



AGENDA

QLife Regular Board Meeting

Wednesday, March 2, 2022 | 2:00 PM

Google Hangouts - meet.google.com/odb-tpys-xpq

- 2:00 Call to Order
- 2:00 Approval of Agenda
- 2:00 **Consent Agenda** (*items of a routine nature: minutes, documents, items previously discussed*)
- [January 27, 2022 Minutes](#)
- 2:05 **Action Items**
- [QLife/MCEDD IGA](#)
- [Commstructure MSA Amendment #4](#)
- 2:15 **Finance**
- [Financial Report, Reconciliation and Analysis](#) – Mike Middleton
- 2:30 **Discussion Items**
- [Admin Staff Updates](#) – Matthew Klebes
- [BAT Updates](#) – Matthew Klebes & Carrie Pipinich
- [Aristo Technical Management Report](#) – John Amery
- 2:50 **Executive Session ORS 192.345(2)** “Trade secrets,” as used in this section, may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within an organization and which is used in a business it conducts, having actual or potential commercial value, and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it; and **ORS 192.660 (2)(n)(C)** Discuss information regarding security of telecom systems and data transmission.

Next Board Meeting Date: March 24, 2022 | 12:00 PM

Adjourn

*Agenda subject to change

*Executive Session held as needed

An executive session may, in the discretion of the presiding officer, be called based on one or more of the following: ORS 192.660 (2)(a) Consider employment issues; (2)(e) Real property' (2)(f) Consider exempt records or information; (2)(g) Competitive trade or commerce negotiations; (2)(h) Consult with counsel re litigation; (2)(m)(D) & (E) Discuss information regarding security of telecom systems and data transmission.



Consent Agenda

- [January 27, 2022 Minutes](#)



MINUTES

QLife Regular Board Meeting

Thursday, January 27, 2022

Via Google Hangouts

Call to Order President Hege calls the meeting to order at 12:04 PM.

Roll Call Scott Hege, Lee Weinstein, Scott Randall, Rod Runyon, Dale Lepper, John Amery, Kristen Campbell, Breanna Wimber, Carrie Pipinich, Joseph Franell, Tyler Stone, Dan McNeely, Stephanie Krell, Matthew Klebes, and Mike Middleton.

Changes to the Agenda

There are no changes to the agenda.

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

Approval of the Consent Agenda

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

Action Items

2022 QLife Officers

Ms. Krell informs the board that per the bylaws, the QLife Board must nominate officers every year for President, Vice-President and Secretary. These new positions will begin at the next QLife Board Meeting in February.

[[President Hege moves to nominate Mr. Weinstein as 2022 QLife President. Mr. Lepper seconds the motion, which passes unanimously.]]

[[President Hege moves to nominate Mr. Lepper as 2022 QLife Vice-President. Mr. Weinstein seconds the motion, which passes unanimously.]]

[[President Hege moves to nominate Mr. Runyon as 2022 QLife Secretary. Mr. Weinstein seconds the motion, which passes unanimously.]]

Order #22-001 Reappointment of Mike Middleton as QLife Budget Officer

[[Mr. Lepper moves to approve Order #22-001 to reappoint Mike Middleton as QLife Budget Officer with an expiration date of January 31, 2023. Mr. Weinstein seconds the motion, which passes unanimously.]]

Campbell Phillips Amendment to Personal/Professional Services Contract

Ms. Campbell informs the Board that she has not raised public sector rates since 2015, and has proposed the amendment included in the packet to increase to \$225 per hour. She notes that it is still a significant reduction from the standard rate and under market value.

Mr. Runyon asks if any other Board member received notice of the increase prior to the meeting and if not, should we review before approval to see if we can afford the increase. Mr. Middleton remarks that contracted services is well over budget but that it is due to additional costs related to a potential bridge crossing to Washington and means we budgeted the wrong amount. We can build the budget with the increase in mind and should be able to absorb the cost.

Ms. Campbell adds that the agency has the option to shop rates. Mr. Weinstein asks Mr. Middleton to review the budget to reforecast the rest of the fiscal year and adjust existing overages. Mr. Klebes asks the Board for approval to sign the amendment to continue services with Campbell Phillips PC.

[[Mr. Weinstein moves to approve the Campbell Phillips amendment for personal/professional services contact. Mr. Lepper seconds the motion, which passes with four yeas and one nay.]]

Financial Report, Analysis and Reconciliation

Mr. Middleton presents the December financial report to the board included in the packet. He notes that there are a couple of customers showing late at 120+ days but that it is related to a customer mix-up when paying their bills and is working with staff to get it addressed. As stated previously, contracted services is over budget because of the potential bridge crossing that did not pan out. The fund balance is declining because of movement over to the Capital fund and when you look at the macro levels, the budget looks good. At the micro level, we should do a better job budgeting the individual account lines.

The Maupin fund has not received any bills for Wifi invoices so Mr. Middleton will be looking into that.

Mr. Runyon asking about high administrative cost and Mr. Middleton notes that an invoice was incorrectly entered but that it is still within the balance amount. We could have refunded the overpayment and rebilled quarterly but it seemed to be more work than it was worth.

QLife Audit

Mr. Middleton refers to the audit in the packet and notes that the auditor was not able to attend today's meeting. They submitted an additional letter with an unmodified opinion and no significant findings.

Mr. Runyon asks for more information about the "no material misstatements other than trivial" comment and Mr. Middleton explains that auditors think about finances differently than how staff actually process things. If adjustments needed to be made, they are considered reportable.

Discussion Items

2022 SDIS Insurance Renewal

Ms. Wimber informs the Board that the majority of the 2022 increase was due to higher property premiums from last year's wildfires. She is meeting with Mr. Klebes and Mr. Amery next week to take a deeper dive into QLife's property.

Administration Update

Mr. Klebes informs the Board that the NTIA grant is still pending and is hoping for a spring award date. He is working with RISI on project build outs throughout the county and anticipates bringing more information back to the Board soon.

Ms. Pipinich informs the Board that the first full BAT meeting took place two weeks ago and included electricity providers, ISPs and community partners to discuss next steps. Link Oregon is performing information gathering to help the state with more accurate broadband mapping. Mr. Weinstein adds that it was a great meeting and is still looking forward to representatives from south county and tribes to join in the future. Mr. Klebes adds that he is on the tribal council meeting agenda but it has been rescheduled a few times.

Aristo Technical Management Report

Mr. Amery presents his technical report to the Board and states that there are no known damages. There has been a request for additional generator power at City Hall and he thinks we have identified a solution but are in the preliminary stages.

Mr. Franell informs the Board that there is a new house bill (HB4092) which could rebuild the Oregon Broadband Advisory Council in a different image. He notes that the bill would remove certain representation, which could affect

rural issues. BATs will likely have representatives on the council but Mr. Franell does not believe he will be invited back.

The Board enters executive session under ORS 192.345(2) at 1:07 PM.

The Board exists executive session at 1:23 PM

The meeting is adjourned at 1:24 PM

The next regularly scheduled board meeting is set for February 24, 2022.

These minutes were approved by the QLife Board on _____.

