

QLife Network

QualityLife Intergovernmental Agency

AGENDA

QLife Regular Board Meeting

Thursday, January 21, 2016 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 the January 7, 2016 Meeting minutes
5. Financial Reports
 - a. December Financial Reports
 - b. List of Disbursements since Last Meeting
6. Public Hearing Adoption of Supplemental Budget for fiscal year 2015-16
 - a. Approval of Resolution 16-001 Adopting Supplemental Budget for fiscal year 2015-16
 - b. Approval of Resolution 16-002 Authorizing Transfers
7. Executive Session (as necessary) In accordance with:

An executive session may, in the discretion of the presiding officer, be called based on one or more of the following: ORS 192.660(2)(a) Consider employment issues; (2)(e) Real property; (2)(f) Consider exempt records or information; (2)(g) Competitive trade or commerce negotiations; (2)(h) Consult with counsel re litigation; (2)(m)(D) & (E) Discuss information regarding security of telecom systems and data transmission.
8. Action Items:
 - a. Approval of Strategic Plan
 - b. Approval Resolution 16-003 Rates
 - c. Approval Resolution 16-004 Line Extensions
 - d. Options for Administration of QLife
9. Reports
 - a. Maupin Project Update
 - b. Administrator Report – Nolan Young
 - c. Aristo Operational Management Report – John Amery
10. Next Meeting Dates:
 - a. Regular Board Meeting February 25, 2016.
11. Adjourn

QLife Network

QualityLife Intergovernmental Agency

MINUTES

QLife Regular Board Meeting

Thursday, January 7, 2016, Noon
The Dalles City Hall, 313 Court Street
2nd Floor Conference Room

Call to Order

President Larson called the meeting to order at 12:05 p.m.

Roll Call

In attendance: Erick Larson, Scott Hege, Taner Elliott, Brian Ahier, Dan Spatz

Staff in attendance: Administrator Nolan Young, Technical Manager John Amery, Secretary Izetta Grossman, Finance Director Kate Mast, Attorney Keith Mobley

Visitors: Carrie Pipinish

Approval of Agenda

President Larson removed Item #6 Public Hearing from the agenda. It was moved by Spatz and seconded by Hege to approve the Agenda as amended. The motion carried unanimously.

Approval of Minutes

It was moved by Elliott and seconded by Spatz to approve the minutes of the November 19 Regular Board meeting. The motion carried unanimously, Hege abstained.

It was moved by Spatz and seconded by Elliott to approve the December 8 Strategic Planning meeting minutes. The motion carried unanimously, Hege abstained.

Financial Reports

Mast reviewed the November Financial Reports. She said the Google grant had been approved; the funds have not been received yet.

Larson recessed to Executive Session at 12:06 p.m.

Executive Session (as necessary) In accordance with:

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

Returned to open session at 12:40 pm.

Discussion Items:

Young reviewed the Strategic Plan Meeting report.

After some discussion Larson asked that the list be put in priority order for the final document.

Hege said distribution of funds to the city and county should only be if there were excess funds.

It was the consensus of the Board to change the sentence to read ... "potential distribution to partners" on the strategic plan.

Action Items:

Credit Card – Mast said that until the Board had a permanent Administrator in place, QLife could use her City credit card for purchases that required immediate payment and QLife would reimburse the City.

It was moved by Spatz and seconded by Ahier to accept the City's offer to use the Finance Director's credit card for large purchases that required immediate payment, and QLife would reimburse the City. The motion carried unanimously.

Agreement with City of Maupin – Young reviewed the agreement and updated the Board on the status of the project.

It was moved by Elliott and seconded by Ahier to authorize the Board President to sign the Intergovernmental Agreement with the City of Maupin for the Maupin Broadband project, contingent on grant funding and an agreement with a broadband transport provider.

Hege said it was important that Maupin was bound to stay with QLife. Larson asked if there was language in the agreement to assure that they could not break the contract.

Young said they would have to purchase transport and QLife would be that provider.

Reports

Administrator Report – Larson said if there were any questions to contact him.

Aristo Operational Management Report – Amery reported one small flap that he was unable to identify. He said he would research it further.

Next Meeting Dates:

Regular Board Meeting January 21

Adjourn

The meeting was adjourned at 1:00 p.m.

Respectfully submitted:

Izetta Grossman

Recording Secretary

Signed: _____
Brian Ahier, Sec/Tres

QLife Network

QualityLife Intergovernmental Agency

PRESS RELEASE

For Immediate Release

January 8, 2016

QLife Board President Erick Larson announced today that QLife has been awarded an \$87,880 grant from Google for the Maupin Broadband Project. The grant funds will be used to assist in bringing high speed broadband to the Maupin Community and establishing free public Wi-Fi at Maupin's Riverfront Park and the Maupin Branch of the Wasco County Library District. The grant will also connect the Branch Library to the Main Library in The Dalles and provide free internet on library computers for patron. Google funding also will pay for three years of operation and internet connection.

President Larson stated "this grant is essential in allowing us to bring High Speed Broadband to Maupin in support of our mission of 'Quality of Life through Connectivity'. We thank Google for their commitment to Wasco County's Communities."

This grant meets two of Google's core values: Increasing use of the internet and Closing the digital divide. The new connection at the Maupin Library will allow Families who cannot afford a connection to the internet to now do so. Google is currently supporting Free Public Wi-Fi in The Dalles and had donated a number of computers to The Dalles Library for use by their patrons.

The Maupin Broadband Project is a joint venture of QLife, The City of Maupin and the State of Oregon's North Central Community Solutions Team. QLife is sponsored by Wasco County and The City of The Dalles. The project should be completed during the first half of 2016.

For additional information please contact QLife's Administrator Nolan Young at nyoung@gorge.net or 541-300-0551.

QLife Administrative Projects

(January 6, 2016)

I. Current Administrator's Projects and Tasks.

Project 1: Maupin Regional Solutions (RS) Project:

Task #1: Obtain approval of IGA with City of Maupin for Project Grants (January 7th)

Task #2: Finalize Business Plan (January 21st)

- Negotiate with Level Three for Fiber connection in Maupin:
- Update Conceptual Design and Cost Estimate for Level Three connection.
- Update Budget for Level Three connection.

Task #3: Agreement with City of Maupin for lease of Collocation Hut (POP) site and use of ROW (January 21st).

Task #4: Draft Agreements with ISPs including Fee model (Jan. 21st)

Task #5: Obtain final approval and sign contracts for SPWF-TA and Regional Solution Grants (Feb. 25th)

Task #6: Pole Contact Agreement with Waco Electric Cooperative (February 25th) (Keith)

Task #7: Finalize Use Agreements with ISPs and an agreement with one of the ISPs for operation of the System

Task #8: Sign contract for and start final design and construction documents (January 2016).

Project 2: QLife Strategic Plan:

Task #1: Board adopts mission Statement and Goals and prioritize Objectives. (Jan. 7)

Project 3: Review current Pricing Models and determine if amendments are needed.

Task # 1: Draft Resolutions for Rates and NRC costs **DONE**

Task #2: Obtain Board approval (Jan. 21st)

Project 4: Develop plan for Administrative services and pursue plan.

