

AGENDA

QLife Regular Board Meeting

Thursday, July 28, 2016
Noon
Wasco County Courthouse
Deschutes Room – B08

1. Approval of Agenda
2. [Approval of July 6, 2016 Board Minutes](#)
3. [Financial Reports](#) – Kate Mast
4. [Reports](#) – John Amery
5. [Discussion: Pricing Clarification & Resolution 16-006](#) – Tyler Stone
6. [Discussion: Administrative Authority](#) – Tyler Stone
7. [Discussion: MCEDD Meeting Report](#) – Scott Hege
8. [Maupin Project Update](#) – Erik Orton
9. [Executive Session: \(2\)\(g\) Competitive trade or commerce negotiations and \(2\)\(m\)\(E\) Discuss information regarding security of telecom systems and data transmission.](#)
10. Old/New Business
11. Next Meeting Dates: Regular Board Meeting, August 25, 2016 Noon
12. Adjourn

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.

Approval of July 6, 2016 Board Minutes

- [Board Minutes](#)



MINUTES

Q-Life Regular Board Meeting
Wednesday, July 6th 2016
Noon
Deschutes Room, Wasco County Courthouse

Call to Order: Vice-President Dan Spatz calls the meeting to order.

Roll Call: Brian Ahier, John Amery, Tyler Stone, Taner Elliott, Dan Spatz, Roger Nichols, Scott Hege, Kate Mast

Approval of July 6, 2016 Agenda: Scott Hege moves to approve the Agenda. Taner Elliott seconds.

Approval of May 26, 2016 Board Minutes: No requested changes. Taner Elliott Moves to approve the Minutes. Scott Hege seconds.

Keith Mobley joins the meeting via phone.

Financial Reports: Kate Mast reports it has been discovered that engineering, permitting and legal funds were allocated in the Maupin Fund, when it was originally thought there were none. Kate has run the preliminary end of June reports and has made the appropriate adjustments. This will mean there will be less to track regarding the Maupin Fund in the future.

Kate reiterates that the June reports that have been run and sent to QLife Administration are preliminary until all the payables and receivables come in for June and after the audit.

Tyler and Kate both agree that QLife will be over-expended on a few line items but the overall category will be okay.

Kate Mast explains to the Board that previously she did not attend QLife meetings. She wanted to discuss whether she is needed in future meetings. The Board agrees that it is beneficial to have her present to discuss the financial reports but she does not need to stay for the entirety of the meeting.

Reports: John Amery explains while attempting to implement a new monitoring solution it was determined that the service hard-drives were failing. A new NAS has been purchased. It has not put the network at risk; John was able to capture most of the pertinent information.

During the network 2015-16 audit it was discovered that not all information had migrated to the new system after an upgrade of OSPInsight was done. He has been told it is an easy solution and expects this to be resolved soon.

Tyler Stone adds that QLife Administration has sent up a bi-weekly meeting with Aristo Networks, Commstructure and Administrative Staff. Tyler explains that he feels these frequent meetings are pertinent to QLife's future. From a budgetary aspect it will have to be something that is monitored because QLife is utilizing John and Erik on a more in depth basis than before.

Discussion: Pricing Clarification & Resolution 16-006: Tyler Stones explains to the Board that we have signed our first Wholesale customer and how the current pricing structure does not address a Wholesale model.

Tyler asks what the idea for Participant pricing was, considering that it is not significantly different than Non-Participant pricing. He addresses the language in the pricing that has given the impression to Participants that once they have signed a service order with a specific pricing they will continue to get that price on future service orders. Considering the language, current service order circumstances and questions from concerned Participants Tyler Stone called Nolan Young to clarify the language in the existing Resolutions. Nolan Young explains the intention was to get everyone onto the QLife network and

when the new pricing was approved it applied to all new service orders moving forward and that previous pricing would not apply.

Moving on to the 5 year contract part of the pricing, Tyler states he understands that we will cover the cost of the build-out as long as we recover the cost over the life of the contract. However, the pricing does not address the fact that QLife would be maintaining that connection without any additional income.

As far as MRC pricing goes, Tyler explains we seem to be competitive at higher bandwidths and not competitive at lower bandwidths. Dan Spatz asks if we have a Market Pricing Analysis, which we do not.

Erick Larson joins the meeting at 12:41 pm.

Keith Mobley states that Chris Tamarin would be a valuable resource in understanding how to deal with our pricing structure. Keith agrees to reach out to Chris and email him the 16-006 pricing resolution draft.

Maupin Project Update: Steve Ballard, James Greenwood and Dan Neely introduce themselves to the board via Skype. All aerial and underground fielding is completed. The CAD shared backbone prints are 80% complete. The QLife lateral prints are 40% complete. Railroad and ODOT permits have been submitted. Commstructure is still waiting on Wasco Electric for pole approval. Hope to achieve pole approval by August 1st and designing complete by the end of August. There would be a bid time frame of 4-6 weeks after that before moving into construction; ideally construction would begin in the 4th quarter of the year, which is on project timeline.

James Greenwood explains LSN would like to be the owner of the pole attachments. They are willing to sign an indefeasible right-of-use agreement. Keith Mobley and Commstructure agree that it is time to start that conversation with LSN.

Credit Lines at Major Distributors: John Amery explains there is a need to establish credit lines with vendors to begin inventorying supplies.

Tyler Stone asks if the Board wants to grant him the authority to fill out credit applications. The Board agrees. Erick Larson moves to delegate authority to Tyler Stone to obtain credit to purchase build-out supplies. Dan Spatz seconds. Motion passes.

Tyler explains there is a purchasing threshold of \$2500; any greater amount would have to come to the Board with three bids. Tyler suggests increasing that amount to \$10,000. He also suggests the Board appoint him Authorized QLife Officer, Brian Ahier suggests changing the wording altogether to Authorized QLife Representation. Dan Spatz moves to approve \$10,000 purchasing threshold and authorizing Tyler Stone as Authorized QLife Representative, Erick Larson seconds. Motion passes.

Administrative Overhead Cost: Tyler Stone explains there is \$15,000 stipend in the existing IGA agreement between QLife and Wasco County. Brian Ahier states in the past the City would submit a bill based on Nolan's and Izetta's time.

Keith Mobley explained the agreement is almost an exact copy of the agreement with the City.

Erick Larson explains the stipend is an annual fee paid to QLife on top of monthly billed hours. Tyler Stone states QLife will begin billing July 1st based on our loaded hourly rates.

Executive Session: (2)(g) Competitive trade or commerce negotiations and (2)(m)(E) Discuss information regarding security of telecom systems and data transmission

Next meeting on August 25, 2016 at noon.

