

QLife Network

QualityLife Intergovernmental Agency

AGENDA

QLife Regular Board Meeting

**Thursday July 19, 2012, Noon
The Dalles City Hall, 313 Court Street
2nd Floor Conference Room**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of June 21, 2012 QLife Regular Board Meeting Minutes
5. Financial Reports
 - a. June Financial Reports
 - b. List of Disbursements since Last Meeting
6. Action Items
 - a. Approve IGA with Wasco County for GIS/IT services
7. Reports
 - a. Redundancy/Bisector Project Update – Memo from Erik Orton
 - b. Aristo Operational Management Report – John Amery
8. Next Meeting Dates:
 - a. Regular Board Meeting August 16, 2012 Noon
9. Adjourn

QLife Network

QualityLife Intergovernmental Agency

Minutes

QLife Regular Board Meeting

**Thursday, June 21, 2012, Noon
The Dalles City Hall, 313 Court Street
2nd Floor Conference Room**

Call to Order

The meeting was called to order by President Dan Ericksen at 12:05p.m.

Roll Call

In attendance: Dan Ericksen, Scott Hege, Dan Spatz, Brian Ahier
Staff: Nolan Young, John Amery, Izetta Grossman

Approval of Agenda

Young asked that Action Item C be removed from the agenda. It was moved by Ahier and seconded by Spatz to approve the agenda as amended. The motion carried unanimously, 1 absent

Approval of April 17, 2012 QLife Regular Board Meeting Minutes

It was moved by Spatz and seconded by Ahier to approve the minutes of the April 17, 2012 meeting as submitted. The motion carried 1 absent.

Financial Reports

Young reviewed the financial reports for April and May; noting the agency was on target for year end.

Public Hearing

Ericksen opened the Public Hearing for Fiscal Year 2012-13 QLife Budget. Young reviewed the budget.

Mobley arrived at 12:08

Hearing no comments, Ericksen closed the public hearing.

Action Items

It was moved by Ahier and seconded by Spatz to Adopt Resolution 12-004 Adopting the QualityLife Intergovernmental Agency Budget for Fiscal Year 2012-13, Making Appropriations, and Authorizing Expenditures. The motion carried unanimously, 1 absent.

Young reviewed the line item and explained that staff was asking for authorization due to previous discussions regarding use of scholarship funds. Ahier moved and Hege seconded to Authorize staff to issue check to Columbia Gorge Community College Scholarship fund as budgeted for FY 2011-12. Spatz abstained from discussion or voting due to conflict as he was the Foundation Director. Motion carried unanimously, 1 absent, 1 abstaining.

Larson arrived 12:20 p.m.

Reports

2nd Street Service line – Nolan Young reported that LSN had asked for an estimate for line extension in the alley between 1st and 2nd Street, because it is in the downtown corridor there is a good possibility for development that QLife would need to expand. It was decided to do this extension under QLife not LSN. Potential for more additional customers.

Redundancy/Bisector Project Update – John Amery reported the physical plant would be installed by Friday. Then splicing and coordination with customers would take place, then the electronics. This part of the project would be the most time consuming.

Aristo Operational Management Report – John Amery reported LSN vacated two racks, we would need to adjust their bills.

Amery brought up an issue with a customer. Ericksen asked if this was an Executive Session issue. Mobley said yes.

Ahier moved to recess to Executive Session, Larson seconded ; motion carried unanimously.

Ericksen recessed the meeting to Executive Session in accordance with ORS 192690 (h) possible litigation at 12:30 p.m.

Ahier retired from the meeting at 12:32 p.m. and returned at 12:37 p.m.

The meeting was reconvened from Executive Session at 12:47 p.m.

No action taken

Mobley reported he was working on an easement with MCMC for a new connection with CenturyLink CO.

Next Meeting Dates:

Regular Board Meeting July 19, 2012 Noon

Adjourn

Being no further business the meeting was adjourned at 12:50 p.m.