Task #1: Identify options **DONE**

Task #2: Prepare work scope for new administrator **DONE**

Task #3: Obtain direction from Board (Jan. 21st)

Task #4: Obtain new Administrator (Feb./March)

Project 5: Consider policy regarding balance between system reserves and potential financial assistance to partners.

Task #1: Develop information on historic trends for 5 years. (Jan.)

Task #1: Develop alternative models. (Feb.)

Project 5: FY 2016-17 Draft Budget (Jan/Feb)

Task #1: Prepare Draft Financial Priorities.

Task #2: Prepare Draft Budget numbers.

Task #3: Prepare Draft Budget Document

DRAFT BUDGET: BPA

**MAUPIN BROADBAND PROJECT
(As of December 7, 2015)**

REVENUES	AMOUNT
SPWF-TA Grant (pending)	\$ 60,000
Google Grant (pending)	\$ 87,880
Regional Solutions Grant (SPWF loan)	\$ 410,000
Health Care Connect Grant	\$70,000
E Rate Funds	\$ 163,681
QLife	\$30,000
TOTAL REVENUE	\$ 821,561
EXPENDITURES	
QLife Project Administrative Costs	\$ 25,000
Feasibility Study	\$ 5,000
Subtotal	<u>\$30,000</u>
Engineering and Permitting	\$ 99,050
Equipment and Improvement at BPA Sub-Station	\$125,000
POP Facility	\$95,818
Fiber Build BPA to Maupin	\$147,019
Maupin Fiber Middle Mile Build	\$111,012
Service Laterals	\$91,352
Contingency	\$59,430
Public Wi-Fi Equipment & Installation	\$ 20,400
3 Year Wi-Fi Maintenance/Operation and Internet Costs	<u>\$ 42,480</u>
TOTAL EXPENDITURES	\$ 821,561

Notes: 1. A 1% interest rate SPWF Loan will be obtained for about 18 months or until Regional Solution funds come available in Spring 2017.
2. E Rate Fund will be available at \$40,920 a year over four years. QLife will initially pay for the \$163,681 in expenses covered by E-Rate and then carry it as a payable until full funding is received at the end of four years.

TO: Qlife Board
 Nolan Young, QLife Administrator

FR: Kate Mast, Finance Director

RE: Financial Report for QLIFE – **December 2015**

BANKING:

QLife monies are deposited into a separate bank checking account. QLife also has a Local Government Investment Pool (LGIP) account where funds 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.

50% 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 (600):

BUDGET COMPARISONS

	<u>July 1, 2015 to December 31, 2015</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 218,563	\$ 231,823	106.0%	* see below
Revenues	\$ 701,219	\$ 338,251	48.2%	
Expenditures	\$ 415,642	\$ 124,417	30.0%	
Transfers to Capital/Debt Fund	\$ 504,140	\$ 274,985	54.5%	
<hr/>				
Revenues Less Expenses	\$ 0	\$ 170,672		
Cash at Month End	\$ 134,910.63			

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.* The Beginning Balance is \$13,260 more than budgeted.
- 2) Revenues:
 - a) At 50% of the year, we have received 49.9% of the budgeted charges for services revenue.
 - b) Miscellaneous revenue in the amount of \$956.67 was received in October from Transgroup Worldwide as payment for a QLife invoice for services when a transformer was moved through town.

3) Expenditures:

a) The Liability Insurance Line Item has been over-expended by \$1,300.00. I believe only the Special Districts Liability insurance was budgeted in this line item, but the \$1,600 Pole Attachment Bond was appropriately also posted to this line item. This should not require any budget adjustments, as the category should not be over-expended at the end of the year.

4) Budget Changes: No budget changes have been made to this fund this fiscal year. Budget changes will be considered at the next Board meeting.

CAPITAL (601):

BUDGET COMPARISONS

	<u>July 1, 2015 to December 31, 2015</u>			
	Budget	Actual	Percentage	
Beginning Balance	\$ 400,590	\$ 377,826	94.3%	* see below
Transfers In	\$ 504,140	\$ 274,985	54.5%	
Revenues	\$ 30,000	\$ 92,662	309.0%	
M&S / Capital Outlay / Other	\$ 934,730	\$ 11,815	1.3%	
Debt Expenditures	\$ 00	\$ 0	0.0%	
<hr/>				
Revenues Less Expenses	\$ 0	\$ 733,658		
Cash at Month End	\$ 645,799.52			

Exceptions:

- 1) Beginning Balance: * *The Beginning Balance figures used here have been audited.* Beginning Balance is \$22,764 less than budgeted. With an additional \$13,260 in the General Operating Fund, the combined negative amount is just \$9,504. This is not a concern as we have budgeted for a \$331,717 increase in reserves this year.
- 2) Revenues: A \$87,880 grant has been received from Google for the Maupin Project, and will be held in this fund pending the Board's decision to create a separate Maupin Fund via the supplemental budget process.
- 3) Expenditures:
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year. Budget changes will be considered at the next Board meeting.

City of The Dalles

FUND 600 QUALITYLIFE AGENCY FUND		***** CURRENT *****			***** YEAR-TO-DATE *****			ANNUAL	UNREALIZED
ACCOUNT	DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	%REV	ESTIMATE	BALANCE
300	BEGINNING BALANCE								
300									
00 00		18,213	.00		109,278	231,823.49	212	218,563	13,260.49-
300	**	18,213	.00		109,278	231,823.49	212	218,563	13,260.49-
300	*** BEGINNING BALANCE	18,213	.00		109,278	231,823.49		218,563	13,260.49-
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
10 00	UTILITY SERVICE CHARGES	54,005	53,940.00	100	324,030	321,115.00	99	648,069	326,954.00
15 00	LSN CREDITS	0	.00		0	.00		0	.00
20 00	CONNECT CHARGES	187	.00		1,122	3,100.00	276	2,250	850.00-
344	** UTILITY SERVICES	54,192	53,940.00	100	325,152	324,215.00	100	650,319	326,104.00
340	*** CHARGES FOR SERVICES	54,192	53,940.00		325,152	324,215.00		650,319	326,104.00
360	OTHER REVENUES								
361	INTEREST REVENUES								
00 00	INTEREST REVENUES	58	342.89	591	348	1,703.76	490	700	1,003.76-
361	** INTEREST REVENUES	58	342.89	591	348	1,703.76	490	700	1,003.76-
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	16	.00		96	956.67	997	200	756.67-
20 00	E-RATE REIMBURSEMENT	4,166	.00		24,996	11,376.00	46	50,000	38,624.00
369	** OTHER MISC REVENUES	4,182	.00		25,092	12,332.67	49	50,200	37,867.33
360	*** OTHER REVENUES	4,240	342.89		25,440	14,036.43		50,900	36,863.57
390	OTHER FINANCING SOURCES								
392	SALE OF FIXED ASSETS								
00 00	SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
392	** SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
390	*** OTHER FINANCING SOURCES	0	.00		0	.00		0	.00
FUND TOTAL QUALITYLIFE AGENCY FUND		76,645	54,282.89		459,870	570,074.92		919,782	349,707.08

