



MINUTES

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

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

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

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

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

Keith Mobley joins the meeting via phone.

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

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

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

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

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

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

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

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

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

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

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

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

Erick Larson joins the meeting at 12:41 pm.

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

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

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

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

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

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

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

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

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

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

Next meeting on July 28, 2016 at noon.

Submitted by Tawny Wade



Signed: _____
Brian Ahier Secretary/Treasurer