



MINUTES

QLife Regular Board Meeting
Thursday, June 27, 2019
511 Washington St, Deschutes Conference Room

Call to Order President Hege calls the meeting to order at 12:05 PM

Roll Call Tyler Stone, Stephanie Krell, Scott Hege, Lee Weinstein, Dale Lepper, Darcy Long-Curtiss, Rod Runyon, Mayor Lynn Ewing, John Amery, Keith Mobley, Carrie Pipinich, Kayla Nelson, Kate Willis and Dan McNeely (via Skype).

Changes to the Agenda

There are no changes to the agenda.

[[Ms. Long-Curtiss moves to approve the agenda. Mr. Weinstein seconds the motion, which passes unanimously.]]

Approval of the Consent Agenda

There are no changes to the consent agenda.

[[Mr. Weinstein moves to approve the consent agenda. Ms. Long-Curtiss seconds the motion, which passes unanimously.]]

Financial Report

Mr. Middleton presents the financial report to the Board and notes that 91% of the fiscal year is complete as of May. Right of Way fee expenses are slightly behind due to the bills being delivered late. Our finance department was able to locate them and we are now current on those fees. He continues by informing the Board that he anticipates the Materials and Services account to be slightly over budget at this time but will remain within the bounds of where we want to be by the end of the fiscal year. Overall all funds are in good shape; Mr. Middleton expects the Operations fund to be under budget by about \$10K and the Maupin fund is at 80% execution.

Action Items

President Hege opens the budget hearing at 12:09 PM. Mr. Middleton informs the Board that the QLife Budget for FY20 has been presented to City Council and the Board of County Commissioners and both entities have given their approval. He asks the Board for any questions regarding the budget and for their approval.

President Hege asks if we should consider adjusting the budget for administrative costs but Mr. Stone notes that any changes to that account will likely happen after the new fiscal year. He continues by noting that there are many moving parts around staffing in Wasco County and once we get a better sense of what that looks like, we can discuss if the County will pay for additional QLife administrative costs.

There are no other comments or changes from the budget committee so President Hege opens the hearing for public comment. There are none and President Hege closes the budget hearing at 12:14 PM.

[[Mr. Weinstein moves to approve budget resolution #19-005 adopting the QLife budget for fiscal year 2019-2020, making appropriations and authorizing expenditures. Mr. Lepper seconds the motion, which passes unanimously.]]

Discussion Items

Aristo Technical Management Report

Mr. Amery presents his report to the Board. The failing fiber, known as the St. Mary's Project, is coming to a completion. He is currently reviewing the history of challenges with OSPInsight and looking into alternative software. No decision has been made at this point.

He continues with an update on QLife electronics. He has moved one customer off of the electronics and all issues have ceased. Mr. Lepper wonders if it was a volume issue but Mr. Amery states that he is still uncertain as to what exactly the problem was. President Hege asks if the issue is considered resolved and Mr. Amery notes that the issue has not occurred again so he believes it has been resolved.

September Board Meeting

Ms. Krell brings to the Board's attention that our regularly scheduled board meeting will not be able to take place in September due to a scheduling conflict with Mr. Stone and President Hege and proposes alternative dates. It is decided that October 3rd works best for the Board.

Port Build/Chenoweth Expansion Updates

Mr. McNeely calls in via Skype at 12:20 PM. Mr. Stone begins with an update by mentioning that the prevailing wage reports in the board packet are for the Board's reference. He continues by stating the quotes have come back from Professional Underground and archaeological research for the project and will cost about \$9K to complete.

Mr. Stone asks Mr. McNeely if he has a timeline as to when that work will commence and Mr. McNeely notes that he is currently working on securing a permit which is a minimum 45 day waiting period. He adds that it will likely be the end of summer before the project is considered complete.

President Hege wonders if we have run into any issues with the local tribes and Mr. McNeely states that there have been no issues thus far and the archaeological group will coordinate with them.

