

QLife Network
QualityLife Intergovernmental Agency

AGENDA

QLife Regular Board Meeting

Tuesday March 22, 2011 4PM
The Dalles City Hall, 313 Court Street
2nd Floor Conference Room

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of February 22, 2011 QLife Regular Board Meeting Minutes
5. Financial Reports
 - a. February Financial Reports
 - b. List of Disbursements since Last Meeting
6. Action Items
 - a. Approval of the Financial Priorities FY 2011-12
 - b. Approval of the Second Amendment to the Lease of Space at City Hall
 - c. Approval of sending Scholarship funds to CGCC Foundation
7. Reports
 - a. Wi Fi Project update - Young
 - b. Aristo Operational Management Report – John Amery
 - i. Status of redundancy/bisector project
 - ii. Other activities/issues
8. Next Meeting Dates:

Budget Committee Meeting April 26, 2011 3pm
Regular Board Meeting April 26, 2011 4pm
9. Adjourn

QLife Network

QualityLife Intergovernmental Agency

MINUTES

QLife Regular Board Meeting

Thursday February 17, 2011 4PM
The Dalles City Hall, 313 Court Street
2nd Floor Conference Room

Call to Order

The meeting was called to order by President Dan Ericksen at 4:05pm

Roll Call

In Attendance: Erick Larson, Dan Spatz, Nolan Young, John Amery, Keith Mobley, Izetta Grossman

Absent: Brian Ahier, Scott Hege

Approval of Agenda

President Ericksen asked for amendments to the agenda. Spatz asked that Broadband Meeting Report be added as Item C under Reports. It was moved by Larson and seconded by Spatz to approve the agenda as amended. Motion passed unanimously, two absent.

Approval of January 18, 2010 QLife Regular Board Meeting Minutes

It was moved by Spatz and seconded by Larson to approve the minutes of the January 18, 2011 Board meeting. The motion passed unanimously, two absent.

Financial Reports

Young reviewed the financial reports noting that the Redundancy/Bisector projects are more expensive than anticipated; it appears those line items will require a budget amendment.

Action Items

Scholarship Criteria Young reminded the Board that there was \$2000 budgeted for Scholarship, and staff requests direction from the Board on how they would like the scholarship facilitated. It was the consensus of the Board for the scholarship to be for CGCC, Technology fields, books and tuition, 2 \$1000 scholarships, needs based with other requirements typically applied by the CGCC Foundation. The board wanted the recipient to know that this was a scholarship from QLife, a report from the Foundation on how the funds were used, and to invite the recipient to a QLife meeting.

It was decided to wait until the March meeting for the final approval, when more of the board would be present. The funds need to be delivered to CGCC before March 31, 2011 to qualify for the matching funds program.

Discussion Items

Financial Priorities FY 2011-12 – Young reviewed draft priorities list. It was the consensus of the Board to proceed with priorities as presented.

Fiber to the Home Proposal – Amery handed out a cost estimate. Proposal for QLife bringing fiber to the home, the ISP's take it from there. The original model of QLife was to have signed contracts to support the business to reduce risk. Amery agreed about the risk being very high, was hoping for the ok for a feasibility study and grant research. This model had too much risk for the Board to want to pursue it further. The consensus of the Board was this type of plan left the wholesale model QLife was built on, getting deeper than the intent of QLife.

Reports

PUC Grants for Strategic Planning/Wasco County Broadband 10 year plan – Mobley presented information on upcoming grants and recommended that the Board request that he continue to monitor opportunities and deadlines. It was the consensus of the Board that he do so, reporting back to the Board as opportunities develop.

Broadband Meeting Report – Spatz reported that he had attended a meeting on the Washington side with the Department of Information Services, Wilford Saunders Broadband Policy and Program Director and Monica Babine, Sen. Associate with Washington State University. They were looking for good models and Spatz requested that staff provide them with QLife information.

Aristo Operational Management Report –Amery said still working on the Bisector/Redundancy project and space needs for a new customer. He also reported that the meeting with the BPA went well and that Mobley was working with them on a legal document in order for QLife to have access to the property. Mobley reported that he was waiting on a non-disclosure document that would require Ericksen's signature and the draft agreement.