Submitted by Tawny Wade

Signed: _____
Brian Ahier Secretary/Treasurer

Financial Reports

- [2016 Balance Sheet](#)
- [100% Year Lapsed Report](#)
- [Qlife Financial Narrative](#)
- [Disbursements List as of 7/21/16](#)

TYLER

600 QUALITYLIFE AGENCY FUND

		DEBITS	CREDITS
ASSETS			
101.00-00	CURRENT ASSETS / CASH AND INVESTMENTS	125,879.53	
115.00-00	CURRENT ASSETS / ACCOUNTS RECEIVABLE	58,412.47	
115.20-00	ACCOUNTS RECEIVABLE / ACCRUED ACCOUNTS RECBL	.00	
115.90-00	ACCOUNTS RECEIVABLE / ALLOWANCE-DOUBTFUL ACCTS	.00	
126.00-00	ASSETS / INTERGOVT RECEIVABLE	.00	
126.90-00	INTERGOVT RECEIVABLE / DEFERRED CREDIT / LSN	.00	
141.00-00	ASSETS / INVENTORIES-MAT'L/SUPPLY	.00	
161.00-00	FIXED ASSETS / LAND	.00	
162.00-00	FIXED ASSETS / BUILDINGS	.00	
163.00-00	FIXED ASSETS / IMPRVMTS OTHER THAN BLDGS	2,063,876.40	
163.50-00	IMPRVMTS OTHER THAN BLDGS / SOFTWARE LICENSES	7,011.35	
164.10-00	MACHINERY AND EQUIPMENT / FURNITURE & FIXTURES	.00	
164.20-00	MACHINERY AND EQUIPMENT / OFFICE EQUIPMENT	.00	
164.40-00	MACHINERY AND EQUIPMENT / VEHICLES	.00	
164.90-00	MACHINERY AND EQUIPMENT / OTHER EQUIPMENT	.00	
165.00-00	FIXED ASSETS / PLANT IN SERVICE	.00	
166.00-00	FIXED ASSETS / WORK IN PROGRESS	15,178.75	
169.00-00	FIXED ASSETS / ACCUMULATED DEPRECIATION		608,375.16
175.00-00	OTHER ASSETS / NOTES RECIEVABLE	.00	
	TOTAL ASSETS		1,661,983.34
LIABILITIES			
201.00-00	LIABILITY / VOUCHERS PAYABLE		.00
201.10-00	VOUCHERS PAYABLE / ACCOUNTS PAYABLE (MAJE)		.00
203.00-00	LIABILITY / AR SYSTEM/OVERPYMT/CREDIT		.00
205.00-00	LIABILITY / NOTES PAYABLE		.00
206.00-00	LIABILITY / RETAINAGE PAYABLE		.00
207.00-00	LIABILITY / INTERGOVT PAYABLE		.00
208.00-00	LIABILITY / DUE TO OTHER FUNDS		.00
209.00-00	LIABILITY / ACCRUED INTEREST PAYABLE		.00
210.00-00	LONG TERM DEBT / LONG TERM DEBT		.00
220.00-00	LIABILITIES / OFFSET BEGINNING BALANCE	231,823.49	
226.00-00	LIABILITIES / CAPITAL LEASES		.00
229.00-00	LIABILITIES / CUSTOMER DEPOSITS		.00
243.00-00	RESERVE ACCOUNTS / RESERVE ACCOUNTS		.00
	TOTAL LIABILITIES		231,823.49
FUND EQUITY			
243.01-00	RESERVE ACCOUNTS / RESERVE FOR ENCUMBRANCES		.00
261.00-00	EQUITY / CONTRIB CAPITAL-GOVT		.00
264.00-00	EQUITY / CONTRIB CAPITAL-INTERGOVT		.00
265.00-00	EQUITY / GAAP TRANSACTIONS		.00
279.99-00	RETAINED EARNINGS / EQUITY TRANSFER	54,688.11	
	RETAINED EARNINGS		1,948,494.94
	TOTAL FUND EQUITY		1,893,806.83

PREPARED 07/01/2016, 13:28:26
PROGRAM GM263L
City of The Dalles

2016 BALANCE SHEET

PAGE 2
ACCOUNTING PERIOD 12/2016
Suppression = N

600 QUALITYLIFE AGENCY FUND

DEBITS

CREDITS

TOTAL LIABILITIES AND FUND EQUITY

1,661,983.34

601 Q LIFE CAPITAL FUND

		DEBITS	CREDITS
ASSETS			
101.00-00	CURRENT ASSETS / CASH AND INVESTMENTS	871,632.84	
115.00-00	CURRENT ASSETS / ACCOUNTS RECEIVABLE	.00	
115.20-00	ACCOUNTS RECEIVABLE / ACCRUED ACCOUNTS RECBL	.00	
130.00-00	ASSETS / DUE FROM OTHER FUNDS	.00	
	TOTAL ASSETS		871,632.84
LIABILITIES			
201.00-00	LIABILITY / VOUCHERS PAYABLE		.00
201.10-00	VOUCHERS PAYABLE / ACCOUNTS PAYABLE (MAJE)		.00
203.00-00	LIABILITY / AR SYSTEM/OVERPYMT/CREDIT		.00
205.00-00	LIABILITY / NOTES PAYABLE		.00
206.00-00	LIABILITY / RETAINAGE PAYABLE		.00
220.00-00	LIABILITIES / OFFSET BEGINNING BALANCE	377,826.07	
243.00-00	RESERVE ACCOUNTS / RESERVE ACCOUNTS		.00
	TOTAL LIABILITIES	377,826.07	
FUND EQUITY			
243.01-00	RESERVE ACCOUNTS / RESERVE FOR ENCUMBRANCES		.00
	FUND BALANCE		1,249,458.91
	TOTAL FUND EQUITY		1,249,458.91
	TOTAL LIABILITIES AND FUND EQUITY		871,632.84

602 QLIFE MAUPIN FUND

DEBITS CREDITS

ASSETS

101.00-00 CURRENT ASSETS / CASH AND INVESTMENTS 36,371.01
115.00-00 CURRENT ASSETS / ACCOUNTS RECEIVABLE .00
115.20-00 ACCOUNTS RECEIVABLE / ACCRUED ACCOUNTS RECBL 0.00
130.00-00 ASSETS / DUE FROM OTHER FUNDS .00

TOTAL ASSETS

36,371.01

LIABILITIES

201.00-00 LIABILITY / VOUCHERS PAYABLE .00
201.10-00 VOUCHERS PAYABLE / ACCOUNTS PAYABLE (MAJE) .00
203.00-00 LIABILITY / AR SYSTEM/OVERPYMT/CREDIT .00
205.00-00 LIABILITY / NOTES PAYABLE .00
206.00-00 LIABILITY / RETAINAGE PAYABLE .00
220.00-00 LIABILITIES / OFFSET BEGINNING BALANCE .00
243.00-00 RESERVE ACCOUNTS / RESERVE ACCOUNTS .00

