

# QLife Network

## QualityLife Intergovernmental Agency

### AGENDA

<b>QLife Regular Board Meeting</b>
------------------------------------

**Thursday, October 15, 2015, Noon**  
**The Dalles City Hall, 313 Court Street**  
**2<sup>nd</sup> Floor Conference Room**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of September 30, 2015 QLife Regular Board Meeting Minutes
5. Financial Reports
  - a. September Financial Reports
  - b. List of Disbursements since Last Meeting
  - c. Description of Line Items
6. Action Item
  - a. Updated IGA with City for signature
7. Reports
  - a. Agreement with Nolan Young – Erick Larson
  - b. Broadband agreement with LSN using State Grant funds – Nolan Young
  - c. Administrator Report – Nolan Young
  - d. Aristo Operational Management Report – John Amery
8. Next Meeting Dates: The Oregon Connections Conference is October 22-23
  - a. Strategic Planning meeting \_\_\_\_\_
  - b. Regular Board Meeting November 19.
  - c. The December meeting falls on Christmas Eve, change to December 17?
9. Adjourn

# QLife Network

## QualityLife Intergovernmental Agency

### MINUTES

#### QLife Regular Board Meeting

Thursday, September 30, 2015, Noon  
The Dalles City Hall, 313 Court Street  
2<sup>nd</sup> Floor Conference Room

#### Call to Order

The meeting was called to order by President Erick Larson at 12:05 p.m.

#### Roll Call

In attendance: Erick Larson, Taner Elliott, Scott Hege, Dan Spatz  
Board absent: Brian Ahier

Staff: Attorney Keith Mobley, Technical Manager John Amery, Recording Secretary Izetta Grossman, Interim City Manager Julie Krueger, Finance Director Kate Mast, Engineer Erik Orton

Guests: Kate Sinner, Regional Solutions; Carrie Pipinish, MCEDD; Leif Hanson, LSN

#### Approval of Agenda

It was moved by Elliott and seconded by Spatz to approve the agenda as presented. Motion carried unanimously, one absent.

#### Approval of Meeting Minutes

It was moved by Spatz and seconded by Elliott to approve the minutes of the July 24 and September 18 meeting. Hege noted a word missing in the September 18 minutes, add the word appointee after City page 1. The motion carried unanimously with change; one absent.

#### Financial Reports

July, August end of fiscal year 2014-15 Financial Reports – Larson asked if there were any questions regarding the financial reports.

Hege asked if the PDF of the packets could rotate the financial reports for ease of reading. He also asked what the “transformer move” referred to. Grossman said it the BPA transformer that moved through town required some QLife fiber to be raised, there were two more moves scheduled. Amery said the costs were reimbursed by the moving company.

Hege asked about the installed conduit at the Port industrial park that will need to be removed. Orton explained that conduit was installed during the joint trench opportunity, no fiber was pulled. Hege asked if anything could be removed for future use. Orton said vaults could be recovered for reuse.

Hege asked about transfers to General Fund. Mast explained those are done in 11 month increments; funds are pooled, not cash short. Hege said money was moved to save for capital projects. Mast agreed.

Hege asked about a Secondary Line item for \$7609, which was a large portion of the line item for the year. Grossman explained that was where pass through charges are allocated. That was for a customer that would be reimbursing 50% of the charge.

#### Auditors Report for Fiscal Year 2014-15

Tonya Moffitt of Merina and Company via telephone presented the audit report, noting QLife received a clean opinion, which was the highest available. She noted that on page 11 of the statement there were things the State of Oregon asks them to review that are not necessarily financial in nature; they had no findings in those areas.

Larson asked if depreciation was straight line depreciation. Tonya said it was and that useful life for fiber was 30-50 years; equipment 10 years. Larson clarified that QLife equipment is fully depreciated, fiber was not.

Hege asked if QLife wrote the management discussion, Tonya said we had. Hege noted that "internet service" was misleading; perhaps "broadband middle mile provider" would be more accurate. Mast asked the Board to send her the requested changes and she would incorporate it into the next audit.

Mobley noted that the Agency does not have a formal deposit policy for risk. Moffitt said most don't have a formal policy. Mast said the banks were covered under state program over the \$250,000.

It was moved by Hege and seconded by Elliott to accept the Auditors Report for Fiscal Year 2014-15. The motion carried unanimously, 1 absent.

#### Action Item

#### Administration of QLife

Interim City Manager Julie Krueger reported that the City Council agreed that the City didn't have a qualified person to take on the administration portion of the IGA QLife had with the City. She further said the City was able to continue the secretarial and financial portions of the IGA to allow QLife time to research other options.

Larson asked if the City Council was ok with Nolan Young being hired by QLife. Krueger said QLife had that authority.

Hege asked how was the Administrative role defined. Larson said pricing for services, quotes, relationship facilitation. Mobley said finishing the LSN contract. Amery noted that QLife had a unusually large number of requests for quotes in the last two weeks.

Mobley said there were steps required for the facilitation of the grant funds for the Maupin expansion and introduced Leif Hansen from LSN; Kate Sinner from Regional Solutions and Carrie Pipinish from MCEDD to further explain their positions.

Hansen said LSN believes there was only one person with the history and understanding to work on the Maupin project negotiations and that would be Nolan Young. He said QLife was vital to LSN in The Dalles, he was concerned about continuity without Young.