Next Meeting Dates:

Budget Committee Meeting March 22, 2011 3pm
Regular Board Meeting March 22, 2011 4pm

Adjourn

Being no further business the meeting was adjourned at 5:35pm

Respectfully submitted by/

Izetta Grossman, Recording Secretary

Attest: _____
Erick Larson, Secretary/Treasurer

TO: Qlife Board
 Nolan Young, City Manager

FR: Kate Mast, Finance Director

RE: Financial Report for QLIFE – February 2011

BANKING:

QLife monies are deposited into a separate bank checking account. We opened a Money Market Account in December 2008 that we transfer excess funds into when possible to earn 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.

67% 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, 2010 to February 28, 2011</u>		
	Budget	Actual	Percentage
Beginning Balance	\$ 83,913	\$ 83,450	99.4% * see below
Revenues	\$ 554,850	\$ 320,943	57.8%
Expenditures	\$ 312,686	\$ 87,431	27.9%
Transfers to Capital/Debt Fund	\$ 326,077	\$ 237,147	72.7%
Cash at Month End	\$ 36,754.21		

Exceptions:

- 1) **Beginning Balance:** * *The Beginning Balance figures used here have been audited. The actual audited beginning balance is slightly less than budgeted, but we have sufficient contingency to cover the shortfall.*
- 2) **Revenues:**
 - a. Customer user fees are at 65.3% for the year.
- 3) **Expenditures:**
 - a. E-Rates in the amount of \$3,064.32 have been received and paid out to date this fiscal year.
 - b. In order to track capital project costs more accurately, we are posting design and engineering costs related to projects that will result in additions to our capital assets

to the Capital Outlay line items so that those costs can be included in the valuation of those capital asset additions. We have moved those specific engineering costs (\$3,291.25) out of the QLife Agency Fund (600) Materials & Services category and into the Capital Outlay category in the QLife Capital Fund (601) in accordance with this new asset tracking process.

- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

CAPITAL (601):

BUDGET COMPARISONS

	July 1, 2010 to February 28, 2011			
	Budget	Actual	Percentage	
Beginning Balance	\$ 145,576	\$ 138,832	95.3%	* see below
Transfers In	\$ 326,077	\$ 237,147	72.7%	
Revenues	\$ 71,000	\$ 58,762	82.8%	
M&S / Capital Outlay / Other	\$ 350,704	\$ 60,319	17.2%	
Debt Expenditures	\$ 191,949	\$ 142,895	74.4%	
Cash at Month End	\$ 231,527.08			

Exceptions:

- 1) Beginning Balance: ** The Beginning Balance figures used here have been audited. The actual audited beginning balance is less than budgeted, but we have sufficient contingency to cover the shortfall.*
- 2) Revenues:
 - a. We received the \$50,000 enterprise payment in January 2011.
- 3) Expenditures:
 - a. In order to track capital project costs more accurately, we are posting design and engineering costs related to projects that will result in additions to our capital assets to the Capital Outlay line items so that those costs can be included in the valuation of those capital asset additions. We have moved those specific engineering costs (\$3,291.25) out of the QLife Agency Fund (600) Materials & Services category and into the Capital Outlay category in the QLife Capital Fund (601) in accordance with this new asset tracking process. We have also moved specific engineering fees (\$6,821.00) out of the Materials & Services category of the QLife Capital Fund (601) and into the Capital Outlay category.
- 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		6,992	.00		55,936	83,450.11	149	83,913	462.89
300	**	6,992	.00		55,936	83,450.11	149	83,913	462.89
300	*** BEGINNING BALANCE	6,992	.00		55,936	83,450.11		83,913	462.89
340	CHARGES FOR SERVICES								
341	GENERAL GOVERNMENT								
90 00	MISC SALES AND SERVICES	0	.00		0	.00		0	.00
341	** GENERAL GOVERNMENT	0	.00		0	.00		0	.00
344	UTILITY SERVICES								
10 00	UTILITY SERVICE CHARGES	35,483	34,310.00	97	283,864	278,095.00	98	425,800	147,705.00
15 00	LSN CREDITS	5,500	5,500.00	100	44,000	38,500.00	88	66,000	27,500.00
20 00	CONNECT CHARGES	187	.00		1,496	900.00	60	2,250	1,350.00
344	** UTILITY SERVICES	41,170	39,810.00	97	329,360	317,495.00	96	494,050	176,555.00
340	*** CHARGES FOR SERVICES	41,170	39,810.00		329,360	317,495.00		494,050	176,555.00
360	OTHER REVENUES								
361	INTEREST REVENUES								
00 00	INTEREST REVENUES	66	52.48	80	528	384.13	73	800	415.87
361	** INTEREST REVENUES	66	52.48	80	528	384.13	73	800	415.87
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	.00		0	.00		0	.00
20 00	E-RATE REIMBURSEMENT	5,000	.00		40,000	3,064.32	8	60,000	56,935.68
369	** OTHER MISC REVENUES	5,000	.00		40,000	3,064.32	8	60,000	56,935.68
360	*** OTHER REVENUES	5,066	52.48		40,528	3,448.45		60,800	57,351.55
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		53,228	39,862.48		425,824	404,393.56		638,763	234,369.44