FUND 600 QUALITYLIFE AGENCY FUND			DEPT/DIV 9500 OTHER USES/			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	*****CURRENT*****	*****CURRENT*****	*****CURRENT*****	*****CURRENT*****	*****CURRENT*****	BUDGET	BALANCE	BDGT
SUB	SUB		DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	
60			QLIFE FUND								
600			OTHER USES								
	05		OTHER								
	81	91	QLIFE CAPITAL FUND	42011	45830.91	109	252066	274985.46	109	.00	504140
	83	10	ESD E-RATE	4166	.00	0	24996	11376.00	46	.00	50000
	05	**	OTHER	46177	45830.91	99	277062	286361.46	103	.00	554140
	06		CONTINGENCY / UAFB								
	88	00	CONTINGENCY	2306	.00	0	13836	.00	0	.00	27680
	89	00	UNAPROPRIATED ENDING BAL	4950	.00	0	29700	.00	0	.00	59406
	06	**	CONTINGENCY / UAFB	7256	.00	0	43536	.00	0	.00	87086
600	**	**	OTHER USES	53433	45830.91	86	320598	286361.46	89	.00	641226
60	**	**	QLIFE FUND	53433	45830.91	86	320598	286361.46	89	.00	641226
DIV	9500		TOTAL *****	53433	45830.91	86	320598	286361.46	89	.00	641226
DEPT	95		TOTAL *****	53433	45830.91	86	320598	286361.46	89	.00	641226
FUND	600		TOTAL *****	76634	77748.63	102	459804	399402.50	87	.00	919782
GRAND			TOTAL *****	76634	77748.63	102	459804	399402.50	87	.00	919782

City of The Dalles

FUND 601 Q LIFE CAPITAL FUND									
ACCOUNT	DESCRIPTION	***** ESTIMATED	CURRENT ACTUAL	***** %REV	***** ESTIMATED	YEAR-TO-DATE ACTUAL	***** %REV	ANNUAL ESTIMATE	UNREALIZED BALANCE
300	BEGINNING BALANCE								
300									
00 00		33,382	.00		200,292	377,826.07	189	400,590	22,763.93
300	**	33,382	.00		200,292	377,826.07	189	400,590	22,763.93
300	*** BEGINNING BALANCE	33,382	.00		200,292	377,826.07		400,590	22,763.93
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	2,500	.00		15,000	4,781.76	32	30,000	25,218.24
344	** UTILITY SERVICES	2,500	.00		15,000	4,781.76	32	30,000	25,218.24
340	*** CHARGES FOR SERVICES	2,500	.00		15,000	4,781.76		30,000	25,218.24
360	OTHER REVENUES								
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	0	87,880.00		0	87,880.00		0	87,880.00-
10 00	ENTERPRISE ZONE PAYMENT	0	.00		0	.00		0	.00
369	** OTHER MISC REVENUES	0	87,880.00		0	87,880.00		0	87,880.00-
360	*** OTHER REVENUES	0	87,880.00		0	87,880.00		0	87,880.00-
390	OTHER FINANCING SOURCES								
391	OPERATING TRANSFERS IN								
40 00	IF PMT FROM OTHER FUNDS	0	.00		0	.00		0	.00
90 01	QLIFE OPERATING FUND	42,011	45,830.91	109	252,066	274,985.46	109	504,140	229,154.54
391	** OPERATING TRANSFERS IN	42,011	45,830.91	109	252,066	274,985.46	109	504,140	229,154.54
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	42,011	45,830.91		252,066	274,985.46		504,140	229,154.54
FUND TOTAL Q LIFE CAPITAL FUND		77,893	133,710.91		467,358	745,473.29		934,730	189,256.71

FUND 601 Q LIFE CAPITAL FUND		DEPT/DIV 9500 OTHER USES/							ANNUAL	UNENCUMB.	%
BA ELE OBJ	ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****			BUDGET	BALANCE	BDGT	
SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.			
60	Q LIFE FUND										
600	OTHER USES										
05	OTHER										
84 15	RSRV FOR SYS IMPROVEMENTS	39309	.00	0	235854	.00	0	.00	471717	471717.00	0
05 **	OTHER	39309	.00	0	235854	.00	0	.00	471717	471717.00	0
600 ** **	OTHER USES	39309	.00	0	235854	.00	0	.00	471717	471717.00	0
60 ** **	Q LIFE FUND	39309	.00	0	235854	.00	0	.00	471717	471717.00	0
66	EXPENSE-ACCOUNT										
660	FINANCIAL OPERATIONS										
06	CONTINGENCY / VAPE										
88 00	CONTINGENCY	7917	.00	0	47502	.00	0	.00	95013	95013.00	0
89 00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	0	.00	0
06 **	CONTINGENCY / VAPE	7917	.00	0	47502	.00	0	.00	95013	95013.00	0
660 ** **	FINANCIAL OPERATIONS	7917	.00	0	47502	.00	0	.00	95013	95013.00	0
66 ** **	EXPENSE-ACCOUNT	7917	.00	0	47502	.00	0	.00	95013	95013.00	0
DIV 9500	TOTAL *****	47226	.00	0	283356	.00	0	.00	566730	566730.00	0
DEPT 95	TOTAL *****										
	OTHER USES	47226	.00	0	283356	.00	0	.00	566730	566730.00	0
FUND 601	TOTAL *****										
	Q LIFE CAPITAL FUND	77889	1222.25	2	467334	11815.77	3	.00	934730	922914.23	1
GRAND	TOTAL *****	154523	78970.88	51	927138	411218.27	44	.00	1854512	1443293.73	22

QLIFE - LISTING OF FINANCIAL TRANSACTIONS

FUND: OPERATING 600

FISCAL YEAR: 2013-14

PERIOD DETAIL FROM: 12/10/2015 TO: 1/14/2016

Revenue:	Billed as of		
	QLife Monthly Billings	BILLING DONE ON THE 20TH	53,940.00

TOTAL: **53,940.00**

CODE	Expenditures:		
600.6000.660.34.30	Aristo	monthly retainer	2,000.00
600.6000.660.31.10	Nolan Young	Admin Services nov	6,512.00
600.6000.660.58.10	Nolan Young	Expenses	118.56
600.6000.660.58.10	Petite Provence	Lunch	224.25
600.6000.660.32.20	Keith Mobley	Legal Services	975.00
600.6000.660.31.20	Northsky	Audit	5,927.25
600.6000.660.69.50	Northsky	BPA Move	480.00
600.6000.660.58.10	4C's	Lunch	153.40
600.6000.660.41.40	NWCPUD	Electric	49.61
600.6000.660.53.30	Gorge.net	Phone	34.20
600.6000.660.34.10	Commstuctures	Misc	898.75
600.6000.660.34.10	Commstuctures	Maupin	1,980.00
600.6000.660.52.10	SDIS	Insurance	5,717.00
600.6000.660.31.10	Nolan Young	Admin services Dec	5,852.00
600.6000.660.58.10	Nolan Young	Expenses	91.10
600.6000.660.69.70	City of The Dalles	ROW	1,618.20
600.6000.660.32.20	Keith Mobley	Legal Services - dec	1,050.00
600.6000.660.43.10	City of The Dalles	Rent 4th quarter	1,938.00
600.6000.660.31.10	City of The Dalles	Services 4th quarter	4,332.23
600.6000.660.53.40	TD Chronicle	Budget amendment publish	104.40
600.6000.660.69.50	ACH	Annual Fee Statement	100.00
600.6000.660.43.10	PLATT	Tight buffer	178.29

TOTAL: **40,334.24**

FUND: CAPITAL 601

FISCAL YEAR: 2013-14

PERIOD DETAIL FROM: 12/10/2015 TO: 1/14/2016

Revenue:			
TOTAL:			
CODE	Expenditures:		
601.6000.660.46.20	Northsky	DME	659.75
	Northsky	309 E 2nd	562.50

TOTAL: **1,222.25**

QUALITYLIFE INTERGOVERNMENTAL AGENCY

MEMORANDUM

January 8, 2016

TO: QLife Board of Directors

FROM: Kate Mast, Finance Director

SUBJECT: Proposed Resolutions No. 16-001 and 16-002 Making Changes to the QLife Budgets for FY15/16.

