



MINUTES

QLife Regular Board Meeting
Thursday, May 3, 2023
Deschutes Conference Room
and Google Hangouts

Call to Order President Weinstein calls the meeting to order at 12:00 PM.

Roll Call Lee Weinstein, Scott Hege, Scott Randall, Dale Lepper, Rod Runyon, John Amery, Bruce Patterson, Josh Pool, Joseph Franel, Tom McGowan, Nick Gerhardt, Nichole Banyani, Kristen Campbell, Keith Mobley, Todd Reeves, Stephanie Krell, Tyler Stone, Mike Middleton and Matthew Klebes.

Changes to the Agenda

There are no changes to the agenda.

[[Mr. Hege moves to approve the agenda. Mr. Randall seconds the motion, which passes unanimously.]]

Facilitated Strategic Planning

Mr. Klebes introduces Mr. Patterson for facilitated strategic planning and the Board's feedback. Mr. Patterson explains that he spoke with QLife staff about how the business model has worked well in the past but that the winds are changing and it is time to look at challenges and opportunities.

Mr. Patterson presents his report included in the packet and asks if QLife's mission has been fulfilled. He explains that QLife is in a good place because it owns existing infrastructure and with a good plan, funds are available and tend to favor open network and public applicants. He pushes the Board to think of the community needs that QLife may help to fill and if a long-term build out plan makes sense.

Mr. Patterson states that we are on the cusp of big change and that ISPs are in search of funding for their projects too. He asks if QLife wishes to extend services to more addresses or remain as a middle mile operator. He reviews the FCC map and explains that from the industry viewpoint, QLife's territory is being served. The FCC map has to report service by technology and it reveals whether an address is eligible for grant funding based on that information. Mr. Hege asks if cell service is reported on the map and Mr. Patterson confirms that it is but can be filtered out and will not prevent funding of an area.

Mr. Patterson remarks that 100% of Wasco County receives 25/3 service from some type of technology and gives us a first look at how it will be perceived for funding. He adds that realistically, around 80% to 90% of the area is served by a wireless terrestrial connection. Mr. Hege states that the coverage is very geographic, only covering about 10% of the county area. Most of the underserved areas are where QLife would like to provide service. Mr. Patterson responds that Mr. Hege has made a good observation. Part of the funding opportunity is to build the gaps first and not overbuild in areas where there is already service. Mr. Pool states that FCC data is self-reported by ISPs and many providers have been falsely reporting data so that they are not overbuilt.

Mr. Patterson explains that the maps were initially used to break out funding for each state. Now, the Federal Government has mandated that states build a broadband office to administer the funds. NTIA released a process that states may use to correct maps for funding requests. Mr. Patterson advises that QLife maintain a good relationship with the broadband office so that we may understand how they plan to challenge the map. Mr. Hege expresses frustration with challenging the map and states that according to the map, he lives in a well served area.

Mr. Patterson remarks that all QLife infrastructure we have today will be overbuilt and the question is when and who will own it. If QLife wants to step back and let other agencies use the funding, it will go toward maintaining the current model. If a new model is desirable, QLife is the logical entity to using funding for infrastructure and an open network. No one else exists in that neutral realm.

Mr. Hege wonders what Mr. Patterson means by changing the business model. Mr. Patterson explains that funding applications must include the bandwidth the entity will deliver and cost for service. An option is for QLife to partner with one ISP or multiple ISPs for open access. There are many models to look at including Utopia in Huntsville, Alabama and another in Amon, Idaho. Mr. Hege responds that we attempted partnering for funding a couple of years ago but were not successful. Mr. Patterson advises that good leadership, a strategic plan and including the public stakeholders and ISPs interested in changing, improving or growing the model will help with successful applications in the future. Mr. Klebes adds that we could have two models; one based on geographic territory and one based on rural development.

Mr. Hege asks if there is a model that works like a power utility company and Mr. Patterson responds that there are co-op relationships that work well. Public utility commissions are challenging because they are not as invested and typically have a larger footprint. The FCC also declared broadband has Title 2 status, meaning the law cannot regulate the internet but can regulate infrastructure. Mr. Patterson points out the red dots on the map and remarks that we could also connect other addresses around those areas that want to pay for an installation. Most funding opportunities are for capital projects and affordable connectivity programs. Fiber is the default technology which receives funding and there is favoritism for public applicants prioritizing public access.

The next steps including stepping back, collecting data, reviewing assets, staff skill set and analyzing what the Board wants to accomplish. Then create a long-term plan. EntryPoint has the time and staff that could assist in this work.

