



## AGENDA

### QLife Regular Board Meeting

Thursday, May 28, 2020 | 12:00 pm

Via Google Hangouts - <https://meet.google.com/wti-msto-uhp>

- 12:00 Call to Order
- 12:00 Approval of Agenda
- 12:00 Consent Agenda (*items of a routine nature: minutes, documents, items previously discussed*)
  - April 23, 2020 Minutes
- 12:05 Finance
  - Financial Report, Analysis and Reconciliation - Mike Middleton
- 12:10 Discussion Items
  - 4-H Donation & Thank You
  - Aristo Technical Management Report – John Amery
  - Capital Improvement Plan
- 12:20 Action Items
  - Aristo Agreement Addendum
- 12:25 Lone Pine Update – Dan McNeely
- 12:35 Executive Session (2)(m)(D) & (E) Discuss information regarding security of telecom systems and data transmission; (2)(g) Competitive trade or commerce negotiations

Old/New Business

Next Board Meeting Date: Thursday, June 25, 2020 | 12:00 PM

Adjourn

*\*Agenda subject to change*

*\*Executive Session held as needed*

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



## *Consent Agenda*

---

- [April 23, 2020 Minutes](#)



## 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 \_\_\_\_\_.

---

Lee Weinstein, Secretary



## *Financial Reports*

---

- [April Financial Report](#)
- [April Reconciliations](#)
- [April Financial Analysis](#)

# Qlife Monthly Report

## Operations Fund - April 2020

Filters	
Fd	600
Cat	(Multiple Items)

### Data

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year Budget Executed	Prior Year Budget Executed	Current FY - Prior FY YTD
<b>Revenue</b>						
Qlife Operations						
Qlife-R						
Qlife-R						
INVESTMENT EARNINGS-R						
INTEREST EARNED	948	2,081	804	219.5%	40.2%	1,276.84
INVESTMENT EARNINGS-R Total	948	2,081	804	219.5%	40.2%	1,276.84
MISCELLANEOUS-R						
MISC RECEIPTS	200	1,200	1,586	600.0%	793.0%	(386.00)
MISCELLANEOUS-R Total	200	1,200	1,586	600.0%	793.0%	(386.00)
CHARGES FOR SERVICES-R						
UTILITY SERVICE CHARGES	665,460	588,571	544,232	88.4%	81.3%	44,339.77
CONNECT CHARGES	1,000	-	100	0.0%	10.0%	(100.00)
CHARGES FOR SERVICES-R Total	666,460	588,571	544,332	88.3%	81.2%	44,239.77
PASS-THROUGH PAYMENTS-R	-	-	-	#DIV/0!	#DIV/0!	-
Qlife-R Total	667,608	591,852	546,721	88.7%	81.3%	45,130.61
Qlife-R Total	667,608	591,852	546,721	88.7%	81.3%	45,130.61
Qlife Operations Total	667,608	591,852	546,721	88.7%	81.3%	45,130.61
<b>Revenue Total</b>	<b>667,608</b>	<b>591,852</b>	<b>546,721</b>	<b>88.7%</b>	<b>81.3%</b>	<b>45,130.61</b>
<b>Expense</b>						
Qlife Operations						
Qlife-E						
Qlife-E						
MATERIALS & SERVICES-E						
ADMINISTRATIVE COST	58,671	58,671	41,513	100.0%	75.0%	17,158.16
ADVERTISING & PROMOTIONS	1,500	-	1,240	0.0%	82.7%	(1,239.79)
BLDG REPAIR & MAINT	1,600	226	-	14.1%	0.0%	226.25