Mr. Stone notes that he has submitted an invoice to the Port of The Dalles for \$124K which will be paid after the first of the fiscal year. The Board approves the change order from Professional Underground and the archaeological quote as presented.

Lone Pine Expansion Updates

Mr. Stone informs the Board that there have not been any changes with the Lone Pine Expansion since the last board meeting discussion. He continues to pursue funding opportunities and hopes that 65% of the build will be covered by USAC. He also notes that there is a public easement in the area that will need to be moved and that we are working on a grant application and looking to our customer to help with the additional costs. We have submitted a funding request to USAC with our full pricing list for servicing MCMC and he believes we could utilize those reimbursements.

President Hege wonders what our ideal timeline looks like but Mr. Stone does not have a solid timeline and states that it is not as quickly as he would like. Mr. Stone wonders if it would help for our delegations to make calls about the USAC distribution in order to speed things along and Mr. Lepper replies that he will consider it to see if that is an option.

President Hege asks if we have a design for the expansion and Mr. Stone notes that the Board did not previously give authority for an engineering design until we secured funding but adds that the OPC came back around \$400K. Mr. Lepper wonders if we are successful in being awarded USAC funding, would we move forward with the build and Mr. Stone replies that that would be decision to be made by the Board. Mr. Lepper adds that there may be money in the MCMC budget to assist in the build but not until January 2020.

St. Mary's Backbone Updates

There are no updates for the St. Mary's Backbone project.

Maupin Updates

Mr. McNeely updates the Board on the Maupin project and notes that clean up in the alley is almost complete. Mayor Ewing adds that he expects work to be finished by the end of the month. President Hege asks for clarification on what work remains and Mr. McNeely informs him that Wasco Electric Cooperative is moving all of the meters out of the way which will allow Van Dorn to come back and complete the path.

Mayor Ewing reminds the Board that there are five potential customers that LSN and GorgeNet say cannot be served but the engineers disagree. President Hege believes it makes more sense to pay LSN or GorgeNet to build out to those customers than to extend the QLife backbone. Mayor Ewing states that he will continue to work with LSN and GorgeNet to come up with a solution.

Mr. Stone updates the Board on Maupin financials by stating that we are in the process of closing out grants and gather some outstanding expenses. Van Dorn has not been able to complete their work so we expect a final invoice to come in. Ms. Nelson distributes a document including project financials which accounts for all revenue and expenses from the Maupin project.

She reviews the grant funding and clarifies that roughly \$190K remains from these funds in addition to \$44K that had previously been requested from the city of Maupin. Mr. Stone adds that Maupin expressed their desire to use the remaining funds for security cameras but the Capital fund also needs to be repaid its investment of \$167K; both cannot be done so he asks the board to discuss how we want to spend the remaining funds.

President Hege wonders if the security system would be an additional cost which Mr. Stone confirms was not part of the original project. Mayor Ewing adds that he was assured by the State that the remaining funds can be used for security activity.

Ms. Long-Curtiss asks for clarification of the intention for the Capital fund transfer to Maupin and Mr. Stone notes that at the time, we had not secured the additional \$500K from the State but had already invested thousands of dollars into the project so the Board agreed to transfer to money in order to keep the project moving.

The Board enters into Executive Session under ORS 192.660(2)(g) to discuss how they should proceed with the remaining grant funds.

Executive Session

The Board enters into Executive Session at 1:15 PM

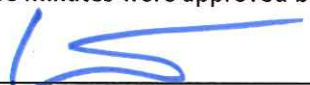
The Board exits Executive Session at 1:52 PM

President Hege invites Mayor Ewing back into the regular session and announces that the Board has proposed to split the remaining grant funds with the city of Maupin. \$100K would go to QLife in order to repay the Capital fund and \$90K would go to the city of Maupin in order for them to complete their desired security system. All Board members and Mayor Ewing agree to the proposal.

The meeting is adjourned at 1:56 PM

The next regularly scheduled board meeting is set for Thursday, July 25, 2019.

These minutes were approved by the QLife Board on 7/25/19.



Lee Weinstein, Secretary