Respectfully submitted:

Izetta Grossman, Recording Secretary

Attested:

Erick Larson, Secretary/Treasurer

July 2, 2012

TO: Qlife Board
Nolan Young, City Manager
FR: Kate Mast, Finance Director
RE: Financial Report for QLIFE – **June 2012**

Banking:

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

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

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 FUND (600):

BUDGET COMPARISONS	<u>July 1, 2011 through June 30, 2012</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 120,000	\$ 120,561	100.0%	* see below
Revenues	\$ 583,800	\$ 554,322	95.0%	
Expenditures	\$ 296,174	\$ 194,149	65.5%	
Transfers to Capital/Debt Fund	\$ 407,626	\$ 407,626	100.0%	
Cash at Month End	\$ 42,678.64			

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.*
- 2) Revenues: We have received \$35,438 in E-Rate revenues.
- 3) Expenditures:
 - a. The County expense line item has been over expended by \$5,000.00 because it was discovered in May that the County had not billed us for GIS services for the past two years, so payments for FY10/11 and FY11/12, in the amount of \$5,000 each, to pay those costs up to date.
 - b. The Legal Services line item has been over expended by \$2,535.00 due to continued work on the WiFi project and new customer easements.

- c. The Network System Management line item has been over expended by \$2,196.20 due to higher than anticipated network challenges.
- d. The Advertising line item has been overspent by \$531.90 due to expenses incurred for sponsoring the Connect Oregon Conference.
- e. The Training and Conferences line item has been over expended by \$465.00 because we sent our legal counsel to a seminar so he is up on the changing environment of the telecommunications industry.
- f. The \$35,438 received in E-Rate reimbursements was sent to the appropriate public customer.

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

CAPITAL FUND (601):

BUDGET COMPARISONS	July 1, 2011 through June 30, 2012		
	Budget	Actual	Percentage
Beginning Balance	\$ 259,625	\$ 259,625	100% * see below
Transfers In	\$ 407,626	\$ 407,626	100%
Revenues	\$ 110,500	\$ 70,440	63.7%
M&S / Capital Outlay / Other	\$ 376,257	\$ 143,374	38.1%
Debt Expenditures	\$ 290,347	\$ 290,326	99.9%
Cash at Month End	\$ 301,943.63		

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.*
- 2) Revenues: We received the \$50,000 enterprise payment in March 2011.
- 3) Expenditures:
 - a. The Buildings line item expenses are for the LSN co-location room. LSN is paying for 50% of those costs.
 - b. The Debt service shows that the Principal payments have been over expended by \$1,1956.19, while the Interest Payments have been under expended by \$1,977.51. This is due to an adjustment made to match the principal and interest payments to the bank's application of those payments. Paying more principal is a good thing.
- 4) Budget Changes: The QLife Board of Directors, at their April 17, 2012 Board meeting, adopted Resolution No. 12-002, a supplemental budget, and Resolution No. 12-003 that made amendments to the budget.