Rod Runyon, Secretary



Action Items

- [QLife/MCEDD IGA](#)
 - [Memo from Administrator](#)
 - [IGA](#)
 - [2021-2022 QLife Strategic Plan](#)
 - [2016 CIP Joint Recommendation](#)
- [Commstructure MSA Amendment #4](#)



QualityLife Intergovernmental Agency

SUBJECT: MCEDD/Qlife IGA

TO: QLIFE BOARD MEMBERS

FROM: MATTHEW KLEBES, QLIFE ADMINISTRATOR

DATE: 2/16/22

Qlife has identified and prioritized the need to develop a new Co-location facility for several years to address concerns with the current location and better serve and prepare our community for emergencies. Concerns with the current colocation facility include susceptibility to flooding, generator/house power/physical space capacity, and the need for an improved overall master plan for the facility. Furthermore, a new colocation facility would be in alignment with efforts to create a more redundant and resilience nexus point in the event of a Cascadia level earthquake to maintain and restore communication links as well as assist with recovery efforts. A colocation facility was identified in the 2016 Qlife Capital Improvement Plan Joint Recommendation as well as Goal 1: Strategy 1.4 in the 2021/2022 Strategic Plan.

Qlife has identified a potential location and recently removed a large fuel tank and furnace to allow for better evaluation of the space and what would be needed to construct such a facility. To continue this effort, additional engineering/architectural work is needed to develop a more final plan for the facility in order to get accurate cost estimates.

Mid-Columbia Economic Development District was awarded CARES funding under which an eligible use of these funds is broadband development. MCEDD's Needs Assessment identified "Resilient Communication Networks" as a key component in Covid-19 Recovery and economic development in the County.

Included in your packet is a draft Intergovernmental Agreement (IGA) between MCEDD and Qlife. Under this agreement MCEDD would provide \$25,000 to Qlife to be used to complete design, engineering and development of an opinion of probable cost for a new and expanded colocation facility. Staff would then solicit responses from consultants to complete such an effort and enter into contract with them. Deadline for completion is June 15, 2022. Staff is seeking Board approval to finalize and entered into this IGA.

Motion: *I move to approve the Intergovernmental Agreement between the Mid-Columbia Economic Development District and Quality Life for Broadband Interconnection Facility Planning and direct staff to procure a consultant for the described scope of work.*

INTERGOVERNMENTAL AGREEMENT
BETWEEN
MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
AND
Quality of Life Intergovernmental Agency
FOR Broadband Interconnection Facility Planning

THIS AGREEMENT, made this _____ day of February, 2022, by and between the Mid-Columbia Economic Development District (hereinafter the “District”), an Economic Development District formed under ORS190 and RCW 39.34, and Quality of Life Intergovernmental Agency (hereinafter “Q-Life”) formed under ORS190.

RECITALS:

WHEREAS, ORS Chapter 190 authorizes governmental entities such as intergovernmental agencies and economic development districts to enter into written agreements for the performance of any or all functions and activities that either entity has the authority to perform on its own.

WHEREAS, robust, reliable broadband connections are critical to community and economic recovery from the impacts of COVID-19 and a secure, modern colocation facility will increase reliability of connections in the Mid-Columbia.

WHEREAS, in order for Q-Life to explore additional funding resources for this project, design and engineering costs must be established.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants of the District and County, each to the other giving, the District and County do hereby agree as follows:

1. Services to be Provided:

- A. Q-Life will provide the services and personnel to complete the work activities described in the Scope of Work (Section 2) below.
- B. The District will provide such assistance and guidance as may be required to support the objectives set forth in the Scope of Work and will provide compensation for services as set forth in Section 3 below.

2. Scope of Work:

Q-Life will complete or cause to be completed, design, engineering and opinion of probable cost for development of an expanded colocation facility at the Wasco County Emergency Response Center

(ADDRESS). The work would include, but is not limited to, improving the existing space, utility relocation and upgrades, relocation of back up power, access improvements, and necessary HVAC and fire suppression systems.

Q-Life will provide the final study to the District and acknowledge the District and Economic Development Administration in funding for the project.

3. Consideration:

The District will provide twenty five thousand (\$25,000) dollars to compensate Q-Life for services rendered. This is a flat fee that includes all time, travel and materials. Payment is due and payable to Q-Life within 30 days after the District's acceptance of the work and the receipt of invoice.

4. Term:

Subject to other contract provisions, the period of performance under this Contract will be from the date of execution through June 15, 2022, unless sooner terminated as provided herein.

5. Notices:

All notices, requests, demands and other communications to or upon the parties hereto shall be in writing and shall be deemed to have been duly given or made when deposited in the mails, addressed to the party to which such notice, request, demand or other communication is requested or permitted to be given or made hereunder at the addresses set forth below or at such other address of which such party shall have notified in writing the other party hereto. Those notices, requests, demands or other communications relating to termination or amendment shall be in writing and mailed certified and postage prepaid.

If Q-Life: *Administrator*

The Dalles, OR 97058

If to District: Executive Director
Mid-Columbia Economic Development District
515 E. Second St.
The Dalles, OR 97058

6. Severability:

If any portion of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement, or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

7. Amendment:

The District and Q-Life may, from time to time, request changes to this Agreement or its provisions. Any such changes that are mutually agreed to by the District and Q-Life shall be incorporated herein by written amendment to this Agreement. It is agreed and understood that no material or substantive alteration or variation in the terms of this Agreement shall be valid unless made in writing and signed by all parties to this agreement. Any oral understanding or agreements shall not be binding unless made in writing and signed by all parties to this agreement.

8. Termination:

This IGA may be terminated by mutual consent of both parties. Q-Life may terminate this Agreement without cause by providing thirty (30) days written notice of such intent to the District, or at such later date as may be established by the Q-life and submitted in writing to District. District may terminate this Agreement without cause by providing thirty (30) days written notice of such intent to the Q-Life.

9. No Implied Waiver:

No failure on the part of the parties hereto to insist upon the strict performance of any provision of this Agreement or to exercise any right called for herein shall constitute a waiver of any provision of this Agreement or the rights of the parties hereto.

10. Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

11. No Agency:

This Agreement does not in any way constitute or nominate either of the parties as the agent or legal representative of the other party for any purpose whatsoever. Neither party is granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of, or in the name of, the other party to this Agreement.

12. Indemnity:

To the extent permitted by Article XI, Section 10, of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300 (the “Act”), to the extent the Act is applicable, the District and the County shall release, defend, indemnify, and hold harmless one another and one another’s officers, board members, commissioners, employees, and agents from and against all damages, claims, injuries, costs, or judgments which may in any manner arise as a result from either parties’ actions pursuant to this Agreement.

14. Entire Agreement:

This Agreement constitutes the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior agreements, commitments, representations, writings, and discussions between them regarding the subject matter of this Agreement.

IN WITNESS WHEREOF, Q-Life and the District have executed this Agreement pursuant to due authority, as evidenced by the signature of the duly appointed representative of each entity below.

Quality of Life Intergovernmental Agency

By: _____
Matthew Klebes, Q-Life Administrator

Date: _____

Mid-Columbia Economic Development District

By: _____
Jessica Metta, Executive Director

Date: _____



Vision:
Every address in Wasco County can enjoy a higher quality of life and participate in education, healthcare, and the economy through a high speed* internet connection at a price point that they can afford.