Mr. Stone wonders if we have enough time to contract with a consultant given the timing and Mr. Patterson confirms that we do but should set milestones and review the calendar. With broadband offices still being set up, most states do not expect awarding until the first or second quarter of 2024. We also need community engagement to make it work.

Mr. Reeves asks if there is funding available for more low-income projects and Mr. Patterson says that there is but it is expensive to build in more rural areas because of scattered population. If the entity has the capacity to fund un-fundable areas, it becomes more a feasible because projects that have rural and suburban users are more compelling.

Mr. Klebes and Mr. Stone ask for support from the Board to continue engaging with EntryPoint to work on a scope and process to achieve our goals. Mr. Hege asks what the flipside would be and Mr.

Stone responds that if the Board should decide that we have fulfilled our mission, we could sell QLife and provide service only to our current partners. Mr. Hege states that if we build out the infrastructure and fail, it not necessarily negative. Mr. Klebes agrees and adds that we could always sell our assets. Mr. Stone remarks that we are not in it to make a profit and if there is fiber, there is the capability for service. Mr. Pool adds that having an open network allows people to go to any company at their will.

President Weinstein states that looking at the future of technology, broadband TV will be eliminated soon and cable is also diminishing. Our citizens expect to be online. Mr. Lepper wonders how satellite will be effected and Mr. Hege responds that it does not seem affordable. Mr. Klebes adds that whether or not there are grant dollars available, we should continue having these discussions and focus our effort. Mr. Stone remarks that if we want to go forward, neither he nor Mr. Klebes have the capacity to do so but can support it. Mr. Klebes says that we will review different models and what each model would require from QLife and bring it back to the Board for review.

[[The Board is in consensus to move forward with EntryPoint and explore grant opportunities.]]

Approval of the Consent Agenda

[[Mr. Hege moves to approve the consent agenda. Mr. Lepper seconds the motion, which passes unanimously.]]

Action Items

Budget Committee Appointments

[[Mr. Hege moves to approve Order #23-002, #23-003, #23-004 and #23-005 appointing the QLife Budget Committee Members. Mr. Randall seconds the motion, which passes unanimously.]]

Finance Report

Financial Report, Analysis and Reconciliation

Mr. Middleton presents the March finance reports to the Board included in the packet and remarks that the Operations fund appears low but that is due to the beginning fund balance. When accounting for that difference, we are in a flat line. Charges for services are right on target and interest is up because the LGIP is low. Accounts Receivables were at \$28K on April 28, with one customer delinquent \$27K, but Mr. Middleton is not concerned. Expenses are well under the straight-line assumption.

The Capital fund is showing interest is up and the fund is going along as expected with expenses very low.

The Maupin fund shows Charges for Services at \$12K and more funds are coming in on a quarterly basis. There are no expenses.

There are no questions from the Board. Mr. Middleton remarks that the budget book was emailed out to the Board and the Budget Committee.

Discussion Items

Administration & Project Updates

Mr. Klebes informs the Board that ADP is onboarding and that he and Mr. Amery are working up task orders for new and existing projects. They are also working with us on a technical assistance grant with no match requirement due on June 20.

BAT Update

There is no update.

Aristo Technical Management Report

Mr. Amery informs the Board that he is working with ADP to prepare as items come down the pike. The Chenowith project’s notice to proceed was issued to Robinson Brothers and they are working on permits. The next step is a pre-construction meeting. He found a solution to the issue with the high-density frame at City Hall and will test it this week. The Jefferson Street project is on the back burner as we move forward with other priorities.

Mr. Stone asks if we resolved the question from 4H Extension office and Mr. Amery responds that we are waiting to see if they initiate a request.

Mr. Hege remarks that the BTAP grant is one we should pursue. The colocation facility for Cascadia was not been successful in the past so we were directed to go to the Oregon Department of Emergency Management and get on their project priority list for a capital project. Based on the conversation it sounds like it could be a perfect project for them. If we are successful in getting on the list, there are FEMA dollars we could access. He will work with through this with the Wasco County emergency manager.


At 2:03 PM, the Board enters into Executive Session under ORS 192.660(2) (f): To consider information or records that are exempt by law from public inspection.

The Board exists Executive Session at 2:17 PM

The meeting is adjourned at 2:17 PM

The next regularly scheduled board meeting is set for May 18, 2023.

These minutes were approved by the QLife Board on June 15, 2023.



~~Scott Randall, Secretary~~

Lee Weinstein, President