## Qlife Monthly Report Operations Fund - April 2020

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year	Prior Year	Current FY - Prior FY YTD
				Budget Executed	Budget Executed	
CONTR SRVCS - AUDIT CONTRACT	4,200	6,300	4,000	150.0%	66.7%	2,300.00
CONTR SRVCS - OTHER	15,100	6,868	2,110	45.5%	14.0%	4,757.61
CONTRACTED SERVICES	-	-	-	#DIV/0!	#DIV/0!	-
DUES & SUBSCRIPTIONS	3,000	769	1,576	25.6%	52.5%	(807.44)
EQUIPMENT - NON CAPITAL	5,000	-	-	0.0%	0.0%	-
GENERAL GRANTS	2,000	-	2,000	0.0%	100.0%	(2,000.00)
INSURANCE & BONDS	21,000	17,581	16,087	83.7%	76.6%	1,493.52
LEGAL NOTICES & PUBLISHING	400	291	334	72.8%	83.4%	(42.12)
MEALS LODGING & REGISTRATION	5,000	941	2,152	18.8%	107.6%	(1,211.81)
MISC EXPENDITURES	1,000	0	1,907	0.0%	190.7%	(1,906.95)
NETWORK COMPONENTS	5,000	-	-	0.0%	0.0%	-
POSTAGE	200	127	106	63.6%	52.8%	21.43
SUPPLIES - OFFICE	200	-	80	0.0%	40.2%	(80.40)
TAXES/PERMITS/ASSESSMENTS	800	579	785	72.4%	196.3%	(205.75)
TELEPHONE	500	347	456	69.4%	108.6%	(109.16)
TRAINING & EDUCATION	700	-	-	0.0%	0.0%	-
UTILITIES - WALNUT ST	800	512	624	64.0%	78.0%	(111.94)
RENT - OFFICE	7,752	5,814	3,203	75.0%	41.3%	2,610.75
CONTR SRVCS - LEGAL COUNSEL CONTR	6,000	9,729	5,022	162.1%	55.8%	4,706.80
OUTSIDE PLANT MAINTENANCE	20,000	1,216	6,701	6.1%	33.5%	(5,484.05)
CONTRACTED SVCS - ENGINEERING	50,000	30,980	59,587	62.0%	297.9%	(28,606.69)
CONTRACTED SVCS - NETWORK SYSTEM MANAGEMENT	71,000	48,353	70,105	68.1%	137.5%	(21,752.09)
POLE CONNECTION FEES	12,392	5,286	12,392	42.7%	118.0%	(7,105.41)
RIGHT OF WAY FEES	20,075	15,505	12,014	77.2%	59.8%	3,490.84
SCHOLARSHIP	2,000	2,000	-	100.0%	0.0%	2,000.00
EASEMENTS - NON-CAPITAL	-	-	-	#DIV/0!	0.0%	-
<b>MATERIALS &amp; SERVICES-E Total</b>	<b>315,890</b>	<b>212,094</b>	<b>243,993</b>	<b>67.1%</b>	<b>92.8%</b>	<b>(31,898.24)</b>
<b>CAPITAL OUTLAY-E</b>						
EASEMENTS	-	-	-	#DIV/0!	#DIV/0!	-
EQUIPMENT - CAPITAL	20,000	-	-	0.0%	0.0%	-
<b>CAPITAL OUTLAY-E Total</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-</b>
<b>TRANSFERS OUT-E</b>	<b>327,020</b>	<b>272,517</b>	<b>310,667</b>	<b>83.3%</b>	<b>83.3%</b>	<b>(38,150.00)</b>
<b>Qlife-E Total</b>	<b>662,910</b>	<b>484,611</b>	<b>554,659</b>	<b>73.1%</b>	<b>84.6%</b>	<b>(70,048.24)</b>
<b>Qlife-E Total</b>	<b>662,910</b>	<b>484,611</b>	<b>554,659</b>	<b>73.1%</b>	<b>84.6%</b>	<b>(70,048.24)</b>

**Qlife Monthly Report  
Operations Fund - April 2020**

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year	Prior Year	Current FY - Prior FY YTD
				Budget Executed	Budget Executed	
Qlife Operations Total	662,910	484,611	554,659	73.1%	84.6%	(70,048.24)
<b>Expense Total</b>	<b>662,910</b>	<b>484,611</b>	<b>554,659</b>	<b>73.1%</b>	<b>84.6%</b>	<b>(70,048.24)</b>

## Qlife Monthly Report Capital Fund - April 2020

Filters

Fd	601
Cat	(Multiple Items)