TOTAL LIABILITIES

=====

.00

FUND EQUITY

243.01-00 RESERVE ACCOUNTS / RESERVE FOR ENCUMBRANCES .00
FUND BALANCE 36,371.01

TOTAL FUND EQUITY

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36,371.01

TOTAL LIABILITIES AND FUND EQUITY

36,371.01

City of The Dalles

FUND 600 QUALITYLIFE AGENCY FUND

ACCOUNT	ACCOUNT DESCRIPTION	***** ESTIMATED	CURRENT ACTUAL	***** %REV	***** ESTIMATED	YEAR-TO-DATE ACTUAL	***** %REV	ANNUAL ESTIMATE	UNREALIZED BALANCE
300	BEGINNING BALANCE								
300									
00 00		18,220	.00		218,563	231,823.49	106	218,563	13,260.49-
300	**	18,220	.00		218,563	231,823.49	106	218,563	13,260.49-
300	*** BEGINNING BALANCE	18,220	.00		218,563	231,823.49		218,563	13,260.49-
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
10 00	UTILITY SERVICE CHARGES	54,014	54,895.00	102	648,069	648,860.00	100	648,069	791.00-
15 00	LSN CREDITS	0	.00		0	.00		0	.00
20 00	CONNECT CHARGES	193	.00		2,250	4,200.00	187	2,250	1,950.00-
344	** UTILITY SERVICES	54,207	54,895.00	101	650,319	653,060.00	100	650,319	2,741.00-
340	*** CHARGES FOR SERVICES	54,207	54,895.00		650,319	653,060.00		650,319	2,741.00-
360	OTHER REVENUES								
361	INTEREST REVENUES								
00 00	INTEREST REVENUES	62	687.08	1108	700	4,949.51	707	700	4,249.51-
361	** INTEREST REVENUES	62	687.08	1108	700	4,949.51	707	700	4,249.51-
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	24	.00		200	3,932.50	1966	200	3,732.50-
20 00	E-RATE REIMBURSEMENT	4,174	.00		50,000	41,289.60	83	50,000	8,710.40
369	** OTHER MISC REVENUES	4,198	.00		50,200	45,222.10	90	50,200	4,977.90
360	*** OTHER REVENUES	4,260	687.08		50,900	50,171.61		50,900	728.39
390	OTHER FINANCING SOURCES								
392	SALE OF FIXED ASSETS								
00 00	SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
392	** SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
390	*** OTHER FINANCING SOURCES	0	.00		0	.00		0	.00
FUND TOTAL	QUALITYLIFE AGENCY FUND	76,687	55,582.08		919,782	935,055.10		919,782	15,273.10-

FUND 600 QUALITYLIFE AGENCY FUND		DEPT/DIV 6000 QLIFE/										
BA	ELE	OBJ	*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%	
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
66		EXPENSE-ACCOUNT										
660		FINANCIAL OPERATIONS										
02		MATERIALS & SERVICES										
31	10	ADMINISTRATIVE	3259	.00	0	29500	29015.13	98	.00	29500	484.87	98
	15	COUNTY	424	.00	0	5000	.00	0	.00	5000	5000.00	0
	20	OUTSIDE PLANT MAINTENACE	3587	.00	0	43000	7225.64	17	.00	43000	35774.36	17
	90	OTHER SERVICES	1924	.00	0	23000	12278.37	53	.00	23000	10721.63	53
32	10	AUDIT	562	.00	0	6700	3750.00	56	.00	6700	2950.00	56
	20	LEGAL SERVICES	700	2310.00	330	8400	12480.00	149	.00	8400	4080.00	149
34	10	ENGINEERING SERVICES	1874	10118.50	540	22400	26374.76	118	.00	22400	3974.76	118
	30	NETWORK SYSTEM MANAGEMENT	5674	8016.80	141	68000	66270.32	98	.00	68000	1729.68	98
	50	SPECIAL STUDIES & REPORTS	0	.00	0	0	.00	0	.00	0	.00	0
41	40	ELECTRICITY	50	.00	0	600	454.39	76	.00	600	145.61	76
43	10	BUILDINGS AND GROUNDS	49	.00	0	500	247.03	49	.00	500	252.97	49
	25	NETWORK EQUIPMENT	424	.00	0	5000	.00	0	.00	5000	5000.00	0
	87	UTILITIES LOCATES	87	.00	0	1000	.00	0	.00	1000	1000.00	0
44	10	OFFICE SPACE RENTAL	646	.00	0	7752	5814.00	75	.00	7752	1938.00	75
52	10	LIABILITY	506	.00	0	6017	7317.00	122	.00	6017	1300.00	122
	30	PROPERTY	0	.00	0	0	.00	0	.00	0	.00	0
53	20	POSTAGE	24	.00	0	200	.00	0	.00	200	200.00	0
	30	TELEPHONE	35	.00	0	420	411.98	98	.00	420	8.02	98
	40	LEGAL NOTICES	37	.00	0	400	200.10	50	.00	400	199.90	50
54	00	ADVERTISING	125	.00	0	1500	500.00	33	.00	1500	1000.00	33
57	10	PERMIT	37	.00	0	400	.00	0	.00	400	400.00	0
58	10	TRAVEL, FOOD & LODGING	174	82.00	47	2000	1973.40	99	.00	2000	26.60	99
	50	TRAINING AND CONFERENCES	62	.00	0	700	195.00	28	.00	700	505.00	28
	70	MEMBERSHIPS/DUES/SUBSCRIP	83	.00	0	875	1432.85	164	.00	875	557.85	164
60	10	OFFICE SUPPLIES	12	.00	0	100	295.41	295	.00	100	195.41	295
63	80	QLIFE SCHOLARSHIPS	174	.00	0	2000	2000.00	100	.00	2000	.00	100
	90	ROBOTICS GRANTS	174	.00	0	2000	2000.00	100	.00	2000	.00	100
69	50	MISCELLANEOUS EXPENSES	56	10.05	18	650	602.16	93	.00	650	47.84	93
	60	POLE CONNECTION FEES	875	.00	0	10500	8302.89	79	.00	10500	2197.11	79
	70	RIGHT OF WAY FEES	1622	1645.20	101	19442	16173.75	83	.00	19442	3268.25	83
	80	ASSETS <\$5000	0	.00	0	0	.00	0	.00	0	.00	0
02	**	MATERIALS & SERVICES	23256	1945.55	8	268056	205314.18	77	.00	268056	62741.82	77
03		CAPITAL OUTLAY										
74	20	TELECOMMUNICATIONS EQUIP	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
03	**	CAPITAL OUTLAY	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
660	**	** FINANCIAL OPERATIONS	24930	1945.55	8	288056	205314.18	71	.00	288056	82741.82	71
66	**	** EXPENSE-ACCOUNT	24930	1945.55	8	288056	205314.18	71	.00	288056	82741.82	71
DIV	6000	TOTAL *****	24930	1945.55	8	288056	205314.18	71	.00	288056	82741.82	71
DEPT	60	TOTAL *****	24930	1945.55	8	288056	205314.18	71	.00	288056	82741.82	71
		QLIFE	24930	1945.55	8	288056	205314.18	71	.00	288056	82741.82	71