Sinner said that broadband was a top priority for Regional Solutions in rural South County. \$410,000 had been approved; bond sale would be in Spring 2017. She noted that there were upcoming staffing changes and it would move smoother if QLife got the IGA in place to commit the funds prior to that staffing change.

Pipinish said CenturyLink had secured funds from the FCC's Connect America program (\$670,000/year for six years) to expand services to rural areas.

Dan Bubb of Gorge.net said the project would allow them to offer a higher level of service in that area.

Mobley said Young was the best choice to carry this project through to completion; the process could more than six months. He said QLife was a community asset and that the project would help economic development and in the end generate more funds for the owners of QLife.

In response to a question Hansen said the road block was knowing what assistance that QLife would provide, there was a funding gap. He said they needed to know the threshold of QLife.

Elliott said the board needed to know the cost of the project.

Larson said the first step was to decide if Nolan was the person for the transition. Spatz said he felt Young was the person to move the Maupin project along.

Hege asked if it was possible to add a not to exceed cost to the contract with Young. Krueger gave detail on the past three months charges. Elliott said perhaps a monthly fee instead of an hourly would be best.

It was agreed the Board would request a monthly report on all steps taken on behalf of QLife.

It was moved by Hege and Spatz to direct President Larson and Attorney Mobley to negotiate terms of an agreement with Nolan Young for the administrative duties for QLife staying within the costs currently being charged to the City. Motion carried unanimously, 1 absent.

#### Reports

Aristo Operational Management Report – Amery reported all working well. Hege asked about CPU issue. Amery said he felt monitoring server was the issue, it crashed, since replacement issues aren't as high.

Larson noted a review of the capital improvement plan was needed.

#### Next Meeting Dates:

Regular Board Meeting October 15. The Oregon Connections Conference is October 22-23. The November meeting will be on November 19

#### Adjourn

Meeting adjourned at 1:20 pm

Respectfully submitted

Izetta Grossman  
Recording Secretary

Signed:

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Brian Ahier Secretary/Tres

TO: Qlife Board  
 Nolan Young, QLife Administrator

FR: Kate Mast, Finance Director

RE: Financial Report for QLIFE – **September 2015**

**BANKING:**

QLife monies are deposited into a separate bank checking account. QLife also has a Local Government Investment Pool (LGIP) account where funds excess funds are maintained in order to earn some interest..

The information below is a comparison of budget to actual revenues and expenditures for the month just ended by fund. This information is not audited, but is reviewed by the Finance Department for clarity and budget compliance.

25% of the year has passed.

Each fund exceptions narrative has four possible paragraphs; 1 - is the beginning balance, 2 - is new revenues, 3 - is expenditures and 4 - if present, is budget changes.

**Operations (600):**

BUDGET COMPARISONS

	<u>July 1, 2015 to September 30, 2015</u>			
	<b>Budget</b>	<b>Actual</b>	<b>Percentage</b>	
Beginning Balance	\$ 218,563	\$ 231,824	106.1%	* see below
Revenues	\$ 701,219	\$ 166,632	23.8%	
Expenditures	\$ 415,642	\$ 31,704	7.6%	
Transfers to Capital/Debt Fund	\$ 504,140	\$ 137,493	27.2%	
<hr/>				
Revenues Less Expenses	\$ 0	\$ 229,259		

Cash at Month End \$ 173,932.33

Exceptions:

- 1) Beginning Balance: \* *The Beginning Balance figures used here are estimated and have **NOT** been audited.* We anticipate \$13,261 more than budgeted.
- 2) Revenues:
- 3) Expenditures:
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

**CAPITAL (601):**

BUDGET COMPARISONS

	<u>July 1, 2015 to September 30, 2015</u>		
	<b>Budget</b>	<b>Actual</b>	<b>Percentage</b>
Beginning Balance	\$ 400,590	\$ 377,827	94.3% * see below
Transfers In	\$ 504,140	\$ 137,493	27.2%
Revenues	\$ 30,000	\$ 3,832	12.8%
M&S / Capital Outlay / Other	\$ 463,913	\$ 8,695	1.9%
Debt Expenditures	\$ 00	\$ 0	0.0%
<hr/>			
Revenues Less Expenses	\$ 0	\$ 510,457	
Cash at Month End	\$ 506,646.30		

Exceptions:

- 1) Beginning Balance: \* *The Beginning Balance figures used here are estimated and have **NOT** been audited.* We anticipate \$22,763 less than budgeted. With an additional \$13,261 in the General Operating Fund, the combined negative amount is just \$9,502. This is not a concern as we have budgeted for a \$331,717 increase in reserves this year.
- 2) Revenues:
- 3) Expenditures:
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

