. In terms of maintenance, the transmitter will eventually need to be replaced.
3. The KMHD station is currently a 24-hour station.

C. Option Three:

This option is to maintain the current contract and status quo. The annual cost for year one is \$15,300 and the cost by year five would be at \$15,760. That is actual cash in and out and does not include the trade advertising allotment that we have. Not factored in this figure (if it all were to go away) is what the actual cost of KMHD 2 would be, which is currently used in the student lab.

Questions and comments raised for Option Three during the discussion:

1. There was a question on whether the student lab portion materialized in the past. Skari stated the KMHD 2 is a broadcasting lab on campus that is up and running. What did not materialize in the past was the internship opportunities. Skari does not know how much work was previously done to hold OPB to some of those commitments.
2. Skari stated the College could not make money or profit on negotiating the contract. DeMent shared there are opportunities to better utilize trade advertising.
3. Could we negotiate a shorter contract with OPB so there are less unknowns? What is the minimum period OPB would renegotiate for? DeMent stated our FCC renewal is due in three years, in 2022. The current contract is a 10-year contract with an option to automatically renew for five years with no changes, which is what we have right now. We have floated the idea of having a shorter contract but there was not a lot of interest from OPB. If they make an investment in transmitter upgrades or replacement, they would want to amortize that over a longer contract period. There are two possible sub-options with this. We could let the contract roll forward and do a better job of facilitating the things that are not working or renegotiate a new contract.
4. The Governor's proposal right now is a cut budget. Are there any projections on where cuts would be made to make up for the \$200,000 to start this? Skari stated that with the Governor's budget, projections, and additional costs, there would most likely be cuts regardless of this program. There may always be some subsidy for this, as the fundraising would not cover it. Skari stated that during the peak years when MHCC had the station with eight FTE, the highest level of fundraising raised was

\$370,000. DeMent stated the fundraising numbers for OPB are \$600,000 to \$700,000. They have 17 radio stations that they fundraise for and staff and volunteers are allocated for multiple stations. Additional questions: Is it possible to ask for a three-year contract to get our fundraising up to speed and not include spending for the transmitter? Is there flexibility to get someone started on the fundraising aspect of it?

Skari stated in making these decisions, as we are allocating dollars and allocating staff, we have to think about the entire institution as well and where the programmatic needs are, where the enrollment needs are, and where the fundraising needs are. If we have the availability to hire more fundraising staff and we could raise several hundred thousand dollars, is this where we want the funds to go?

5. DeMent has concerns about doing a one, two, or three-year contract. A great deal of time has been spent discussing the options since last year and resources have been used for discussions with the board and staff, as well as gathering the financial data. If we do a one-year contract, are we going to continue extending these conversations?
6. The student newspaper was interested in student feedback in keeping the station. Mattson recalled the number one student priority was for safety improvements on the campus and we need to allocate funding for that also.
7. Zordich asked whom are we benefitting by maintaining a radio station.
8. Skari stated last year there were approximately 25 students in broadcasting classes and MHCC awarded four AAS degrees and seven broadcasting certificates. The program is integrated, so there are students who do not get a degree or certificate that take those classes.

McKeel stated there are many questions from the discussion tonight, questions around what OPB will do, around fundraising, and about the budget. The Governor's budget is a concern and whether cuts will need to be made. There was a discussion about fundraising competition with our foundation. Would this fundraising compete with funds for student scholarships? Skari stated the need to be cognizant of having two fundraising functions and to be aware so one is not jeopardized. Arnold stated the radio listeners and those donating to the station are not necessarily the same people who would donate to the foundation for scholarships and might be two different audiences. DeMent stated the purpose of trade advertising was to announce events. We currently have the ability to send OPB information about MHCC events to be advertised, but we are not sending them information to put events on the air.

Mattson referred to the board bylaws about asking for a recommendation from the President to the Board on this issue. She stated receiving a recommendation from the President before the Board votes in January would be helpful.