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		33,388	.00		400,590	377,826.07	94	400,590	22,763.93
300	**	33,388	.00		400,590	377,826.07	94	400,590	22,763.93
300	*** BEGINNING BALANCE	33,388	.00		400,590	377,826.07		400,590	22,763.93
330	INTERGOVERNMENTAL REVENUE								
331	FEDERAL REVENUES								
90 00	FEDERAL GRANTS-MISC	0	.00		0	.00		0	.00
331	** FEDERAL REVENUES	0	.00		0	.00		0	.00
330	*** INTERGOVERNMENTAL REVENUE	0	.00		0	.00		0	.00
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
20 00	CONNECT CHARGES	2,500	.00		30,000	13,568.68	45	30,000	16,431.32
344	** UTILITY SERVICES	2,500	.00		30,000	13,568.68	45	30,000	16,431.32
340	*** CHARGES FOR SERVICES	2,500	.00		30,000	13,568.68		30,000	16,431.32
360	OTHER REVENUES								
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	.00		0	.00		0	.00
10 00	ENTERPRISE ZONE PAYMENT	0	.00		0	.00		0	.00
369	** OTHER MISC REVENUES	0	.00		0	.00		0	.00
360	*** OTHER REVENUES	0	.00		0	.00		0	.00
390	OTHER FINANCING SOURCES								
391	OPERATING TRANSFERS IN								
40 00	IF PMT FROM OTHER FUNDS	0	.00		0	.00		0	.00
90 01	QLIFE OPERATING FUND	42,019	.00		504,140	504,140.00	100	504,140	.00
391	** OPERATING TRANSFERS IN	42,019	.00		504,140	504,140.00	100	504,140	.00
393	PROCEEDS- LT LIABILITIES								
10 00	LOAN/BOND PROCEEDS	0	.00		0	.00		0	.00
393	** PROCEEDS- LT LIABILITIES	0	.00		0	.00		0	.00
390	*** OTHER FINANCING SOURCES	42,019	.00		504,140	504,140.00		504,140	.00
FUND TOTAL QLIFE CAPITAL FUND		77,907	.00		934,730	895,534.75		934,730	39,195.25

FUND 601 OLIFE CAPITAL FUND		DEPT/DIV 6000 OLIFE/			*****YEAR-TO-DATE*****			ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
BA ELE OBJ	ACCOUNT	*****CURRENT*****			*****					
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	
66		EXPENSE-ACCOUNT								
660		FINANCIAL OPERATIONS								
02		MATERIALS & SERVICES								
34	10	ENGINEERING SERVICES	924	.00	0	11000	1085.00	10	.00	11000
	70	CUSTOMER CONNECT COSTS	337	.00	0	4000	1353.78	34	.00	4000
43	86	LINES MNTNCE & SUPPLIES	674	.00	0	8000	.00	0	.00	8000
57	10	PERMIT	0	.00	0	0	.00	0	.00	0
02	**	MATERIALS & SERVICES	1935	.00	0	23000	2438.78	11	.00	23000
03		CAPITAL OUTLAY								
72	20	BUILDINGS	0	.00	0	0	.00	0	.00	0
74	20	TELECOMMUNICATIONS EQUIP	9174	.00	0	110000	.00	0	.00	110000
76	10	PRIMARY	15000	.00	0	180000	2263.17	1	.00	180000
	20	SECONDARY	4174	2000.00	48	50000	19221.96	38	.00	50000
	30	POLE MAKE READY COSTS	424	.00	0	5000	.00	0	.00	5000
03	**	CAPITAL OUTLAY	28772	2000.00	7	345000	21485.13	6	.00	345000
04		DEBT SERVICE								
79	50	LOAN PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0
	51	CRB PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0
	60	LOAN INTEREST PAYMENTS	0	.00	0	0	.00	0	.00	0
	90	LOAN RESERVE-FUT DEBT PAY	0	.00	0	0	.00	0	.00	0
04	**	DEBT SERVICE	0	.00	0	0	.00	0	.00	0
660	** **	FINANCIAL OPERATIONS	30707	2000.00	7	368000	23923.91	7	.00	368000
66	** **	EXPENSE-ACCOUNT	30707	2000.00	7	368000	23923.91	7	.00	368000
DIV	6000	TOTAL *****	30707	2000.00	7	368000	23923.91	7	.00	368000
DEPT	60	TOTAL ***** OLIFE	30707	2000.00	7	368000	23923.91	7	.00	368000

City of The Dalles

FUND 602 QLIFE MAUPIN FUND		***** CURRENT *****			***** YEAR-TO-DATE *****			ANNUAL	UNREALIZED
ACCOUNT	ACCOUNT DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	%REV	ESTIMATE	BALANCE
300	BEGINNING BALANCE								
300									
00 00		0	.00		0	.00		0	.00
300	**	0	.00		0	.00		0	.00
300	*** BEGINNING BALANCE	0	.00		0	.00		0	.00
330	INTERGOVERNMENTAL REVENUE								
334	STATE GRANTS								
90 00	STATE GRANTS, OTHER	8,825	.00		52,950	.00		52,950	52,950.00
334	** STATE GRANTS	8,825	.00		52,950	.00		52,950	52,950.00
336	PRIVATE SECTOR GRANTS								
10 00	PRIVATE SECTOR GRANTS	14,645	.00		87,880	87,880.00	100	87,880	.00
336	** PRIVATE SECTOR GRANTS	14,645	.00		87,880	87,880.00	100	87,880	.00
330	*** INTERGOVERNMENTAL REVENUE	23,470	.00		140,830	87,880.00		140,830	52,950.00
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
20 00	CONNECT CHARGES	0	.00		0	.00		0	.00
344	** UTILITY SERVICES	0	.00		0	.00		0	.00
340	*** CHARGES FOR SERVICES	0	.00		0	.00		0	.00
360	OTHER REVENUES								
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	.00		0	.00		0	.00
20 00	E-RATE REIMBURSEMENT	0	.00		0	.00		0	.00
369	** OTHER MISC REVENUES	0	.00		0	.00		0	.00
360	*** OTHER REVENUES	0	.00		0	.00		0	.00
390	OTHER FINANCING SOURCES								
393	PROCEEDS- LT LIABILITIES								
10 00	LOAN/BOND PROCEEDS	68,335	.00		410,000	.00		410,000	410,000.00
393	** PROCEEDS- LT LIABILITIES	68,335	.00		410,000	.00		410,000	410,000.00
390	*** OTHER FINANCING SOURCES	68,335	.00		410,000	.00		410,000	410,000.00
FUND TOTAL QLIFE MAUPIN FUND		91,805	.00		550,830	87,880.00		550,830	462,950.00
GRAND TOTAL		246,399	55,582.08		2,405,342	1,918,469.85		2,405,342	486,872.15