Resolution No. 16-001 proposes a Supplemental Budget that creates a completely new and separate QLife Maupin Fund (602) that will track the costs associated with the project and the continued operations and maintenance of the new Maupin system. This Supplemental Budget has been revised based on current information. Previously we thought that an interfund loan would be necessary to provide initial cash flow for the project, but it has now been determined that such a loan will not be necessary, so that item has been removed from these budget amendments.

Public Notice of the Supplemental Budget and a Public Hearing on the Supplemental Budget are required. This notice was published in The Dalles Chronicle on Tuesday, January 12, 2016.

Resolution No. 16-002 proposes a Budget Amendment to move \$9,500 from the Contingency category to the Materials & Services category of the QLife Operating Fund (600) to provide for the additional costs associated with the Interim Administrator through February of 2016.

The total additional Administrative costs anticipated are \$31,500. Of those costs, \$22,000 will be used for the Maupin Project, and will be posted to the new Maupin Fund (062), if the Board chooses to adopt the proposed Supplemental Budget.

ALTERNATIVES:

- A. Staff Recommendation:** Move to adopt Resolution No. 16-001 Adopting a Supplemental Budget for Fiscal Year 2015/2016, Creating a New Fund, Making Appropriations and Authorizing Expenditures From and Within Various Funds of the QualityLife Intergovernmental Agency Adopted Budgets.

AND

Move to adopt Resolution No. 16-002 Authorizing Transfers of Budgeted Amounts between Categories of the QLife Operating Fund (600) of the QualityLife Intergovernmental Agency Budget, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2016.

- B.** The Board could make changes to either of the proposed resolutions and direct staff to bring the revised resolution(s) back to the next QLife Board meeting. Changes to the supplemental budget may require republishing and a second public hearing depending on the amount of the changes.
- C.** The Board could make changes to either of the proposed resolutions and adopt them as amended. Staff would then provide amended versions to be signed when ready. Changes to the supplemental budget may require republishing and a second public hearing depending on the amount of the changes.

Proposed Supplemental Budget Creating the QLife Maupin Fund 602

QLIFE MAUPIN FUND 602

REVENUES

602-0000-300.00-00	Beginning Balance	-	-	
602-0000-334.90-00	State Grants, Other	52,950	52,950	SPWF-TA Grant
602-0000-336.10-00	Private Sector Grants (Google)	87,880	87,880	Google Grant
602-0000-344.20-00	Connect Charges	-	-	
602-0000-369.00-00	Other Misc Revenues	-	-	
602-0000-369.20-00	E-Rate Reimbursements	-	-	
602-0000-391.90-01	QLife Operating Fund	-	-	
602-0000-393.10-00	Loan/Bond Proceeds	410,000	410,000	Regional Solutions Grant
TOTAL REVENUES		550,830	550,830	

EXPENDITURES

Materials & Services

602-6000-660.31-10	Administrative Services	30,000	30,000	
602-6000-660.34-10	Engineering Services	-	-	
602-6000-660.34-70	Customer Connections	-	-	
602-6000-660.43-86	Lines, Maint & Supplies	-	-	
Total Materials & Services		30,000	30,000	

QLife Admin = \$25,000 +
Feasibility Study = \$5,000

Capital Outlay

602-6000-660.72-20	Buildings	-	-	
602-6000-660.74-20	Telecom Equip	164,404	164,404	
602-6000-660.76-10	Primary (System Maint)	265,659	265,659	
602-6000-660.76-20	Secondary (Line Extensions)	-	-	
602-6000-660.76-30	Pole Make Ready Costs	-	-	
Total Capital Outlay		430,063	430,063	

Equip for POP = \$48,186;
POP Facility = \$95,818;
Public WiFi Equip/Install
= \$20,400
Engineering & Permitting
= \$62,295; Maupin Fiber
Middle Mile Build =
\$111,012; Servic laterals
= \$92,352

Debt Service

602-6000-660.79-50	Loan Principal Payments	-	-	
602-6000-660.79-60	Interest Payments	-	-	
Total Debt Service		-	-	

Other

602-9500-600.83-10	ESD E-Rate Transfers	-	-	
602-9500-600.88-00	Contingency	90,767	90,767	
Total Other		90,767	90,767	

Reserve for 3 yr
Maint/Ops /Internet costs
= \$42,480; Contingency =
\$48,287

TOTAL EXPENDITURES

		550,830	550,830	
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REVENUES LESS EXPENSES

		-	-	
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QUALITYLIFE INTERGOVERNMENTAL AGENCY

RESOLUTION NO. 16-001

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2015/2016, CREATING A NEW FUND, THE MAUPIN FUND (602), MAKING APPROPRIATIONS AND AUTHORIZING EXPENDITURES.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) Board of Directors is planning to extend service to the Maupin, Oregon area, and wishes for the revenues and expenditures for that project and the costs of maintaining that capital asset in the future to be tracked through a separate QLife Maupin Fund (602), and;

WHEREAS, a public hearing is required for the creation of the new QLife Maupin Fund (602); and

WHEREAS, the required public notice for this supplemental budget and public hearing was published on Tuesday, January 12, 2016;

NOW, THEREFORE, BE IT RESOLVED BY THE QLIFE BOARD OF DIRECTORS AS FOLLOWS:

Section 1. The Board of Directors hereby adopts the Supplemental Budget for FY15/16, creating the new QLife Maupin Fund (602) and making appropriations and authorizing expenditures as follows.

Summary of Supplemental Budget – Line Item Detail				
Fund	Resource	Amount	Requirement	Amount
QLife Maupin Fund (602)	SPWF-TA Grant	52,950	Materials & Services Category	30,000
	Regional Solutions Grant	410,000	Capital Outlay Category	430,063
	Private Sector Contribution	87,880	Contingency Category	90,767
	Total New Materials & Services Category Requirements			30,000
	Total New Capital Outlay Category Requirements			430,063
	Total New Contingency Category Requirements			90,767
	Total New Resources	550,830	Total New Requirements	550,830
	New Total All Fund 602 Resources	550,830	New Total All Fund 602 Expenditures	550,830

Section 2. This Resolution shall become effective upon adoption by the QLife Board of Directors and shall remain in effect until receipt and acceptance of the FY15/16 audit report.

PASSED AND ADOPTED THIS 21st DAY OF JANUARY, 2016.