City of The Dalles

FUND 600 QUALITYLIFE AGENCY FUND		***** CURRENT *****			***** YEAR-TO-DATE *****			ANNUAL	UNREALIZED
ACCOUNT	ACCOUNT DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	%REV	ESTIMATE	BALANCE
300	BEGINNING BALANCE								
300									
00 00		18,213	.00		54,639	.00		218,563	218,563.00
300	**	18,213	.00		54,639	.00		218,563	218,563.00
300	*** BEGINNING BALANCE	18,213	.00		54,639	.00		218,563	218,563.00
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
10 00	UTILITY SERVICE CHARGES	54,005	54,165.00	100	162,015	160,095.00	99	648,069	487,974.00
15 00	LSN CREDITS	0	.00		0	.00		0	.00
20 00	CONNECT CHARGES	187	.00		561	.00		2,250	2,250.00
344	** UTILITY SERVICES	54,192	54,165.00	100	162,576	160,095.00	99	650,319	490,224.00
340	*** CHARGES FOR SERVICES	54,192	54,165.00		162,576	160,095.00		650,319	490,224.00
360	OTHER REVENUES								
361	INTEREST REVENUES								
00 00	INTEREST REVENUES	58	267.33	461	174	773.11	444	700	73.11-
361	** INTEREST REVENUES	58	267.33	461	174	773.11	444	700	73.11-
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	16	.00		48	.00		200	200.00
20 00	E-RATE REIMBURSEMENT	4,166	.00		12,498	5,763.84	46	50,000	44,236.16
369	** OTHER MISC REVENUES	4,182	.00		12,546	5,763.84	46	50,200	44,436.16
360	*** OTHER REVENUES	4,240	267.33		12,720	6,536.95		50,900	44,363.05
390	OTHER FINANCING SOURCES								
392	SALE OF FIXED ASSETS								
00 00	SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
392	** SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
390	*** OTHER FINANCING SOURCES	0	.00		0	.00		0	.00
FUND TOTAL QUALITYLIFE AGENCY FUND		76,645	54,432.33		229,935	166,631.95		919,782	753,150.05





FUND 600 QUALITYLIFE AGENCY FUND		DEPT/DIV 9500 OTHER USES/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
BA ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.				
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT	
60		QLIFE FUND											
600		OTHER USES											
	05	OTHER											
	81 91	QLIFE CAPITAL FUND	42011	45830.91	109	126033	137492.73	109	.00	504140	366647.27	27	
	83 10	ESD E-RATE	4166	.00	0	12498	5763.84	46	.00	50000	44236.16	12	
	05 **	OTHER	46177	45830.91	99	138531	143256.57	103	.00	554140	410883.43	26	
	06	CONTINGENCY / UAFB											
	88 00	CONTINGENCY	2306	.00	0	6918	.00	0	.00	27680	27680.00	0	
	89 00	UNAPPROPRIATED ENDING BAL	4950	.00	0	14850	.00	0	.00	59406	59406.00	0	
	06 **	CONTINGENCY / UAFB	7256	.00	0	21768	.00	0	.00	87086	87086.00	0	
600	** **	OTHER USES	53433	45830.91	86	160299	143256.57	89	.00	641226	497969.43	22	
60	** **	QLIFE FUND	53433	45830.91	86	160299	143256.57	89	.00	641226	497969.43	22	
DIV	9500	TOTAL *****	53433	45830.91	86	160299	143256.57	89	.00	641226	497969.43	22	
DEPT	95	TOTAL *****	53433	45830.91	86	160299	143256.57	89	.00	641226	497969.43	22	
		OTHER USES	53433	45830.91	86	160299	143256.57	89	.00	641226	497969.43	22	
FUND	600	TOTAL *****	76634	51586.34	67	229902	169196.36	74	.00	919782	750585.64	18	
		QUALITYLIFE AGENCY FUND	76634	51586.34	67	229902	169196.36	74	.00	919782	750585.64	18	

City of The Dalles

FUND 601 Q LIFE CAPITAL FUND		***** CURRENT *****			***** YEAR-TO-DATE *****			ANNUAL	UNREALIZED
ACCOUNT	ACCOUNT DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	ESTIMATE	BALANCE	
300	BEGINNING BALANCE								
300									
00 00		33,382	.00		100,146	.00	400,590	400,590.00	
300	**	33,382	.00		100,146	.00	400,590	400,590.00	
300	*** BEGINNING BALANCE	33,382	.00		100,146	.00	400,590	400,590.00	
330	INTERGOVERNMENTAL REVENUE								
331	FEDERAL REVENUES								
90 00	FEDERAL GRANTS-MISC	0	.00		0	.00	0	.00	
331	** FEDERAL REVENUES	0	.00		0	.00	0	.00	
330	*** INTERGOVERNMENTAL REVENUE	0	.00		0	.00	0	.00	
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
20 00	CONNECT CHARGES	2,500	3,832.25	153	7,500	3,832.25	51	30,000	26,167.75
344	** UTILITY SERVICES	2,500	3,832.25	153	7,500	3,832.25	51	30,000	26,167.75
340	*** CHARGES FOR SERVICES	2,500	3,832.25		7,500	3,832.25		30,000	26,167.75
360	OTHER REVENUES								
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	.00		0	.00	0	.00	
10 00	ENTERPRISE ZONE PAYMENT	0	.00		0	.00	0	.00	
369	** OTHER MISC REVENUES	0	.00		0	.00	0	.00	
360	*** OTHER REVENUES	0	.00		0	.00	0	.00	
390	OTHER FINANCING SOURCES								
391	OPERATING TRANSFERS IN								
40 00	IF PMT FROM OTHER FUNDS	0	.00		0	.00	0	.00	
90 01	Q LIFE OPERATING FUND	42,011	45,830.91	109	126,033	137,492.73	109	504,140	366,647.27
391	** OPERATING TRANSFERS IN	42,011	45,830.91	109	126,033	137,492.73	109	504,140	366,647.27
393	PROCEEDS- LT LIABILITIES								
10 00	LOAN/BOND PROCEEDS	0	.00		0	.00	0	.00	
393	** PROCEEDS- LT LIABILITIES	0	.00		0	.00	0	.00	
390	*** OTHER FINANCING SOURCES	42,011	45,830.91		126,033	137,492.73		504,140	366,647.27
FUND TOTAL Q LIFE CAPITAL FUND		77,893	49,663.16		233,679	141,324.98		934,730	793,405.02