Data

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year	Prior Year	Current FY - Prior FY YTD
				Budget Executed	Budget Executed	
<b>Revenue</b>						
Qlife Capital						
Qlife-R						
Qlife-R						
INVESTMENT EARNINGS-R						
INTEREST EARNED	25,200	23,285	24,212	92.4%	2258.5%	(926.68)
INVESTMENT EARNINGS-R Total	25,200	23,285	24,212	92.4%	2258.5%	(926.68)
TRANSFERS IN-R						
TRANSFER FROM QLIFE OPERATING FUND	327,020	272,517	310,667	83.3%	83.3%	(38,150.00)
TRANSFER FROM QLIFE MAUPIN FUND	-	-	-	#DIV/0!	0.0%	-
TRANSFERS IN-R Total	327,020	272,517	310,667	83.3%	81.2%	(38,150.00)
CHARGES FOR SERVICES-R						
CONNECT CHARGES	19,000	-	-	0.0%	0.0%	-
CHARGES FOR SERVICES-R Total	19,000	-	-	0.0%	0.0%	-
Qlife-R Total	371,220	295,802	334,878	79.7%	83.1%	(39,076.68)
Qlife-R Total	371,220	295,802	334,878	79.7%	83.1%	(39,076.68)
Qlife Capital Total	371,220	295,802	334,878	79.7%	83.1%	(39,076.68)
<b>Revenue Total</b>	<b>371,220</b>	<b>295,802</b>	<b>334,878</b>	<b>79.7%</b>	<b>83.1%</b>	<b>(39,076.68)</b>
<b>Expense</b>						
Qlife Capital						
Qlife-E						
Qlife-E						
MATERIALS & SERVICES-E	-	-	(4,470)	#DIV/0!	-19.4%	4,469.74
CAPITAL OUTLAY-E						
BUILDINGS	-	-	-	#DIV/0!	#DIV/0!	-
EQUIPMENT - CAPITAL	80,000	-	-	0.0%	0.0%	-
PRIMARY SYSTEMS	660,284	242,806	118,464	36.8%	19.7%	124,342.13

**Qlife Monthly Report  
Capital Fund - April 2020**

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year	Prior Year	Current FY - Prior FY YTD
				Budget Executed	Budget Executed	
SECONDARY LINE EXTENSION	200,000	62,221	3,700	31.1%	1.9%	58,520.87
<b>CAPITAL OUTLAY-E Total</b>	<b>940,284</b>	<b>305,027</b>	<b>122,164</b>	<b>32.4%</b>	<b>13.9%</b>	<b>182,863.00</b>
TRANSFERS OUT-E	30,000	-	-	0.0%	0.0%	-
RESERVE FOR FUTURE EXPENDITURES-E	675,125	-	-	0.0%	0.0%	-
<b>Qlife-E Total</b>	<b>1,645,409</b>	<b>305,027</b>	<b>117,694</b>	<b>18.5%</b>	<b>8.9%</b>	<b>187,332.74</b>
<b>Qlife-E Total</b>	<b>1,645,409</b>	<b>305,027</b>	<b>117,694</b>	<b>18.5%</b>	<b>8.9%</b>	<b>187,332.74</b>
<b>Qlife Capital Total</b>	<b>1,645,409</b>	<b>305,027</b>	<b>117,694</b>	<b>18.5%</b>	<b>8.9%</b>	<b>187,332.74</b>
<b>Expense Total</b>	<b>1,645,409</b>	<b>305,027</b>	<b>117,694</b>	<b>18.5%</b>	<b>8.9%</b>	<b>187,332.74</b>

## Qlife Monthly Report Maupin Fund - April 2020

Filters

Fd	602
Cat	(Multiple Items)

Data

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year Budget Executed	Prior Year Budget Executed	Current FY - Prior FY YTD
<b>Revenue</b>						
Qlife - Maupin						
Qlife-R						
Qlife-R						
INTERGOV'T REV - NON SINGLE AUDIT-R						
STATE GRANT	-	-	494,069	#DIV/0!	260.0%	(494,069.26)
INTERGOV'T REV - NON SINGLE AUDIT-R Total	-	-	494,069	#DIV/0!	260.0%	(494,069.26)
INVESTMENT EARNINGS-R						
INTEREST EARNED	60	1,949	1,391	3248.2%	#DIV/0!	557.71
INVESTMENT EARNINGS-R Total	60	1,949	1,391	3248.2%	#DIV/0!	557.71
MISCELLANEOUS-R	-	-	-	#DIV/0!	#DIV/0!	-
TRANSFERS IN-R	30,000	-	-	0.0%	0.0%	-
CHARGES FOR SERVICES-R						
CITY OF MAUPIN	144,765	144,765	-	100.0%	0.0%	144,765.00
UTILITY SERVICE CHARGES	-	-	-	#DIV/0!	#DIV/0!	-
CITY OF MAUPIN FRANCHISE FEES	-	-	-	#DIV/0!	0.0%	-
CITY OF MAUPIN - GORGE.NET RECEIPTS	3,360	1,335	-	39.7%	#DIV/0!	1,334.74
CITY OF MAUPIN - LSN RECEIPTS	4,000	-	-	0.0%	#DIV/0!	-
CHARGES FOR SERVICES-R Total	152,125	146,100	-	96.0%	0.0%	146,099.74
Qlife-R Total	182,185	148,049	495,460	81.3%	52.8%	(347,411.81)
Qlife-R Total	182,185	148,049	495,460	81.3%	52.8%	(347,411.81)
Qlife - Maupin Total	182,185	148,049	495,460	81.3%	52.8%	(347,411.81)
<b>Revenue Total</b>	<b>182,185</b>	<b>148,049</b>	<b>495,460</b>	<b>81.3%</b>	<b>52.8%</b>	<b>(347,411.81)</b>