Voting Yes: _____

Voting No: _____

Absent: _____

Abstaining: _____

SIGNED:

ATTEST:

Erick Larson, President

Brian Ahier, Secretary/Treasurer

QUALITYLIFE INTERGOVERNMENTAL AGENCY

RESOLUTION NO. 16-002

A RESOLUTION AUTHORIZING TRANSFERS OF BUDGETED AMOUNTS BETWEEN CATEGORIES OF THE QLIFE OPERATING FUND OF THE QUALITYLIFE INTERGOVERNMENTAL AGENCY (QLIFE) BUDGET, MAKING APPROPRIATIONS AND AUTHORIZING EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 2016.

WHEREAS, during the budget year certain funds may experience expenditures above approved category limits; and

WHEREAS, Oregon Budget Law recognizes these events and allows for transferring of funds between approved category limits within and between funds; and

WHEREAS, the QLife Board of Directors wishes to provide funds for the additional costs of the Interim Administrator, estimated to be \$9,500, that will be incurred during the current fiscal year, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. Authorizing Budget Transfers. The QLife Board of Directors hereby authorizes the following transfers of funds between budgeted categories and funds:

<u>FUND OR DEPT.</u>	<u>RESOURCES</u>		
	<u>BUDGETED</u>	<u>NEEDED</u>	<u>REALLOCATED</u>
<u>QLIFE OPERATING FUND (600)</u>			
from Contingency	\$ 27,680	\$ 18,180	- \$ 9,500
to Materials & Services Category	\$ 258,556	\$ 268,056	+ \$ 9,500

Section 2. This Resolution shall become effective upon adoption by the QLife Board of Directors and shall remain in effect until receipt and acceptance of the FY15/16 audit report.

PASSED AND ADOPTED THIS 21st DAY OF JANUARY 2016.

Voting Yes: _____

Voting No: _____

Absent: _____

Abstaining: _____

SIGNED:

ATTEST:

Erick Larson, President

Brian Ahier, Secretary/Treasurer

QLIFE'S STRATEGIC PLAN – 2016

Vision:

- We will leverage technology planning efforts and our investment in middle-mile infrastructure to enhance Wasco County's economic vitality and quality of life.

Mission:

- Quality of life through connectivity

GOALS for 2016 (Prioritized)

- 1) Explore opportunities to expand services in Wasco County.
- 2) Identify and decide on options for operating QLife.
- 3) Maintain and enhance infrastructure.
- 4) Over the next 12 months analyze QLife's Economic health and future.

PRIORITIZED 2016 GOAL OBJECTIVES

- 1) Complete Maupin Broadband Project (Goal #1)
- 2) Develop options for acquiring administrative services and pursue selected approach (Goal #2).
- 3) Review rate structure and policies (Goal #4).
- 4) Develop options for additional collocation space and pursue selected option (Goal #3).
- 5) Develop a capital improvement plan that looks at equipment replacement, system weaknesses and opportunities for expansion (Goal #3).
- 6) Consider policy regarding balance between system reserves and potential distribution to partners (Goal #4).
- 7) Review current contracts for other services and consider changes (Goal #2).

QLife Network

QualityLife Intergovernmental Agency

AGENDA STAFF REPORT

QUALITYLIFE INTERGOVERNMENTAL AGENCY

TO: QLife Board of Directors

FROM: Nolan K. Young, Administrative Staff

DATE: January 13, 2016

ISSUE: Resolution 16-003 Amending QLife's Customer Rates and Charges and Resolution 16-004 Amending QLife's Line Extension Policy.

RELATED GOAL OBJECT: Review rate structure and polices.

BACKGROUND: The review of QLife's customer rates and charges was identified as a top priority during our strategic planning process. Our current rates were last adjusted in 2011. The associated non-recurring charge (NRC) for line extensions was last reviewed in 2007.

Staff considered the following five (5) factors in developing the proposed resolutions:

1. Maintain current revenue streams;
2. Correct any variances between our current practices and the formal resolution;
3. Create opportunities for ISPs to use QLife to provide service to new classes of customers like residential and low use commercial and industrial customers;
4. Reduce front end costs to ISPs by giving them additional options to acquire and provide service lines and equipment;
5. Eliminate costs to participant customers for service lines and equipment if they sign 5 year contracts.

Attached is resolution 16-003 regarding rates. Below is a brief summary of main changes:

- Section 3 A: A new 20 Mbps Broadband Transport fee of \$300/month for participates and \$350/mo for others is proposed. We currently have a 10 Mbps product and then jump to 100 Mbps. We have gotten a number of requests for 20 Mbps over the years. The recommended price is in the middle of the current rates for 10 Mbps and 100 Mbps.
- Section 3 B: Alternative Wholesale Pricing, we lowered the uplink rates by \$500/month and reduced the loop pricing for \$30 to \$60/month depending on the size. The intent of the proposed rate reduction was to create a product at a cost that would be competitive with the market and generate new revenue. We have had this product for four years with no customers using it. .
- Section 3 C: clarified what the dark fiber rates are and made this product available

to all customers. We are also proposing that this section replace our current policy on leasing dark fiber.

- Section 3 D 3): Reduced turn up fee by \$250 to lower upfront costs to new customers. This means we will be recovering less of our costs to connect these new customers.

Also attached is Resolution 16-004. This resolution replaces our current policy and practice for charging customers non-recurring charges (NRC) for connection of new customers. We have transitioned this policy to a resolution. The primary changes are identified below:

- Section 6 A creates a new policy where QLife will pay for all NRCs for Participants if a five (5) year contract is signed.
- Section 6 B creates new options for ISPs intended to allow them to better manage their NRCs. This is in direct response to some concerns they have expressed.

BUDGET IMPLICATIONS: This action may affect some of the NRC revenue we receive. The intent is that the increased usage prompted by these changes will result in more revenue over time.

BOARD ALTERNATIVES:

1. **Staff recommendation:** Adopt Resolutions 16-003 (Rates) and 16-004 (Line Extensions and NRC) as presented
2. Amend and then adopt the Resolutions
3. Postpone action on one or both Resolutions.

QUALITYLIFE INTERGOVERNMENTAL AGENCY
doing business as

"QLife Network"

RESOLUTION No. 16-003

A RESOLUTION AMENDING RESOLUTION No. 11-002 ESTABLISHING
SERVICE RATES AND FEES FOR THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) is an open access provider of broadband services to The Dalles area, and;

WHEREAS, QLife has customers desiring service, and;

WHEREAS, QLife is willing and able to provide certain service to its customers, and;

WHEREAS, the QLife Board wishes to adopt charges and fees for services it provides

NOW, THEREFORE, BE IT RESOLVED BY THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY BOARD AS FOLLOW:

SECTION 1: Resolution 11-004 and QLife's Policy on Lease of Dark Fiber approved July 24, 2007 are both repealed.

SECTION 2: Customer Classes. For the purpose of this resolution, QLife shall have two classes of customers.