FUND 601 QLIFE CAPITAL FUND			DEPT/DIV 6000 QLIFE/									
BA ELE OBJ ACCOUNT			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%	
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
66		EXPENSE-ACCOUNT										
660		FINANCIAL OPERATIONS										
	02	MATERIALS & SERVICES										
	34 10	ENGINEERING SERVICES	916	625.00	68	2748	1085.00	40	.00	11000	9915.00	10
	70	CUSTOMER CONNECT COSTS	333	.00	0	999	.00	0	.00	4000	4000.00	0
	43 86	LINE MNTNCE & SUPPLIES	666	.00	0	1998	.00	0	.00	8000	8000.00	0
	57 10	PERMIT	0	.00	0	0	.00	0	.00	0	.00	0
	02 **	MATERIALS & SERVICES	1915	625.00	33	5745	1085.00	19	.00	23000	21915.00	5
	03	CAPITAL OUTLAY										
	72 20	BUILDINGS	0	.00	0	0	.00	0	.00	0	.00	0
	74 20	TELECOMMUNICATIONS EQUIP	9166	.00	0	27498	.00	0	.00	110000	110000.00	0
	76 10	PRIMARY	15000	.00	0	45000	.00	0	.00	180000	180000.00	0
	20	SECONDARY	4166	.00	0	12498	7609.50	61	.00	50000	42390.50	15
	30	POLE MAKE READY COSTS	416	.00	0	1248	.00	0	.00	5000	5000.00	0
	03 **	CAPITAL OUTLAY	28748	.00	0	86244	7609.50	9	.00	345000	337390.50	2
	04	DEBT SERVICE										
	79 50	LOAN PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0	.00	0
	51	CRB PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0	.00	0
	60	LOAN INTEREST PAYMENTS	0	.00	0	0	.00	0	.00	0	.00	0
	90	LOAN RESERVE-FUT DEBT PAY	0	.00	0	0	.00	0	.00	0	.00	0
	04 **	DEBT SERVICE	0	.00	0	0	.00	0	.00	0	.00	0
660 ** **		FINANCIAL OPERATIONS	30663	625.00	2	91989	8694.50	10	.00	368000	359305.50	2
66 ** **		EXPENSE-ACCOUNT	30663	625.00	2	91989	8694.50	10	.00	368000	359305.50	2
DIV 6000		TOTAL *****	30663	625.00	2	91989	8694.50	10	.00	368000	359305.50	2
DEPT 60		TOTAL *****	30663	625.00	2	91989	8694.50	10	.00	368000	359305.50	2
		QLIFE	30663	625.00	2	91989	8694.50	10	.00	368000	359305.50	2

FUND 601 QLIFE CAPITAL FUND		DEPT/DIV 9500 OTHER USES/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
BA	ELE OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.				
SUB	SUB	DESCRIPTION											
60		QLIFE FUND											
600		OTHER USES											
	05	OTHER											
	84 15	RSRV FOR SYS IMPROVEMENTS	39309	.00	0	117927	.00	0	.00	471717	471717.00	0	
	05 **	OTHER	39309	.00	0	117927	.00	0	.00	471717	471717.00	0	
600	** **	OTHER USES	39309	.00	0	117927	.00	0	.00	471717	471717.00	0	
60	** **	QLIFE FUND	39309	.00	0	117927	.00	0	.00	471717	471717.00	0	
66		EXPENSE-ACCOUNT											
660		FINANCIAL OPERATIONS											
	06	CONTINGENCY / UAFB											
	88 00	CONTINGENCY	7917	.00	0	23751	.00	0	.00	95013	95013.00	0	
	89 00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	0	.00	0	
	06 **	CONTINGENCY / UAFB	7917	.00	0	23751	.00	0	.00	95013	95013.00	0	
660	** **	FINANCIAL OPERATIONS	7917	.00	0	23751	.00	0	.00	95013	95013.00	0	
66	** **	EXPENSE-ACCOUNT	7917	.00	0	23751	.00	0	.00	95013	95013.00	0	
DIV	9500	TOTAL *****	47226	.00	0	141678	.00	0	.00	566730	566730.00	0	
DEPT	95	TOTAL *****	47226	.00	0	141678	.00	0	.00	566730	566730.00	0	
		OTHER USES											
FUND	601	TOTAL *****	77889	625.00	1	233667	8694.50	4	.00	934730	926035.50	1	
		QLIFE CAPITAL FUND											
GRAND		TOTAL *****	154523	52211.34	34	463569	177890.86	38	.00	1854512	1676621.14	10	