### Expense

Qlife - Maupin						
Qlife-E						
Qlife-E						
MATERIALS & SERVICES-E						

**Qlife Monthly Report  
Maupin Fund - April 2020**

Account	Current Budget	Current Actual YTD	Prior Year Actual YTD	Current Year Budget Executed	Prior Year Budget Executed	Current FY - Prior FY YTD
ADMINISTRATIVE COST	-	-	494	#DIV/0!	3.5%	(494.07)
INSURANCE & BONDS	-	-	-	#DIV/0!	0.0%	-
CONTR SRVCS - LEGAL COUNSEL CONTR	2,500	72	2,106	2.9%	105.3%	(2,034.00)
CONTRACTED SVCS - ENGINEERING	-	-	1,815	#DIV/0!	#DIV/0!	(1,815.00)
POLE CONNECTION FEES	1,050	-	-	0.0%	0.0%	-
CONTRACTED SVCS - WIFI	14,160	8,531	384	60.2%	38.4%	8,147.05
BROADBAND SUPPORT	-	-	-	#DIV/0!	#DIV/0!	-
MATERIALS & SERVICES-E Total	17,710	8,603	4,799	48.6%	25.0%	3,803.98
CAPITAL OUTLAY-E						
EQUIPMENT - CAPITAL	-	-	-	#DIV/0!	#DIV/0!	-
PRIMARY SYSTEMS	16,000	10,605	542,143	66.3%	90.4%	(531,537.65)
SECONDARY LINE EXTENSION	-	-	-	#DIV/0!	#DIV/0!	-
CAPITAL OUTLAY-E Total	16,000	10,605	542,143	66.3%	90.4%	(531,537.65)
TRANSFERS OUT-E	-	-	-	#DIV/0!	0.0%	-
Qlife-E Total	33,710	19,208	546,942	57.0%	86.9%	(527,733.67)
Qlife-E Total	33,710	19,208	546,942	57.0%	86.9%	(527,733.67)
Qlife - Maupin Total	33,710	19,208	546,942	57.0%	86.9%	(527,733.67)
<b>Expense Total</b>	<b>33,710</b>	<b>19,208</b>	<b>546,942</b>	<b>57.0%</b>	<b>86.9%</b>	<b>(527,733.67)</b>

**Qlife Monthly Report**  
**Accounts Receivable - April 2020**  
**Accounts Receivable Summary**

<b>Fund</b>	<b>Total Receivable</b>	<b>Current</b>	<b>30-59 Days</b>	<b>60-89 Days</b>	<b>90-119 Days</b>	<b>Over 120 Days</b>
600	37,920.78	8,825.00	6,465.00	3,425.00	-	19,205.78
601	-	-	-	-	-	-
602	-	-	-	-	-	-
March	40,130.78	17,500.00	3,425.00	-	-	19,205.78
February	36,285.78	17,080.00	-	-	-	19,205.78
January	29,820.78	10,615.00	-	-	-	19,205.78
December	29,180.78	9,975.00	-	-	-	19,205.78
November	26,615.78	7,410.00	-	-	-	19,205.78
October	30,530.78	11,325.00	-	-	-	19,205.78
September	23,255.78	4,050.00	-	-	-	19,205.78
August	47,430.78	28,225.00	-	-	-	19,205.78
July	44,087.06	24,881.28	-	-	-	19,205.78
June	153,555.78	134,350.00	-	-	-	19,205.78
May	49,540.78	30,335.00	-	-	-	19,205.78
Apr	45,445.78	26,240.00	-	-	-	19,205.78
Mar	30,495.78	11,290.00	-	-	-	19,205.78
Feb	49,520.78	30,315.00	-	-	-	19,205.78
Jan	33,980.78	7,575.00	-	-	-	26,405.78
Dec	38,445.78	12,040.00	-	-	-	26,405.78
Nov	61,291.78	34,740.00	-	146.00	-	26,405.78