* Ideally, 150 Mbps symmetrical

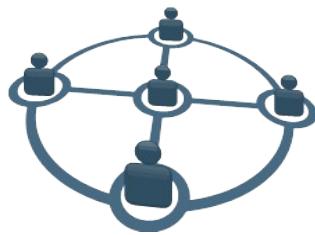
Mission:
Facilitate access to scalable telecommunication infrastructure to enable affordable broadband-level Internet across Wasco County much like a public utility.

Values:
Action-oriented, nimble, partnerships, proactive/sustainable, responsible, affordable, redundant and resilient.

| Goals: | 2021/2022 Strategies | Potential Projects |
|--|---|---|
| Goal 1: Maintain network and build redundancy and capacity of existing system | 1.1 Maintain and update equipment per Qlife EOL schedule 1.2 Update Capital Improvement Plan (CIP) for The Dalles area 1.3 Identify single points of failure/network vulnerabilities 1.4 Develop Co-location room and redundant pathway east | - Downtown Overbuild -East Bisector/Grove Project |
| Goal 2: Expand our fiber network and employ alternative solutions and partnerships to serve areas in need | 2.1 Identify areas with limited capacity/redundancy and develop fiber projects to address 2.2 Assess maintenance costs and damage risk (fires) of new builds 2.3 Explore partnerships with Warm Springs Telecom to serve the needs of South Wasco County 2.4 Develop Fiber to the Premises (FTTP) pricing structure 2.5 Explore options to serve Dallesport/Columbia Gorge Regional Airport and Business Park | - East Bisector/Grove Project -Shaniko/Avangrid -The Dalles Bridge River Crossing |
| Goal 3: Improve QLife's ability to secure local, state, and federal resources | 3.1 Work with partners to coordinate efforts to seek funding 3.2 Participate in The Dalles Community Outreach Team (COT) 3.3 Support efforts to form a Broadband Action Team (BAT) in partnership with Wasco County EDC Broadband Committee 3.4 Gather data/analyze gaps in service to demonstrate need 3.5 Outreach to Legislators on Qlife's VMGs and specific projects | -South Wasco County Fiber Project (Tygh Valley/Pine Hollow) -Mosier Fiber Extension -BRIC Application |
| Goal 4: Support education & advocacy efforts related to broadband | 4.1 Raise public awareness of role and value of Qlife in our Community and State 4.2 Annually provide scholarships to students attending CGCC studying a technology related field 4.3 Sponsor broadband events such as the Oregon Connections Telecommunications Conference | |
| Goal 5: Drive technological relevance by benchmarking and continuously evolving | 5.1 Explore operational models for efficiencies to best fulfill mission 5.2 Continuously improve systems for Service Order response, customer setup, and Project Management/Implementation 5.3 Benchmark what is "high speed internet" annually to adjust ideal target speed and analyze progress. 5.4 Review and evaluate unique structure of Qlife for creative solutions | -Service Order Tracking Sheet -Project Management Improvements -Construction Standards Document |

Qlife

2016 CIP *Capital Improvement Plan*



Joint Recommendation

By John Amery and Erik Orton
Version 2.1
February 8, 2016

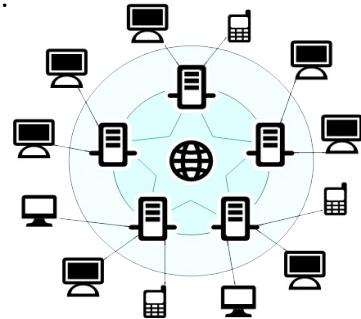
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Background

Qlife's vendors (Aristo Networks and Commstructure Consulting) have been asked to provide a joint written recommendation for benefit of development of Qlife's 2016 CIP.

Scope



Scope for this analysis has been removed. We are considering all aspects of Qlife that we see as potential value adding capital improvement projects that might take place over the next 5 years.

Summary

There are three primary categories where Capital Improvements may add value to Qlife.

- Outside Plant: Increasing Qlife's fiber footprint.
- Co-location: Improvements to (or possible relocation of) Qlife's Central Office (City Hall), or expanding additional remote Co-Location sites.
- Electronics: Investments in Qlife's electronics which provide lit services to customers.

Looking at different projects within these categories we have provided descriptions of these projects along with our opinions of the project's potential value to Qlife.

We have also categorized and prioritized these projects based upon our opinions of their potential value to Qlife. These recommendations may change depending upon priorities the board defines as some projects are logical predecessors to other projects. Re-prioritization of some projects may affect the order or priority of other associated projects.

Outside Plant

Outside Plant Summary

There are three general projects as well as three expansion zones we have identified as potentially adding value towards Qlife outside plant.

The General Projects identified are:

- **Downtown Bypass Project**

The Downtown Bypass Project develops an express lane through the downtown region of The Dalles freeing up fiber capacity for other projects.

- **East Bisector Project**

The East Bisector Project cuts Qlife's East ring in half allowing for better segmentation of Qlife's long haul regen (signal regeneration) customers as well as adding capacity to the East side of The Dalles.

- **Central Business District Project**

The Central Business District Project develops new plug and play multi-port service terminals and fiber infrastructure encompassing multiple blocks currently not serviced in the downtown region of The Dalles.

The potential expansion zones identified are:

- Water's Edge / The Dalles Dam / OSP & ODOT Offices zone
- Hwy. 30 / W 6th Street Commercial Business District – Cherry Heights Road to River Road (car dealerships, Coastal Farm and Equipment, Home Depot, etc.)
- Crates Way in Port of The Dalles and Chenoweth Business Park Connection

General Projects

Downtown Bypass Project

This project was originally a portion of both the Central Business District project as well as the East Bisector project. The Downtown Bypass was recently broken out as a separate project because it is a prerequisite to support multiple projects and phases of deployment discussed in this report.

The Downtown Bypass project would greatly improve fiber availability throughout the Qlife network while increasing potential capacities to all areas. The downtown backbone routes become increasingly congested as the cables enter the core and reach closer to City Hall. It is essential to move forward with this project (or similar project) to avoid Qlife reaching maximum fiber capacity within some sectors, hence inhibiting future growth capacity.

The Downtown Bypass Project would overbuild two new backbone fiber cables along existing fiber paths on each side (East and West) of the downtown corridor into the Central Office (City Hall). These express fiber paths would bypass existing customer drop off locations within the downtown region and their primary purpose would be to augment the existing capacity. These paths would be utilized for servicing customers or future expansion outside the downtown region. The current backbone is presently servicing both transport around the ring and also local distribution. The Downtown Bypass would allow the existing backbone cables to remain designated for local traffic with capacity for growth while creating additional paths to points further out on the network.

Overview map of Downtown Bypass Project



Budgetary Cost estimates for Downtown Bypass Project

| | |
|---------------------------------|---------------------|
| Underground: | \$ 1,400.00 |
| Aerial: | \$ 18,300.00 |
| Cable Splicing & Termination: | \$ 31,868.00 |
| Design, Permitting & Oversight: | <u>\$ 12,892.00</u> |
| Sub-Total: | \$ 64,460.00 |
| 15% Contingency: | <u>\$ 9,669.00</u> |
| Total Project: | \$ 74,129.00 |

East Bisector Project

The East side of The Dalles could be improved by developing a bisector that splits the east side of the backbone ring similar to the existing City Hall to St. Marys bisector that splits the west side backbone ring.