QLIFE - LISTING OF FINANCIAL TRANSACTIONS

FUND: OPERATING 600  
 FISCAL YEAR: 2015-16

PERIOD DETAIL FROM: 9/17/2015 TO: 10/8/2015

Revenue: Billed as of  
 QLife Monthly Billings BILLING DONE ON THE 20TH

TOTAL:			-
CODE	Expenditures:		
600.6000.660.34.30	Aristo	monthly retainer	2,000.00
600.6000.660.32.10	Sec of State	Filing fee	150.00
600.6000.660.34.34	Aristo	CIP Audit	5,434.34
600.6000.660.34.34	Aristo	BPA Transistor move	956.67
600.6000.660.34.34	Aristo	General oversite July- Sept	5,626.02
600.6000.660.69.70	City of The Dalles	ROW	1,624.95
600.6000.660.31.90	NorthSky	AUDIT	10,593.37
600.6000.660.58.70	SDAO	membership	257.85
600.6000.660.32.20	Keith Mobley	attorney	435.00
TOTAL:			<b>27,078.20</b>

FUND: CAPITAL 601  
 FISCAL YEAR: 2015-16

PERIOD DETAIL FROM: 9/17/2015 TO: 10/8/2015

Revenue:

TOTAL:			
CODE	Expenditures:		
601.6000.660.76.20	Aristo	Build out customer (50% reimburable)	1,674.02
601.6000.660.76.20	NorthSky	Build out customer (50% reimburable)	225.00

TOTAL: **1,899.02**

QLIFE - LISTING OF FINANCIAL TRANSACTIONS

FUND: OPERATING 600  
 FISCAL YEAR: 2015-16

PERIOD DETAIL FROM: 8/24/2015 TO: 9/16/2015

Revenue: Billed as of

QLife Monthly Billings BILLING DONE ON THE 20TH 57,997.25

TOTAL: 57,997.25

CODE	Expenditures:		
600.6000.660.34.30	Aristo	monthly retainer	2,000.00
600.6000.660.34.10	Commstructures	OSP Insight	590.50
600.6000.660.58.740	North American Numbering Plan	annual	25.00
600.6000.660.53.30	Gorge.net	Phone	34.11
600.6000.660.69.70	City of The Dalles	ROW fees - August	1,588.95
600.6000.660.32.20	Keith Mobley	Legal	495.00
600.6000.660.69.70	City of The Dalles	ROW fees - Sept	1,588.95
600.6000.660.53.30	Gorge.net	Phone	34.11
600.6000.660.52.10	Oregon Trail Insurance	Insurance	1,600.00
600.6000.660.34.10	Commstructures	Engineering	386.25

TOTAL: 8,342.87

FUND: CAPITAL 601  
 FISCAL YEAR: 2015-16

PERIOD DETAIL FROM: 8/24/2015 TO: 9/16/2015

Revenue:

TOTAL:

CODE	Expenditures:		
601.6000.660.34.10	Commstructures	Misc	460.00
601.6000.660.76.20	NorthSky	Gorge.net	7,609.50
601.6000.660.34.10	Commstructures	Misc	625

TOTAL: 8,694.50

**QUALITY LIFE INTERGOVERNMENTAL AGENCY**  
**Adopted Budget for FY14/15**

Account #	Description	FY15/16 Adopted	
<b>QLIFE AGENCY FUND 600</b>			
<b>REVENUES</b>			
600-0000-300.00-00	Beginning Balance	218,563	Prior Year Revenue Less Expenses
600-0000-344.10-00	Utility Service Charges	648,069	Estimated using current customer's monthly charges times 12 months
600-0000-344.20-00	Connect Charges	2,250	Fees to be collected from new services; estimated for five (5) new services
600-0000-361.00-00	Interest Revenues	700	Anticipated from Local Government Investment Pool (LGIP)
600-0000-369.00-00	Other Misc Revenues	200	
600-0000-369.20-00	E-Rate Reimbursements	50,000	Region #9 Education Services District (ESD) and School District #21 receive about 80% of their telecommunication costs. This annual reimbursement is given to the service provider (QLife). We then send a check of equal amount to the education agencies. There is an expenditure budgeted equal to the reimbursements.
<b>TOTAL REVENUES</b>		<b>919,782</b>	
<b>EXPENDITURES</b>			
<b>Materials &amp; Services</b>			
600-6000-660.31-10	Administrative Services	20,000	Agreement with City for Administrative Services
600-6000-660.31-15	Contractual Svc - County	5,000	Payment to the County for actual GIS and IT services to maintain the Fiber Management System.
600-6000-660.31-20	Outside Plant Maint	43,000	Contract with North Sky communications for maintenance on fiber optic lines and pole work. Includes requirements from pole owners and NEC compliance
600-6000-660.31-90	Other Services	23,000	OSP/Insight splice case documentation (\$20,000); Tree trimmings (\$3,000)
600-6000-660.32-10	Audit	6,700	Audit services and filing fees for Secretary of State
600-6000-660.32-20	Legal Services	8,400	Keith Mobley services - legal services
600-6000-660.34-10	Engineering Services	22,400	Erik Orton services - minor engineering services and fiber management
600-6000-660.34-30	Network System Mgmt	68,000	Contract with Aristo Networks
600-6000-660.34-50	Special Studies /Reports	-	None planned
600-6000-660.41-40	Electricity	600	
600-6000-660.43-10	Buildings & Grounds	500	Misc doors, locks, lighting, HVAC, etc. FY16/17 will add \$1,00 for generator maintenance
600-6000-660.43-25	Network Equipment	5,000	
600-6000-660.43-87	Utilities Locates	1,000	
600-6000-660.44-10	Office Space Rental	7,752	Rental expense at City Hall and Public Works facility
600-6000-660.52-10	Liability Insurance	6,017	
600-6000-660.53-20	Postage	200	
600-6000-660.53-30	Telephone	420	
600-6000-660.53-40	Legal Notices	400	
600-6000-660.54-00	Advertising	1,500	
600-6000-660.57-10	Permits	400	
600-6000-660.58-10	Travel, Food & Lodging	2,000	Special Districts Association of Oregon Conference, Connect Oregon conference andetc.
600-6000-660.58-50	Trainings & Conferences	700	Registration at Special Districts Association of Oregon Conference, etc.
600-6000-660.58-70	Memberships/Dues/Subs	875	Special Districts Association of Oregon; Oregon Joint Use Association