FUND 600 QUALITYLIFE AGENCY FUND			DEPT/DIV 6000 QLIFE/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT	
SUB	SUB		DESCRIPTION											
66			EXPENSE-ACCOUNT											
660			FINANCIAL OPERATIONS											
02			MATERIALS & SERVICES											
31	10		ADMINISTRATIVE	1666	.00	0	13328	6906.16	52	.00	20000	13093.84	35	
	15		COUNTY	416	.00	0	3328	.00	0	.00	5000	5000.00	0	
	20		OUTSIDE PLANT MAINTENACE	2333	3881.19	166	18664	4631.19	25	.00	28000	23368.81	17	
	90		OTHER SERVICES	1666	.00	0	13328	.00	0	.00	20000	20000.00	0	
32	10		AUDIT	483	.00	0	3864	5600.00	145	.00	5800	200.00	97	
	20		LEGAL SERVICES	500	.00	0	4000	3135.00	78	.00	6000	2865.00	52	
34	10		ENGINEERING SERVICES	1000	2107.50	211	8000	7777.50	97	.00	12000	4222.50	65	
	30		NETWORK SYSTEM MANAGEMENT	3833	.00	0	30664	31788.30	104	.00	46000	14211.70	69	
	50		SPECIAL STUDIES & REPORTS	0	.00	0	0	.00	0	.00	0	.00	0	
43	10		BUILDINGS AND GROUNDS	166	.00	0	1328	.00	0	.00	2000	2000.00	0	
	25		NETWORK EQUIPMENT	383	.00	0	3064	1190.00	39	.00	4600	3410.00	26	
	40		OFFICE EQUIPMENT	0	.00	0	0	.00	0	.00	0	.00	0	
	71		SPCL UTILITY EQUIPMENT	0	.00	0	0	.00	0	.00	0	.00	0	
	86		LINE MNTNCE & SUPPLIES	0	.00	0	0	.00	0	.00	0	.00	0	
	87		UTILITIES LOCATES	83	.00	0	664	88.56	13	.00	1000	911.44	9	
44	10		OFFICE SPACE RENTAL	261	.00	0	2088	1566.00	75	.00	3132	1566.00	50	
52	10		LIABILITY	458	.00	0	3664	5181.00	141	.00	5500	319.00	94	
	30		PROPERTY	25	.00	0	200	.00	0	.00	300	300.00	0	
53	20		POSTAGE	16	.00	0	128	53.87	42	.00	200	146.13	27	
	30		TELEPHONE	40	30.00	75	320	273.00	85	.00	480	207.00	57	
	40		LEGAL NOTICES	33	.00	0	264	240.00	91	.00	400	160.00	60	
54	00		ADVERTISING	83	.00	0	664	403.27	61	.00	1000	596.73	40	
57	10		PERMIT	33	.00	0	264	.00	0	.00	400	400.00	0	
58	10		TRAVEL, FOOD & LODGING	33	.00	0	264	.00	0	.00	400	400.00	0	
	50		TRAINING AND CONFERENCES	16	.00	0	128	150.00	117	.00	200	50.00	75	
	70		MEMBERSHIPS/DUES/SUBSCRIP	16	.00	0	128	.00	0	.00	200	200.00	0	
	80		SCHOLARSHIPS	166	.00	0	1328	.00	0	.00	2000	2000.00	0	
60	10		OFFICE SUPPLIES	16	.00	0	128	.00	0	.00	200	200.00	0	
69	50		MISCELLANEOUS EXPENSES	41	.00	0	328	230.95	70	.00	500	269.05	46	
	60		POLE CONNECTION FEES	633	5949.20	940	5064	7838.28	155	.00	7600	238.28-	103	
	70		RIGHT OF WAY FEES	1064	1029.30	97	8512	7313.55	86	.00	12774	5460.45	57	
	80		ASSETS <\$5000	0	.00	0	0	.00	0	.00	0	.00	0	
02	**	**	MATERIALS & SERVICES	15463	12997.19	84	123704	84366.63	68	.00	185686	101319.37	45	
03			CAPITAL OUTLAY											
74	20		TELECOMMUNICATIONS EQUIP	1666	.00	0	13328	.00	0	.00	20000	20000.00	0	
78	50		FIXED ASSET RECLASS ACCT	0	.00	0	0	.00	0	.00	0	.00	0	
03	**	**	CAPITAL OUTLAY	1666	.00	0	13328	.00	0	.00	20000	20000.00	0	
05			OTHER											
87	00		DEPRECIATION EXPENSE	0	.00	0	0	.00	0	.00	0	.00	0	
05	**	**	OTHER	0	.00	0	0	.00	0	.00	0	.00	0	
660	**	**	FINANCIAL OPERATIONS	17129	12997.19	76	137032	84366.63	62	.00	205686	121319.37	41	
66	**	**	EXPENSE-ACCOUNT	17129	12997.19	76	137032	84366.63	62	.00	205686	121319.37	41	