2. Board Bylaw Review Schedule

Zordich led a discussion on the board bylaw review. He suggested each board member review the bylaws and come back in January with recommendations for omissions, additions, and corrections. Arnold proposed a different process for reviewing the board bylaws and proposed it be a continuous process as part of the work sessions. She proposed there be a set amount of time at each work session for bylaw review and updates. There was a brief discussion about the proposed process as it would provide an opportunity for continuous review and evaluation of the bylaws, but it may prolong the process. Mattson suggested starting with the outdated bylaws first, as there are some bylaws that date back to 2006. She stated it would be helpful to have track changes listed in the document to show the changes. She shared her experience with another board updating bylaws and they worked with OSBA to assist in the process. Zordich suggested reviewing the ORS statutes listed on the bylaws so they are up-to-date and suggested the bylaws could be divided into sections for each work session and estimated four sections could be worked on at a time. A decision about the process will be made at the next board meeting.

3. Board Collaborations

Arnold discussed a proposal she brought to the board last June for MHCC to work as a conveyor to bring all of the different East County school districts together to find common ground and to collaborate. This would be especially beneficial around legislative sessions. A copy of an email Arnold had about the process was distributed to board members. Arnold asked if board members were still interested in creating a collaborative. Arnold discussed the idea with the new superintendent of the Gresham Barlow School District and received a positive response. It is a great opportunity for the college to interact with K-12 school districts. Arnold stated there are several different models on how frequently these meetings would occur.

There was a brief discussion on what collaboration with different boards would look like and what things could be worked on together. Arnold clarified it would be board members from high schools that feed into MHCC. She centered the idea on advocacy and looked at this concept to open up outreach opportunities. She hoped they would ask who else could be brought to the table to support education and how could we collaborate even more. Are there other community leaders and business people we could ask to bring to the table and build a network in East County? Mattson shared that Multnomah County K-12 School District Boards had a meeting this past Monday night and invited legislators from Multnomah County to attend.

Arnold suggested that conversations could start about this in January before the legislative session. Arnold stated she would take the lead to work with Dr. Skari on the

structure for this. Skari stated a quorum for these meeting would not be required as long as there were no issues that required an action. There could be collaboration but no deliberation towards a decision or action taken. Mattson shared an example of a recent meeting where board members were seated at different tables for discussion so there was not a quorum.

Additional Items Discussed

Zordich asked about the structure for the Legislative Breakfast on January 9. Skari stated the format included three student presentations, with each student sharing a little bit about their story and the importance of adequate funding. It will be very MHCC centric and highlight our students. A businessperson will also make a presentation. Mattson suggested it may be helpful if the students and businessperson had talking points for their presentation.

There was a brief discussion with questions about the demographics of college students and community college students. Do we know the breakdown of whom we serve? How many are first generation? How many students come out of poverty? How many are students of color? Those kinds of stories of whom we serve and their stories are impactful. Much of the information appeared in the MHCC fact book on the website. Skari stated the quick facts have been updated and will be included in the packet to board members for the legislative visit tomorrow.

McKeel shared about a group of legislators that visited K-12 schools around the state during the summer and learned many details about the high schools they visited during those meetings. Arnold shared an example of community leaders and legislators who visited a local school, toured the school facilities, and were shown all the things that needed repair and maintenance. She asked if a walking tour of MHCC was possible during the legislative breakfast. There was a brief discussion on how to get legislators to visit the college and how to get the community to understand the needs of the college. The community polling is critical when trying to put forth a bond. Skari stated the importance of advocacy and a consistent message with our legislators and suggested a plant tour in the summer might be better with the weather.

There was a brief discussion about a business speaker at the legislative breakfast and Skari asked what type of business owner would be most impactful for this audience. Potential speakers were suggested. Skari stated she would talk with Al Sigala.

The meeting was adjourned at 7:45 pm.

Clerk

Board Chair

Minutes recorded by Laurie Popp, Executive Assistant to the Board of Education.