A. Participant Customers (Participants). The following specific customers who played an essential role and assumed some risk in helping the QLife system become operational:

1. Wasco County
2. City of The Dalles
3. Mid-Columbia Medical Center
4. Northern Wasco County School District 21
5. Region 9 Education Service District
6. Columbia Gorge Community College

B. All Other Customers including Wholesalers

SECTION 3: Rates and Fees. Effective the date of this resolution service rates, fees and charges for the QLife system shall be as follows:

A. Broadband Transport Service.

1. Participants. Either the amount established in an existing service order previously signed between the participant and QLife and any continuation of those service orders or, for new service requested after the adoption of this resolution:
 - a. 10 Mbps; \$200/ month,
 - b. 20 Mbps; \$300 month
 - c. 100 Mbps; \$400/ month
 - d. 1,000 Mbps. service \$850 /month

2. Other Customers. for new service requested after the adoption of this resolution:
 - a. 10 Mbps; \$250/ month
 - b. 20 Mbps; \$350 month
 - c. 100 Mbps; \$450 /month
 - d. 1,000 Mbps; \$950/month

B. Alternative Wholesale Pricing:

Internet Service Providers (ISP) may use this uplink port pricing model for all customers not under the terms of an existing service order.

1. Uplink Port:

100Mbps	\$ 1,200/month
500 Mbps	\$ 2,400/month
1000 Mbps	\$, 2,600/month

2. Looping Price:

12 Mbps	\$ 50/month
30 Mbps	\$ 90/month
100Mbps	\$ 150/month

QLife will eliminate the requirement for a switch at a loop customer demarks if the ISP can provide a solution agreeable to QLife for limiting the size of service to the amount purchased.

The Turn Up Fee for loop customers shall be \$100.

C. Lease of Dark Fiber

1. Participants: Either the amount established in an existing service order agreement previously signed between the participants and QLife and any extension of those services, or
2. Others:

Single Fiber; one direction no backup fiber	\$ 450/month
*Single Fiber Loop	\$ 600/month
1 pair fiber one direction	\$ 900/month
1 pair fiber loop	\$1200/month

D. Other Service. The costs for all customers (both participants and wholesalers) shall be as follows:

1. Collocation in QLife City Hall Equipment room includes 10 Amp AC Power with generator back up.

Full rack: \$400 per month;

Single Deck or our Rack: \$100 per month
2. Antenna/Dish on City Hall:

First: \$150 per month;

Each Additional: \$50 per month
3. Turn up fee for new network connection:

10 Mbps. \$200 non-recurring charge (NRC)

100 Mbps. \$200 NRC

1,000 Mbps. \$ 200 NRC
4. NRC for charges for equipment and service installation will be actual costs unless a cost share of service installation is agreed to under QLife's Line Extension policy (Resolution 16-004).
5. Delinquent accounts: 18% (1.5% per month) late charges.

6. Termination Fee: Cost of placing a customer on termination list - \$5 (Third Notice).
7. Reconnection Fee: Cost of reconnecting a customer whose service has been terminated \$20.
8. Non-Sufficient Funds Check Fee: \$25.
9. Special Service Fee: \$20.00

SECTION 4: Term of Fees. These fees shall remain in effect until which time the QLife Board, by a majority vote, amends all or portions of these fees.

SECTION 5: Effective. This resolution shall be effective February 1, 2016.

PASSED AND ADOPTED THIS ____ DAY OF JANUARY 2016

Voting Yes, Board Members: _____
 Voting No, Board Members: _____
 Absent, Board Members: _____
 Abstaining, Board Members: _____

APPROVED: _____
 Erick Larson, President

ATTEST: _____
 Brian Ahier, Secretary-Treasurer

QUALITYLIFE INTERGOVERNMENTAL AGENCY
doing business as

"QLife Network"

RESOLUTION No. 16-004

A RESOLUTION AMENDING THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY'S POLICY FOR LINE EXTENSIONS.

WHEREAS, the QualityLife Intergovernmental Agency (QLife) is an open access provider of broadband services to The Dalles area, and;

WHEREAS, QLife has customers desiring service, and;

WHEREAS, QLife is willing and able to provide certain service to its customers, and;

WHEREAS, the QLife Board has a policy for line extensions for customers and wishes to amend that policy.

NOW, THEREFORE, BE IT RESOLVED BY THE QUALITYLIFE
INTERGOVERNMENTAL AGENCY BOARD AS FOLLOW:

Section 1: QLife's Policy on Line Extension approved July 24, 2007 is repealed.

Section 2: The purpose of this policy is to establish a standard procedure for extending fiber optic lines from QLife's primary loop and spurs to other business locations.

Section 3: The primary purpose of QLife is to be a middle mile provider, which includes the loop and service hubs and spurs. This policy will allow, under certain conditions, QLife to extend fiber lines to certain customers in order to enhance the overall benefit of the fiber optic loop to the community and allow it to serve its primary mission of "Quality of Life Through Connectivity". QLife is an open network and as such, any potential user may connect to an appropriate location in accordance with this and other Board approved policies.

Section 4: When to Extend Lines

It will be the policy of QLife to extend fiber-optic spur lines with hubs from the loop for the following classes of customers if they qualify under the guide lines identified in Section 6.

A. Participant Customers (Participants). The Six customers identified in section 2 A of the rate schedule (Resolution 16-003). This category will receive first priority of QLife resources and will be given certain incentives identified elsewhere in the policy.

B. All other customers and wholesale providers.

Section 5: Type of Line Extension

A. For the purpose of this policy, there are three types of system line extensions:

1. Primary fiber optic loop, to be extended by QLife when the guidelines in Section 6 are met as determined by the Board.
2. Service Hub (includes spur line from primary loop) to be extended as outlined in Section 6.
3. Service line: fiber optic line from the hub to a customer's de-mark plant (where electronic device is located) as outlined in Section 6

B. Service lines will be extended to customer's facilities at a location approved by QLife. Customer will provide raceways from the exterior of the building to the approved customer de-mark location if located inside the building, in accordance with QLife specifications.

Section 6: Guidelines for Line Extension

The determination of eligibility for primary loop, hub and service line extensions and method for financing the cost of extending lines will be as follows:

A. Participants

QLife will use its resources to extend sections of the primary loop, Hubs and Service Lines to specific site, if the participant will sign a five (5) year service contract that guarantees QLife revenue over the life of the contract, sufficient to meet debt payments created by the costs of the extension or equal to costs paid for by QLife from reserve funds.

If less than a five year contract is signed by a participant they will have the three options identified in section B for Wholesale providers

B. Wholesale Providers and other customers have three options to then to pay non-recurring costs (NRC) for fiber optic line extensions needed to service new customers:

1. Pay QLife the actual costs of line extensions constructed by QLife contractors.
2. If the customer signs a three year service contract, QLife will pay 50% of the NRC up to an amount equal to one third of the projected revenue QLife will receive for the service contract (including both uplink and loop revenue under the Alternative Whole Pricing model). If the actual cost of extending a line exceeds 50% the fees that will be received from the customer, then the customer shall pay the additional cost.

3. At the time a provider proposes a new service line, , the proposer may also submit a proposal to construct the needed system improvements in accordance with QLife's construction standards. QLife at its discretion may accept that proposal. The provider's proposal can include the actual connection to QLife fiber if QLife had previously certified the provider's splicer to do work on the QLife system.. QLife's cost for the connection including inspection of the work done by a provider r will be reimbursed to QLife by the customer unless a three year contract is signed, in which case QLife will pay for up to 50% of the full connection costs, including work done by the provider on QLife's service line, as allowed under section 6B(2) above..