FUND 600 QUALITYLIFE AGENCY FUND		DEPT/DIV 9500 OTHER USES/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT	
SUB	SUB	DESCRIPTION											
60		QLIFE FUND											
81	62	IF PMT TO OTHER FUNDS	0	.00	0	0	.00	0	.00	0	.00	0	
	91	QLIFE CAPITAL FUND	27173	29643.36	109	217384	237146.88	109	.00	326077	88930.12	73	
83	10	ESD E-RATE	5000	.00	0	40000	3064.32	8	.00	60000	56935.68	5	
05	**	OTHER	32173	29643.36	92	257384	240211.20	93	.00	386077	145865.80	62	
06		CONTINGENCY / UAFB											
88	00	CONTINGENCY	3916	.00	0	31328	.00	0	.00	47000	47000.00	0	
89	00	UNAPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	0	.00	0	
06	**	CONTINGENCY / UAFB	3916	.00	0	31328	.00	0	.00	47000	47000.00	0	
600	**	** OTHER USES	36089	29643.36	82	288712	240211.20	83	.00	433077	192865.80	56	
60	**	** QLIFE FUND	36089	29643.36	82	288712	240211.20	83	.00	433077	192865.80	56	
DIV	9500	TOTAL *****	36089	29643.36	82	288712	240211.20	83	.00	433077	192865.80	56	
DEPT	95	TOTAL *****											
		OTHER USES	36089	29643.36	82	288712	240211.20	83	.00	433077	192865.80	56	
FUND	600	TOTAL *****											
		QUALITYLIFE AGENCY FUND	53218	42640.55	80	425744	324577.83	76	.00	638763	314185.17	51	