66	EXPENSE-ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% EDGT
660	FINANCIAL OPERATIONS										
02	MATERIALS & SERVICES										
31	10 ADMINISTRATIVE	1674	.00	0	20000	12361.07	62	.00	20000	7638.93	62
15	COUNTY	424	.00	0	5000	10000.00	200	.00	5000	5000.00	200
20	OUTSIDE PLANT MAINTENANCE	2337	5244.64	224	28000	16551.10	59	.00	28000	11448.90	59
90	OTHER SERVICES	0	.00	0	0	.00	0	.00	0	.00	0
32	10 AUDIT	424	.00	0	5000	4850.00	97	.00	5000	150.00	97
20	LEGAL SERVICES	500	225.00	45	6000	8335.00	142	.00	6000	2535.00	142
34	10 ENGINEERING SERVICES	1000	.00	0	12000	9136.25	76	.00	12000	2863.75	76
30	NETWORK SYSTEM MANAGEMENT	4837	9440.42	195	58000	60196.20	104	.00	58000	2196.20	104
50	SPECIAL STUDIES & REPORTS	837	.00	0	10000	.00	0	.00	10000	10000.00	0
43	10 BUILDINGS AND GROUNDS	174	.00	0	2000	371.50	19	.00	2000	1628.50	19
25	NETWORK EQUIPMENT	387	.00	0	4600	2494.35	54	.00	4600	2105.65	54
87	UTILITIES LOCATES	87	.00	0	1000	.00	0	.00	1000	1000.00	0
44	10 OFFICE SPACE RENTAL	437	.00	0	5244	3933.00	75	.00	5244	1311.00	75
52	10 LIABILITY	462	.00	0	5500	4985.00	91	.00	5500	515.00	91
30	PROPERTY	25	.00	0	300	300.00	100	.00	300	.00	100
53	20 POSTAGE	24	62.19	259	200	113.40	57	.00	200	86.60	57
30	TELEPHONE	30	.00	0	360	331.00	92	.00	360	29.00	92
40	LEGAL NOTICES	37	113.10	306	400	307.10	77	.00	400	92.90	77
54	00 ADVERTISING	87	.00	0	1000	1531.90	153	.00	1000	531.90	153
57	10 PERMIT	37	.00	0	400	.00	0	.00	400	400.00	0
58	10 TRAVEL, FOOD & LODGING	37	90.00	243	400	365.51	91	.00	400	34.49	91
50	TRAINING AND CONFERENCES	24	.00	0	200	685.00	333	.00	200	465.00	333
70	MEMBERSHIPS/DUES/SUBSCRIP	24	.00	0	200	25.00	13	.00	200	175.00	13
80	SCHOLARSHIPS	174	.00	0	2000	.00	0	.00	2000	2000.00	0
60	10 OFFICE SUPPLIES	24	.00	0	200	9.57	5	.00	200	190.43	5
63	80 QLIFE SCHOLARSHIPS	0	.00	0	0	.00	0	.00	0	.00	0
90	ROBOTICS GRANTS	0	.00	0	0	.00	0	.00	0	.00	0
69	50 MISCELLANEOUS EXPENSES	49	.00	0	500	345.12	69	.00	500	154.88	69
60	POLE CONNECTION FEES	674	.00	0	8000	7732.56	97	.00	8000	267.44	97
70	RIGHT OF WAY FEES	1228	1254.75	102	14670	13571.25	93	.00	14670	1098.75	93
80	ASSETS <\$5000	0	.00	0	0	.00	0	.00	0	.00	0
02	** MATERIALS & SERVICES	16054	16430.10	102	191174	158710.88	83	.00	191174	32463.12	83
03	CAPITAL OUTLAY										
74	20 TELECOMMUNICATIONS EQUIP	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
78	50 FIXED ASSET RECLASS ACCT	0	.00	0	0	.00	0	.00	0	.00	0
03	** CAPITAL OUTLAY	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
05	OTHER										
87	00 DEPRECIATION EXPENSE	0	.00	0	0	.00	0	.00	0	.00	0
05	** OTHER	0	.00	0	0	.00	0	.00	0	.00	0
660	** FINANCIAL OPERATIONS	17728	16430.10	93	211174	158710.88	75	.00	211174	52463.12	75
66	** EXPENSE-ACCOUNT	17728	16430.10	93	211174	158710.88	75	.00	211174	52463.12	75

FUND 600 QUALITYLIFE AGENCY FUND		DEPT/DIV 6000 QLIFE/		*****CURRENT*****		*****YEAR-TO-DATE*****		ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	\$EXP	BUDGET	\$EXP	BALANCE	BDST
SUB	SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	\$EXP	BUDGET	\$EXP	BALANCE	BDST
66			EXPENSE-ACCOUNT							
660	05		FINANCIAL OPERATIONS							
			OTHER							
DIV	6000	TOTAL	*****	17728	16430.10	93	211174	158710.88	75	52463.12
DEPT	60	TOTAL	*****	17728	16430.10	93	211174	158710.88	75	52463.12
			QLIFE							

BA ELE SUB	ACCOUNT DESCRIPTION	DEPT/DIV	9500 OTHER	USSES/	CURRENT	YEAR-TO-DATE	ACTUAL	BUDGET	ENCUMBR.	ENCUMBER.	ANNUAL BUDGET	UNENCUMB. BALANCE	% EDGT
			ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	BUDGET					
81 91	OLIFE CAPITAL FUND	33978	.00	0	407626	407626.00	100	407626	.00	.00	407626	.00	100
83 10	ESD E-RATE	3337	.00	0	40000	35437.68	89	40000	.00	.00	40000	4562.32	89
05 **	OTHER	37315	.00	0	447626	443063.68	99	447626	.00	.00	447626	4562.32	99
06	CONTINGENCY / UAFB												
88 00	CONTINGENCY	3750	.00	0	45000	.00	0	45000	.00	.00	45000	45000.00	0
89 00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	0	.00	.00	0	.00	0
06 **	CONTINGENCY / UAFB	3750	.00	0	45000	.00	0	45000	.00	.00	45000	45000.00	0
600 **	FINANCIAL OPERATIONS	41065	.00	0	492626	443063.68	90	492626	.00	.00	492626	49562.32	90
60 **	EXPENSE-ACCOUNT	41065	.00	0	492626	443063.68	90	492626	.00	.00	492626	49562.32	90
DIV 9500	TOTAL	41065	.00	0	492626	443063.68	90	492626	.00	.00	492626	49562.32	90
DEPT 95	TOTAL	41065	.00	0	492626	443063.68	90	492626	.00	.00	492626	49562.32	90
FUND 600	TOTAL	58793	16430.10	28	703800	601774.56	86	703800	.00	.00	703800	102025.44	86