FUND 602 QLIFE MAUPIN 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											
	06		CONTINGENCY / UAFB											
	88	00	CONTINGENCY	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
	06	**	CONTINGENCY / UAFB	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
600	**	**	OTHER USES	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
60	**	**	QLIFE FUND	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
DIV	9500		TOTAL *****	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
DEPT	95		TOTAL *****	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
			OTHER USES	15127	.00	0	90767	.00	0	.00	90767	90767.00	0	
FUND	602		TOTAL *****	91800	29508.99	32	550830	51508.99	9	.00	550830	499321.01	9	
			QLIFE MAUPIN FUND	91800	29508.99	32	550830	51508.99	9	.00	550830	499321.01	9	
GRAND			TOTAL *****	246559	33454.54	14	2405342	826176.68	34	.00	2405342	1579165.32	34	

TO: Qlife Board
 Tyler Stone, QLife Administrator

FR: Kate Mast, Finance Director

RE: Financial Report for QLIFE – **June 2016 - Preliminary**

BANKING:

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

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

100% 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

	July 1, 2015 to June 30, 2016			
	Budget	Actual	Percentage	
Beginning Balance	\$ 218,563	\$ 231,823	106.0%	* see below
Revenues	\$ 701,219	\$ 703,232	100.0%	
Expenditures	\$ 415,642	\$ 246,604	59.3%	
Transfers to Capital/Debt Fund	\$ 504,140	\$ 504,140	100.0%	
Revenues Less Expenses	\$ 0	\$ 184,311		
Cash at Month End	\$ 125,879.53			

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited. The Beginning Balance is \$13,260 more than budgeted.*
- 2) Revenues:
 - a) At 100% of the year, we have received 100.003% of the budgeted charges for services revenue.
 - b) Miscellaneous revenue in the amount of \$956.67 was received in October from Transgroup Worldwide as payment for a QLife invoice for services when a transformer was moved through town. An additional \$2,867.83 was billed and received for another transformer move in February.

3) Expenditures:

- a) The Legal Services line item has been over-expended by \$4,080.00. Since there is no budget in the Maupin Fund for these expenses, \$6,810 of legal fees related to the Maupin project have been posted to this line item. These expenses are being tracked with the MAUPIN project code, which will allow us to track them and, when the Maupin project is completed and that system is generating its own revenue, those expenses will be repaid to the Operating Fund.
- b) The Engineering Services line item has been over-expended by \$3,974.76. \$12,044.75 of Maupin Project engineering and \$4,677.50 for the Maupin Feasibility Study had been posted here, but these expenses were moved to the appropriate Maupin Fund line items in June.
- c) The Liability Insurance Line Item has been over-expended by \$1,300.00. I believe only the Special Districts Liability insurance was budgeted in this line item, but the \$1,600 Pole Attachment Bond was appropriately also posted to this line item. This should not require any budget adjustments, as the category should not be over-expended at the end of the year.
- d) The Memberships/Dues/Subscription Line Item has been over-expended by \$557.85 due to dues being paid in February in the amount of \$575.00 to the Oregon Joint Use Association.
- e) The Office Supplies line item has been over-expended by \$195.41.

4) Budget Changes:

- a) The Board approved a supplemental budget creating the new QLife Maupin Fund (602) and budget amendments to provide additional funds for the Interim Manager in the QLife Agency Fund (600) on January 21, 2016.
- b) We anticipate that no budget adjustments will be necessary, as the Materials & Services category in total should not be over-expended at the end of the year. However, we will keep an eye on it and, if necessary, will provide a budget amendment resolution for the June 23, 2016 Board meeting.

CAPITAL (601):

BUDGET COMPARISONS

	<u>July 1, 2015 to June 30, 2016</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 400,590	\$ 377,826	94.3%	* see below
Transfers In	\$ 504,140	\$ 504,140	100.0%	
Revenues	\$ 30,000	\$ 13,569	45.2%	
M&S / Capital Outlay / Other	\$ 934,730	\$ 23,924	2.6%	
Debt Expenditures	\$ 00	\$ 0	0.0%	
Revenues Less Expenses	\$ 0	\$ 871,611		
Cash at Month End	\$ 871,632.84			

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.* Beginning Balance is \$22,764 less than budgeted. With an additional \$13,260 in the General Operating Fund, the combined negative amount is just \$9,504. This is not a concern as we have budgeted for a \$331,717 increase in reserves this year.
- 2) Revenues: .
- 3) Expenditures:
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

MAUPIN (602):

BUDGET COMPARISONS

	<u>July 1, 2015 to June 30, 2016</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 00	\$ 00	00.0%	
Revenues	\$ 550,830	\$ 87,880	15.9%	
Expenditures	\$ 550,830	\$ 51,509	9.3%	
Revenues Less Expenses	\$ 0	\$ 36,371		
Cash at Month End	\$ 36,371.01			

Exceptions:

- 1) Beginning Balance:
- 2) Revenues: A \$87,880 grant has been received from Google for the Maupin Project.
- 3) Expenditures:
- 4) Budget Changes: This fund was created via a supplemental budget on January 21, 2016.

			TOTAL: \$1,500.00

FUND: MAUPIN FUND 602 FISCAL YEAR: 2016-17 PERIOD DETAIL: June 17 - July 21			
CODE	PAYEE	DESCRIPTION	TOTAL
602.6000.660.76.10	Commstructre	Maupin Expansion	\$22,751.08
			TOTAL: \$22,751.08

Reports

- [Aristo Technical Management Report](#)

Aristo Networks LLC
Technical Management Report
By
John Amery
7/22/2016

Items of Discussion:

- Qlife is implementing a new monitoring solutions for Qlife's electronics and plans to have the new system fully operating by end of June.
 - Update (7/22/16) – Due to hard drive corruption on Qlife's server all Virtual sub-machines required rebuilding.
 - A new NAS (Network Attached Storage) server was purchased and deployed.
 - All virtual machines have been updated to latest versions of OS with updates.
 - We are currently working on deploying the new monitoring solution.

- 2015/2016 Audit is expected to be completed by end of June.
 - Update (7/22/16)– waiting for an update patch from OSPInsight (Qlife's GIS based documentation solution) before inputting additional information. After patch has been applied it shouldn't take long to complete entry of final data.

Discussion: Pricing Clarification & Resolution

- [Resolution 16-003](#)
- [Resolution 16-004](#)
- [Proposed Resolution 16-006](#)

QUALITYLIFE INTERGOVERNMENTAL AGENCY
doing business as

"QLife Network"

RESOLUTION No. 16-003

A RESOLUTION AMENDING RESOLUTION No. 11-002 ESTABLISHING
SERVICE RATES AND FEES FOR THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) is an open access provider of broadband services to The Dalles area, and;

WHEREAS, QLife has customers desiring service, and;

WHEREAS, QLife is willing and able to provide certain service to its customers, and;

WHEREAS, the QLife Board wishes to adopt charges and fees for services it provides

NOW, THEREFORE, BE IT RESOLVED BY THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY BOARD AS FOLLOW:

SECTION 1: Resolution 11-004 and QLife's Policy on Lease of Dark Fiber approved July 24, 2007 are both repealed.

