



AGENDA

QLife Regular Board Meeting

Thursday, April 27, 2017

Noon

Wasco County Courthouse

Deschutes Room – B08

1. Approval of Agenda
2. [Approval of March 23, 2017 Board Minutes](#)
3. [Financial Reports – Mike Middleton/Angie Wilson](#)
4. [Discussion: Budget – Mike Middleton](#)
5. [Reports – John Amery](#)
6. [Old/New Business and Action Items](#)
 - a. [Amendment to Maupin Intergovernmental Agreement \(for review only, previously approved\)](#)
 - b. [GorgeNet Wi-Fi Agreement](#)
 - c. [Agreement for Use of Riverview Village Conduit](#)
 - d. [Maupin Easement Approval: Kaufmann's](#)
7. [Executive Session: \(2\)\(g\) Competitive trade or commerce negotiations and \(2\)\(m\)\(E\) Discuss information regarding security of telecom systems and data transmission.](#)
8. Next Meeting Date: Regular Board Meeting – to be determined
9. Adjourn

**Agenda subject to change*

An executive session may, in the discretion of the presiding officer, be called based on one or more on 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 transmissions.

Approval of March 23, 2017 Minutes

- [March 23, 2017 Minutes](#)



MINUTES

Q-Life Regular Board Meeting
Thursday, March 23rd, 2016
Noon
Deschutes Room, Wasco County Courthouse

Call to Order: President Erick Larson calls the meeting to order.

Roll Call: Erick Larson, Taner Elliott, Darcy Long-Curtiss, Scott Hege, John Amery, Roger Kline, Kurt Conger, Keith Mobley, Joseph Franell, Tyler Stone, Tawny Cramer, Erik Orton (Skype)

Approval of March 23, 2017 Agenda: Taner makes a motion to approve the March 23, 2017 agenda. Scott seconds the motion. The motion passes to approve the March 23, 2017 agenda.

Approval of February 23, 2017 Board Minutes: Scott makes a motion to approve the February 23, 2017 minutes. Darcy seconds the motion. The motion passes to approve the February 23, 2017 minutes.

Reports: John explains that during the St. Mary's fiber replacement there have been several planned outages and testing from various points. John determined that the outage was not in the actual splice case, as anticipated, but outside of it which made the fiber replacement necessary. The only customer that was affected was a local data center, which was minimal.

Regarding the BPA Fiber Re-route, Scott asks what the total cost of the project will be. John explains there is still clean-up that has not been completed and therefore he will not be able to provide complete numbers at this time. Once the project is complete QLife administration can do a project wrap-up to help the Board understand the financial impact.

Tyler explains once we move finances from the City to the County we will be able to better track and capture project costs for these types of reports.

Maupin Project Update: Erik joins the meeting at 12:28 pm via Skype. Tyler discusses and explains the original draft budget for the Maupin project did not accurately reflect the current scope of work. The project has gradually morphed over time and the additional costs had not been analyzed. QLife administration is currently researching ways to address the cost overruns and reanalyze the scope of work.

We are 50 % over the original Maupin budget but we are addressing some issues to lower cost. Commstructure still has a lot of work to do in the review of the bids and possible options to lower the costs.

Even though the bids are still under review, Erik points out there are some obvious discrepancies in the cost estimates throughout the bids that will need to be further researched.

Erik is also addressing the cost of the underground component of the project and thinks there may be options to lower the costs of that particular segment. Currently, Maupin has certain segments of existing conduit that QLife may be able to utilize and reduce costs but this requires more research. This would also need to be addressed in the scope of work as well.

Erick Larson questions whether the City of Maupin will have any responsibility to assist with the cost overruns of the project. Tyler explains a meeting with Maupin will need to be arranged to discuss the status of the project budget and possible additional funding resources.

Erik Orton will continue his work evaluating the bids and prepare a recommendation for the Board.

Roger Kline and Kurt Conger who have been in attendance, as well as Tyler address the Board.

Tyler discusses the ongoing conversations QLife has been participating in the NWPUD. Tyler is looking forward to continuing to work with Roger Kline and the PUD to improve processes and efficiencies. Roger addresses the Board and explains the PUD is very interested in helping to build bridges of communication and nurture mutual benefits in the QLife and PUD relationship. Everyone agrees, the more the two entities can collaborate the better it will be for both parties.

Executive Session: Board enters into Executive Session at 1:53 pm.

Discussion – GorgeNet MCOG Proposal: Open session reopens at 2:53 pm. Scott moves to approve that QLife moves forward with the GorgeNet MCOG Proposal, Taner seconds. The motion passes that QLife will agree to the GorgeNet proposal and the 802 Chenowith Project will move forward.

Scott moves to approve the Maintenance Service RFP after legal review by Keith. Erick seconds the motion. The motion passes to move forward with the RFP after legal review.

Meeting adjourned.

Next meeting on April 27, 2017 at noon.

Submitted by Tawny Cramer

Signed: _____
Brian Ahier Secretary/Treasurer

Financial Reports

- [Financial Reports as of March 31, 2017](#)

TO: Qlife Board
 Tyler Stone, QLife Administrator

FR: Angie Wilson, Finance Director

RE: Financial Report for QLIFE – **March 2017**

BANKING:

QLife monies are deposited into a separate bank checking account. QLife also has a Local Government Investment Pool (LGIP) account where excess funds are maintained in order to earn some 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.

75% of the year has passed. Total Cash available is \$1,208,501.64

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 (600):

BUDGET COMPARISONS

	<u>July 1, 2016 to March 31, 2017</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 152,496	\$ 157,296	103.2%	* see below
Revenues	\$ 731,180	\$ 498,714	74.2%	
Expenditures	\$ 478,285	\$ 117,309	32.0%	
Transfers to Capital/Debt Fund	\$ 405,391	\$ 354,674	87.5%	
Revenues Less Expenses	\$ 0	\$ 184,027		

Cash at Month End \$ 81,574.51

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.* The Beginning Balance is \$4,800 more than budgeted.
- 2) Revenues:
 - a) At 75% of the year, we have received 72.6% of the budgeted charges for services revenue.
- 3) Expenditures:
- 4) Budget Changes: Budget changes have been made to reflect current Expenditures and transfers to Capital/Debt Fund. These adjustment were made by resolution no. 17-001

From Contingency	\$ 28,400 to 00
From Interfund Transfers	\$ 433,491 to \$ 405,391
To Materials and Services	\$ 289,785 to \$ 346,285

CAPITAL (601):

BUDGET COMPARISONS

	July 1, 2016 to March 31, 2017			
	Budget	Actual	Percentage	
Beginning Balance	\$ 861,965	\$ 870,111	101.0%	* see below
Transfers In	\$ 405,391	\$ 354,674	87.5%	
Revenues	\$ 30,000	\$ 625	2.1%	
M&S / Capital Outlay / Other	\$ 1,297,356	\$ 1,225,411	5.0%	
Debt Expenditures	\$ 00	\$ 0	0.0%	
Revenues Less Expenses	\$ 0	\$ 1		

Cash at Month End \$ 1,160,405.25

Exceptions:

- 1) **Beginning Balance:** * *The Beginning Balance figures used here have been audited.* Beginning Balance is \$8,145.84 more than budgeted.
- 2) **Revenues:** .
- 3) **Expenditures:** Maintenance and Supplies is 87.3 to budget
- 4) **Budget Changes:** Proposed budget changes have been made
Interfund Transfer Revenue from \$433,491 to \$405,391
Distribution to Sponsors from \$159,456 to \$106,356
Material and Services from \$ 23,000 to \$ 48,000

MAUPIN (602):

BUDGET COMPARISONS

	July 1, 2016 to February 31, 2017			
	Budget	Actual	Percentage	
Beginning Balance	\$ 199,135	\$ 13,620	6.8%	* see below
Revenues	\$ 255,345	\$ 45,688	18.8%	
Expenditures	\$ 454,480	\$ 80,994	17.8%	
Revenues Less Expenses	\$ 0	\$ -21,686		

Cash at Month End \$ -33,478.12

Exceptions:

- 1) **Beginning Balance:** * *The Beginning Balance figures used here have been audited.* The Beginning Balance is \$165,515.07 less than budgeted. This was due to grant funds not being received as anticipated in FY15/16.
- 2) **Revenues:** Three (3) drawdowns have been submitted and approved for the Maupin Grant. Maupin received the drawdowns and has repaid QLife in the amount of \$45,662.00.
- 3) **Expenditures:** The Legal Services line item has been over-expended by \$1,845.00.