City of The Dalles

FUND 601 Q LIFE CAPITAL FUND		***** CURRENT *****		***** YEAR-TO-DATE *****		***** ANNUAL UNREALIZED	
ACCOUNT	DESCRIPTION	ESTIMATED	ACTUAL	ESTIMATED	ACTUAL	ESTIMATE	BALANCE
300	BEGINNING BALANCE						
300 00 00		24,178	.00	259,625	259,624.85	100	259,625 .15
300 **		24,178	.00	259,625	259,624.85	100	259,625 .15
300 ***	BEGINNING BALANCE	24,178	.00	259,625	259,624.85		259,625 .15
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	12,421	1,237.50	10	20,439.58	34	60,500 40,060.42
344 **	UTILITY SERVICES	12,421	1,237.50	10	20,439.58	34	60,500 40,060.42
340 ***	CHARGES FOR SERVICES	12,421	1,237.50	60,500	20,439.58	60,500	60,500 40,060.42
360	OTHER REVENUES						
369	OTHER MISC REVENUES						
00 00	OTHER MISC REVENUES	0	.00	0	.00	0	.00
10 00	ENTERPRISE ZONE PAYMENT	4,174	.00	50,000	50,000.00	100	50,000 .00
369 **	OTHER MISC REVENUES	4,174	.00	50,000	50,000.00	100	50,000 .00
360 ***	OTHER REVENUES	4,174	.00	50,000	50,000.00	50,000	50,000 .00
390	OTHER FINANCING SOURCES						
391	OPERATING TRANSFERS IN						
40 00	IF PMT FROM OTHER FUNDS	0	.00	0	.00	0	.00
90 01	Q LIFE OPERATING FUND	33,978	.00	407,626	407,626.00	100	407,626 .00
391 **	OPERATING TRANSFERS IN	33,978	.00	407,626	407,626.00	100	407,626 .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	33,978	.00	407,626	407,626.00	407,626	407,626 .00
	FUND TOTAL Q LIFE CAPITAL FUND	74,751	1,237.50	777,751	737,690.43	777,751	40,060.57

FUND 601 QLIFE CAPITAL FUND		DEPT/DIV 9500 OTHER USES/		*****CURRENT*****		*****YEAR-TO-DATE*****		*****		UNENCUMB.		%	
BA ELEM OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	BUDGET	BALANCE	BUDGET	BUDGT
SUB	DESCRIPTION												
60	QLIFE FUND												
600	OTHER USES												
05	OTHER												
84 15	RSRV FOR SYS IMPROVEMENTS	20087-	.00	0	39842	.00	0	.00	.00	39842	39842.00	0	0
20	RSRV FOR CO EXPANSION	3337	.00	0	40000	.00	0	.00	.00	40000	40000.00	0	0
05 **	OTHER	16750-	.00	0	79842	.00	0	.00	.00	79842	79842.00	0	0
600 **	OTHER USES	16750-	.00	0	79842	.00	0	.00	.00	79842	79842.00	0	0
60 **	QLIFE FUND	16750-	.00	0	79842	.00	0	.00	.00	79842	79842.00	0	0
66	EXPENSE-ACCOUNT												
660	FINANCIAL OPERATIONS												
05	OTHER												
84 30	FOR DEBT RETIREMENT	34500-	.00	0	0	.00	0	.00	.00	0	.00	0	0
05 **	OTHER	34500-	.00	0	0	.00	0	.00	.00	0	.00	0	0
06	CONTINGENCY / UAFB												
88 00	CONTINGENCY	2617	.00	0	31305	.00	0	.00	.00	31305	31305.00	0	0
89 00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	.00	0	.00	0	0
06 **	CONTINGENCY / UAFB	2617	.00	0	31305	.00	0	.00	.00	31305	31305.00	0	0
660 **	FINANCIAL OPERATIONS	31883-	.00	0	31305	.00	0	.00	.00	31305	31305.00	0	0
66 **	EXPENSE-ACCOUNT	31883-	.00	0	31305	.00	0	.00	.00	31305	31305.00	0	0
DIV 9500	TOTAL *****	48633-	.00	0	111147	.00	0	.00	.00	111147	111147.00	0	0
DEPT 95	TOTAL *****	48633-	.00	0	111147	.00	0	.00	.00	111147	111147.00	0	0
FUND 601	TOTAL *****	74795	5841.73	8	777751	433699.30	56	.00	.00	777751	344051.70	56	56