Advantages include:

1. Allows for the routing of local customer dark fiber or lit traffic through this bisector rather than routing local traffic all the way around through Big Eddy. This would improve capacities in the backbone in the middle-mile segment between City Hall and Big Eddy.
2. In the event a remote Co-Location site is chosen close to Big Eddy this bisector would improve functionality of the East side of the ring and shorten middle mile connections between City Hall and Big Eddy.
3. In the event a drop-off point is established towards Hwy 197 bridge this bisector would improve overall functionality.
4. This bisector would improve diversity and redundancy to MCMC.

This bisector should interconnect with Qlife's backbone ring South and East above MCMC and follow a path north and west until it intersects Qlife's backbone ring again near East 3rd Street and Taylor Street (near Brewery Grade round-a-bout).

A potential challenge for this project would be locating a site to install cross-connect cabinets to house the outdoor patch panels at the connection point above MCMC as there does not appear to be public ROW access in the area required to interconnect with existing QLIFE fiber. It may be possible for MCMC to grant an easement to Q-Life near the existing splice point for MCMC and create a remote cross-connect site comparable to St. Marys. A similar cross-connect site may also be required in the connection point near East 3rd Street and Taylor by Brewery Grade however it appears sufficient public ROW is available at this location.

Overview map of East Bisector Project



Budgetary Cost estimates for East Bisector Project

| | |
|---------------------------------|-----------------------|
| Underground: | \$ 25,300.00 |
| Aerial: | \$ 52,625.00 |
| Cable Splicing & Termination: | \$ 51,252.00 |
| Design, Permitting & Oversight: | <u>\$ 32,295.00</u> |
| | Sub-Total: |
| | \$161,472.00 |
| | 15% Contingency: |
| | <u>\$ 24,220.00</u> |
| | Total Project: |
| | \$ 185,692.00 |

Central Business District Project

The Central Business District Project was originally known as the downtown project and would develop new plug and play multi-port service terminals (MST) and OSP fiber infrastructure expansion in the downtown core. Zones within the downtown region with a perceived higher take rate have been identified. New infrastructure would be built throughout these zones which would allow for easier new customer hook-ups. Deployment techniques utilizing MST's could be utilized that present minimal risk.

to existing fiber customers by utilizing pre-terminated distribution nodes and thus would not require costly and time restricting maintenance notifications. New customer build-outs could be performed by technicians with a different skill-set with the ability to plug and play service drops into the terminal end and the customer equipment end. Potentially local ISPs or even electricians would have the in-house skills to perform an entire build-out to a new customer site within these zones without having to deploy fiber construction and splicing crews to the area

It is believed that the Central Business District Project may be the needed kick-start that will incentivize ISPs to consider Qlife's "Alternative Wholesale Pricing" option as this project should considerably reduce NRC charges to the areas where the network currently does not reach.

Overview map of Central Business District Project



Budgetary Cost estimates for Central Business District Project

| | |
|---------------------------------|---------------------|
| Underground: | \$ 0.00 |
| Aerial: | \$ 43,850.00 |
| Cable Splicing & Termination: | \$ 39,420.00 |
| Design, Permitting & Oversight: | <u>\$ 20,817.50</u> |
| Sub-Total: | \$104,087.50 |
| 15% Contingency: | <u>\$ 15,613.00</u> |
| Total Project: | 119,700.50 |

Secondary zones with high build out costs

Qlife has had requests for service in the following areas however was unable to fulfill these requests due in part to large NRC build-out costs:

1. Water's Edge / The Dalles Dam / OSP & ODOT Offices zone

2. Hwy. 30 / W 6th Street Commercial Business District – Cherry Heights Road to River Road (car dealerships, Coastal Farm and Equipment, Home Depot, etc.)
3. Crates Way in Port of The Dalles and Chenoweth Business Park Connection

Awareness of these zones as potential Qlife expansion zones could be beneficial towards their fulfillment upon future requests. While the field of dreams approach does not guarantee these zones would generate future revenue, perhaps the consideration of a special funding allocation might be considered. As future opportunities arise this special fund might be a valuable tool for shared risk ventures with potential customers.

Co-Location

Co-Location Overview

There are two customer profiles utilizing Co-Location space from Qlife:

1. Long Haul customers who are interested in a regen (regeneration of signal) site for their fiber passing through (or interconnecting with) BPA infrastructure.
2. Local service providers utilizing Qlife fiber or lit services to service their local customers.

It is difficult to predict future CoLo (Co-Location) space growth requirements. There is some risk that if another entity built a CoLo hut by Big Eddy then Qlife could be at risk of losing some of its Long Haul customers. Also, the telecom industry is currently in a consolidation phase. Larger entities are buying out smaller entities and the cost of entry into the market is becoming cost prohibitive. On the other hand, as additional fiber and data centers are built throughout the region there will be an increased need for regen sites as well as space to house the additional electronics required to service local customers. Qlife will likely experience both increased competition as well as increased opportunities in the near future.

Consideration for improving, adding, or moving Co-Location space is driven by a number of factors:

1. Current Co-Location space is located in City Hall (Qlife's CO) and exhibits the following challenges:
 - City Hall CoLo space is in the basement and thus susceptible to flooding.
 - City Hall generator is at capacity.
 - City Hall house power expandability is unknown however likely nearing capacities before major enhancements are required.
 - City Hall available CoLo space is near capacity.
 - City Hall CoLo space has been expanded on an “as needed basis” without a master plan. Effects of this method have resulted in dis-jointed CoLo space located in multiple separate rooms.
2. A potential new customer has expressed interest in a CoLo site for their fiber expansion to Big Eddy.

It should also be noted that any plans to relocate Qlife's CO would require a major redesign of Qlife fiber as well as considerable challenges in moving Qlife's existing customers (most of whom operate in a live 24 hour environment and many of whom likely operate on a "five nines" uptime requirement (5.26 minutes of downtime per year)). However, the introduction of additional Co-Location options might provide benefits to new customers while existing customers could make their own internal cost/benefit decisions regarding whether to relocate.

Potential Co-Location (CoLo) options

City Hall

City Hall is currently the Central Office (CO) for Qlife. Nearly all Qlife fiber is designed to have a path that terminates in the CO.

There are potential options for addressing most of the challenges currently exhibited at City Hall:

- A new generator (along with associated increase in feeder power capacity) could be installed at City Hall. It should be noted that ongoing maintenance costs are required upon installation of a new generator.
- Additional space could be allocated to Qlife by the City for future CoLo expansion. This additional space might possibly include redesign of the entire CoLo space currently utilized by existing Qlife customers.
- Sump pumps could be pre-installed at City Hall along with an emergency preparation plan that addresses how and who would be responsible for building sandbag retaining walls in the event of flooding. It should be noted that depending upon the level of flooding even sump pumps and sand bagging may not be adequate to mitigate flooding.

New Co-Location site by Big Eddy

Qlife's contract engineering has analyzed a site close to Big Eddy for the purpose of building a remote telecom fabricated pre-cast concrete shelter.