SECTION 2: Customer Classes. For the purpose of this resolution, QLife shall have two classes of customers.

A. Participant Customers (Participants). The following specific customers who played an essential role and assumed some risk in helping the QLife system become operational:

1. Wasco County
2. City of The Dalles
3. Mid-Columbia Medical Center
4. Northern Wasco County School District 21
5. Region 9 Education Service District
6. Columbia Gorge Community College

B. All Other Customers including Wholesalers

SECTION 3: Rates and Fees. Effective the date of this resolution service rates, fees and charges for the QLife system shall be as follows:

A. Broadband Transport Service.

1. Participants. Either the amount established in an existing service order previously signed between the participant and QLife and any continuation of those service orders or, for new service requested after the adoption of this resolution:
 - a. 10 Mbps; \$200/ month,
 - b. 20 Mbps; \$300 month
 - c. 100 Mbps; \$400/ month
 - d. 1,000 Mbps. service \$850 /month

2. Other Customers. for new service requested after the adoption of this resolution:
 - a. 10 Mbps; \$200/ month
 - b. 20 Mbps; \$300 month
 - c. 100 Mbps; \$400 /month
 - d. 1,000 Mbps; \$850/month

B. Alternative Wholesale Pricing:

Internet Service Providers (ISP) may use this uplink port pricing model for all customers not under the terms of an existing service order.

1. Uplink Port:

100Mbps	\$ 1,200/month
500 Mbps	\$ 2,400/month
1000 Mbps	\$, 2,600/month

2. Looping Price:

12 Mbps	\$ 50/month
30 Mbps	\$ 90/month
100Mbps	\$ 150/month

QLife will eliminate the requirement for a switch at a loop customer demarks if the ISP can provide a solution agreeable to QLife for limiting the size of service to the amount purchased.

The Turn Up Fee for loop customers shall be \$100.

C. Lease of Dark Fiber

1. Participants: Either the amount established in an existing service order agreement previously signed between the participants and QLife and any extension of those services, or
2. Others:

Single Fiber; one direction no backup fiber	\$ 450/month
*Single Fiber Loop	\$ 600/month
1 pair fiber one direction	\$ 900/month
1 pair fiber loop	\$1200/month

D. Other Service. The costs for all customers (both participants and wholesalers) shall be as follows:

1. Collocation in QLife City Hall Equipment room includes 10 Amp AC Power with generator back up.

Full rack: \$400 per month;

Single Deck or our Rack: \$100 per month
2. Antenna/Dish on City Hall:

First: \$150 per month;

Each Additional: \$50 per month
3. Turn up fee for new network connection:

10 Mbps. \$200 non-recurring charge (NRC)

100 Mbps. \$200 NRC

1,000 Mbps. \$ 200 NRC
4. NRC for charges for equipment and service installation will be actual costs unless a cost share of service installation is agreed to under QLife's Line Extension policy (Resolution 16-004).
5. Delinquent accounts: 18% (1.5% per month) late charges.

6. Termination Fee: Cost of placing a customer on termination list - \$5 (Third Notice).
7. Reconnection Fee: Cost of reconnecting a customer whose service has been terminated \$20.
8. Non-Sufficient Funds Check Fee: \$25.
9. Special Service Fee: \$20.00

SECTION 4: Term of Fees. These fees shall remain in effect until which time the QLife Board, by a majority vote, amends all or portions of these fees.

SECTION 5: Effective. This resolution shall be effective February 1, 2016.

PASSED AND ADOPTED THIS ____ DAY OF JANUARY 2016

Voting Yes, Board Members: _____

Voting No, Board Members: _____

Absent, Board Members: _____

Abstaining, Board Members: _____

APPROVED: _____
Erick Larson, President

ATTEST: _____
Brian Ahier, Secretary-Treasurer

QUALITYLIFE INTERGOVERNMENTAL AGENCY
doing business as

"QLife Network"

RESOLUTION No. 16-004

A RESOLUTION AMENDING THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY'S POLICY FOR LINE EXTENSIONS.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) is an open access provider of broadband services to The Dalles area, and;

WHEREAS, QLife has customers desiring service, and;

WHEREAS, QLife is willing and able to provide certain service to its customers, and;

WHEREAS, the QLife Board has a policy for line extensions for customers and wishes to amend that policy.

NOW, THEREFORE, BE IT RESOLVED BY THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY BOARD AS FOLLOW:

Section 1: QLife's Policy on Line Extension approved July 24, 2007 is repealed.

Section 2: The purpose of this policy is to establish a standard procedure for extending fiber optic lines from QLife's primary loop and spurs to other business locations.

Section 3: The primary purpose of QLife is to be a middle mile provider, which includes the loop and service hubs and spurs. This policy will allow, under certain conditions, QLife to extend fiber lines to certain customers in order to enhance the overall benefit of the fiber optic loop to the community and allow it to serve its primary mission of "Quality of Life Through Connectivity". QLife is an open network and as such, any potential user may connect to an appropriate location in accordance with this and other Board approved policies.

Section 4: When to Extend Lines

It will be the policy of QLife to extend fiber-optic spur lines with hubs from the loop for the following classes of customers if they qualify under the guide lines identified in Section 6.

A. Participant Customers (Participants). The Six customers identified in section 2 A of the rate schedule (Resolution 16-003). This category will receive first priority of QLife resources and will be given certain incentives identified elsewhere in the policy.

B. All other customers and wholesale providers.

Section 5: Type of Line Extension

A. For the purpose of this policy, there are three types of system line extensions:

1. Primary fiber optic loop, to be extended by QLife when the guidelines in Section 6 are met as determined by the Board.
2. Service Hub (includes spur line from primary loop) to be extended as outlined in Section 6.
3. Service line: fiber optic line from the hub to a customer's de-mark plant (where electronic device is located) as outlined in Section 6

B. Service lines will be extended to customer's facilities at a location approved by QLife. Customer will provide raceways from the exterior of the building to the approved customer de-mark location if located inside the building, in accordance with QLife specifications.

Section 6: Guidelines for Line Extension

The determination of eligibility for primary loop, hub and service line extensions and method for financing the cost of extending lines will be as follows:

A. Participants

QLife will use its resources to extend sections of the primary loop, Hubs and Service Lines to specific site, if the participant will sign a five (5) year service contract that guarantees QLife revenue over the life of the contract, sufficient to meet debt payments created by the costs of the extension or equal to costs paid for by QLife from reserve funds.