QLIFE - LISTING OF FINANCIAL TRANSACTIONS

FUND:	<u>OPERATING 600</u>		
FISCAL YEAR:	2011-12		
PERIOD DETAIL	FROM:	6/8/2012 TO:	7/12/2012
Revenue:	Billed as of	6/20/2012	41,825.00
	QLife Monthly Billings	BILLING DONE ON THE 20TH	
TOTAL:			41,825.00
Expenditures:			
Gorge.net	Phone		31.00
NorthSky	Maintenace		4,007.14
NorthSky	Maintenace		1,237.50
Anzac	Lunch		90.00
The Dalles Chronicle	Budget ad		113.10
Aristo	April, May, June Retainer		6,000.00
Aristo	General Oversight		3,440.42
TOTAL:			14,919.16

FUND:	<u>CAPITAL 601</u>		
FISCAL YEAR:	2011-12		
PERIOD DETAIL	FROM:	6/8/2012 TO:	7/12/2012
Revenue:			
TOTAL:			
Expenditures:			
Columbia State Bank	Commercial Loan/Interest		11,494.11
MCEDD	Loan		3,514.88
NorthSky	Pass thru MCCOG		1,237.50
Oregon Equipment	Relo Electric Box		90
Hage	Bisector		835.13
Aristo	GHOBI work		164.22
TOTAL:			17,335.84

LSN CREDITS

5500

QLIFE - LISTING OF FINANCIAL TRANSACTIONS

FUND: OPERATING 600

FISCAL YEAR: 2011-12

PAID AFTER 6/30/12 Financial Report

PERIOD DETAIL FROM: 6/8/2012 TO: 7/12/2012

Revenue: Billed as of

QLife Monthly Billings BILLING DONE ON THE 20TH

TOTAL:		-
Expenditures:		
Keith Mobley	Legal services	480.00
City of The Dalles	ROW	1,254.75
City of The Dalles	4th Quarter Quarterly	4,546.50

TOTAL: -

FUND: CAPITAL 601

FISCAL YEAR: 2012-13

PERIOD DETAIL FROM: 7/1/2012 TO: 7/12/2012

Revenue:

TOTAL:		
Expenditures:		
Columbia State Bank	Commercial Loan/Interest	11,494.11
MCEDD	Loan	3,514.88
Hage	St Marys	662.21
Commstructures	Bisector	3,577.50
Commstructures	new customers	938.75
NorthSky	new customers	1,130.50
NorthSky	new customers	637.50

TOTAL: 21,955.45

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
QUALITYLIFE NETWORK INTERGOVERNMENTAL AGENCY (QLIFE)
AND
WASCO COUNTY (COUNTY)**

Recitals:

1. WHEREAS, the State of Oregon has declared it a matter of statewide concern to promote intergovernmental cooperation for the purpose of furthering economy and efficiency in local government; and
2. WHEREAS, the legislature has given general authority for intergovernmental agreements by units of local government pursuant to the provisions of ORS 191.101 et. Seq; and
3. WHEREAS, QLife is an intergovernmental agency created by an agreement between the County of The Dalles and Wasco County for the purpose of providing broadband services to the community; and
4. WHEREAS, QLife is managing and operating a telecommunications system by contracting out for needed operational services; and
5. WHEREAS, Section 1.37 of the Intergovernmental Agreement creating the QLife Agency provides that each party “may provide in-kind services to further the purposes of the IGA (Intergovernmental Agreement) as each Party deems necessary or desirable” and further, that such in-kind services “shall not be reimbursed from the IGA or other parties, unless otherwise agreed.”; and
6. WHEREAS, the County has determined it has the ability to provide needed GIS and computer services for QLife without significantly impacting the County’s ability to perform its normal operations, but the County and QLife have agreed the County should be appropriately compensated for the services to be provided to QLife; and
7. WHEREAS, QLife has the financial ability to compensate the County for services to be provided to QLife; and
8. WHEREAS, the parties desire to enter into an intergovernmental agreement which outlines the services the County will provide to QLife, the compensation to be paid to the County by QLife for such services, and how such compensation will be paid.