Currently Qlife fiber capacities are limited at this site however completion of the Downtown Bypass Project should provide sufficient fiber capacity to service this location. Also, completion of the East Bisector Project would add increased capacity and redundancy options to this site.

This site would likely be a favorable site for Co-Location of Long Haul customers for the purpose of signal regeneration and in line amplifiers.

This site may also be of value to any future providers choosing to cross the Columbia River at The Dalles bridge.

This site could service local service providers although may not be preferable due to it's location at the far edge of the Qlife network.

Co-Location site by Big Eddy cost estimate

Estimates for POP, backbone and BPA connectivity for this site are \$231,488.10.

New Co-Location site at Columbia Gorge Community College (CGCC)

Qlife's contract Technical Management has analyzed a site at CGCC for the purpose of remote Co-Location.

Currently Qlife fiber capacities are limited at this location however completion of the Downtown Bypass Project should provide sufficient fiber capacity to service this location. Also, completion of the East Bisector Project would add increased capacity and redundancy options to this location.

This site could service Long Haul regen customers although they might prefer a closer location to Big Eddy.

This site would be a better option for local service providers than Big Eddy however still would not be optimal due to its distant proximity to City Hall and the Century Link CO.

This site would require an ongoing rental agreement with CGCC which would likely include annual recurring costs to Qlife. Benefits of this rental agreement should include utilization of CGCC's existing facilities infrastructure which includes 24/7 maintenance back-up of a large capacity generator as well as secure access to a well designed telecom facility.

Co-Location site at CGCC cost estimate

Estimates for backbone connectivity and Co-Location room enhancements for this site are \$107,571.00.

New Co-Location site at Sign Museum.

It has recently come to our attention there may be rental options available on the 3rd floor of the Sign Museum (former Elks building on 3rd street).

If Qlife was to start new today this location would likely be the recommended location as a Central Office (CO). It's proximity to Century Link could provide advantages to Qlife customers making Co-Location and fiber leasing from Qlife even more advantageous.

This site may not be preferable to Long Haul regen customers (in comparison to a remote site by BPA) however would likely be the site of choice for local service providers.

This site would require an ongoing rental agreement with the building's owners which would likely include annual recurring costs to Qlife. Also, it is likely that considerable upfront non-recurring costs would be required for development of a new generator and upgrade to other facilities to make this site usable and adequate for telecom collocation application.

Co-Location site at Sign Museum cost estimate

There are still a lot of unknowns about this site and currently no cost estimates have been developed.

New Co-Location site at Wasco County IT room.

Qlife's contract Technical Management has performed preliminary analysis for utilizing Wasco County's IT room as a potential overflow Co-Location site.

This site would probably not be a preferred Co-Location site for Qlife due to its location and growth limitations however could be an excellent option as an overflow site considering there is currently fiber (in limited capacities) to this location coupled with the fact that Wasco County (a Qlife partner) has developed a quality IT room with some excess capacity availability.

This site would require an ongoing rental agreement with Wasco County which may require recurring costs to Qlife.

Primary advantages for this site are that nearly all required facilities already exist. In the event Qlife runs out of space at City Hall this site would be the recommended short term solution.

Co-Location site at Wasco County cost estimate

Rough estimates for Co-Location at this site are \$5k - \$30k depending upon customer and facility owner requirements.

Electronics

Background

Qlife provides Layer 2 ethernet connectivity throughout it's fiber network. Qlife does not compete with Internet Service Providers, rather Qlife provides an open access Layer 2 network that ISPs may utilize to better service their customers. Currently the bulk of Qlife's customers utilize dark fiber however recent pricing changes may provide new incentives for providers to reconsider Qlife's lit ethernet options in some situations.

Switching Equipment

Qlife has completely replaced all electronics at least once since inception. Currently Qlife is utilizing Edgecore as their vendor. Edgecore is owned by SMC networks. More information can be found here: <http://www.edge-core.com>

All current Qlife equipment in use is capable of at minimum 1 gigabit up-link speeds. All core equipment has at minimum some gigabit ports with primary core switches utilizing 10 gig links as well. Most customer premises equipment has four (4) gigabit ports and twenty-four (24) 100 mb/s ports. Two (2) of the four (4) gigabit ports are allocated to Qlife for up-link ports. The other two ports can be utilized for customer hand-offs.

Advantages of the Edgecore line is the command line is similar to Cisco at a very reasonable price. Other advantages are that support and maintenance upgrades are available for free for the lifetime of the electronics.

Disadvantages of the Edgecore line are that their support issue escalation process is weak if not non-existent. At times we have had to work directly with technicians in Taiwan or from the parent company SMC. Support was provided however appeared more as a favor rather than a requirement from the entity.

Other disadvantages of the Edgecore line was their choice in processors in their latest line. As Qlife followed Edgecore's upgrade path for electronics we were moved from multi-core processors to (faster) single core processors. Even though the single core processors are faster they present issues with simultaneous monitoring and logging events. Thus, Qlife has been forced to keep monitoring and logging of electronics to a minimum.

Security

Qlife currently utilizes an “Air Gap” security method. All management of Qlife electronics requires physical access to the Qlife network. Qlife does not have a firewall to hack. Qlife does not utilize wireless for management access.

There are advantages and disadvantages to this methodology. Management requires technicians to physically drive on site however without a firewall to hack there is not a firewall to monitor. Proper monitoring of a firewall requires continuous analysis of the firewall's logs as well as continuous focus on network analysis and activity. This increased monitoring would increase technical maintenance costs for operations.

Server

A new server should be budgeted in the next couple of years. This is probably not a CIP project however should be considered in budgeting. A server is utilized for network operations and system monitoring. Qlife currently utilizes Vmware ESXI infrastructure to host multiple server functions upon the same physical hardware. All server roles are currently based upon Linux operating systems.

Recommendations

We have developed a recommendation matrix below. These recommendations take into consideration project predecessors as well as our opinions regarding a project's potential future value to Qlife.

In the event we do not have opinions regarding relative value or priorities of projects we attempt to provide background information to management such that sound decisions can be formed.

We are not recommending Qlife perform all projects listed, for example with the Co-Location projects any one of the recommended projects might possibly service Qlife's growth requirements for a considerable time.

Recommendations are based upon today's known events. Future events will likely change our recommendations, for example a new customer requesting a specific Co-Location site might justify re-prioritization of that requested site.

Recommendation Matrix

| Priority | Required Projects | Recommended Projects | Not currently Recommended |
|-----------------|---------------------------|---|--|
| 1 | - Downtown Bypass Project | | |
| 2 | | - Central Business District Project | |
| 3 | | - East Bisector Project | |
| 4 | | * see footnotes (1,2) - City Hall Co-Location - Big Eddy Co-Location - CGCC Co-Location - Sign Museum Co-Location | * see footnote (3) - Wasco County Co-Location |
| 5 | | | * see footnote (4) - Secondary expansion zones with high NRC build-out costs. |
| 6 | | | * see footnote (5) - Upgrade Electronics |

Recommendation Footnotes

1. Only one of the following three projects is likely required: Big Eddy Co-Location, CGCC Co-Location, Sign Museum Co-Location. However, City Hall Co-Location improvements may be required as a separate project from the other listed projects.
2. In the event the Sign Museum Co-Location project is chosen, this project should be prioritized as the Sign Museum site would be a likely site to terminate other fiber projects.