City of The Dalles

FUND 601 QLIFE CAPITAL FUND		***** CURRENT *****			***** YEAR-TO-DATE *****			ANNUAL	UNREALIZED
ACCOUNT	ACCOUNT DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	%REV	ESTIMATE	BALANCE
300	BEGINNING BALANCE								
300									
00 00		12,131	.00		97,048	138,832.34	143	145,576	6,743.66
300	**	12,131	.00		97,048	138,832.34	143	145,576	6,743.66
300	*** BEGINNING BALANCE	12,131	.00		97,048	138,832.34		145,576	6,743.66
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	1,750	.00		14,000	8,761.25	63	21,000	12,238.75
344	** UTILITY SERVICES	1,750	.00		14,000	8,761.25	63	21,000	12,238.75
340	*** CHARGES FOR SERVICES	1,750	.00		14,000	8,761.25		21,000	12,238.75
360	OTHER REVENUES								
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	.00		0	.00		0	.00
10 00	ENTERPRISE ZONE PAYMENT	4,166	.00		33,328	50,000.00	150	50,000	.00
369	** OTHER MISC REVENUES	4,166	.00		33,328	50,000.00	150	50,000	.00
360	*** OTHER REVENUES	4,166	.00		33,328	50,000.00		50,000	.00
390	OTHER FINANCING SOURCES								
391	OPERATING TRANSFERS IN								
40 00	IF PMT FROM OTHER FUNDS	0	.00		0	.00		0	.00
90 01	QLIFE OPERATING FUND	27,173	29,643.36	109	217,384	237,146.88	109	326,077	88,930.12
391	** OPERATING TRANSFERS IN	27,173	29,643.36	109	217,384	237,146.88	109	326,077	88,930.12
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	27,173	29,643.36		217,384	237,146.88		326,077	88,930.12
FUND TOTAL QLIFE CAPITAL FUND		45,220	29,643.36		361,760	434,740.47		542,653	107,912.53

FUND 601 QLIFE CAPITAL FUND			DEPT/DIV 6000 QLIFE/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT	
SUB	SUB		DESCRIPTION											
66			EXPENSE-ACCOUNT											
660			FINANCIAL OPERATIONS											
	02		MATERIALS & SERVICES											
	34	10	ENGINEERING SERVICES	833	440.00-	53-	6664	440.00-	7-	.00	10000	10440.00	4-	
		70	CUSTOMER CONNECT COSTS	0	.00	0	0	.00	0	.00	0	.00	0	
		90	OTHER SERVICES	0	.00	0	0	.00	0	.00	0	.00	0	
	43	86	LINE MNTNCE & SUPPLIES	166	.00	0	1328	.00	0	.00	2000	2000.00	0	
		53	40 LEGAL NOTICES	0	.00	0	0	.00	0	.00	0	.00	0	
		57	10 PERMIT	0	.00	0	0	.00	0	.00	0	.00	0	
	02	**	MATERIALS & SERVICES	999	440.00-	44-	7992	440.00-	6-	.00	12000	12440.00	4-	
	03		CAPITAL OUTLAY											
		72	20 BUILDINGS	166	.00	0	1328	.00	0	.00	2000	2000.00	0	
		74	10 COMPUTER EQUIPMENT	0	.00	0	0	.00	0	.00	0	.00	0	
		20	TELECOMMUNICATIONS EQUIP	9207	.00	0	73656	20520.32	28	.00	110487	89966.68	19	
		76	10 PRIMARY	4166	1887.50	45	33328	26878.50	81	.00	50000	23121.50	54	
		20	SECONDARY	3125	6050.06	194	25000	13359.81	53	.00	37500	24140.19	36	
		30	POLE MAKE READY COSTS	416	.00	0	3328	.00	0	.00	5000	5000.00	0	
	03	**	CAPITAL OUTLAY	17080	7937.56	47	136640	60758.63	45	.00	204987	144228.37	30	
	04		DEBT SERVICE											
		79	50 LOAN PRINCIPAL PAYMENTS	12251	11493.17	94	98008	108368.65	111	.00	147014	38645.35	74	
		51	CRB PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0	.00	0	
		60	LOAN INTEREST PAYMENTS	3744	3684.24	98	29952	34526.11	115	.00	44935	10408.89	77	
		90	LOAN RESERVE-FUT DEBT PAY	0	.00	0	0	.00	0	.00	0	.00	0	
	04	**	DEBT SERVICE	15995	15177.41	95	127960	142894.76	112	.00	191949	49054.24	74	
	660	**	** FINANCIAL OPERATIONS	34074	22674.97	67	272592	203213.39	75	.00	408936	205722.61	50	
	66	**	** EXPENSE-ACCOUNT	34074	22674.97	67	272592	203213.39	75	.00	408936	205722.61	50	
	DIV	6000	TOTAL *****	34074	22674.97	67	272592	203213.39	75	.00	408936	205722.61	50	
	DEPT	60	TOTAL *****	34074	22674.97	67	272592	203213.39	75	.00	408936	205722.61	50	
			QLIFE	34074	22674.97	67	272592	203213.39	75	.00	408936	205722.61	50	