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

Discussion: Budget

- [Draft Budget](#)

Qlife Operating - 600

Qlife

City Coding	Description	FY14	FY15	FY16	FY16	FY17 Act to	75.0%		FY18	
		Actual	Actual	Actual	Budget	Mar	FY17 Budget	Projection		
Revenues										
600-0000-300.00-00	Beginning Balance	93,154	180,966	231,823	218,563	157,296	152,496	157,296	158,160	Ending balance
600-0000-344.10-00	Utility Service Charges	575,730	622,155	648,860	648,069	482,060	676,380	642,747	658,347	Set to projection
600-0000-344.20-00	Connect Charges	3,600	3,150	4,200	2,250	2,000	1,000	2,667	1,000	
600-0000-361.00-00	Interest Revenues	568	1,505	4,950	700	7,396	3,600	9,862	3,600	
600-0000-369.00-00	Other Misc Revenues	134	5,637	3,933	200	108	200	144	200	
600-0000-369.20-00	E-Rate Reimbursements	36,936	13,075	41,290	50,000	-	50,000	-	50,000	keep same
	Total Revenue	710,122	826,488	935,056	919,782	648,861	883,676	812,716	871,307	
Expenditures										
600-6000-000.31-10	Administrative Services	15,909	24,643	31,793	29,500	12,947	54,000	25,894	30,000	Compensation to County for Admin
600-6000-000.31-11	Financial Contract Services	-	-	-	-	-	7,200	-	-	Drop
600-6000-000.31-15	Contractual Svc - County	-	4,470	-	5,000	1,590	5,000	2,120	-	Included in Admin North Sky bill - see by year end
600-6000-000.31-20	Outside Plant Maint	16,816	14,733	7,226	43,000	-	43,000	-	43,000	What is the intent? same as last time - unsure cost
600-6000-000.31-90	Other Services	-	6,887	12,278	23,000	1,983	3,000	2,643	3,000	Keep the same
600-6000-000.32-10	Audit	6,350	5,500	4,750	6,700	4,600	7,050	4,600	7,050	Engineering going up
600-6000-000.32-20	Legal Services	4,110	4,630	12,480	8,400	3,444	9,000	4,592	9,000	Keep the same
600-6000-000.34-10	Engineering Services	17,577	17,356	35,210	22,400	35,457	22,400	47,276	50,000	Keep the same
600-6000-000.34-30	Network System Management	61,126	60,847	71,845	68,000	29,942	68,000	68,000	68,000	based on trending
600-6000-000.34-50	Special Studies/Reports	-	-	-	-	-	-	-	-	Keep the same
600-6000-000.41-40	Electricity	532	504	454	600	417	900	556	700	Keep the same
600-6000-000.43-10	Buildings & Grounds	-	-	247	500	-	1,600	-	1,600	Keep the same
600-6000-000.43-25	Network Equipment	1,190	-	1,597	5,000	-	5,000	-	5,000	Keep the same
600-6000-000.43-87	Utilities Locates	-	-	-	1,000	-	-	-	-	
600-6000-000.44-10	Office Space Rental	7,752	7,752	7,752	7,752	3,876	7,752	7,752	7,752	\$646/mth

Qlife Operating - 600

Qlife									75.0%		
City Coding	Description	FY14 Actual	FY15 Actual	FY16 Actual	FY16 Budget	FY17 Act to Mar	FY17 Budget	FY17 Projection	FY18 Budget		
600-6000-000.52-10	Liability Insurance	5,665	5,730	7,317	6,017	20,312	7,620	20,312	14,500	cover higher insurance for FY18	
600-6000-000.52-20	Property Insurance	-	-	-	-	-	6,218	-	6,500	believe in Prop Ins for FY17	
600-6000-000.53-20	Postage	112	113	-	200	-	200	-	200	Keep the same	
600-6000-000.53-30	Telephone	410	376	412	420	315	420	420	420	Keep the same	
600-6000-000.53-40	Legal Notices	240	116	296	400	-	400	-	400	Keep the same	
600-6000-000.54-00	Advertising	1,055	529	500	1,500	500	1,500	667	1,500	Keep the same	
600-6000-000.57-10	Permits	-	228	-	400	-	400	-	400	Keep the same	
600-6000-000.58-10	Travel, Food & Lodging	1,031	1,254	1,973	2,000	329	2,000	438	2,000	Keep the same	
600-6000-000.58-50	Trainings & Conferences	-	130	195	700	325	700	433	700	Keep the same	
600-6000-000.58-70	Memberships/Dues/Subs	25	255	1,433	875	1,290	875	1,290	1,300	Base on FY17 Actual	
600-6000-000.60-10	Office Supplies	-	72	295	100	128	100	170	135	Trending	
600-6000-000.63-80	Scholarships	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	Keep the same	
600-6000-000.63-90	Robotics Grant	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	Keep the same	
600-6000-000.69-50	Misc Expenses	460	3,889	674	650	90	650	120	650	Keep the same	
600-6000-000.69-60	Pole Connection Fees	8,653	10,335	8,447	10,500	-	10,500	10,500	10,500	Keep the same	
600-6000-000.69-70	Right of Way Fees	17,272	18,645	19,466	19,442	11,509	20,300	19,282	19,750	3% Customer Utility Charge	
600-6000-000.69-80	Assets < \$5000	-	-	-	-	-	-	-	-		
	Total Expenditure	170,285	192,994	230,640	268,056	133,054	289,785	221,065	288,057		
Capital Outlay											
600-6000-000.74-20	Telcom Equipment	-	5,692	1,688	20,000	-	20,000	-	20,000	Defer to FY18	
	Total Capital	-	5,692	1,688	20,000	-	20,000	-	20,000		
Other											
600-9500-000.81-91	Qlife Capital Fund	321,933	382,905	504,140	504,140	354,674	433,491	433,491	392,898	32741.50/mth	

Qlife Operating - 600

Qlife

City Coding	Description	FY14	FY15	FY16	FY16	FY17 Act to	75.0%		Budget	
		Actual	Actual	Actual	Budget	Mar	FY17 Budget	Projection		
600-9500-000.83-10	ESD E-Rate Transfers	36,936	13,075	41,290	50,000	-	50,000	-	50,000	Keep the same
600-9500-000.88-00	Contingency	-	-	-	18,180	-	28,400	-	29,700	About 10% Expend
-	Unappropriated	-	-	-	59,406	59,406	62,000	59,406	71,580	About 3mths spend
	Total Other	358,869	395,980	545,430	631,726	414,080	573,891	492,897	544,178	
	Total Expenditures	529,154	594,666	777,758	919,782	547,135	883,676	713,962	852,235	
	Revenues Less Expenditures	180,968	231,822	157,298	-	101,726	-	98,754	19,072	
	Projected Ending Fund Balance	180,968	231,822	157,298	59,406		62,000	158,160	90,652	
						39,408.27	36,124.25			