3. In the event Qlife runs out of Co-Location space the Wasco County Co-Location project would likely be re-classified and re-prioritized.
4. While we are not currently recommending Qlife expansion into these zones, we might recommend a special fund be developed such that when opportunities arise there are available funds to assist with such expansion.
5. While there are functions in Qlife's electronics that would be enhanced with upgrades, given Qlife's current focus on dark fiber it is recommended that priority be given to enhancing physical infrastructure over electronics upgrades. In the event the new pricing changes for lit services generate considerable additional demand this recommendation should be re-evaluated.



AMENDMENT NO. 4 TO AGREEMENT FOR PROFESSIONAL SERVICES

BETWEEN

Quality Life Intergovernmental Agency (Q-Life)
511 Washington Street, Ste. 101
The Dalles, Oregon 97058

and

Commstructure Consulting, LLC
811 Railroad Avenue
Oregon City, Oregon 97045

Date: February 16, 2022

The Terms and Provisions of the Agreement for Professional Services between Q-Life and Commstructure shall be amended as follows:

Exhibit A – The Standard Hourly Rates shall be amended with the 2022 Rate Schedule

See attached Exhibits:

Exhibit A – Standard Hourly Rate Schedule – 2022 Rate Schedule

Approved By:

Q-LIFE

COMMSTRUCTURE CONSULTING, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A – STANDARD HOURLY RATE SCHEDULE

| <u>Unit #</u> | <u>Unit Description</u> | <u>Basis</u> | <u>* Rate</u> |
|---------------|---|--------------|---------------|
| CC109 | Principal | Per Hour | \$ 150.00 |
| CC110 | Project Manager | Per Hour | \$ 135.00 |
| CC111 | Senior OSP Designer | Per Hour | \$ 120.00 |
| CC112 | OSP Designer | Per Hour | \$ 105.00 |
| CC113 | OSP Design Technician | Per Hour | \$ 90.00 |
| CC114 | Senior CAD Technician | Per Hour | \$ 100.00 |
| CC115 | CAD Technician | Per Hour | \$ 95.00 |
| CC116 | Office / Project Coordinator | Per Hour | \$ 95.00 |
| CC117 | Permit Coordinator | Per Hour | \$ 95.00 |
| CC118 | Owner Representative / Construction Oversight | Per Hour | \$ 105.00 |

** Rates are subject to an annual review and adjustment.*

Travel Expense and Reimbursable Expenses

Unit Rates and Standard Hourly Rates do not include provisions for travel expenses or other reimbursable direct expenses (i.e. sub-consultants, express mail, permit fees, large format color plotting, specialized base mapping data for specific communities, reprographics, binding, etc.) unless otherwise specified in project specific work orders or quotes.

Travel expenses including travel time, meals, lodging and miscellaneous expenses will be reimbursed at actual cost plus 10% for projects requiring travel beyond a 50-mile radius of the Commstructure home office.

All mileage incurred will be reimbursed per the current effective IRS reimbursement rate at the time driven.

Sub-consultants, reprographics, courier services and other reimbursable direct expenses shall be reimbursed at actual cost plus 10%.



AMENDMENT NO. 3 TO AGREEMENT FOR PROFESSIONAL SERVICES

BETWEEN

Quality Life Intergovernmental Agency (Q-Life)
313 Court Street
The Dalles, Oregon 97058

and

Commstructure Consulting, LLC
811 Railroad Avenue
Oregon City, Oregon 97045

Date: January 1, 2020

The Terms and Provisions of the Agreement for Professional Services between Q-Life and Commstructure shall be amended as follows:

Exhibit A – The Standard Hourly Rates shall be amended with the 2020 Rate Schedule

See attached Exhibits:

Exhibit A – Standard Hourly Rate Schedule – 2020 Rate Schedule

Approved By:

Q-LIFE

COMMSTRUCTURE CONSULTING, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A – STANDARD HOURLY RATE SCHEDULE

| <u>Unit #</u> | <u>Unit Description</u> | <u>Basis</u> | <u>* Rate</u> |
|---------------|---|--------------|---------------|
| CC109 | Principal | Per Hour | \$ 135.00 |
| CC110 | Project Manager | Per Hour | \$ 120.00 |
| CC111 | Senior OSP Designer | Per Hour | \$ 110.00 |
| CC112 | OSP Designer | Per Hour | \$ 95.00 |
| CC113 | OSP Design Technician | Per Hour | \$ 80.00 |
| CC114 | Senior CAD Technician | Per Hour | \$ 90.00 |
| CC115 | CAD Technician | Per Hour | \$ 85.00 |
| CC116 | Office / Project Coordinator | Per Hour | \$ 85.00 |
| CC117 | Permit Coordinator | Per Hour | \$ 85.00 |
| CC118 | Owner Representative / Construction Oversight | Per Hour | \$ 95.00 |

** Rates are subject to an annual review and adjustment.*

Travel Expense and Reimbursable Expenses

Unit Rates and Standard Hourly Rates do not include provisions for travel expenses or other reimbursable direct expenses (i.e. sub-consultants, express mail, permit fees, large format color plotting, specialized base mapping data for specific communities, reprographics, binding, etc.) unless otherwise specified in project specific work orders or quotes.

Travel expenses including travel time, meals, lodging and miscellaneous expenses will be reimbursed at actual cost plus 10% for projects requiring travel beyond a 50-mile radius of the Commstructure home office.

All mileage incurred will be reimbursed per the current effective IRS reimbursement rate at the time driven.

Sub-consultants, reprographics, courier services and other reimbursable direct expenses shall be reimbursed at actual cost plus 10%.



Financial Reports

- [January Financial Statement](#)
- [January Finance Reconciliations](#)
- [January Financial Analysis](#)

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2021

FOR 2021 07

| ACCOUNTS FOR: 6000 Qlife operations | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|--|--------------------|-------------------|-------------|------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -191,714 | -191,714 | .00 | .00 | .00 | -191,714.00 | .0% |
| 414 CHARGES FOR SERVICE | -668,200 | -668,200 | -712,820.00 | -58,035.00 | .00 | 44,620.00 | 106.7% |
| 417 INVESTMENT EARNINGS | -1,200 | -1,200 | -976.76 | -120.36 | .00 | -223.24 | 81.4% |
| 421 MISCELLANEOUS | -200 | -200 | -1,200.00 | .00 | .00 | 1,000.00 | 600.0% |
| 520 MATERIALS & SERVICES | 158,708 | 158,708 | 183,816.40 | 44,656.80 | .00 | -25,108.40 | 115.8% |
| 550 TRANSFERS OUT | 376,220 | 376,220 | 219,461.69 | 31,351.67 | .00 | 156,758.31 | 58.3% |
| 590 UNAPPROPRIATED | 54,350 | 54,350 | .00 | .00 | .00 | 54,350.00 | .0% |
| TOTAL Qlife Operations | -272,036 | -272,036 | -311,718.67 | 17,853.11 | .00 | 39,682.67 | 114.6% |
| TOTAL REVENUES | -861,314 | -861,314 | -714,996.76 | -58,155.36 | .00 | -146,317.24 | |
| TOTAL EXPENSES | 589,278 | 589,278 | 403,278.09 | 76,008.47 | .00 | 185,999.91 | |

