



MINUTES

QLife Regular Board Meeting
Thursday, April 23, 2020
Via Google Hangouts

Call to Order President Hege calls the meeting to order at 12:01 PM.

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

President Hege starts the meeting by appointing the budget committee.

Action Items

[[Mr. Runyon moves to approve Order #20-002 appointing Steve Lawrence to the QLife Budget Committee, Order #20-003 appointing Carrie Pipinich to the QLife Budget Committee, Order #20-004 appointing Taner Elliot to the QLife Budget Committee, Order #20-005 appointing Jacob Dunaway to the QLife Budget Committee, Order #20-006 appointing John Hutchinson to the QLife Budget Committee, and Order #20-007 appointing Douglas Quisenberry to the QLife Budget Committee. Mr. Lepper seconds the motion, which passes unanimously.]]

President Hege opens the budget committee meeting at 12:09 PM.

President Hege closes budget committee meeting at 1:16 PM and resumes the regular board meeting.

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

[[Ms. Long-Curtiss moves to approve the agenda. Mr. Lepper 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 a receivables customer is starting to fall behind due to a processing hiccup. The Capital fund is doing well and the Maupin fund is 82% executed. Revenue is beginning to flow in to the Maupin fund but is unchanged since September. The Board has no follow-up questions.

Discussion Items

Aristo Technical Contract

Mr. Klebes updates the Board about negotiations he has been having surrounding the renewal of the Aristo contract. He informs the board that more concrete information will be on a future meeting agenda.

Aristo Management Report

Mr. Amery informs the Board that the Bi-Mart connection is up and operational. Work is also coming along on the Curtis Homes project. President Hege wonders if phase 1 was awarded to the Fiber Guys and Mr. Amery confirms that they were the lowest bidder. President Hege asks how much the project will cost and Mr. Amery notes that it was around \$20,000.

Commstructure Master Services Agreement Amendment #3

Mr. Klebes refers to the master services agreement for professional services included in the packet. He mentions that we are negotiating standard hourly rates and an annual review. He notes that there is a \$5.00 increase across the board for all services. Mr. Norton adds that the last master service agreement adjustment was made in 2017 and Commstructure is increasing rates in 2020 for all their customers. There are no questions from the Board.

[[Ms. Long-Curtiss moves to approve the Commstructure Master Services Agreement Amendment #3. Mr. Lepper seconds the motion, which passes unanimously.]]

Lone Pine Update

Mr. McNeely updates the Board on the Union Pacific railroad crossing permit. To complete a permit QLife must submit a \$25,000 fee and once the fee is paid, the final permit will come in and we will be ready to build to the clinic. Ms. Krell is in the process of purchasing the cable reel. Mr. McNeely adds that the large permit fee is due to be an atypical track crossing which also crosses an easement.

Mr. Stone notes that he sent an e-mail to Aaron Hunt and Union Pacific in hopes of negotiating the price down. President Hege asks how many fibers will be going through this particular section and Mr. McNeely confirms it is a 144 count. President Hege wonders if 144 is more than adequate for servicing that area and Mr. McNeely believes it is. Mr. Amery adds that the backbone in that area is very tight and he is searching for a solution there. Mr. Bubb asks if QLife is only pulling one conduit through and Mr. McNeely informs him that they are pulling three ¼ inch conduit through.

Lone Pine Work Order #18 Amendment #2

Mr. Klebes refers to the amendment included in the packet and notes that we have two options when it comes to completing segment 2. Commstructure has drafted an amendment for the additional work and time designing segment 2 to complete the project. He asks for the Board's approval.

[[Ms. Long-Curtiss moves to approve the Lone Pine Work Order #18 Amendment #2. Mr. Lepper seconds the motion, which passes unanimously.]]

GorgeNet/Eastern Oregon Telecommunications (EOT) Proposal

Mr. Bubb proposes a beta test option to the Board for a fiber to the home (FTTH) project. It would include a section of The Dalles where there is 450 homes and offers 100 MB or 1 GB service in the target area. Pricing would be around \$55 to \$75 per month for residential service. He notes that they are doing this in other communities already and wanted to offer a partnership with QLife. He adds that ROI calculations have not necessarily been a consideration in the past when QLife has done other successful projects. Mr. Franell notes that the beta test will allow us to gather information and is not necessarily about making money. It would be a small picture of what a full build in The Dalles will look like.

President Hege asks what they believed the role of QLife would be in this project and Mr. Franell expresses that he would like to work with QLife to serve this area and QLife would incur the cost to expand its backbone to the beta test area. From there, GorgeNet and EOT would deliver service to the beta test area homes, however, if QLife was not interested in this opportunity then GorgeNet and EOT could complete the project infrastructure without QLife.

President Hege wonders how this project compares to what we did in Maupin and Mr. Bubb notes that the biggest difference would be that GorgeNet and EOT would build infrastructure and terminate on equipment that GorgeNet and EOT own and operate. The service piece would be similar but the GorgeNet and EOT investment would be higher compared to Maupin.

The Board enters into Executive Session at 2:18 PM under ORS 192.660 (2)(g) Competitive trade or commerce negotiations and (2)(m)(D) & (E) Discuss information regarding security of telecom systems and data transmission.

Executive Session

The Board exits Executive Session at 2:21 PM.

President Hege notes that the board is in consensus to move forward with the beta project with a few considerations. The Board would like the QLife built middle-mile to be like every other QLife section: an open network available for others to connect to, offer competitive products and pricing, direct QLife staff to work with GorgeNet/EOT on an improved ROI, and to ensure capacity in the area for future projects. The Board directs staff to work with GorgeNet and EOT to figure out the details.

Mr. Runyon adds that we need to make sure we are clear on the ethical front.

[[Mr. Runyon motions to go forward with the concept proposal and directs staff and QLife team to start negotiations. Mr. Lepper seconds the motion and it passes unanimously.]]

The meeting is adjourned at 3:36 PM

The next regularly scheduled board meeting is set for May 28, 2020.

These minutes were approved by the QLife Board on May 28, 2020 .

Lee Weinstein, Secretary