Qlife Capital - 601

Qlife		75.0%								
City Coding	Description	FY14 Actual	FY15 Actual	FY16 Actual	FY16 Budget	FY17 Act to Mar	FY17 Budget	FY17 Projection	FY18 Budget	
Other										
601-xxxx	Transfer/Loan to Maupin fund	-	-	-	-	-	-	-	590,400	Loan to Maupin 602
601-9500-000.80-20	Distribution to Sponsors	-	-	-	-	-	159,456	-	-	Reduce
601-9500-000.84-15	Reserve for Sys Imprvments	-	-	-	471,717	-	540,000	-	509,600	Decreased due to loan size
601-9500-000.84-20	Reserve for Co Expansion	-	-	-	-	-	-	-	-	
601-9500-000.84-30	Reserve for Debt Retirement	-	-	-	-	-	-	-	-	
601-9500-000.88-00	Contingency	-	-	-	95,013	-	100,000	-	18,872	Discuss
-	Unappropriated				-		-	-		
	Total Other	-	-	-	566,730	-	799,456	-	1,118,872	
	Total Expenditures	299,152	206,003	25,424	934,730	65,027	1,325,456	85,434	1,652,872	
	Revenues Less Expenditures	183,320	377,828	870,111	-	1,168,558	-	1,229,902	-	
	Projected Ending Fund Balance						-	1,229,902	528,472	

Qlife Maupin Fund 602

Qlife

City Coding	Description	FY14	FY15	FY16	FY16 Budget	FY17 Act to	FY17 Budget	75.0%	FY18 Budget	
		Actual	Actual	Actual		Mar		FY17 Projection -		
Revenues										
602-0000-300.00-00	Beginning Balance	-	-	-	-	13,620	199,135	13,620	(58,539)	
602-0000-334.90-00	State Grants, Other	-	-	-	52,950	45,662	243,345	51,923	386,581	SPWF Grant & Loan proceeds
602-0000-336.10-00	Private Sector Grants (Google)	-	-	87,880	87,880	-	-	-	-	
602-0000-344.20-00	Connect Charges	-	-	-	-	-	12,000	-	4,000	Gorge.net
602-0000-344.20-01	Cust Fees - Middle Mile	-	-	-	-	-	-	-	-	
602-0000-344.20-02	Cust Fees - Trnsprt/Collocation	-	-	-	-	-	-	-	-	
602-0000-361.00-00	Interest Revenue	-	-	-	-	26	-	35	-	
602-0000-369.00-00	Other Misc Revenues	-	-	-	-	-	-	-	6,000	Maupin SDC 12@\$500/mth
602-0000-369.20-00	E-Rate Reimbursements	-	-	-	-	-	-	-	-	
602-0000-391.90-01	Qlife Operating Fund	-	-	-	-	-	-	-	-	
602-0000-391.90-02	Qlife Capital Fund	-	-	-	-	-	-	-	590,400	Loan from Capital 601
										Not really loan to Qlife - State issued bonds and gave awards so no payback look to State Grant line
602-0000-393.10-00	Loan/Bond Proceeds	-	-	-	410,000	-	-	-	-	
	Total Revenue	-	-	87,880	550,830	59,308	454,480	65,578	928,442	
Expenditures										
602-6000-000.31-10	Administrative Services	-	-	26,678	30,000	-	14,160	-	14,160	Keep the same
602-6000-000.31-80	Contractual Services: WIFI	-	-	-	-	-	-	-	20,400	Build out
600-6000-000.32-20	Legal Services	-	-	-	-	1,845	-	1,845	2,000	Keep the same
602-6000-000.34-10	Engineering Services	-	-	-	-	-	-	-	-	
602-6000-000.34-70	Customer Connections	-	-	-	-	-	-	-	-	
602-6000-000.41-30	Natural Gas	-	-	-	-	-	-	-	-	
602-6000-000.41-40	Electricity	-	-	-	-	-	-	-	-	
602-6000-000.41-50	Broadband Transport	-	-	-	-	-	-	-	14,352	Support
602-6000-000.43-86	Lines, Maint & Supplies	-	-	-	-	-	-	-	-	
602-6000-000.52-10	Property Insurance	-	-	-	-	-	1,000	1,000	1,000	Keep the same
602-6000-000.69-60	Pole Connection Fees	-	-	-	-	-	1,050	1,050	1,050	Keep the same
	Total Expenditure	-	-	26,678	30,000	1,845	16,210	3,895	52,962	

Qlife Maupin Fund 602

Qlife									75.0%		
City Coding	Description	FY14 Actual	FY15 Actual	FY16 Actual	FY16 Budget	FY17 Act to Mar	FY17 Budget	FY17 Projection - Mar	FY18 Budget		
Capital Outlay											
602-6000-000.72-20	Buildings	-	-	-	-	-	-	-	-	-	
602-6000-000.74-20	Telcom Equipment	-	-	17,097	164,404	-	79,263	-	-	-	
602-6000-000.76-10	Primary (System Maint)	-	-	30,486	265,659	90,941	320,737	120,222	-	-	
602-6000-000.76-20	Secondary (Line Extension	-	-	-	-	-	-	-	-	832,620	
602-6000-000.76-30	Pole Make Ready Costs	-	-	-	-	-	-	-	-	Remainder of project	
	Total Capital	-	-	47,583	430,063	90,941	400,000	120,222	832,620		
Debt Service											
602-6000-000.79-50	Loan Principal Payments	-	-	-	-	-	-	-	-	NA	
602-6000-000.79-60	Interest Payments	-	-	-	-	-	-	-	-	NA	
	Total Debt Service	-	-	-	-	-	-	-	-		
Other											
602-9500-000.81-92	Transfer to Qlife Capital Fund	-	-	-	-	-	-	-	10,000		
602-9500-000.83-10	ESD E-Rate Transfers	-	-	-	-	-	-	-	-		
602-9500-000.84-10	Reserve for Wi-Fi	-	-	-	-	-	28,320	-	28,320	2 years	
602-9500-000.88-00	Contingency	-	-	-	90,767	-	9,950	-	4,540		
-	Unappropriated	-	-	-	-	-	-	-	-		
	Total Other	-	-	-	90,767	-	38,270	-	42,860		
	Total Expenditures	-	-	74,261	550,830	92,786	454,480	124,117	928,442		
	Revenues Less Expenditures	-	-	13,619	-	(33,478)	-	(58,539)	(0)		
	Projected Ending Fund Balance						-	(58,539)	(0)		

Reports

- [Technical Management Report](#)

Aristo Networks LLC
Technical Management Report
By
John Amery
4/21/2017

Items of Discussion:

- BPA fiber re-route project
 - Qlife is still working with customer regarding path into their hut.
- . Qlife electronics monitoring
 - Additional efforts are still required to fine tune our electronics monitoring (budget permitting).

Old/New Business and Action Items

- [Amendment to Maupin IGA \(for review and signatures\)](#)
- [GorgeNet Wi-Fi Agreement \(for review and signatures\)](#)
- [Agreement for Use of Riverview Village Conduit](#)
- [Maupin Easement – Kaufmann's](#)

**FIRST AMENDMENT TO
INTERGOVERNMENTAL AGREEMENT**

CITY OF MAUPIN – QUALITYLIFE INTERGOVERNMENTAL AGENCY

The City of Maupin, an Oregon municipal corporation (“City”) and the QualityLife Intergovernmental Agency, an entity created by an intergovernmental agreement authorized by ORS Chapter 190 (“Q-Life”), entered into an intergovernmental agreement dated January 7, 2016. These parties now agree to the following amendments to that intergovernmental agreement.