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2021

FOR 2021 07

| ACCOUNTS FOR: 6010 Qlife Capital | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|-------------------------------------|--------------------|-------------------|-------------|------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -1,853,727 | -1,853,727 | .00 | .00 | .00 | -1,853,727.00 | .0% |
| 414 CHARGES FOR SERVICE | -19,000 | -19,000 | -49,140.00 | .00 | .00 | 30,140.00 | 258.6% |
| 417 INVESTMENT EARNINGS | -25,200 | -25,200 | -6,946.28 | -766.47 | .00 | -18,253.72 | 27.6% |
| 450 TRANSFERS IN | -426,220 | -426,220 | -219,461.69 | -31,351.67 | .00 | -206,758.31 | 51.5% |
| 520 MATERIALS & SERVICES | 0 | 0 | 31,775.64 | .00 | .00 | -31,775.64 | 100.0% |
| 530 CAPITAL OUTLAY | 80,000 | 80,000 | 338,816.12 | 84,452.00 | .00 | -258,816.12 | 423.5% |
| 570 CONTINGENCY | -43,253 | -43,253 | .00 | .00 | .00 | -43,253.00 | .0% |
| 580 RESERVED | 675,125 | 675,125 | .00 | .00 | .00 | 675,125.00 | .0% |
| TOTAL Qlife Capital | -1,612,275 | -1,612,275 | 95,043.79 | 52,333.86 | .00 | -1,707,318.79 | -5.9% |
| TOTAL REVENUES | -2,324,147 | -2,324,147 | -275,547.97 | -32,118.14 | .00 | -2,048,599.03 | |
| TOTAL EXPENSES | 711,872 | 711,872 | 370,591.76 | 84,452.00 | .00 | 341,280.24 | |

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2021

FOR 2021 07

| ACCOUNTS FOR: 6020 Qlife - Maupin | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|--------------------------------------|--------------------|-------------------|------------|------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -169,456 | -169,456 | .00 | .00 | .00 | -169,456.00 | .0% |
| 414 CHARGES FOR SERVICE | -7,360 | -7,360 | .00 | .00 | .00 | -7,360.00 | .0% |
| 417 INVESTMENT EARNINGS | -700 | -700 | -689.26 | -76.07 | .00 | -10.74 | 98.5% |
| 520 MATERIALS & SERVICES | 17,710 | 17,710 | 7,948.68 | .00 | .00 | 9,761.32 | 44.9% |
| 530 CAPITAL OUTLAY | 51,000 | 51,000 | .00 | .00 | .00 | 51,000.00 | .0% |
| 550 TRANSFERS OUT | 50,000 | 50,000 | .00 | .00 | .00 | 50,000.00 | .0% |
| 570 CONTINGENCY | 45,006 | 45,006 | .00 | .00 | .00 | 45,006.00 | .0% |
| 580 RESERVED | 13,800 | 13,800 | .00 | .00 | .00 | 13,800.00 | .0% |
| TOTAL Qlife - Maupin | 0 | 0 | 7,259.42 | -76.07 | .00 | -7,259.42 | 100.0% |
| TOTAL REVENUES | -177,516 | -177,516 | -689.26 | -76.07 | .00 | -176,826.74 | |
| TOTAL EXPENSES | 177,516 | 177,516 | 7,948.68 | .00 | .00 | 169,567.32 | |

Wasco County, OR

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2021

FOR 2021 07

| | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL | |
|-------------|-----------------|----------------|-------------|------------|--------------|------------------|---------------|-------|
| GRAND TOTAL | -1,884,311 | -1,884,311 | -209,415.46 | 70,110.90 | | .00 | -1,674,895.54 | 11.1% |

** END OF REPORT - Generated by Mike Middleton **

Wasco County, OR

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2022

FOR 2022 07

| ACCOUNTS FOR: 6000 Qlife operations | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|--|--------------------|-------------------|-------------|------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -659,977 | -659,977 | -476,580.17 | .00 | .00 | -183,396.83 | 72.2% |
| 414 CHARGES FOR SERVICE | -741,420 | -741,420 | -404,705.00 | -64,795.00 | .00 | -336,715.00 | 54.6% |
| 417 INVESTMENT EARNINGS | -1,200 | -1,200 | -486.12 | -47.65 | .00 | -713.88 | 40.5% |
| 421 MISCELLANEOUS | -200 | -200 | .00 | .00 | .00 | -200.00 | .0% |
| 520 MATERIALS & SERVICES | 341,206 | 341,206 | 209,333.92 | 28,889.59 | .00 | 131,872.08 | 61.4% |
| 530 CAPITAL OUTLAY | 20,000 | 20,000 | .00 | .00 | .00 | 20,000.00 | .0% |
| 550 TRANSFERS OUT | 595,020 | 595,020 | 347,095.00 | 49,585.00 | .00 | 247,925.00 | 58.3% |
| 570 CONTINGENCY | 162,935 | 162,935 | .00 | .00 | .00 | 162,935.00 | .0% |
| 590 UNAPPROPRIATED | 283,636 | 283,636 | .00 | .00 | .00 | 283,636.00 | .0% |
| TOTAL Qlife Operations | 0 | 0 | -325,342.37 | 13,631.94 | .00 | 325,342.37 | 100.0% |
| TOTAL REVENUES | -1,402,797 | -1,402,797 | -881,771.29 | -64,842.65 | .00 | -521,025.71 | |
| TOTAL EXPENSES | 1,402,797 | 1,402,797 | 556,428.92 | 78,474.59 | .00 | 846,368.08 | |

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2022

FOR 2022 07

| ACCOUNTS FOR: 6010 Qlife Capital | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|-------------------------------------|--------------------|-------------------|---------------|-------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -1,784,664 | -1,784,664 | -1,846,578.43 | .00 | .00 | 61,914.43 | 103.5% |
| 410 PROPERTY TAXES | -5,000,000 | -5,000,000 | .00 | .00 | .00 | -5,000,000.00 | .0% |
| 414 CHARGES FOR SERVICE | -19,000 | -19,000 | -152,851.52 | .00 | .00 | 133,851.52 | 804.5% |
| 417 INVESTMENT EARNINGS | -9,000 | -9,000 | -3,793.29 | -503.84 | .00 | -5,206.71 | 42.1% |
| 421 MISCELLANEOUS | 0 | 0 | -132,145.99 | .00 | .00 | 132,145.99 | 100.0% |
| 450 TRANSFERS IN | -645,020 | -645,020 | -397,095.00 | -99,585.00 | .00 | -247,925.00 | 61.6% |
| 530 CAPITAL OUTLAY | 6,391,540 | 6,391,540 | 178,959.62 | 73,285.00 | 124,505.76 | 6,088,074.62 | 4.7% |
| 570 CONTINGENCY | 391,019 | 391,019 | .00 | .00 | .00 | 391,019.00 | .0% |
| 580 RESERVED | 675,125 | 675,125 | .00 | .00 | .00 | 675,125.00 | .0% |
| TOTAL Qlife Capital | 0 | 0 | -2,353,504.61 | -26,803.84 | 124,505.76 | 2,228,998.85 | 100.0% |
| TOTAL REVENUES | -7,457,684 | -7,457,684 | -2,532,464.23 | -100,088.84 | .00 | -4,925,219.77 | |
| TOTAL EXPENSES | 7,457,684 | 7,457,684 | 178,959.62 | 73,285.00 | 124,505.76 | 7,154,218.62 | |