Section 7: Equipment for Lit Services

The customer may either pay the full cost of equipment required for lit service or provide their own QLife approved equipment.

Section 8: Effective. This resolution shall be effective February 1, 2016.

PASSED AND ADOPTED THIS 28th DAY OF JANUARY 2016.

Voting Yes, Board Members: _____

Voting No, Board Members: _____

Absent, Board Members: _____

Abstaining, Board Members: _____

APPROVED:

Erick Larson, President

ATTEST:

Brian Ahier, Secretary-Treasurer

QLife Network

QualityLife Intergovernmental Agency

AGENDA STAFF REPORT

QUALITYLIFE INTERGOVERNMENTAL AGENCY

TO: QLife Board of Directors

FROM: Nolan K. Young, Administrative Staff

DATE: January 8, 2016

ISSUE: How to acquire administrative services for QLife?

RELATED GOAL OBJECTIVE: Develop options for acquiring administrative services and pursue selected approach.

BACKGROUND: During its' first ten (10) years of operation QLife obtained administrative and financial services for QLife through a contract with the City of The Dalles. QLife has no salaried employees of their own, they contract for all of their services. QLife currently has a contract with Nolan Young to provided administrative services until March 31st 2016. The board needs to give direction on how they wish to obtain administrative services in the future.

The survey recently sent to the QLife Board, The Dalles City Council and Wasco County Commission included the following Question:

5. *Which of the following options for operating QLife would you like to further investigate?*
 - a. *Part Time Administrator (5 to 20 hours per week) with Current Contracts*
 - b. *A RFP for a Single contact for operation of system by a third party*
 - c. *New contact with one of the partners or a third party for Admin. Services*
 - d. *A RFP for a mix of service providers*

The responses received to that question are summarized below:

- 1) *3 responders: Part-Time Administrator (5-20- hours per week) with current contracts for other services.*
- 2) *Any okay within reasonable cost*
- 3) *Single contract for operation by a third party or third party administrative Services (including clerical and financial). Would provide continuity for Operation.*
- 4) *Insufficient facts to decide*
- 5) *All may be viable, but we should not ignore continuing in the same manner we have been operating the system. There will be a new City Manager and that might be one of his/her*

responsibilities or perhaps the County could look at this as an option. Whatever the case, we need to control costs and not start driving up the administrative costs of the operation.

Staff recommendation: Direct Staff to work with the Board to find a half-time contractual Administrator at a rate of \$4500/month. Further direct the QLife Attorney to re-negotiate the agreement with City of The Dalles for the city to provide only financial services for QLife.

The following Considerations were taken into consideration when a rate of \$4500 per month was recommended.

- The compensation would need to be high enough to attract a qualified applicant to this part time job.
- The skills need would include strong management and communication skills and a basic understanding of the telecommunication and broadband business.
- The Contractor would need to provide their own equipment (electronics and phone) and work space. We may want to ask the city for space for three file cabinets for records including minutes.
- The hourly rate would be about \$52.
- The City of The Dalles top Department Manager salary equals \$45.95 per hour but also includes 13.5% for retirement and 85% of the premium for a family health plan.
- QLife's Technical contract is for \$69 per hour but includes a team of consultants available to us.
- Our current contract for administrative service is for \$88 per hour for an independent contractor who has experience and knowledge of QLife since its beginning.

Our recommendation includes having our new contractor handle the duties currently performed by the Executive Secretary for The Dalles City Manager. This proposal is similar to the City's contract for airport management where the managers assumed the reporting, agenda and minute responsibilities previously done by a secretary with the city. The contractor could use others to provide those services at their cost if desired. Attached is a proposed job description or Work Scope for the proposed contract. We have also attached a list of the non-financial clerical and secretarial duties currently performed by the city.

An option would be to hire a part-time contractual Administrator (average of 15 hours per week) at a rate of \$50/hour. We believe the half-time position with a monthly rate increases the pool of applicants, increase the resources QLife has to manage and expand its business and provides the contractor flexibility in how they deliver the service (i.e.; separate clerical assistance). We will discuss the budgetary differences between 15 hours per week at an hourly rate and the half-time at a monthly rate under budget implications. We may also wish to consider increasing the recommended rate to an amount closer to what we pay for network technical services.

ADDITIONAL ALTERNATIVES:

1. Change the rate of compensation or hours recommended
2. Exclude the clerical duties performed by the city and continue that contract.
3. New contact with the city or county for Administrative Services.
4. Develop an RFP for a Single contactor to operate the system as a third party. Tillamook County has a broadband system they operate this way.

BUDGET IMPLICATIONS: A 15 hour a week Administrator would cost QLife \$3,250 per month or \$39,000 per year. The proposed amended budget is for \$3,500 per month for administrative services. A half-time Administrator at a rate of \$4,500 per month would be \$54,000 per year. The cost of a 15 hour per week Administrator would be 6% of our budgeted annual customer revenue. The half-time is 8.3% of our customer revenue.

BOARD ALTERNATIVES:

1. Staff recommendation: Direct Staff to work with the Board to find a half-time contractual Administrator for Board consideration at a compensation rate of \$4,500/month. Further direct the QLife Attorney to re-negotiate the agreement with City of The Dalles for the city to provide only financial services for QLife.

2. Direct Staff to work with the Board to find a part time contractual Administrator (average of 15 hours per week) at a salary \$50/hour. Further direct the QLife Attorney to re-negotiate the agreement with City of The Dalles for the city to provide only financial services for QLife.

3. Change the compensation rate or hours recommended.

4. Have additional discussions with city or county about them providing Administrative Services.

5. Develop an RFP for a Single contractor to operate the QLife system as a third party.

Scope of Work

(February 1, 2016)

Title: QLife Administrator

Employer: QualityLife Intergovernmental Agency (QLife)

Duties and Responsibilities:

Section 1: Administrative Structure and Responsibilities

The Administrator is the Chief Appointed Officer of QLife and works under the general direction of the QLife Board.

Section 2: Duties

The Administrator's duties shall include the following:

1. Coordinate with and obtain the assistance of the QLife Attorney as needed.
2. Monitor QLife's other contracts for services (i.e.; engineering, network technical operation, GIS and finance).
3. Be QLife's primary contact for current and new customers desiring QLife services; including providing quotes and completing and implementing service orders with assistance of QLife's Engineer and Network Technician.
4. Manage all other leases, contracts and agreements that QLife has or may enter into.
5. Fill out and submit all required Local, State and Federal reports, forms and permits with the assistance of QLife's Attorney, as needed.
6. Prepare the QLife budget and be responsible for monitoring revenues, expenditures, and obligations. The Administrator will adhere to QLife's Purchasing Policy.
7. Work with the City of The Dalles Finance Director on financial issues and transactions.
8. Be the project manager on all construction projects for QLife unless otherwise directed by the Board. This will include bid preparation and subsequent compliance by the contractor.
9. Implement QLife's Strategic plan including all goals and objects and give regular reports to the Board on the progress of each.
10. Prepare and implement a five (5) year capital improvement plan with regular reports to the Board.
11. Pursue grant opportunities and prepare grant applications.
12. Record Board Meetings and produce and maintain records of all Board activities, including but not limited to agendas, notice of meetings, minutes, and correspondence.