NOW, THEREFORE, the parties agree as follows:

Section I: County Duties:

- A. In consideration of the compensation to be paid to the County under Section II, the County agrees to provide the following services upon request from designated QLife officials:

1. Collocation (including power)for:
 - a. QLife switch
 - b. QLife PC server
 2. GIS Server licenses and software
 3. GIS PC Maintenance as needed
- B. COUNTY shall submit bills to QLife quarterly with amounts described in Section II

Section II: QLife Duties: In consideration of the services provided by COUNTY, QLife agrees as follows:

- A. To compensate COUNTY for actual materials and services received. Anticipated rates for FY 2012-13 are as follows:
- | | |
|--------------------------------|----------------|
| 1. GIS Data | \$1,903 annual |
| 2. ArcEdit License Maintenance | \$1,200 annual |
| 3. GIS staff | \$ 60/hour |
| 4. IT staff | \$ 120/hour |
| 5. Collocation fees | \$ 600 annual |

- B. All invoices for services will be due and payable within 15 days of the date of the invoice.

Section III: General Terms:

- A. Term of the Agreement - This contract shall commence upon July 1, 2012, and the initial term of the contract will continue until June 30, 2015. Thereafter, this contract will be renewed on an annual basis beginning with the term that will commence on July 1, 2015, unless either party provides written notice of intent to terminate this contract at least sixty (60) days prior to June 30 of each year thereafter. The contract may also be terminated at any time by mutual agreement of both parties.
- B. Assignment - The responsibility for performing the services under the terms of this agreement shall not be assigned, transferred, delegated, or otherwise referred by the COUNTY to a third party without prior written consent of QLife.
- C. Indemnification - Each party shall hold harmless and defend the other party, its officials, agents, and employees from and against any and all claims, damages, lawsuits, and expenses, including attorney fees, that is the result of an error, omission or negligent act of either the County or QLife arising from the performance or non-performance of any of their respective duties set forth in this agreement.
- D. Attorney fees. If by reason of any default on the part of either QLife or the County, litigation is commenced to enforce any provision of this agreement or to recover for a breach of any provision of this agreement, the prevailing party shall be entitled to

recover from the other party, in addition to costs and disbursements, reasonable attorney fees in such amount as is fixed by the court.

E. Notices - All notices required to be given under this agreement as required by law shall be in writing and delivered to the parties that follow:

QLife, Board President
313 Court Street
The Dalles, OR 97058

County Administrator, Wasco County
511 Washington
The Dalles, OR 97058

F. Applicable laws - The laws of the State of Oregon shall be used in construing this Agreement, including determinations concerning the enforcement of the respective rights and remedies of the parties.

G. Merger - There are no other undertakings, promises, or agreements either oral or in writing other than that which is contained in this agreement. Any amendments to this agreement shall be in writing and executed by both parties.

H. Subordination to Intergovernmental Agreement – This agreement shall be considered subordinate to the Intergovernmental Agreement creating QLife Intergovernmental Agency signed by the City of The Dalles and Wasco County. In case of any conflict between this agreement and the Intergovernmental Agreement, the Intergovernmental Agreement shall be construed to be the controlling document.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth opposite their names below.

QualityLife Intergovernmental Agency

Nolan K. Young, Administrator Date

WASCO COUNTY

Tyler Stone, Administrator

Approved as to form:

QLIFE

WASCO COUNTY

Keith Mobley, Agency Attorney Date

Eric Nisley, District Attorney Date

TO: QLife Board, Nolan Young
FROM: Erik Orton, Project Engineer
DATE: July 12, 2012

UPDATE on the status of the Bisector / Redundancy Project:

1. NSC has completed all of the aerial, underground and building entry construction into City Hall and St. Mary's Remote Site
2. All cables are pulled and ready for splicing and termination
3. We are currently scheduling maintenance windows with John for the end of July to perform the splicing and cut-over for the cables that have existing customers
4. NSC will be doing the splicing and terminations that do not require customer coordination in the interim between now and the end of July

We anticipate completion of all splicing and cut-over by mid to late August...with the system fully operational heading into the fall / winter season this year.

Aristo
Technical Management Report
By
John Amery
07/12/2012

Maintenance Projects Aristo Networks llc. is currently working on:

1. System Monitoring – New industry standards are evolving for “Carrier Ethernet”. This budget year, will place more emphasis on improving system monitoring.
2. Easement for access to fiber by Norcor
3. **Solved** – No recurrence in last 2 months. Issue with some client switches becoming remotely inaccessible. This has not affected services, however is an issue that needs to be resolved.