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2022

FOR 2022 07

| ACCOUNTS FOR: 6020 Qlife - Maupin | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|--------------------------------------|--------------------|-------------------|-------------|------------|--------------|---------------------|----------------|
| 400 BEGINNING FUND BALANCE | -118,610 | -118,610 | -127,560.10 | .00 | .00 | 8,950.10 | 107.5% |
| 414 CHARGES FOR SERVICE | -7,360 | -7,360 | -5,834.70 | .00 | .00 | -1,525.30 | 79.3% |
| 417 INVESTMENT EARNINGS | -700 | -700 | -236.69 | -29.64 | .00 | -463.31 | 33.8% |
| 520 MATERIALS & SERVICES | 16,710 | 16,710 | 6,006.20 | .00 | .00 | 10,703.80 | 35.9% |
| 530 CAPITAL OUTLAY | 51,000 | 51,000 | .00 | .00 | .00 | 51,000.00 | .0% |
| 550 TRANSFERS OUT | 50,000 | 50,000 | 50,000.00 | 50,000.00 | .00 | .00 | 100.0% |
| 570 CONTINGENCY | 8,960 | 8,960 | .00 | .00 | .00 | 8,960.00 | .0% |
| TOTAL Qlife - Maupin | 0 | 0 | -77,625.29 | 49,970.36 | .00 | 77,625.29 | 100.0% |
| TOTAL REVENUES | -126,670 | -126,670 | -133,631.49 | -29.64 | .00 | 6,961.49 | |
| TOTAL EXPENSES | 126,670 | 126,670 | 56,006.20 | 50,000.00 | .00 | 70,663.80 | |

YEAR-TO-DATE BUDGET REPORT

QLIFE FINANCIALS FOR JANUARY 2022

FOR 2022 07

| | ORIGINAL APPROP | REVISED BUDGET | YTD ACTUAL | MTD ACTUAL | ENCUMBRANCES | AVAILABLE BUDGET | PCT USE/COL |
|-------------|-----------------|----------------|---------------|------------|--------------|------------------|-------------|
| GRAND TOTAL | 0 | 0 | -2,756,472.27 | 36,798.46 | 124,505.76 | 2,631,966.51 | 100.0% |

** END OF REPORT - Generated by Mike Middleton **

January 2022 Bank Reconciliation

Qlife – Financial Analysis for January 2021 Financial Statements

The financial statements for through the 7th month of the 2022 fiscal year (FY22) are presented. The statements are intended for the use of management and are not audited. The expected straight-line assumption for accounts is 58.3% (7/12). This is typically a good starting point for analysis.

The reporting is becoming more familiar now, but will still undergo some changes as staff skill with the reporting tools increases. At this point, two reports are still used to compare the current fiscal year to the prior.

Operations Fund

Total revenues of the fund are \$881,771 includes beginning fund balance of \$476,580. Charges for Services are executing at 54.6% which is 3.7% under the straight-line assumption. The value is about \$28K under the straight line assumption or about \$4K per month. This is an improvement over December as the revenue is up \$6,600 for the month to month comparison. Compared to last year, the amount is off the mark due to FY21 having unplanned revenues recorded in this area.

The accounts receivable for current is \$0 with \$9,870 in 61 to 90 days, \$9,190 in 91 to 120 days old and \$4,590 in over 120 days. Staff are following up on the old billings. Several are in process but the payment just hasn't been posted.

Interest is down and only executing at 40.5%. This is due to LGIP only earning 0.45%. While the percentage looks large, the dollar value is not at this point as the total budgeted earning is \$1,200.

Expenditures are in line with the budgeted expectations. Materials & Services are executing at 61.4%. This category is coming into line after the spike of paying the administrative charges in full. The line items below are still being watched:

- Administrative Costs 100.0% - fully paid – this will not increase further for the fiscal year. \$62,246 to Wasco County
- Contacted Services – Legal 212.0% - over the line item budget by \$13,444
- Dues & Subscriptions 249.2% - over the line item budget by \$2,984
- Scholarship 100.0% - No change from August report
- Pole Connection Fees – 81.7% - due to paying the annual pole contracts should not increase further

Finance has researched and will continue to review all transactions.

As it sits now, the fund balance is \$325,342 when the beginning fund balance is included – when not considered the fund balance would decrease \$151,237. While a decrease of the fund balance is planned, this is a bit faster than expected but is due to the accelerated Administration charges. Even with a declining fund balance, this includes transferring \$347,095 to the Capital fund.

Capital Fund

Revenue has a large spike, this is due to a billing submitted for \$152,851 that had not been considered in the budget. Other than that, there is nothing out of the ordinary in the revenue here.

The Beginning Fund Balance has been entered and is \$1,846,578. The category labeled "Property Taxes" is actually the potential grant added into the budget created. This is a label mismatch in the new system and is being addressed by Finance – as identified in the September report.

Expenditures to date have been minimal.

The fund has an additional \$5 million built into it in case any of the available grant funds can be claimed. In that event, the budget is prepared to utilize the additional funds. If not, the \$5M in revenues and expenditures will not be utilized.

Maupin Fund

The Gorge.Net receipts are in revenues. Interest is down.

Expenditures have totaled \$6,006 for the Maupin Wifi contract. The transfer to the Capital fund was executed as budgeted. This decreases the fund balance to \$77,625

The fund is breaking even at this point. There have not been any invoices for wifi service since October. Staff are checking to ensure a payment is not being missed.

Summary

The funds are in good positions. However, with the implementation of the new system, there are still learning curves to improve the layout of the reports. While the Operations fund is decreasing, this is due to the transfers out to the Capital fund. \$347.095 is being transferred to Capital for the YTD while the Operations Fund decreases by \$151,237.



Discussion Items

- Admin Staff Updates
- BAT Updates
- Aristo Technical Management Report

Aristo Networks LLC
Technical Management Report
By
John Amery
2/28/2022

Items of Interest:

- QLIFE damages.
 - No new damages to report.
- City Hall Power
 - Breaker panel feeding the generator was replaced.
 - Work was performed after hours under “emergency maintenance” definitions.
 - There were safety concerns due to heat being generated on the electrical wiring.
 - A new service was brought in by NWCPUD
 - The new service now includes a smart meter
 - The new meter is now located externally (as code dictates) such that emergency fire personnel can access in an emergency.
 - A new breaker panel was developed.
 - Replacing the old panel allowed us to “squeeze” a bit more power out of the generator.
 - That extra power has already been distributed to customers in need of extra power.
 - City backup generator did not fire up as expected during the maintenance.
 - It is believed the generator had been left in an incorrect state during the last maintenance service cycle which stopped it from firing up when it was supposed to.
 - The generator has since been placed in proper maintenance state and tested (mistakenly not under a planned maintenance).
 - The generator is now believed to be operating properly.



Executive Session
