



MINUTES

QLife Regular Board Meeting
Thursday, May 28, 2020
Via Google Hangouts

Call to Order President Hege calls the meeting to order at 12:03 PM.

Roll Call Scott Hege, Rod Runyon, Dale Lepper, Darcy Long-Curtiss, Lee Weinstein, John Amery, Dan Bubb, Joe Franell, Tom McGowan, Carrie Pipinich, Matthew Klebes, Tyler Stone, Stephanie Krell, Mike Middleton, Kristen Campbell, Erik Norton and Dan McNeely.

Changes to the Agenda

There are no changes to the agenda.

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

Approval of the Consent Agenda

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

Finance

Financial Report, Analysis and Reconciliation

Mr. Middleton presents his report to the Board included in the packet. He mentions that revenues in the Operations fund are right in line with where they should be at this time. He notes that one vendor has previously been behind on payables but it is now up to date. There is another vendor that is behind on payables due to COVID-19 but has been in contact with the Finance staff.

Mr. Middleton continues with the Capital fund and notes that interest is slightly down because it is being allocated differently. There is more interest in the Operations fund and less in the Capital fund.

Mr. Middleton informs the Board that nothing has come in from LSN to the Maupin fund so his staff will be following up with them. There are no questions from the Board.

Discussion Items

4-H Donation & Thank You

President Hege brings attention to the \$2,000 returned check from 4-H which was donated from QLife earlier in the fiscal year. They included a thank you card and expressed their hope for continued support next year. President Hege asks if we have budgeted for that donation in the past. Ms. Krell recalls that in 2018 there was support and Mr. Middleton adds that he will look to past budgets to confirm.

Aristo Management Report

Mr. Amery informs the Board that much of his time has been spent working with Mr. Klebes on Capital expense concepts. A fiber project has been awarded but construction has been delayed because of attachments associated with Century Link poles.

He continues by noting that there are no known issues with electronics and asks if the Board has any questions.

President Hege wonders how QLife attains permission to attach to poles and Mr. Amery explains that we request permission and establish joint use rules to follow. Each company's requirements are different and Mr. Amery adds that Century Link has historically been more difficult to work with.

Mr. Stone asks Mr. Franell if he has a relationship with Century Link that could be of assistance and Mr. Franell notes that Century Link grants Eastern Oregon Telecommunications (EOT) a permit without requiring make ready costs because of their existing relationship. Mr. Franell does not know that he can be much help since the issue surrounds a QLife attachment but suggests establishing a similar agreement and will share the EOT/Century Link agreement with Mr. Stone

Capital Improvement Plan

Mr. Franell informs the Board that he recently had a meeting with technical management on both the QLife side and the EOT/Gorge Net side. The outcome was a refined build and engineering which can eventually be used for the RFP. He is also going to clarify with PUD to see if it is possible to have two providers on a single attachment which is normally prohibited, however, a joint use agreement might be a viable solution.

Mr. Klebes brings the Board's attention to the 2016 QLife Capital Improvement Plan and mentions that it was timely to review to see if we could tag on potential projects as we move forward with the EOT/GorgeNet Beta Project. Mr. Franell agrees that this may be a good opportunity for QLife to complete those projects. Mr. Klebes is looking for feedback on which one to two projects that the Board would like to see completed along the way.

Mr. Amery points out the priorities from the 2016 perspective and notes that most connections go through City Hall, Mid-Columbia Medical Center and Big Eddy. He recommends a project in the downtown area because QLife has had difficulty connecting new customers there. He continues by saying that he would overbuild the current infrastructure with additional fiber and develop a new meet-me point on the east side of The Dalles. This will allow for increased capacity outside of the region.

Mr. Stone adds that he anticipated an underground project by the City on Second Street, which is why we have been holding off but thinks that the underground project might be scrapped for the foreseeable future. Mr. Klebes notes that the City put out an RFP to review feasibility but there were no responses which slowed down the project. Mr. Stone expresses that we should continue to move forward regardless of what happens with the City project. He suggests that we can always place conduit and leave it empty to be connected at a later time.

President Hege asks if this would be an aerial or underground project and Mr. Amery clarifies that it would be aerial overlashing existing overhead.

Mr. Norton agrees with Mr. Stone's perspective and adds that pricing would be lower than a traditional build. Mr. Stone reiterates that he believes this is the top priority project along with the EOT/Gorge Net project. He wonders if the Board is in support of taking on an additional project.

Mr. Amery points out some at risk QLife infrastructure to the Board. One risk area is the BPA line near the hospital which if ever damaged, would require authorization from BPA to repair. That could take months and reminds the Board that that particular segment was originally placed via helicopter. He notes that we may want to consider an expansion project or a risk mitigation project. He also brings attending to a potential East Bisector project which would build from downtown to existing infrastructure near Lone Pine. This would also solve some risk management needs.

Mr. Stone reminds the Board of a new development set to build 70 homes and explains that QLife could build a partial path to that area and extend it at a later date. He asks the Board for feedback on which, if any, projects they would like to see move forward. We could engage Commstructure to provide us with a cost estimate and design.

Mr. Weinstein wonders if there is any downside to taking on multiple projects at once and if we need to keep funds in the reserve. President Hege notes that funding and bandwidth are the two biggest challenges. He believes we should focus on the downtown project and refine the others at a later time. Mr. Stone agrees with that direction and adds that

we never know what may pop up in the future and want to have funds available to be able to make decisions as they occur.

Mr. Runyon expresses his support of the downtown project and asks where the funding may come from. Mr. Klebes responds that they have no grant source yet but that he could evaluate what grants are available for this project. Ms. Pipinich does not believe that there are any grant opportunities for downtown. Mr. Klebes also notes that there are funds available in the Capital reserve.

President Hege directs QLife staff to refine other projects and bring back further recommendations at a later meeting.

[[There is consensus of the Board to move forward with engaging Commstructure for engineering of downtown bypass project.]]

Action Items

Aristo Agreement Addendum

Mr. Klebes informs the Board that he and Mr. Amery have had discussions about his 2006 contract and have been negotiating rates going forward. He adds that there have been no changes in rates for cost of living so this addendum will update and lock in rates for the 2020/21 fiscal year. Next Spring, QLife will go out for a formal RFP for due diligence. He asks for the Board's approval to sign the addendum.

[[Mr. Weinstein moves to approve the Aristo Agreement Addendum. Mr. Runyon seconds the motion, which passes unanimously.]]

Lone Pine Update

Mr. McNeely updates the Board that we are officially in the construction period. The Union Pacific railroad permit was acquired last week and the contractor will schedule the crossing. Mr. Stone adds that he pushed Union Pacific hard on the high cost of crossing but they were unwilling to reconsider reducing the \$25,000 fee, however, they did agree to expedite future permits.

President Hege asks how long they expect the build to take and Mr. McNeely believes it could take just a few weeks assuming there are no hiccups along the way. He adds that the railroad is the major variable. Mr. Amery also states that splicing the indoor backbone may slow things down because it cannot be done until the railroad crossing is scheduled.

President Hege asks about Segment 2 of the project and Mr. Klebes notes that there is no update on Segment 2 due to communication issues with the owner of the conduit. The fall back plan is to install new conduit to service that area but we may be able to use the existing conduit and are trying to work through that.

The meeting is adjourned at 12:58 PM

The next regularly scheduled board meeting is set for June 25, 2020.

These minutes were approved by the QLife Board on June 25, 2020.

Lee Weinstein, Secretary