**QUALITY LIFE INTERGOVERNMENTAL AGENCY**  
**Adopted Budget for FY14/15**

Account #	Description	FY15/16 Adopted	
600-6000-660.60-10	Office Supplies	100	
600-6000-660.63-80	Scholarships	2,000	Two (2) \$1,000 scholarships for students in Technology field at CGCC
600-6000-660.63-90	Robotics Grant	2,000	For local teams and competitions
600-6000-660.69-50	Misc Expenses	650	
600-6000-660.69-60	Pole Connection Fees	10,500	Annual fee for fiber connections to PUD and other utilities' poles
600-6000-660.69-70	Right of Way Fees	19,442	3% of Utility Services Charges received monthly, paid to City.
600-6000-660.69-80	Assets < \$5000	-	Larger items that do not meet the criteria for Capital Assets, such as computers, furniture, etc.
<b>Total Materials &amp; Services</b>		<b>258,556</b>	
<b>Capital Outlay</b>			Capital Outlay Criteria: cost over \$5,000 and a life of over 1 year, creating a Capital Asset for QLife.
600-6000-660.74-20	Telecom Equipment	20,000	Item #3 of Agency Financial Priorities Policy is to reserve \$20,000 for expansion and replacement of the electronics of the system
<b>Total Capital Outlay</b>		<b>20,000</b>	
<b>Other</b>			
600-9500-600.81-91	QLife Capital Fund	504,140	To be transferred to Capital Fund in 11 equal monthly payments;
600-9500-600.83-10	ESD E-Rate Transfers	50,000	Equal to Revenue Line Item 600-0000-369.20-00; paid out when received
600-9500-600.88-00	Contingency	27,680	Can only be used by adoption of a Board resolution allocating the funds to an appropriate expense line item
600-9500-600.89-00	Unappropriated Ending Fund Balance	59,406	Can only be used in current year in the event of a situation on the level of a natural disaster. Helps with cash flow. Equals one month of estimated user fees.
<b>Total Other</b>		<b>641,226</b>	
<b>TOTAL EXPENDITURES</b>		<b>919,782</b>	
<b>REVENUES LESS EXPENSES</b>		<b>-</b>	
<b>QLIFE CAPITAL FUND 601</b>			
<b>REVENUES</b>			
601-0000-300.00-00	Beginning Balance	400,590	Prior Year Revenue Less Expenses
601-0000-344.20-00	Connect Charges	30,000	Fees to be collected from new services; estimated for five (5) new services Secondary lines)
601-0000-369.00-00	Other Misc Revenues	-	
601-0000-369.10-00	Enterprise Zone Payment	-	
601-0000-391.90-01	QLife Operating Fund	504,140	Transfers in from QLife General Operating Fund. Funds not need for operation
601-0000-393.10-00	Loan/Bond Proceeds	-	
<b>TOTAL REVENUES</b>		<b>934,730</b>	



**QUALITY LIFE INTERGOVERNMENTAL AGENCY**  
**Adopted Budget for FY14/15**

Account #	Description	FY15/16 Adopted	
<b>EXPENDITURES</b>			
<b>Materials &amp; Services</b>			
601-6000-660.34-10	Engineering Services	11,000	For service line extensions. Engineering for capital projects should be in the same Capital Outlay line item as the project.
601-6000-660.34-70	Customer Connections	4,000	For customer connection costs to existing lines that will not require system extensions that would be added to the value of the system as a fixed asset
601-6000-660.43-86	Lines, Maint & Supplies	8,000	Purchase of surplus fiber for repairs and special projects.
<b>Total Materials &amp; Services</b>		<b>23,000</b>	
<b>Capital Outlay</b>			
			Capital Outlay Criteria: cost over \$5,000 and a life of over 1 year, creating a Capital Asset for QLife.
601-6000-660.72-20	Buildings	-	
601-6000-660.74-20	Telecom Equip	110,000	New generator buy-in \$100,000; Equipment upgrades \$10,000
601-6000-660.76-10	Primary (System Upgrades)	180,000	Downtown Metro Loop
601-6000-660.76-20	Secondary (Line Extensions)	50,000	Portion of new connects for specific customers that require a line extension that will add value to the system as a Capital Asset. \$20,000 expected to be paid out of QLife funds.
601-6000-660.76-30	Pole Make Ready Costs	5,000	As needed for service line extensions
<b>Total Capital Outlay</b>		<b>345,000</b>	
<b>Debt Service</b>			
601-6000-660.79-50	Loan Principal Payments	-	
601-6000-660.79-60	Interest Payments	-	
<b>Total Debt Service</b>		<b>-</b>	
<b>Other</b>			
601-9500-600.84-15	Reserve for Sys Improvements	471,717	Board Priority #9: Create a reserve for future expansion, modernization, or replacement of system. Board will determine which project it may pursue.
601-9500-600.84-20	Reserve for Co Expansion	-	
601-9500-660.84-30	Reserve for Debt Retirement	-	
601-9500-600.88-00	Contingency	95,013	Can only be used by adoption of a Board resolution allocating the funds to an appropriate expense line item
<b>Total Other</b>		<b>566,730</b>	
<b>TOTAL EXPENDITURES</b>		<b>934,730</b>	
<b>REVENUES LESS EXPENSES</b>		<b>-</b>	