RECITALS:

1. The Maupin Broadband project described in the intergovernmental agreement between the parties has progressed to the point where certain operational, management, and financial details must be addressed.
2. City has entered into a franchise agreement with LS Networks that will generate revenue in the form of a franchise fee.
3. City owns and will continue to own the middle-mile infrastructure that will be managed by Q-Life. City ownership is a condition of a portion of the project funding. Q-Life helped initiate this project with its resources and additional funding accessed by Q-Life through the Mid-Columbia Economic Development District, the North Central Regional Solutions Advisory Committee, the Special Public Works Fund of the Oregon Business Development Department, Google, and other sources. No funding for the project has been requested of City, but City is providing a tract for the location of the Point of Presence facility to be owned and operated by LS Networks, access to its rights of way, and leadership in managing the relationships among the various parties making this project possible. Other than these contributions, the Maupin Broadband project is expected to be at no cost to City.
4. Q-Life has incurred significant costs, and will continue to incur costs in performing its obligations for the operation, management, maintenance, and when necessary, repair or replacement of the middle-mile infrastructure. Q-Life and City, as part of their agreements with LS Networks, are currently responsible for any costs associated with maintenance that exceed \$5,000.00, for any costs due to catastrophic events, and for general administrative costs associated with the project such as insurance premiums and deductible costs, among others.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. City will establish a separate dedicated fund into which all franchise fees generated under the management of Q-Life will be paid and maintained. Included in the dedicated fund will be a special reserve into which payment will be made until a reserve of \$100,000.00 is reached, for the sole purpose of providing a means to fund future capital, operational, and emergency requirements for the Maupin Broadband system.
2. Q-Life will be entitled to access funds in the franchise fee account, with the approval of the Mayor of Maupin, in order to meet the ongoing operational needs of the Maupin System including construction, maintenance, management and reserve needs. QLife will bill through a formal invoice system, with detailed line items for all purchases. Purchases in amounts over \$10,000.00 will require preapproval in writing by the Mayor of Maupin after agreement by the City Council.
3. On the first anniversary of the day the Maupin Broadband project becomes operational, the parties will review income and expenses associated with the project, together with capital and reserve considerations, to determine how franchise fee revenues will be distributed thereafter if any excess fees remain. Initially, disbursements will to the extent possible be made only for the reimbursement of funds contributed by Q-Life and City. Thereafter, disbursements will be made for such purposes as the parties agree upon, after the establishment of an annual operating fund, in addition to the reserve fund described above.
4. The parties agree that the Maupin Broadband project was designed to provide open access to all qualified providers, to help assure competitive and cost effective telecommunications services to the community it serves. Any change in the ownership or operation of this project will require the written agreement of the parties to this agreement.
5. The terms and conditions of the Intergovernmental Agreement dated January 7, 2016 are amended as set forth above, but are otherwise ratified and confirmed.

IN WITNESS WHEREOF, the parties have executed this First Amendment on the dates set forth opposite their names below.

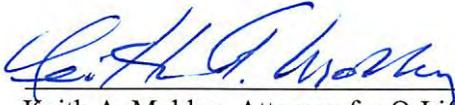
QualityLife Intergovernmental Agency, dba Q-Life Network

State of Oregon)
) ss
County of Wasco)

By: _____
Erick Larson, President

SIGNED OR ATTESTED before me
this ___ day of April, 2017, by
Erick Larson, President, QualityLife
Intergovernmental Agency

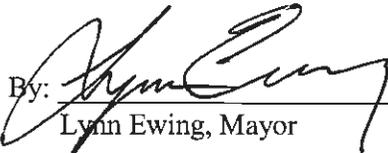
Approved as to Form:


Keith A. Mobley, Attorney for Q-Life

Notary Public for Oregon
My commission expires: _____

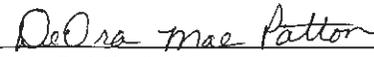
City of Maupin

State of Oregon)
) ss
County of Wasco)

By: 
Lynn Ewing, Mayor

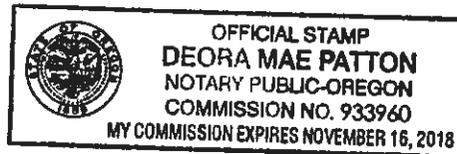
SIGNED OR ATTESTED before me
this 25 day of April, 2017, by
Lynn Ewing, Mayor, City of Maupin

Date: April 25th, 2017


Notary Public for Oregon
My commission expires: 11-16-2018

Approved as to Form:

Paul Sumner, City Attorney



Service Order Agreement

Prepared exclusively for:

Qlife

Agreement Date: April 27, 2016

Prepared By: Dan Bubb

Service Description: Gorge Networks will perform the services identified in Exhibit A and summarized below:

One Time Charges

Item Description	NRC
Install 4 Ruckus Aps at Maupin Riverfront Park	\$15,600
Install WiFi inside Maupin Library	\$4,800
Total One time charges	\$20,400

Yearly Recurring Charges (Paid Monthly)

Site Name	Annual charge
Management/support and transport for Maupin Wifi and Library.	\$14,352
Total One time charges	\$14,352

Contract Term: **Three Years**

Installation timelines vary based on the services and equipment being ordered. Services and equipment will be ordered upon receipt of this signed agreement.

Customer Requested Install Date (completed by customer): _____

The requested install date will be confirmed by our Business Customer Service Department.

Signature

Printed Name/Title

Date of Acceptance

Customer Questionnaire

Customer Billing Contact:

Name: _____

Phone: _____

Address: _____

Address2: _____

City State Zip: _____

Email: _____

Installation and Technical contact. Who should we work with during the installation?

Name: _____

Phone: _____

Cell Phone: _____

Email: _____

Maintenance/outage contact:

Name: _____

Phone: _____

Cell Phone: _____

Email: _____

Service Descriptions:

(as applicable)

Voice phone service line	A dial tone phone line for use as a voice line
FAX line	A dial tone phone line designed for use with fax, modem, etc.
Hosted FAX	Fax service that routes incoming faxes as an email attachment
Voice Mail Service	Voice mail box to phone line service
Hunt Group	Roll to next phone line in the event of busy line
Local Long Distance	Included in ALL phone line(s) – unlimited mid Columbia calling OR & WA
Long Distance Service	Long Distance package as identified – includes Contiguous US
Unlimited Long Distance	Please see Reasonable Use Policy Below
8xx Service	Base service and up to 200 minutes, .05 minute thereafter
Broadband Internet	High Speed internet at speed annotated in Monthly Services table

Clarifications

1. *Equipment for service delivery provided by Gorge Networks and not purchased for ownership by customer (modems, IAD's, punch down blocks, etc.) remains the property of Gorge Networks and will need to be returned in good working order by customer in the event these services are discontinued.
2. Local long distance includes all areas of the mid-Columbia Gorge in both OR and WA. For a complete listing contact Gorge Networks.
3. Additional regulatory fee of 2% on any per minute long distance charges.
4. Configuration of phone system is outside the scope of this proposal.
5. Domestic long distance is the contiguous US.
6. *Equipment for service delivery provided by Gorge Networks and not purchased for ownership by customer (modems, IAD's, punch down blocks, etc.) remains the property of Gorge Networks and will need to be returned in good working order by customer in the event these services are discontinued.

SERVICE AGREEMENT TERMS

This Agreement ("Agreement") contains the general terms and conditions applicable to purchases of services ("Services") from Gorge Networks.