If less than a five year contract is signed by a participant they will have the three options identified in section B for Wholesale providers

B. Wholesale Providers and other customers have three options to then to pay non-recurring costs (NRC) for fiber optic line extensions needed to service new customers:

1. Pay QLife the actual costs of line extensions constructed by QLife contractors.
2. If the customer signs a three year service contract, QLife will pay 50% of the NRC up to an amount equal to one third of the projected revenue QLife will receive for the service contract (including both uplink and loop revenue under the Alternative Whole Pricing model). If the actual cost of extending a line exceeds 50% the fees that will be received from the customer, then the customer shall pay the additional cost.

3. At the time a provider proposes a new service line, , the proposer may also submit a proposal to construct the needed system improvements in accordance with QLife’s construction standards. QLife at its discretion may accept that proposal. The provider’s proposal can include the actual connection to QLife fiber if QLife had previously certified the provider’s splicer to do work on the QLife system.. QLife’s cost for the connection including inspection of the work done by a provider r will be reimbursed to QLife by the customer unless a three year contract is signed, in which case QLife will pay for up to 50% of the full connection costs, including work done by the provider on QLife’s service line, as allowed under section 6B(2) above..

Section 7: Equipment for Lit Services

The customer may either pay the full cost of equipment required for lit service or provide their own QLife approved equipment. Customer allows QLife rights and access to monitor line extensions using customers equipment

Section 8: Effective. This resolution shall be effective February 1, 2016.

PASSED AND ADOPTED THIS 21th DAY OF JANUARY 2016.

Voting Yes, Board Members: _____
 Voting No, Board Members: _____
 Absent, Board Members: _____
 Abstaining, Board Members: _____

APPROVED: _____
 Erick Larson, President

ATTEST: _____
 Brian Ahier, Secretary-Treasurer

QUALITYLIFE INTERGOVERNMENTAL AGENCY
doing business as
"QLife Network"

RESOLUTION No. 16-003

A RESOLUTION AMENDING RESOLUTION No. 11-002 ESTABLISHING
SERVICE RATES AND FEES FOR THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) is an open access provider of broadband services to The Dalles area, and;

WHEREAS, QLife has customers desiring service, and;

WHEREAS, QLife is willing and able to provide certain service to its customers, and;

WHEREAS, the QLife Board wishes to adopt charges and fees for services it provides

NOW, THEREFORE, BE IT RESOLVED BY THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY BOARD AS FOLLOW:

SECTION 1: All previous pricing Resolutions are repealed including but not limited to Resolution 16-003 and Resolution 16-004 and QLife's Policy on Lease of Dark Fiber approved July 24, 2007 are both repealed and replaced by 16-00????????????.

SECTION 2: Customer Classes. For the purpose of this resolution, QLife shall have two classes of customers.

A. Participant Customers (Participants). The following specific customers who played an essential role and assumed some risk in helping the QLife system become operational:

1. Wasco County
2. City of The Dalles
3. Mid-Columbia Medical Center
4. Northern Wasco County School District 21
5. Region 9 Education Service District
6. Columbia Gorge Community College

B. All Other Customers including Wholesalers

SECTION 3: Rates and Fees. Effective the date of this resolution service rates, fees and charges for the QLife system shall be as follows:

A. Broadband Transport Service.

Board Option:

1. ~~Participants. Existing pricing as established in a prior service order shall remain in place for that specific service drop provided the Board may amend this pricing to keep up with market conditions no more frequently than once every three years and in an amount not more than 10% of the monthly reoccurring cost of the service order. Either the amount established in an existing service order previously signed between the participant and QLife and any continuation of those service orders or, for new service requested after the adoption of this resolution or for upgrades to existing services the following pricing shall apply:~~

- ~~+~~
- a. 10 Mbps; \$200/ month,
 - b. 20 Mbps; \$300 month
 - c. 100 Mbps; \$400/ month
 - d. 1,000 Mbps. service \$850 /month

Board Option:

- a. 10 Mbps; \$100/ month,
- b. 20 Mbps; \$200 month
- c. 100 Mbps; \$300/ month
- d. 1,000 Mbps. service \$500 /month

2. Other Customers. for new service requested after the adoption of this resolution:

- a. 10 Mbps; \$200/ month
- b. 20 Mbps; \$300 month
- c. 100 Mbps; \$400 /month
- d. 1,000 Mbps; \$850/month

B. Alternative Wholesale Pricing:

Internet Service Providers (ISP) may use this uplink port pricing model for all customers not under the terms of an existing service order.

- 1. Uplink Port: 100Mbps \$ 1,200/month
 500 Mbps \$ 2,400/month
 1000 Mbps \$, 2,600/month

Comment [DB1]: I have no stake in this game but I believe it is the intent to afford Participants some preferred pricing due to the fact that they were the initial catalysts in building QLife. The proposed language does not give any pricing benefits and in fact puts them at risk of rate increases. They would be better off signing up as a non-participant in this instance.

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2. Connection Price: 12 Mbps -\$ 50/month per drop customer connection
 30 Mbps \$ 90/month per customer connection drop
 100Mbps \$ 150/month per customer connection drop

Comment [DB2]: There are instances where 1 qlife connection serves more than 1 customer. The connection price should be by fiber drop

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QLife will eliminate the requirement for a switch at a loop customer demarks if the ISP can provide a solution agreeable to QLife for limiting the size of service to the amount purchased. In an effort to reduce build-out costs, QLife will allow ISPs to place their own equipment at the customer premises. If at some point in the future and at QLife's discretion; different technologies are deployed, the Customer is responsible for upgrading their Customer Premesis Equipment (and/or) Optics to coincide with the technology being provided by QLife.

QLife will provide and control the host switch which will control bandwidths to end customers as well as the uplink port to the ISP.

The Turn Up Fee for loop customers shall be \$~~2~~100 per connection.

C. Lease of Dark Fiber

Board Option:

1. 1. Participants: Either the amount established in an existing service order agreement previously signed between the participants and QLife and any extension of those Existing pricing as established in a prior service order shall remain in place for that specific service drop services providing the Board may amend this pricing to keep up with market conditions no more frequently than once every three years and in an amount not more than 10% of the total monthly reoccurring cost of the service order, ~~or~~ or for upgrades to existing services the following pricing shall apply:

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2. Participant (new orders) and Others:
- | | |
|---|--------------|
| Single Fiber; one direction no backup fiber | \$ 450/month |
| *Single Fiber Loop | \$ 600/month |
| 1 pair fiber one direction | \$ 900/month |
| 1 pair fiber loop | \$1200/month |

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Board Option:

- Participant (new orders) and Others:
- | | |
|--|---------------------|
| <u>Single Fiber; one direction no backup fiber</u> | <u>\$ 250/month</u> |
| <u>*Single Fiber Loop</u> | <u>\$ 300/month</u> |
| <u>1 pair fiber one direction</u> | <u>\$ 450/month</u> |
| <u>1 pair fiber loop</u> | <u>\$600/month</u> |

D. Other Service. The costs for all customers (both participants and wholesalers) shall be as follows:

1. Collocation in QLife City Hall Equipment room includes 10 Amp AC Power with generator back up if available.

Full rack: \$400 per month;

Half rack: \$250 per month;

Single Deck or ~~our~~ Rack Unit: \$100 per month

2. Antenna/Dish on City Hall:

First: \$150 per month;

Each Additional: \$50 per month

3. Turn up fee for new or upgraded network connections:

10 Mbps. \$200 non-recurring charge (NRC)

100 Mbps. \$200 NRC

1,000 Mbps. \$ 200 NRC

4. NRC for charges for equipment and service installation will be actual costs unless a cost share of service installation is agreed to under QLife's Line Extension policy (~~Resolution 16-004~~See Below).