**FIRST AMENDMENT FOR INTERGOVERNMENTAL AGREEMENT  
BETWEEN QUALITYLIFE NETWORK INTERGOVERNMENTAL  
AGENCY (QLIFE) AND CITY OF THE DALLES (CITY)**

**WHEREAS**, the City and QLife entered into an Intergovernmental Agreement in October, 2003 wherein the City agreed to provide certain types of services for QLife, including financial accounting, secretarial, and administrative services; and

**WHEREAS**, following a discussion at the September 28, 2015 City Council meeting, the Council reached a consensus that the City should notify QLife that it currently lacked the resources to be in a position to continue to provide administrative services for QLife under the October, 2003 Intergovernmental Agreement; and

**WHEREAS**, City and QLife have mutually agreed that it would be appropriate to enter into an amendment to the October 2003 Intergovernmental Agreement which would delete the provisions providing that the City would provide administrative services for QLife;

**NOW, THEREFORE**, in consideration of the mutual promises and conditions set forth in this First Amendment, it is hereby agreed as follows:

**Section 1.** : Section 1. City Duties, shall be modified by deleting subsections C. Administrative Services, and E, and renumbering subsection D to subsection C.

**Section 2.** Except as modified by this First Amendment, the terms and conditions of the Intergovernmental Agreement which was executed by QLife and City on October 14, 2003 and October 20, 2003, respectively, shall remain in full force and effect.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**CITY OF THE DALLES**

\_\_\_\_\_  
Stephen E, Lawrence, Mayor

**QUALITYLIFE INTERGOVERNMENTAL AGENCY**

\_\_\_\_\_  
Erick Larson, President

\_\_\_\_\_  
Brian Ahier, Secretary

Approved as to form:

**CITY OF THE DALLES**

**QLIFE**

\_\_\_\_\_  
Gene E. Parker, City Attorney

\_\_\_\_\_  
Keith Mobley, Agency Attorney

## QUALITYLIFE INTERGOVERNMENTAL AGENCY

### CONTRACT AGREEMENT AND SCOPE OF SERVICES FOR TRANSITION ASSISTANCE

**Background, Purpose:** The QualityLife Intergovernmental Agency (Agency), doing business as Q-Life Network, is in a period of transition. The Agency was formed under ORS chapter 190, and has as its current members and owners Wasco County and the City of The Dalles. The Agency has been managed by Nolan Young, city manager for the City of The Dalles since 2003. His service to the City of The Dalles ended on September 14, 2015. Several important Agency projects are underway and the expertise and knowledge he has developed would provide substantial value in the development and implementation of those projects. He is willing to assist in work on those projects as needed, as an independent contractor, for purposes of making a smoother and more effective transition, thereby benefiting the Agency, its owners, its customers, and the citizens of Wasco County.

**Accordingly, the undersigned agree as follows, effective this 1st day of October, 2015:**

1. The statement of background and purpose above is true and provides the basis for this Agreement.
2. The term of this Agreement shall commence on October 1, 2015, and terminate on March 31, 2016, unless terminated prior to that date as set out below. Compensation for work performed pursuant to this Agreement shall be at the rate of \$88.00 per hour. Invoices to Agency will be submitted not later than the 15<sup>th</sup> of each month during the term of this Agreement, and may include reasonable expenses.
3. Nolan Young (Contractor) will work with Erick Larson, President of the Board of Directors of Agency and its legal counsel in the negotiation of an agreement with LSN, also known as Lightspeed Networks, to establish the terms and conditions of an agreement under which LSN will provide services as needed to establish a fiber optic connection from the BPA fiber on the east side of Maupin to a connection and Point of Presence located in Maupin, to then be owned and operated under the direction and control of Agency. That agreement is to be negotiated and presented to the Board of Directors for its review and proposed acceptance as soon as reasonably possible.
4. Once a form of agreement between LSN and Agency is approved by the Board of Directors, Contractor will assist in the development of an Intergovernmental Agreement to be executed between Agency and the Oregon Business Development Department. One of the purposes of this agreement will be to allow Agency to obtain interim financing in advance of the receipt of proceeds from the sale of

lottery bonds, due in 2017, as financing approved by the 2015 Oregon Legislature for Regional Solutions funding for the North Central Oregon Region.

5. When the Intergovernmental Agreement is in place, Contractor will provide assistance as needed in obtaining interim financing, either through a private lender, a contractor willing to provide such financing on the basis of a guarantee from Agency on the foundation of the Intergovernmental Agreement, or other funding source.