1. Service Delivery. Requests for Services will be on Gorge Networks, Inc. orders ("Orders") stating the pricing and term ("Service Term") for which Services are requested. Once order is approved, customer has up to 48 business hours to cancel order, otherwise order is considered irrevocable. If there is a cancellation of order by customer prior to commencement of service, there will be an administrative charge equal to costs incurred by provider to date for provisioning, labor and equipment as applicable. The Service will continue on a month to month basis at the expiration of the Service Term at Gorge Networks, Inc.'s then current rates. Gorge Networks, Inc. will try, but is not obligated, to provide Services by requested or otherwise committed delivery dates. Should Gorge Networks, Inc. determine to accept Orders, the Service Term will commence when the Service is installed ("Service Commencement Date"). Unless Customer notifies Gorge Networks, Inc. within 3 days of the Service Commencement Date that Service is not working properly, the Service will be deemed accepted and billing will commence on the Service Commencement Date. Customer will at its expense provide suitable access to non-Gorge Networks, Inc. facilities or power required for Service delivery or removal of equipment. Title to all equipment and software provided by Gorge Networks, Inc. remains with Gorge Networks, Inc..

2. Charges. Invoices are delivered monthly. Gorge Networks, Inc.'s standard charges apply to moves, adds or changes agreed to by Gorge Networks, Inc.. Payment is due upon Customer's receipt of invoices and is past due 30 days after the invoice date ("Payment Deadline"). Past due amounts bear interest at the lesser of 1.5% per month or the highest rate

allowed by law. Customer agrees to pay all Service charges, even if incurred as the result of unauthorized use. If Customer disputes an invoice, Customer will pay the undisputed amount by the Payment Deadline and submit written notice of the disputed amount detailing the nature of the dispute and the invoices disputed. Disputes must be submitted within 90 days of the date of the invoice or the right to dispute is waived. If a dispute is resolved against Customer, Customer will pay the disputed amounts plus interest from the Payment Deadline within 30 days. Gorge Networks, Inc. may require a security deposit of up to 2 months estimated charges at any time; unused deposits will be refunded after the expiration or termination of this Agreement. If any change in applicable law or regulation affects the delivery of Service, Gorge Networks, Inc. may pass any increased costs through to Customer without termination liability by delivering written notice to Customer within 30 days.

3. Taxes and Tax Like Fees. Except for Gorge Networks, Inc.'s net income tax, Customer is responsible for all taxes, fees, surcharges, license fees and other tax like charges imposed on or incident to the provision, sale or use of Service (whether imposed on Gorge Networks, Inc. or its affiliates). Such charges may be billed as cost recovery fees. Valid exemption certificates will be given prospective effect upon receipt by Gorge Networks, Inc..

4. Maintenance. Maintenance of the Service may, but ordinarily will not, result in limited Service interruptions. Customer will not attempt maintenance of the Service. Customer is responsible for the costs of maintenance required by acts or omissions of Customer.

A. Preventative Maintenance: Preventative Maintenance refers to upgrades (including upgrades to increase capacity), and or routine maintenance or the necessary replacement, alteration or repair of equipment or network upgrades. Preventative Maintenance may temporarily degrade the quality of the service or cause temporary outages. Preventative Maintenance shall be undertaken typically between the hours of 24:00:00 and 06:00:00 Local Time. Gorge Networks agrees to provide at least two (2) days notice to Customer prior to any Preventative Maintenance.

B. Emergency Maintenance (Unscheduled Maintenance or Repair): Emergency Maintenance shall mean repair work not reasonably anticipated but which requires immediate action to restore network connectivity, use or efforts to correct network conditions that are likely to cause a material service outage, or address any issue reasonably observed as a threat to Gorge Networks resources (person, equipment or facility). Work to address an Emergency Maintenance situation may degrade the quality of or cause outages in the Service. Gorge Networks may undertake Emergency Maintenance at any time deemed necessary but shall make commercially reasonable efforts to perform such maintenance within the hours identified for Preventative Maintenance if possible. Gorge Networks shall provide notice of Emergency Maintenance to Customer as soon as is commercially practicable under the circumstances and, when reasonably possible, provide notice twenty-four (24) hours in advance. Whenever prior notice is given, Customer agrees it will take the steps necessary to notify key personnel internally in order for Gorge Networks to correct or repair the affected area.

C. Demand Maintenance: Demand Maintenance is work necessary to restore service to one or more End-Users of Gorge Networks and/or maintenance work required when a deficiency is found while performing Preventative Maintenance work. Gorge Networks may undertake Demand Maintenance immediately. Gorge Networks shall provide notice of Demand Maintenance to Customer as soon as is commercially practicable under the circumstances.

D. Notification: Gorge Networks shall provide Customer with notice of Preventative Maintenance, or as soon as possible in the case of Emergency or Demand Maintenance, to the contacts as specified on the Customer Questioner in Exhibit B.

5. Trouble reporting.

Normal business hours trouble reporting: To report suspected problems with your service during normal business hours please call 541 386 8300. It is assumed that standard trouble shooting processes have been followed to rule out problems with customer owned equipment and facilities.

We will request the following information related to the problem you are reporting:

- Company name
- Your name
- Your phone number
- Customer Contact name and number
- Customer account number
- Customer trouble ticket number
- Service origination and termination locations
- Time of trouble onset Nature of observed trouble
- Is Service(s) released to Customer for testing?

Once our service representative has received all of this information, a Customer Trouble Ticket will be assigned and investigation of your report will begin. Once the status of your report has been determined the service agent will contact your designated contact individual at the appropriate number to discuss the findings. In any circumstance the initial response to Customer will be within two (2) hours of the completion of the trouble reporting procedure.

If it is determined that the problem is not with Gorge Networks Services or equipment then a service call charge will be applied.

6. Termination. If (i) Customer fails pay Gorge Networks, Inc. any undisputed charges when due and such failure continues for 5 business days after written notice from Gorge Networks, Inc. or (ii) either party fails to observe any other material term of this Agreement and such failure continues for 30 days after written notice from the other party, then the non-defaulting party may terminate this Agreement or any Order, in whole or in part, and subject to the limitations of this Agreement, pursue any remedies it may have at law or in equity. If Customer terminates Service for convenience or Gorge Networks, Inc. terminates Service for cause, Customer will pay Gorge Networks, Inc. a termination charge equal to the sum of: (a) all unpaid amounts for Service actually provided; (b) any waived charges for the Services(s); (c) 100% of the remaining monthly recurring charges (if any) for months 1-12 of the Service Term; (d) 50% of the remaining monthly recurring charges for month 13 through the end of the Service Term; and (e) any termination liability payable to third parties by Gorge Networks, Inc. resulting from the termination. Any amounts owed may be sent to collections and customer will be responsible for the amount due plus reasonable cost recovery fees.

7. LIABILITY LIMITATIONS. NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES FOR LOST PROFITS, LOST REVENUES, LOSS OF GOODWILL, LOSS OF ANTICIPATED SAVINGS, LOSS OF DATA, THE COST OF PURCHASING REPLACEMENT SERVICES, OR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES IN ANY WAY RELATED TO THIS AGREEMENT OR ANY ORDER. GORGE NETWORKS, INC. WILL HAVE NO LIABILITY FOR ANY CLAIMS RELATING TO 911 OR OTHER EMERGENCY REFERRAL CALLS. GORGE NETWORKS, INC. MAKES NO WARRANTIES OR REPRESENTATIONS RESPECTING THE SERVICE, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Service Levels. The Service level commitments ("Service Levels") for Services are stated in the applicable Service Schedules for each Service. Service Levels generally do not apply to services provided by third parties, during periods of force majeure or during Service maintenance ("Excused Outages"). If Gorge Networks, Inc. does not meet a Service Level (based on Gorge Networks, Inc.'s records) applicable service credits will be issued upon Customer's request to Gorge Networks, Inc. Customer Service. Credits must be requested within 60 days after the event giving rise to the credit. Customer's sole remedies for any outages, failures to deliver or defects in Service are contained in the Service Levels (if any).