### April 2020 Bank Reconciliation

Mike 5/20/19

	Main Checking						LGIP Account					
	Bank	Eden 600	Eden 601	Eden 602	Eden Total		Bank	*.11403 Eden 600	Eden 601	Eden 602	Eden	
Beginning Balance	537,853.46	148,501.20	207,817.17	170,190.54	526,508.91		Beginning Balance	1,498,983.39	38,289.73	1,458,926.24	1,767.42	1,498,983.39
Credits	-						Deposits					
Deposits	80,970.00	80,970.00	27,251.67	-	108,221.67	Debit	Dividends/Interest	2,160.42	198.76	1,780.18	181.48	2,160.42
Withdrawals							Withdrawals					
Checks	65,972.60	64,733.98	18,000.00	1,145.74	83,879.72	Credit	Other Decreases					
<b>Ending Balance</b>	<b>552,850.86</b>	<b>164,737.22</b>	<b>217,068.84</b>	<b>169,044.80</b>	<b>550,850.86</b>		<b>Ending Balance</b>	<b>1,501,143.81</b>	<b>38,488.49</b>	<b>1,460,706.42</b>	<b>1,948.90</b>	<b>1,501,143.81</b>
Deposits in Transit	-						Ending GL	1,501,143.81	101,264.39			
Outstanding Checks	\$2,000.00				-							
<b>Adjusted Balance</b>	<b>550,850.86</b>	<b>164,737.22</b>	<b>217,068.84</b>	<b>169,044.80</b>	<b>550,850.86</b>		<b>LGIP Variance</b>	<b>-</b>	<b>9.2%</b>	<b>82.4%</b>	<b>8.4%</b>	
Variance	-						Mike M - 5/22/2020					
Mike M - 5/22/2020												
Wasco County	5354		\$2,000.00									

\$2,000.00

## **Qlife – Financial Analysis for April 2020 Financial Statements**

The financial statements for through the 10<sup>th</sup> month of the 2020 Fiscal Year (FY20) are presented. The statements are intended for the use of Management and are not audited. The expected straight-line assumption for accounts is 83.3% (9/12). This is a typically a good starting point for analysis.

### **Operations Fund**

Total revenues for the fund are \$591,852. This is a budget execution of 88.7% - ahead of the 81.3% from last year and the 83.3% straight-line assumption. The primary reason is the Utility Service Charges – as discussed since July.

Utility Service Charges have come in at 88.4% of the budget execution or \$11K more than last fiscal year. The reason why is tied to the receivables – discussed since the July reporting period. (\$16K is due to a “catch-up” billing done in FY20.)

Accounts Receivable have decreased from March and most accounts – except the large collection – are current. The current portion as of 4/30/20 is \$8,825. The balance in AR going up and down does not change the revenues. Revenue is recognized at the billing date and a receivable is set up. The AR balance is a reflection of how collections from customers are progressing. There is one customer that is starting to fall behind and has an invoice in the 60-89 days overdue column with an invoice in the 30-29 days overdue also – this has been caught up current as of 5/22/2020. The other customer with an overdue invoice in the 30-59 days overdue column is still overdue – this appears to be due to staff out of the office over COVID-19. Staff are following up with customers.

Interest is executing at 219.58% and is \$1,277 more than last fiscal year.

Expenses for the Operations Fund are 73.1% executed. \$484,611 has been recorded – this is \$70K less than last year at this time. The Contracted Services are still significantly less than last fiscal year at this time.

Transfers are as budgeted. There is a set monthly transfer to the Capital Fund and is included in the review of expenses above.

### **Capital Fund**

Transfers In from the Operation Fund are proceeding as budgeted.