FUND 601 QLIFE CAPITAL FUND			DEPT/DIV 9500 OTHER USES/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT	
SUB	SUB		DESCRIPTION											
60			QLIFE FUND											
600			OTHER USES											
	05		OTHER											
	84	15	RSRV FOR SYS IMPROVEMENTS	8333	.00	0	66664	.00	0	.00	100000	100000.00	0	
		20	RSRV FOR CO EXPANSION	1666	.00	0	13328	.00	0	.00	20000	20000.00	0	
	05	**	OTHER	9999	.00	0	79992	.00	0	.00	120000	120000.00	0	
600	**	**	OTHER USES	9999	.00	0	79992	.00	0	.00	120000	120000.00	0	
60	**	**	QLIFE FUND	9999	.00	0	79992	.00	0	.00	120000	120000.00	0	
66			EXPENSE-ACCOUNT											
660			FINANCIAL OPERATIONS											
	06		CONTINGENCY / UAFB											
	88	00	CONTINGENCY	1143	.00	0	9144	.00	0	.00	13717	13717.00	0	
	89	00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	0	.00	0	
	06	**	CONTINGENCY / UAFB	1143	.00	0	9144	.00	0	.00	13717	13717.00	0	
660	**	**	FINANCIAL OPERATIONS	1143	.00	0	9144	.00	0	.00	13717	13717.00	0	
66	**	**	EXPENSE-ACCOUNT	1143	.00	0	9144	.00	0	.00	13717	13717.00	0	
DIV	9500		TOTAL *****											
				11142	.00	0	89136	.00	0	.00	133717	133717.00	0	
DEPT	95		TOTAL *****											
			OTHER USES	11142	.00	0	89136	.00	0	.00	133717	133717.00	0	
FUND	601		TOTAL *****											
			QLIFE CAPITAL FUND	45216	22674.97	50	361728	203213.39	56	.00	542653	339439.61	37	

MEMORANDUM

TO: QLife Board

FROM: Nolan K. Young 

DATE: March 8, 2011

ISSUE: Lease of Space at City Hall

BACKGROUND: In September of 2003, the City entered into a lease with QualityLife Intergovernmental Agency (QLife) for a 10' x 14' office in the southeast corner of the basement of City Hall. In October of 2007, an additional 11' x 11' space was leased. The rent is currently \$1 per square foot for a total monthly charge of \$261 per month.

Across the hall from these two offices is a larger room that is currently used by City IT staff. It includes the City's primary servers and telephone exchange equipment. QLife has a need for additional space and it has been determined that approximately 11' x 16' space can be made available to QLife to install a cage to be utilized by one of its customers for collocation equipment racks. This area is needed by a current customer. Without this space, we cannot meet the rack space needs of a proposed customer. This move will also give us space available for three future racks in our original room.

We would propose that QLife request that the City make this space available at the current rent rate, for an additional rent of \$176, bringing the total rent for QLife to \$437 per month.

QLife Future Expansion:

QLife may also need space for future expansion. Over the next two fiscal years, it is the City's intent to make its west basement space usable (see attached map) by installing concrete flooring and proper ventilation. This will free up the site identified on the map as Future Rm. This space could help meet the future needs of QLife.

Electrical Expense:

Currently the City has been paying all the electrical expense related to QLife's activity. With the current expansion, the City is requesting that QLife put in a separate service to City Hall for its collocation activities. The City will allow QLife to share the generator as long as QLife pays for any replacement required to meet their needs. The attached Lease Amendment includes:

1. a provision that QLife will pay for any additional electrical and backup generator costs incurred by their expansion, and
2. that QLife will over the next six months consider the feasibility of providing separate electrical service and if this does not prove to be feasible that a reasonable rate will be calculated for QLife to share in the electrical costs at City Hall.

BUDGET IMPLICATIONS: The additional space will cost \$176 more per month. It will allow QLife to receive \$2,390/month from a new customer and create an opportunity for three additional collocation racks (\$1,200/month). There will be costs for an additional generator and separated electric costs. John Amery is working on those cost estimates.

BOARD ALTERNATIVES:

1. Staff Recommendation: Authorize QLife President to sign the Amendment to Lease space to include a third area at City Hall for a monthly rent of \$176 with future consideration for electrical costs.
2. Table this issue to allow for additional research.
3. Select other rate or lease provisions.
4. Decline to lease this additional space to QLife.