9. Assignment. Customer may not resell the Services or assign its rights or obligations under this Agreement or any Order without the prior written consent of Gorge Networks, Inc., not to be unreasonably withheld. Customer will indemnify and defend Gorge Networks, Inc., its affiliates and their agents against any claims related to any use or resale

of Service. Nothing in this Agreement, express or implied, confers upon any third party any right, benefit or remedy under this Agreement.

10. Miscellaneous. The terms of this Agreement and all information of a confidential nature acquired in performing this Agreement are confidential and will not be disclosed to third parties. Gorge Networks, Inc. may provide notices under this Agreement to any address identified in an Order. Notices to Gorge Networks, Inc. will be made in writing to the address below. Services may be provided by Gorge Networks, Inc. or its affiliates. This Agreement is the entire agreement between the parties respecting the subject matter hereof and can only be modified in a writing signed by both parties. Neither party will be liable, nor will any remedy provided by this Agreement be available, for any failure to perform due to causes beyond such party's reasonable control. If either party fails to enforce any right or remedy under this Agreement, such failure will not waive the right or remedy. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon.

11. Rights and Obligations of Customer.

Customer shall, at its expense, undertake all necessary preparations required to comply with Gorge Networks Inc. installation and maintenance instructions. Such preparations include obtaining all necessary consents for the installation and use of Gorgenet facilities and/or equipment in the building, including consents for necessary alterations to buildings; ensuring that any floor loading limits will not be exceeded; providing suitable accommodations, foundations and an environment to meet the environmental specifications, including providing suitable electric power and any other utilities needed by Gorgenet to install, test and or maintain Gorgenet's facilities and equipment; providing a suitable and safe working environment for Gorgenet's personnel, including an environment safe from environmental hazards; and taking up or removing, in time to allow Gorgenet to carry out installation as scheduled, any fitted or fixed floor coverings, ceiling tiles, suspended ceilings and partition covers. Customer will provide Gorgenet with access to all existing conduits, raceways and etc. to be used in cable pathway. By accepting this Agreement Customer implicitly provides Gorgenet with permission to use any available conduits in said pathway.

12. Facilities and Equipment. Any facilities and/or equipment installed on Customer's premises shall be and remain the property of Gorgenet and may be repaired or replaced at any time and removed at the termination of service, and may be used to supply other customers of Gorgenet whether or not on the same premises. No rent or other charge shall be made by Customer on Gorgenet for placing or maintaining its facilities or equipment upon Customer's premises. Gorgenet shall be entitled, at any time, to affix to Gorgenet facilities or equipment a label indicating the interest of Gorgenet. After at least 48 hours' notice, Customer will grant Gorgenet reasonable access to Customer's premises for the installation, operation, removal, repair and/or maintenance of the facilities and equipment for the services hereunder. In the event that Customer does not provide Gorgenet with the necessary access to remove said equipment and/or facilities after the termination of service upon receiving notification as indicated above, Gorgenet may assess a fee to Customer equal to the retail cost of said equipment and/or facilities plus 25%.

CONDUIT USE AGREEMENT

This Conduit Use Agreement ("Agreement") is made and entered into this ____ day of April, 2017 between the Rivercrest Village Homeowners' Association, Inc., ("Rivercrest") and the QualityLife Intergovernmental Agency, doing business as Q-Life Network ("Q-Life").

RECITALS

WHEREAS, Rivercrest owns a conduit system located within its boundaries, as more completely described in Exhibit A, as "as-built" drawing to be attached hereto (the "Conduit System"); and,

WHEREAS, Q-Life desires to obtain from Rivercrest and Rivercrest desires to provide to Q-Life, a license to use the Conduit System;

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement and other just and adequate consideration, the Parties hereby agree as follows:

1. **LICENSE.** Rivercrest does hereby grant a license to Q-Life, and Q-Life agrees to accept a license from Rivercrest, for use of the Conduit System as described in Exhibit A and under the terms and conditions as further described below (the "License").

2. **INSTALLATION AND ACCEPTANCE.**

2.1 Installation. In consideration of this License, Q-Life agrees to provide all labor, materials and equipment required to engineer and install within the Conduit System such fiber optic cabling and related equipment as may be necessary to serve the residences within the boundaries of Rivercrest.

2.2 Installation Schedule. Q-Life, in cooperation with the City of Maupin, is planning to enter into a contract for the development of a fiber to the premises broadband system. Rivercrest owners will be among the users of that system, which is an open access system, allowing owners to select from available providers of telecommunications services. The schedule for installation and connection will depend upon a number of factors, but it is expected that the construction will be completed by _____, 2017. Rivercrest acknowledges that the completion date may change due to unforeseen construction conditions. In the event Q-Life encounters any changes to the completion date, Q-Life will promptly notify Rivercrest and provide a revised estimated completion date. Upon completion of fiber installation, Q-Life will provide "as-built" drawings prepared by its engineers and contractors, to illustrate the location of the conduit with Rivercrest.

2.3 Use of Conduit. Subject to the limitations set forth in this Agreement,

Q-Life shall use the conduit solely for lawful purposes and shall have the right to install fiber optic cable within the conduit, and to access the conduit on an as-needed basis.

2.4 Maintenance of Conduit System. Q-Life and any other users of the conduit will be responsible for the routine and preventative maintenance of the conduit systems and all costs associated with any such work. Each party is responsible for locating their own facilities as part of the local call before you dig program. Any damage created as a result of either party not properly locating their respective facilities will be the responsibility of that party to correct. Each party must provide a minimum of ten business days notice, except in the case of emergencies, for any maintenance or construction activities that may affect the service of any other party. All non-routine maintenance (defined as repairs required due to cable cuts, fires, remodeling work or other acts of third parties or Force Majeure events), shall be provided by Q-Life, and the costs for such corrective work divided on a pro rata basis with other conduit users responsible for one-half and Q-Life responsible for one-half. Any damage that occurs to either party's facilities, as a result of work being performed by the other party, will be the responsibility of the damaging party to correct at their sole cost.

3. TERM. The initial term of this Agreement shall commence on the date hereof and shall remain in effect for the period of **ten** years. Thereafter, the Term will automatically renew for five-year increments (the "Extension Terms"), unless either party provides the other party with at least sixty (60) days written notice prior to the end of the Term (as may be extended by the Extension Terms) of their desire to terminate this Agreement.

4. PAYMENT. In consideration for the License of the Conduit System, Q-Life agrees to make a one-time payment of _____ . **(Rivercrest is requesting first year payment of \$10,000.00 and \$5,000.00 per year for the remainder of the Term.)**

5. INDEMNIFICATION. Each Party shall indemnify and hold harmless the other Party and its respective officers, agents and employees from and against all claims, damages, losses, liabilities, and costs arising from its acts or omissions pursuant to this Agreement including without limitation attorney fees and cost.

6. FORCE MAJEURE. In the event either Party is prevented from performing its obligations under this Agreement due to circumstances beyond its control including, without limitation, labor disputes, power outages or shortages, fire, explosion, flood, drought, acts of God, war or other hostilities, civil commotion, domestic or foreign governmental acts, orders, or regulations, inability to obtain facilities or supplies, or if either Party is notified by a state or federal regulatory body that any aspect of this Agreement does not comply with any applicable law,

regulation, rule, or policy, then the obligation of either Party shall be suspended during the period of such disability.