Interest is executing at 92.4% which – oddly enough - is \$927 less than last fiscal year. For April, LGIP is returning interest at 1.76% annual return. The rate has declined since February and is continuing to decrease. Lowering the rate of return for interest revenue will result in earnings decreases.

Expenses are executing at 18.5%. Progress is happening on the Primary System as the budget is executed at 36.8%. While the majority of the spending was on the Mary’s Backbone project, in April \$28K has been spent on the Lone Pine project.

## **Maupin Fund**

Revenue for the fund is at 81.3% budget execution already. This is due to two payments received from the City of Maupin on a pass through grant totaling \$144,765. A budget change was approved and done in February (Resolution # 20-003) to account for the revenue and additional capital costs. The funds were for the project and were not passed to Qlife until July. This was not part of the budget created and skews the numbers by appearing here.

Interest allocated is \$1,949. It is ahead of the budget expectation and last year's earnings.

Revenue has started to come in for the City of Maupin – Gorge.Net Receipts. The amount received is \$1,335 which is an execution of 39.7% of the budget. This is unchanged since September. Of note is no LSN receipts have been received.

Expenses for the Maupin Fund are at a budget execution rate of 57.0% - well below the expected straight-line assumption due to the budget change processed in February. The variance is the Contracted Services for WIFI is still a factor but the budget will finish within the appropriation limits.

No transfers are budgeted for FY20.

## **Summary**

The year is performing well. Utility Service Charges are up, even after taking considering the on-time catchup revenue. When this is considered, the budget execution is right on target. Interest is up for the organization as a whole even Maupin. Interest rates are continuing to while at this time last year the rates were at a peak. This will cause a greater difference towards the end of the fiscal year.

All three funds are in good shape.

## **Reconciliations**

Bank reconciliations for April are completed and included in this packet. These were not reviewed with the County Administrator yet due to timing. It is expected to happen when time allows. Prior reconciliations were reviewed on 5/5/2020.



## *Discussion Items*

---

- [4-H Donation & Thank You](#)
- [Aristo Technical Management Report](#)
- [Capital Improvement Plan](#)

# THANK YOU



Q-life,

On behalf of Wasco County 4-H  
I'd like to thank you for wanting  
to support our VEX robotics kids.  
It was a big disappointment to not  
go to the World Competition - but so  
understandable, to keep everyone safe.  
I am returning your generous  
contribution and hope you will

consider supporting any future endeavors. This group have been ~~at~~ awesome representatives of our 4-H STEM program. They will go far!

In gratitude,  
Kim McCullough  
Wasco County 4H



Qlife

ACCOUNTS PAYABLE CHECK

NO. 5354

INVOICE NUMBER	INV. DATE	P.O. NUMBER	DESCRIPTION	DISCOUNT	AMOUNT
4-H Robotics 2020	03/10/2020		4-H ROBOTICS SCHOLARSHIP 2020	0.00	2,000.00
					2,000.00

PLEASE DETACH BEFORE DEPOSITING



**Qlife**  
 511 Washington St, Suite 101  
 The Dalles, OR 97058  
 541-506-2550

PAYABLE THROUGH  
 Bank of the West  
 120 E 4th St  
 The Dalles, OR 97058

CHECK NO 5354

24-78  
1211

DATE 03/13/2020

PAY Two Thousand Dollars and No Cents

2,000.00

TO THE ORDER OF  
 WASCO COUNTY  
 4-H ASSOCIATION  
 400 E SCENIC DRIVE STE 2.278  
 THE DALLES, OR 97058

*Tyler Stone*  
 \_\_\_\_\_

⑈0005354⑈ ⑆121100782⑆ 208001339⑈

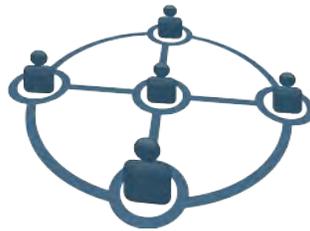
Aristo Networks LLC  
Technical Management Report  
By  
John Amery  
5/26/2020

Items of Interest:

- There has been considerable recent effort to look at potential capital expansion projects.
- New path feeding Curtis Homes by Sorosis Park Phase I has been awarded to “The Fiber Guys”
  - Delayed waiting for pole access permissions from CTL.
- Electronics
  - No known issues.