SECOND ADDENDUM TO LEASE

WHEREAS, the City of The Dalles, a municipal corporation of the State of Oregon, hereinafter referred to as “City,” and the QualityLife Intergovernmental Agency, an intergovernmental agency of the State of Oregon, hereinafter referred to as “QLIFE,” entered into a lease agreement on September 8, 2003, for the lease of office space measuring 10 feet by 14 feet in the basement of City Hall for the housing of systems electronics including that of their customers and general storage; and

WHEREAS, City and QLIFE entered into a First Addendum on December 13, 2007, which added an 11' by 11' office for QLIFE use; and

WHEREAS, the 11' by 11' office space is nearing its capacity for storage, and QLIFE has a need for additional space for storage of its electronic equipment and customers electronic equipment; and

WHEREAS, the City has available additional 11' by 16' office space which is near to the space currently leased to QLIFE; and

WHEREAS, City and QLIFE have reached an agreement as to the terms for the rental of the additional 11' by 16' office space;

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Second Addendum, it is mutually agreed as follows:

Section 1. Section 1, Lease of Facilities, shall be modified to include the rental of the 11' by 16' office space, which is near to the space currently leased by QLIFE as shown on the floor plan attached as “Exhibit A”. QLIFE shall be granted access to existing raceways to bring Fiber Optic Cable to the additional leased premises; any additional raceway required to bring the cable to the additional leased premises shall be installed by QLIFE at its own expense.

Section 2. Section 3, Rental shall be amended to increase the monthly rental payment from \$176.00 per month to \$437.00 per month, effective April 1, 2011.

Section 3. QLIFE will over the next six months investigate and install if feasible a separate electrical service to City Hall to power the equipment in its leased space at QLIFE's cost. If such separate service to provide service to QLIFE is not feasible the City and QLIFE will negotiate a proper amount that QLIFE must pay monthly toward electricity costs.

Section 4. QLIFE agrees to pay the cost of any replacement of the City's current back up generator to meet QLIFE's increased needs.

Section 5. Except as amended by the terms of this Second Addendum and the First Addendum entered into on December 13, 2007, the terms of the Lease dated September 8, 2003, shall remain in full force and effect.

Dated this _____ day of _____, 2011.

CITY OF THE DALLES, a municipal corporation of the State of Oregon

QUALITYLIFE INTERGOVERNMENTAL AGENCY, an intergovernmental agency of the State of Oregon

James L. Wilcox, Mayor

Dan Ericksen, President

Attest:

Attest:

Julie Krueger, MMC, City Clerk

Erik Larson, Secretary/Treasurer

Approved as to form:

Approved as to form:

Gene E. Parker, City Attorney

Keith Mobley, QLIFE attorney

Aristo
Technical Management Report
By
John Amery
3/15/2011

1. Redundancy Project –

- Planned Dates:
 - Dec. 1st – Commstructure Engineering to complete new engineering drawings based upon new site location.- **COMPLETE**
 - Cement Pad to be completed by End of Year. - **Delayed**
 - Bisector load balance study to be completed by 12/17 – **submitted to PUD. Waiting for response – Conference Call scheduled for 3/18/11 with PUD and Qlife**
 - RFP ready to send out by 12/10 – **DELAYED- - TBD**
 - RFP responses due by 12/22 – **DELAYED - TBD**
 - Scheduled maintenance window for winning bidder's fiber termination - last week of January 2011. – **DELAYED - TBD**

2. Generator Upgrade – **Currently visiting need for larger generator at City Hall**

- Qlife is currently looking into the option of increasing the generator capacity at City Hall.
- We currently have \$100k in reserve.

3. Freeway Overpass – low cable – **Engineering working with ODOT.**

4. BPA (Big Eddy) –

- BPA has recently taken a different approach with how they manage fiber access on BPA properties. Qlife has met with BPA and is looking at different contract options.

5. Issues with fiber on West side of loop – **Waiting to try to coordinate with bisector project**

- We plan to perform another physical audit of the fiber on the west side of our loop. We will be looking for the extruded support member we have seen in the past.
- If possible I would like to schedule at least part of this work with the bisector project in order to save money.