6. If needed and authorized by subsequent action of the Agency board of directors, Contractor will work with other Agency contractors and partners in the construction of the project based in Maupin.

7. Contractor will also assist Agency in its work toward the development of a strategic plan, and specifically, in transitioning to new leadership in the operation and management of Agency. Contractor will develop and present for Agency consideration alternatives, based on his experience in leading Agency since its inception, that will allow the board of directors to make selections designed to continue and strengthen the economic development operational knowledge and other contributions of Agency.

8. Agency may, upon the request of board president Erick Larson, amend this Scope of Work to include other tasks, if described with particularity, timelines, and probable cost.

9. Contractor shall devote, during the term of this agreement, such of his time, energy, and skill as is necessary in the performance of his duties hereunder and shall periodically, or at any time, upon the request of Agency, submit data as to the time requirements of work performed and to be performed by him for Agency in connection with this agreement.

10. Contractor is retained by Agency only for the purposes and to the extent set forth in this agreement and the Contractor's relationship to Agency shall, during the term of this agreement, be that of an independent contractor. Agency shall not withhold, from sums becoming payable to the Contractor hereunder, any amounts for State or Federal Income Tax, or for FICA (Social Security) Taxes, during the term of this agreement. Contractor shall be free to dispose of such portions of his entire time, energy and skill as he is not obligated to devote hereunder to Agency in such manner as he deems advisable. The Contractor shall not be considered as having an employee status or as being entitled to participate in any plans, arrangements or distributions by Agency.

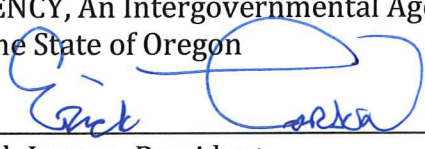
11. In the event that the Internal Revenue Service should determine that the Contractor is, according to I.R.S. guidelines, an employee subject to withholding and social security contributions, the Contractor shall acknowledge, as the Contractor


acknowledges herein, that all payments to Contractor are gross payments, and Contractor is responsible for all income taxes and social security payments thereon.

12. This Agreement may be terminated at any time, with or without cause, by either party upon thirty days written notice.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the appropriate officers acting pursuant to due authorization on the dates set forth above.

QUALITYLIFE INTERGOVERNMENTAL  
AGENCY, An Intergovernmental Agency  
of the State of Oregon

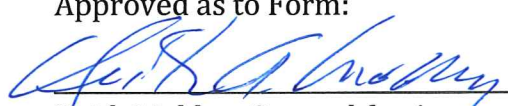
By   
Erick Larson, President

  
Nolan K. Young

Attest:

  
Brian Ahier, Secretary Treasurer

Approved as to Form:

  
Keith Mobley, Counsel for Agency

## QLife Administrator's Report: October 2015

This report only covers the 5 days since I signed a contract with QLife. As my first written report I will identify the activities I am involved in and the progress and planned action for each. At the meeting I can update the board on any action since the report and answer questions. I will also be seeking direction from the board on some items.

**Maupin Regional Strategies (RS) Project:** I am in the process of reviewing the prior work on this project. I have talked with Kate Sinner of RS and she has encouraged us to proceed forward with and an IGA with Business Oregon for a \$410,000 grant. I will be working on the project concept and budget in preparation for this and hope to have this information and a draft IGA for the November meeting. Since the grant funds will not be available until the spring of 2017 I am also pursuing options for a short term construction loan so we can proceed when ready.

**QLife Strategic Plan:** After talking with QLife President Erick Larson, we would like to propose that the next step would be to hold a facilitated work session to develop a mission statement, value statements, short term goals (12 to 18 months) and long term goals (1 to 5 years). If this direction is acceptable to the board I will start looking for a facilitator. Who would the Board like at this meeting: Just the Board and administrative, network and engineering contract staff? County Commission and City Council? Partners (Gorge Net, LSN, Saw Net)?

**New Collocation Space:** We are currently out of collocation space at City Hall. We do have in the budget \$100,000 for a new generator so we can expand at City Hall. The Board has expressed concern over the risk of having all our electronics in a basement that could get water damage. We are identifying other options for collocation space and will bring this information to the board in November.

**Plan for Future operation of QLife:** In my September 14<sup>th</sup> memo to the board I identified options for future administrative and other contractual services for QLife. At the October meeting I would like to discuss with the Board the timing of this project. Would you like to wait until we have completed our strategic plan or would you like to have me start work on some options to bring to the board to discuss in November? I plan on attending the October Connect Oregon conference for QLife with the primary goal of discussing thoughts on our potential future with potential partners.

**Columbia Gorge Business Center:** I have been working on the plan to salvage the boxes QLife has in the recently vacate portions of River Trail Way. Once we have identified the right contact we will make the proper arrangements to retrieve them.

**Service Orders:** We have three signed new work orders that we will be working on getting connected over the next month or two. The total new monthly revenue is \$1,300.

Aristo Networks LLC  
Technical Management Report  
By  
John Amery  
10/8/2015

Items of Discussion:

- There were no system issues this month
- Primary project – 2015 documentation / Audit
- Other projects currently in work
  - Tree trimming project
  - Audit call before you dig maps - complete