2016 CIP  
*Capital Improvement Plan*



# Joint Recommendation

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

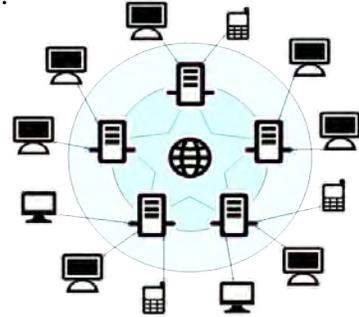
# Table of Contents

Table of Contents.....	2
Background.....	3
Scope.....	3
Summary.....	3
Outside Plant.....	4
Outside Plant Summary.....	4
General Projects.....	5
Downtown Bypass Project.....	5
East Bisector Project.....	6
Central Business District Project.....	8
Secondary zones with high build out costs.....	10
Co-Location.....	12
Co-Location Overview.....	12
Potential Co-Location (CoLo) options.....	13
City Hall.....	13
New Co-Location site by Big Eddy.....	13
New Co-Location site at Columbia Gorge Community College (CGCC).....	14
New Co-Location site at Sign Museum.....	15
New Co-Location site at Wasco County IT room.....	15
Electronics.....	17
Background.....	17
Switching Equipment.....	17
Security.....	18
Server.....	18
Recommendations.....	19
Recommendation Matrix.....	20
Recommendation Footnotes.....	20

## Background

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

## Scope



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

## Summary

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

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

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

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

# Outside Plant

## ***Outside Plant Summary***

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

The General Projects identified are:

- **Downtown Bypass Project**

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

- **East Bisector Project**

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

- **Central Business District Project**

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

The potential expansion zones identified are:

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

## **General Projects**

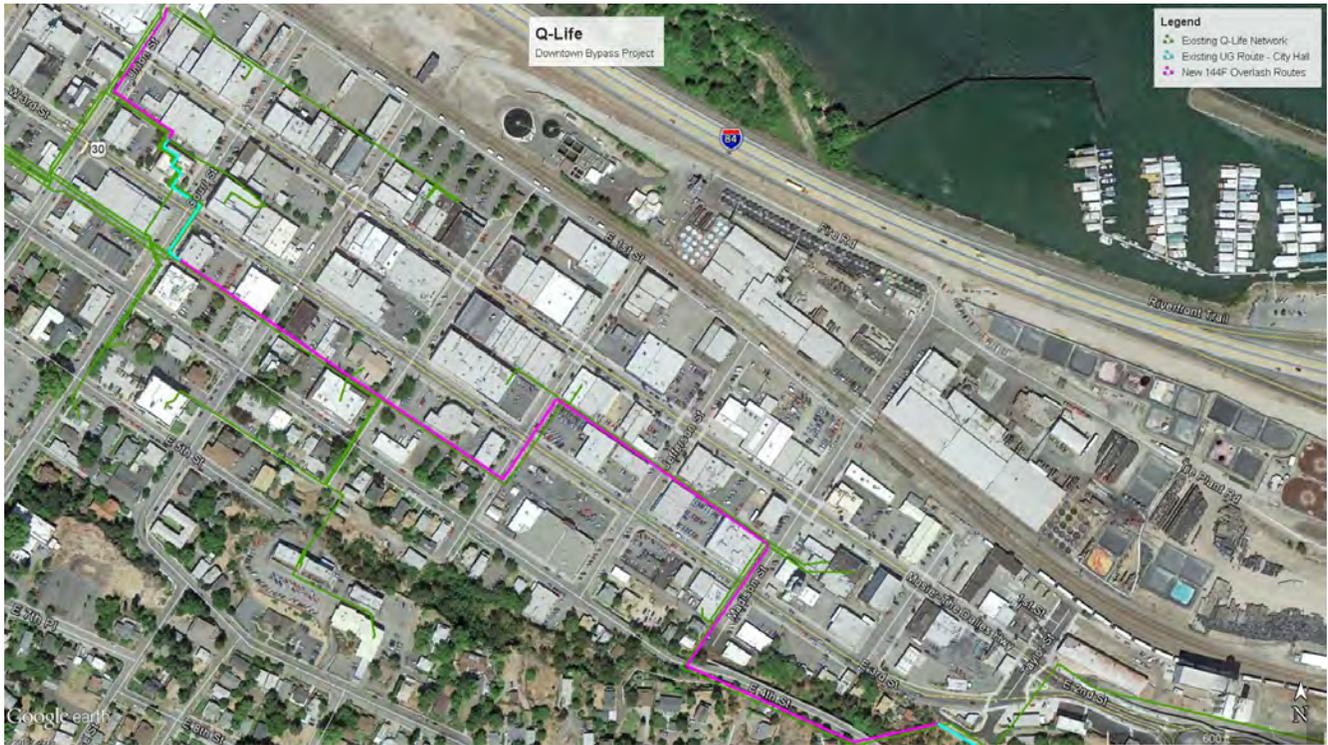
### ***Downtown Bypass Project***

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

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

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

## Overview map of Downtown Bypass Project



## Budgetary Cost estimates for Downtown Bypass Project

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

## ***East Bisector Project***

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

Advantages include:

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

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

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

## Overview map of East Bisector Project



## Budgetary Cost estimates for East Bisector Project

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

## Central Business District Project

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

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

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

## Overview map of Central Business District Project



## Budgetary Cost estimates for Central Business District Project

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

## Secondary zones with high build out costs

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

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

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

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

# Co-Location

## Co-Location Overview

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

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

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

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

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

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

## ***Potential Co-Location (CoLo) options***

### ***City Hall***

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

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

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

### ***New Co-Location site by Big Eddy***

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

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

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

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

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

#### **Co-Location site by Big Eddy cost estimate**

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

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

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

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

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

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

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

### **Co-Location site at CGCC cost estimate**

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

### ***New Co-Location site at Sign Museum.***

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

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

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

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

### **Co-Location site at Sign Museum cost estimate**

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

### ***New Co-Location site at Wasco County IT room.***

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

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

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

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

**Co-Location site at Wasco County cost estimate**

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

# Electronics

## ***Background***

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

## ***Switching Equipment***

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

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

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

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

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

## **Security**

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

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

## **Server**

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

## Recommendations

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

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

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

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

### **Recommendation Matrix**

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

### **Recommendation Footnotes**

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

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



## *Action Items*

---

- [Aristo Agreement Addendum](#)

**ADDENDUM TO AGREEMENT BY AND BETWEEN THE QUALITY LIFE  
INTERGOVERNMENTAL AGENCY AND ARISTO NETWORKS, LLC DATED  
JUNE 28, 2006**

THIS ADDENDUM is made and entered into this \_\_\_\_ day of May 2020, by and between the Quality Life, (hereinafter referred to as "QLife") and Aristo Networks LLC (hereinafter referred to as "Contractor") provides for extension of the Agreement until May 1, 2021.

**RECITALS**

WHEREAS, QLife and the Contractor entered into an agreement for internet fiber related consulting, technical, and maintenance services dated June 28, 2006 ("Agreement");

WHEREAS, the Agreement has been extended from time to time and has at all times since June 28, 2006 remained in full force and effect;

WHEREAS, Exhibit "A" to the Agreement obligated Contractor provide services set forth in Exhibit "A";

WHEREAS, the parties desire to extend the Agreement for additional time to May 1, 2021; and

NOW, THEREFORE, the parties agree to modify the following parts of the agreement: Paragraphs 1 and 2, Exhibit "A," Exhibit "B" and Exhibit "C" as set forth below.

**AGREEMENT**

1. Paragraph 1 of the Agreement with Contractor is hereby amended to revise the compensation terms as set forth in attached Exhibit "C."
2. Paragraph 2 of the Agreement with the Contractor is hereby amended to extend the contract termination date to May 1, 2021.
3. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.
4. Updated Certificate of Insurance(s) attached hereto.

Quality Life

Aristo Networks LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

## **EXHIBIT C**

**BASE MONTHLY FEE\*** – For each month of service, Contractor will receive not less than \$2,560.00 dollars, together with additional compensation for services described below.

**REGULAR HOURS RATE** (8:00am through 5:00pm Monday through Friday): \$80/hour

**AFTER HOURS RATE** (After 5:00pm, on weekends and holidays): \$160/hour

\*The **BASE MONTHLY FEE** is a monthly charge to pay for ongoing Contractor infrastructure necessary to perform QLIFE work as well as the immediate availability of skilled individuals in order to provide QLIFE 24x7 service within the required 3 hour response times. This base fee is in addition to any hourly work performed by Contractor.



## *Lone Pine Updates*

---



## *Executive Session*

---