7. LIMITATION OF LIABILITY AND DISCLAIMER.

7.1 Disclaimer. Rivercrest makes no representation or warranty either expressed or implied regarding the conduit system and specifically disclaims any warranty, including but not limited to any implied warranties of merchantability and/or fitness for a particular purpose, and assumes no obligation with respect to the enforcement of any manufacturer's warranties and guarantees.

7.2 Limitation of Liability. Each Party's sole and exclusive remedies for breach or non-performance of this Agreement by the other Party shall be, at non-defaulting Party's election, re-performance and/or repair or replacement by the defaulting Party of any defective services, or of any defective equipment provided in connection with the services, or the refund of any compensation actually paid to the defaulting Party during the period of such breach or non-performance. Either party will in no event be liable for special, exemplary, punitive, indirect, consequential or incidental damages, including but not limited to, damages for loss of use, lost profit, loss of business or goodwill, or other financial injury arising out of or in connection with the maintenance, use, performance or failure of the conduit or equipment. In no event shall either Party be liable for any loss or damage relating to a claim for personal injury arising out of or in connection with maintenance, use, performance or failure of the conduit or related equipment.

8. DEFAULT AND REMEDIES.

8.1 Event of Default. Any of the following shall constitute an event of default: (a) either Party fails to perform or observe any other representation, warranty, covenant, condition or agreement and fails to cure such breach within thirty (30) days after written notice; (b) any representation or warranty made by either Party hereunder or in any other instrument provided to the other Party proves to be incorrect in any material respect when made; and, (c) Q-Life voluntarily or involuntarily dissolves or is dissolved or terminates or is terminated.

8.2 Remedies. In the event of a default by either party, the non-defaulting party shall have the right to exercise any or all of the following remedies to the extent applicable: (a) terminate this Agreement; (b) declare all any amounts due under this Agreement immediately due and payable; (c) proceed to enforce the remedies of a secured party under Oregon law; and, (d) proceed by court action to enforce performance of this Agreement and any remedy provided for herein and/or recover all damages (subject

to 7.2 above) of any default or exercise any other right or remedy available at law or in equity.

9. **TERMINATION.** Upon the expiration of the Term, as may be extended, the License with respect to the Conduit System shall immediately terminate, all rights of Q-Life to use the Conduit System shall cease, all rights to the use of the Conduit System shall revert to Rivercrest and Rivercrest shall owe Q-Life no further duties, obligations or consideration.

10. **MISCELLANEOUS.**

10.1 Choice of Law. This Agreement shall be governed and interpreted under the laws of the State of Oregon.

10.2 Attorney's Fees. If any action is filed by either Party to enforce this Agreement or otherwise with respect to the subject matter of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, as fixed by the reviewing court, incurred in investigation of related matters and in preparation for the prosecution of such suit or action as fixed by the trial court and if any appeal or other form of review is taken from the decision of the trial court or any subsequent court

10.3 Relationship of the Parties. Nothing contained in this Agreement shall be construed to create any partnership or agency relationship between the Parties for any purpose, action, or transaction, including those related to the performance of this Agreement.

10.4 Entire Agreement. This Agreement represents the entire agreement between the Parties relating to this matter. No prior or contemporaneous discussions, representations, understandings, or statements, oral or written, relating to this Agreement or its subject matter shall have any force or effect. Exhibit A is attached hereto, and is incorporated herein by reference and made a part of this Agreement.

10.5 Benefit/Assignment. Neither this Agreement nor any right hereunder nor interest herein may be assigned or transferred by either party without express written consent of the non-assigning party, except to its parent, affiliate or subsidiary, or to a successor in interest of all or substantially all of its assets, equity or business. Subject to provisions herein to the contrary, this Agreement shall inure to the benefit of the and be binding upon the Parties hereto and their respective legal representatives, successor and assigns; provided, however, that no Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. This Agreement is intended solely for the benefit of the Parties hereto and is not intended to, and shall not, create any enforceable third party beneficiary rights.

10.6 Severability. If any provision or provisions of this Agreement are deemed in a court of law to be illegal or otherwise unenforceable, such provision or provisions shall be modified, wherever possible, to provide binding force and effect. If modification is not possible, the elimination of such provision or provisions shall not serve to invalidate the Agreement and all remaining provisions of this Agreement shall remain valid and enforceable.

10.7 Waiver. The failure of either Party to enforce at any time, or for a period of time, any of the provisions of this Agreement, shall not be construed as a waiver of such provision or of the right of such Party thereafter to enforce such provision.

10.8 Notices. All notices or demands of any kind that any party is required or desires to give or to make upon others in connection with this Agreement shall be in writing and be deemed to be delivered only after such notice or demand has been sent by depositing the notice or demand in the United States mail, postage prepaid, and addressed to the other party at the addresses below:

Rivercrest Village Homeowners' Association, Inc.
c/o Kathy L. Peck, President
P.O. Box 268
Maupin, OR 97037

Q-Life Network
c/o Tyler Stone, Administrator
511 Washington St., Suite 101
The Dalles, OR 97058

IN WITNESS WHEREOF, a duly authorized representative of each Party as of the day and year first above written has executed this Agreement.

**Rivercrest Village
Homeowners' Association, Inc.**

QualityLife Intergovernmental Agency

Kathy L. Peck, President

Tyler Stone, Administrator

State of Oregon, County of Wasco

State of Oregon, County of Wasco

Personally appeared before Kathy L. Peck, President, and acknowledged the foregoing to be authorized by the board of directors of Rivercrest Village Homeowners' Association, Inc. this ____ day of April, 2017.

Personally appeared before me Tyler Stone, Administrator, and acknowledged the foregoing to be authorized by the board of directors of QualityLife Intergovernmental Agency this ____ day of April, 2017.

Notary Public for Oregon

Notary Public for Oregon

Exhibit A
Rivercrest Village Conduit System

(to be completed after construction completed)



I, Lisa Gambee, County Clerk for Wasco County, Oregon, certify that the instrument identified herein was recorded in the Clerk records



After Recording, Return to:
Keith A. Mobley
P.O. Box 537
Dufur, OR 97021

Tax Statements:
No Change

TELECOMMUNICATIONS RIGHT OF WAY AND EASEMENT AGREEMENT

RECITALS: 1) The City of Maupin is participating in an effort to increase the availability and competitiveness of advanced telecommunications in this region, for purposes including economic development and diversification of our business base; 2) This effort is led by an entity known as the "QLife Network" (QLife), an assumed business name for the QualityLife Intergovernmental Agency, whose members are the City of The Dalles and Wasco County; 3) QLife has negotiated with Wasco Electric Cooperative (WEC) for the right to attach fiberoptic cable to their pole, located on easements and rights of way already obtained by them; 4) Some easements obtained by WEC and its predecessors do not specifically authorize the use of those easements for telecommunications purposes; 5) QLife has requested that the Grantor or Grantors named below provide a telecommunications right of way and easement to allow its use of the WEC pole and the real property described in Exhibit A; and accordingly,

THIS RIGHT OF WAY AND EASEMENT AGREEMENT is made this 29th day of March, 2017 between the undersigned, herein called "Grantor" (whether one or more) and QualityLife Intergovernmental Agency, an Oregon Intergovernmental Agency doing business as QLife Network, whose mailing address is 511 Washington Street, Suite 101, The Dalles, OR 97058, its successors and assigns, herein called "Grantee".