5. Delinquent accounts: 18% (1.5% per month) late charges.

6. Termination Fee: Cost of placing a customer on termination list - \$5 (Third Notice).

7. Reconnection Fee: Cost of reconnecting a customer whose service has been terminated ~~\$20~~200.

8. Non-Sufficient Funds Check Fee: \$25.

9. Special Service Fee: ~~\$20~~50.00 or actual cost if over \$50.00

SECTION 4: Lines Extensions

It will be the policy of QLife to extend fiber-optic spur lines with hubs from the loop for the following classes of customers if they qualify under the guidelines identified in Section 6.

A. Participant Customers (Participants). The Six customers identified in section 2. This category will receive first priority of QLife resources and will be given certain incentives identified elsewhere in the policy.

B. All other customers and wholesale providers.

Section 5: Type of Line Extension

A. For the purpose of this policy, there are three types of system line extensions:

1. Primary fiber optic loop, to be extended by QLife when the guidelines in Section 6 are met as determined by the Board.
2. Service Hub (includes spur line from primary loop) to be extended as outlined in Section 6.
3. Service line: fiber optic line from the hub to a customer's de-mark plant (where electronic device is located) as outlined in Section 6

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B. Service lines will be extended to customer's facilities at a location approved by QLife. Customer will provide raceways from the exterior of the building to the approved customer de-mark location if located inside the building, in accordance with QLife specifications.

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Section 6: Guidelines for Line Extension

The determination of eligibility for primary loop, hub and service line extensions and method for financing the cost of extending lines will be as follows:

A. Participants

Board Option 1: QLife may use its resources to provide an 80% cost share to extend sections of the primary loop, Hubs and Service Lines to a specific site, if the participant will sign a five (5) year service contract that guarantees QLife revenue over the life of the contract, sufficient to meet debt payments created by the costs of the extension or equal to costs paid for by QLife from reserve funds. If revenue over the life of the contract is not sufficient to cover the costs of the Extension the Participant may pay the difference at their sole cost. Any request for a cost share incentive is at the option of the Board and shall be in alignment with the goals and initiatives of QLife.

Board Option 2: QLife may use its resources to extend sections of the primary loop, Hubs and Service Lines to a specific site, if the participant will sign a five (5) year service contract that guarantees QLife revenue over the life of the contract, sufficient to meet debt payments created by the costs of the extension or equal to costs paid for by QLife from reserve funds. If revenue

over the life of the contract is not sufficient to cover the costs of the Extension the Participant may pay the difference at their sole cost. Any request for a cost share incentive is at the option of the Board and shall be in alignment with the goals and initiatives of QLife.

If less than a five year contract is signed by a participant they will have the three options identified in section B for Wholesale providers

B. Wholesale Providers and other customers have three options to pay non-recurring costs (NRC) for fiber optic line extensions needed to service new customers. Any request for line extensions under this section is at the option of the Board and shall be in alignment with the goals and initiatives of QLife. All line extensions upon completion shall become the sole property of QLife.:

1. Pay QLife the actual costs of line extensions constructed by QLife contractors.
2. If the customer signs a three year service contract, QLife will pay 50% of the NRC up to an amount equal to one third of the projected revenue QLife will receive for the service contract (including both uplink and loop revenue under the Alternative Whole Pricing model). If the actual cost of extending a line exceeds this amount, then the customer shall pay the additional cost. This credit toward connection costs is a one-time use it or lose it cost share. For each customer drop this credit will be given on the initial service order only. As additional customers are added to the loop, NRC cost share will be given for each additional order based on this same formula. All cost share dollars are use it or lose it for the order they were earned on and cannot be carried forward to future orders. If Host Circuits are upgraded, only the incremental revenue would count towards the cost share calculation and would only be available to circuits ordered in conjunction with the host circuit upgrade. ~~no cost share will be available for the upgraded circuit.~~
3. At the time a provider proposes a new service line, **the provider may also submit a proposal to construct the needed system improvements in accordance with QLife's construction standards. QLife at its discretion may accept that proposal. The provider's proposal can include the actual connection to QLife fiber if QLife had previously certified the provider's splicer to do work on the QLife system. QLife's cost for the connection including inspection of the work done by a provider will be reimbursed to QLife by the customer unless a three year contract is signed, in which case QLife will pay for connection costs, as allowed under section 6B(2) above**
4. **Provider would be allowed to build portions of the network extension being requested at the sole discretion of QLife. Provider would build the agreed upon segment at a cost equal to the amount allocated to that segment or at providers cost, whichever is less. Provider will submit to QLife a detailed accounting of the segment costs upon completion.**

Comment [WC3]: Need Keith's input here on public contracting

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Comment [WC4]: Not sure about this language because it may not be cost or operationally efficient to manage two contractors on a single build when one could do all of the work. Public contracting rules need to be evaluated. May need to solicit for companies to provide services at a base rate and have several that are pre-approved or some variation thereof.

Section 7: Equipment for Lit Services

The customer may either pay the full cost of equipment required for lit service or provide their own QLife approved equipment. Customer allows QLife rights and access to monitor line extensions using customer's equipment

Term of Fees. These fees shall remain in effect until ~~which such time as~~ the QLife Board, by a majority vote, amends all or portions of these fees.

SECTION 5: Effective. This resolution shall be effective ~~February 1, 2016~~ June 1, 2016

PASSED AND ADOPTED THIS ~~26th~~ DAY OF ~~JANUARY~~ May, 2016

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Voting Yes, Board Members: _____
Voting No, Board Members: _____
Absent, Board Members: _____
Abstaining, Board Members: _____

APPROVED: _____
Erick Larson, President

ATTEST: _____
Brian Ahier, Secretary-Treasurer

Discussion: Administrative Authority

- [No documents submitted: Return to Agenda](#)

Discussion: MCEDD Meeting Report

- [No documents submitted: Return to Agenda](#)

Maupin Project Update

- [Phone conference with Commstructure \(no materials\)](#)

Executive Session: (2)(g) Competitive trade or commerce negotiations and (2)(m)(E) Discuss information regarding security of telecom systems and data transmission.