For and in consideration of the sum of One Dollar (\$1.00), and other valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby grants, sells, and conveys unto Grantee, its successors and assigns, the perpetual easement and right of way (hereinafter, together with the rights and privileges herein granted, the "Easement") together with all improvements located thereon, with a width and centerline as indicated below, to survey, construct, install, test, maintain, inspect, operate, protect, repair, upgrade, replace, abandon, and remove a fiber optic communications system including attachment to cooperative pole WEC2TV063, at any time or times for the transmission of data or communications (including, without limitation, pipeline data) for and by others upon and along a route over and across the following described land (the "Property") located in the County of Wasco, State of Oregon, to wit:

PARCEL 5S 14E 5 AB 500. A TR OF LAND IN GOV'T LOT 2 OF SEC 5, T5S R14W WM, M/P DESC AS FOL; A STRIP OF LAND 150 FT WIDE LYG 50 FT NWLY AND MEASURED RADIALLY AND 100 FT SELY WHEN MEASURED RADIALLY FM THE C/L OF THE FOL DESC SEC OF TR OF THE DESCHUTES RR CO. AS FORMERLY CONSTRUCTED AND OPERATED; BEG RR ENG STA 2679+07.77,

SD PT FURTHER BEING S 356.49 FT & W 1630.90 FT FM THE NE COR OF SD SEC 5; TH SWLY ALG SD C/L ON THE ARC OF A 3820 FT R/C LEFT 69.10 FT TO ENG STA 2679+76.87, SD PT BEING THE TPROB; TH CONT SWLY ALG SD C/L TO ENG STA 2681+40 AND TH TERMINATING.

TOGETHER WITH PARCEL 5S 14E 5 AB 500, AS SHOWN ON EXHIBIT A.

The specific course of the Easement is as shown on Exhibit A, is five feet in width, and begins on the Southeast corner of the above described tract, to existing Wasco Electric Cooperative pole WEC2TV063, and continues thereafter along the course shown on Exhibit A, which follows the power lines of Wasco Electric Cooperative, until it leaves the parcels described above. Grantee will install one cable within the easement for its fiberoptic system, together with one fiber splice box, one new guy wire, and one new anchor, and nothing more, without the written consent of Grantor.

Together with the right of ingress and egress to, from, and along the Easement and the right to use gates and existing roads for the aforesaid purposes (Grantee shall and does hereby agree to restore any damage to such lands, gates, or roads caused by its use thereof) and together with a temporary easement to provide work space along and adjacent to the Easement as may be deemed necessary by Grantee.

Grantee shall restore the surface of the Easement and temporary easement as nearly as reasonably practical to its original grade and level after performing any construction or other work that disturbs the surface. Grantee shall cause reasonable payment to be made for actual damages to any improvements of Grantor directly resulting from the exercise, now or in the future, of the rights herein granted.

Grantee agrees to comply with all State and Federal laws relating to the exercise of rights herein granted. Grantee agrees to indemnify and hold Grantor harmless from and against all third party claims, which may result from the construction, operation and maintenance of said facilities, including, but not limited to, injuries to or deaths of persons or animals, court costs and reasonable attorneys' fees.

Subject to the terms hereof, Grantee shall have all other rights and benefits necessary or useful to the full and complete enjoyment and use of the Easement and the temporary work space easement for the purposes stated herein. Grantor retains the right to make any and all uses of the space under and around the Easement for any purpose or activity that will not interfere with the rights granted herein to Grantee.

No rights reserved to Grantor herein shall be deemed to expand rights reserved to Grantor under any other easement. No limitation herein on the rights of Grantee shall be deemed to limit rights heretofore granted by Grantor or its predecessors in interest under any other easement.

The terms and provisions of this Agreement shall constitute covenants running with the land and shall be binding upon and inure to the benefit of the parties hereto, their successors, assigns, personal representatives and heirs.

If Grantee ceases to use the easement for a period of more than five consecutive years, then Grantee shall re-convey said easement to Grantor or his heirs, successors or assigns by duly executed Quitclaim Deed.

This instrument fully sets forth the terms and conditions of the Agreement. There are no oral or other written agreements between Grantor and Grantee that modify, alter, or amend this Agreement.

Grantor covenants that Grantor has the right to convey the Easement, including the rights and privileges set forth herein; and that Grantor shall execute such further assurances thereof as may be required.

TO HAVE AND TO HOLD the Easement, temporary work space easement, rights, and privileges unto Grantee, its successors and assigns forever, and Grantor hereby binds Grantor, Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the Easement, temporary work space easement and the property, rights, privileges and interests above-described, unto Grantee, its successors and assigns, against every person whomsoever claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, the Grantor has caused this Agreement to be signed hereto the day and year above written.

GRANTOR:

[Handwritten signature of Randall Kaufmann]

By: *Randall Kaufmann*

GRANTEE:

QLIFE NETWORK

By: President

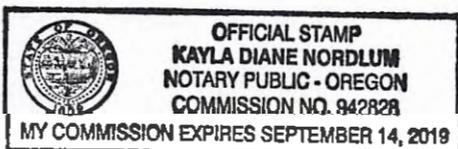
[Handwritten signature of Mary Kaufmann]
By: *Mary Kaufmann*

By: Secretary

STATE OF Oregon, County of Washington

Personally appeared before me Randall + Mary Kaufmann, Grantors authorized to act on behalf of Grantor, and acknowledged the foregoing instrument.

[Handwritten signature of Kayla Diane Nordlum]
Notary Public for Oregon
My Commission Expires: 9/14/19



STATE OF OREGON, County of Wasco

Personally appeared before me Erick Larson and Brian Ahier, known to me to be President and Secretary respectively of Grantee, and acknowledged the foregoing instrument.

Notary Public for Oregon

My Commission Expires: _____

Randall Kaufmann 3/29/17
Thauf Kaufmann 3/29/17

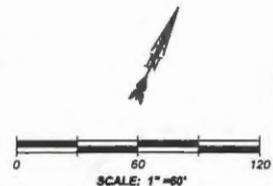


EXHIBIT MAP - TAXLOTS 5S 14E 5AB 500 & 600
 SCALE: 1" = 60'

CONSTRUCTION NOTES

- 1 PROPOSED 5' WIDE UTILITY EASEMENT - 2.5' ON EITHER SIDE OF THE CENTERLINE.

EXHIBIT A TO TELECOMMUNICATIONS RIGHT OF WAY
 AND
 easement agreement



Plot Date: 24 Mar 2017 4:35pm By User: Owner
 Drawing Name: C:\WORK\PROJECTS\Q-LIFE\MAUPIN_EXPANSION\CAD\MAUPIN_TAXMAP.DWG Layout (1 of Any) 1.0

COMMS STRUCTURE CONSULTING, LLC

811 Railroad Avenue
 Oregon City, Oregon 97045
 www.commsstructureconsulting.com

Main Office:
 503.343.4134

DESIGNED BY: D. McNEELY
 DRAFTED BY: A. MELJUS CHECKED BY: D. McNEELY

REV	DESCRIPTION	DATE	BY	APP



Q-LIFE NETWORK

313 COURT STREET THE DALLES, OR 97058

MAUPIN EXPANSION FTTx

EXHIBIT MAP - TAXLOTS 5S 14E 5AB 500 & 600

CITY: MAUPIN - TOWNSHIP 5 SOUTH RANGE 14 EAST SECTION: 5 COUNTY: WASCO CO., OREGON

PLOT DATE: 3/24/2017	SCALE: AS SHOWN	PROJECT NAME-FILENAME.DWG - TAB_SHEET # MAUPIN_TAXMAP.DWG - 1.0	SHEET 1.0
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Executive Session