Exhibit "A"

13. Maintain records and filing systems and all other administrative functions pertaining to QLife.
14. Attend Board meetings and provide a monthly report to the Board on QLife's activities.
15. In consultation with the Board Chair, prepare the Agendas for QLife Board meetings and provide reports on action and discussion items as needed.
16. Attend meetings and conferences pertaining to management and operation of QLife and be reimbursed for reasonable expenses incurred in such travel.
17. Work a schedule that best meets the needs of QLife as approved by the Board.
18. From time to time may be assigned additional tasks or responsibilities that can be accomplished within the time allotted under the contract.

Executive Secretary's QLife Duties:

1. State and Federal forms including: FCC Forms 477, 473, 498 and certifying BEARS (e-rate invoices that the school district and ESD create), Form L and annual fee statement.
2. Answer phones, direct inquiries to the appropriate person, assist customers with billing questions (in coordination with Finance)
3. Process invoices, coordinate with technical manager when projects are complete and ready to bill as well as if incoming invoices are pass through.
4. Keep spreadsheets of projects that have an up to limit so that we don't over bill.
5. Spreadsheet for all payments made (monthly for board packet)
6. Spreadsheet of all customers and charges identified by SO
7. Create City Invoice to QLife for staff time (Maybe a city function)
8. Create SO's and make sure numbers are correct, billing is clear and fully executed
9. Coordinate with City of The Dalles finance to assure A/P and A/R are accurate, signature cards for checking account and credit card are up to date
10. Code and forward all invoices to Board President for authorization
11. Create draft agendas - assure Board packets are complete and are distributed in a timely fashion
12. Attend all board meetings and take minutes
13. Create and work trade booths
14. Maintain QLife website
15. Keep records of resolutions

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 Q LIFE MAUPIN BUSINESS PLAN
 DRAFT

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MAUPIN BROADBAND PROJECT

DRAFT BUSINESS PLAN

(As of January 13, 2016)

NEED: The Community of Maupin currently receives broadband services from wireless, satellite or CenturyLink. The wireless service is unreliable and below the speeds needed in today's internet environment. CenturyLink can only provide DSL service and they currently have a waiting list for new DSL services. (See Attachment B South Wasco Community Broadband Access Project: Demand Survey Summary). The limited Broadband in the area is affecting the quality of life of the residents, the areas ability to attract and retain businesses and does not meet the needs of the local schools and health district. The Maupin Library is unable to provide adequate internet service to its patrons, some of who use the library as their only connection to the internet.

The barrier to better broadband service is cost recovery. There is not enough market in the area for private providers to make the needed investment and recoup their costs over a reasonable period of time. The US Government's Connect American Project has indicated it would provide funding to CenturyLink to provide better broadband service to the underserved areas of Wasco County. This is a six year program that is still under development. The need for Maupin is immediate.

OPPORTUNITY: The North Central Regional Solution Team and Mid Columbia Economic Development District (MCEDD) obtained \$410,000 in Business Oregon Funding to provide better broadband access to the Maupin area. They are in need of a partner to obtain the remaining funding and construct and operate the system.

The Wasco County and QLife Network Strategic Plan (see Attachment A) includes as goal #4: "Increase availability of high quality broadband service in All Wasco County Communities by driving demand through education". MCEDD through its webwork program has been working to educate the underserved communities as to the value of the internet. This is helping to drive the demand in Maupin. Currently 102 residents and businesses have signed letters of intent to purchase improved broadband services. The City of Maupin, Bureau of Land Management, South Wasco Schools and the Deschutes Rim Health Clinic has expressed interest in higher speed internet access.

QLIFE: The Quality-Life Intergovernmental Agency (QLife) is a middle mile broadband provider in the Dalles Area. We have been in operation for 11 years. We are primarily a middle mile fiber-optic provider with 18 customers, with fiber services to 70 sites. We are currently

debt free and operating in the black with an annual operating budget of \$258,556 and current budgeted reserves of \$635,816.

QLife's Maupin Business Plan: Currently Level 3 LLC; has fiber passing through the City of Maupin. The current plan is to connect a new fiber line to a current Level 3 vault. The new Maupin line would go to a new Tel-Comm. Hut (Point of Presence or POP) located on City of Maupin Property. A Middle mile fiber system would be built out from the POP. The presence of fiber in the community would markedly enhance the potential for industrial Development and job creation. The fiber would also reach South Wasco County School District, Deschutes Rim Health Clinic and City of Maupin Facilities.

With the use of a grant from Google, the project will also allow for free public Wi-Fi at the City of Maupin's Riverfront Park and free public Wi-Fi at the County Library Branch in Maupin for those visiting or who have mobile Wi-Fi devices but no internet services and a fiber connection to The Dalles Branch giving those with no internet devices access to the internet over library computers (see attached letter of support from Wasco county Library in attachment H)

PROJECT BUDGET: The Project Budget (see attachment E) is \$557,262. It will provide the connection from the Current fiber vault, a fiber-optic system to and in the city of Maupin (see map in attachment D), a point of Presence (POP) telecommunication hut and the public Wi-Fi system. Project funding includes a \$410,000 Regional Solutions Grants, \$59,382 SPWF-TA Grant, and a \$87,880 Google Grant. The Google Grant is approved. The other two grants have been submitted and are pending approval.

OPERATION PLAN: QLife would operate the Maupin Fiber System as a separate utility. We will establish a fund where we will track the construction cost, and pay for the cost to operate the new system.

QLife would provide, at no cost, project Administrative Services for construction and operation including completing service orders for all customer connections and financial accounting until which time the system is operating at a profit. To operate the Maupin system QLife will obtain Network System Technical service through a request for proposal (RFP) for those services (see Attachment L for a possible example) to the three ISPs operating in the Maupin area.

REVENUE PLAN: When the project is completed QLife will purchase a Gig of broadband transport from the new Maupin POP to The Dalles POP. We will be offering customers three products:

1. Middle mile: This includes one rack in the POP. The current proposal is to charge ISPs who operate on the systems middle mile 20% of the revenue they generate.
2. Collocation Space: This product is intended for those who are not using the middle mile or have other special needs. The proposed cost is \$400/mo.
3. Transport to The Dalles: When the project is completed QLife will purchase a Gig of broadband transport from the new Maupin POP to The Dalles POP. We will resale it at

debt free and operating in the black with an annual operating budget of \$258,556 and current budgeted reserves of \$635,816.

QLife's Maupin Business Plan: Currently Level 3 LLC; has fiber passing through the City of Maupin. The current plan is to connect a new fiber line to a current Level 3 vault. The new Maupin line would go to a new Tel-Comm. Hut (Point of Presence or POP) located on City of Maupin Property. A Middle mile fiber system would be built out from the POP. The presence of fiber in the community would markedly enhance the potential for industrial Development and job creation. The fiber would also reach South Wasco County School District, Deschutes Rim Health Clinic and City of Maupin Facilities.

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OPERATION PLAN: QLife would operate the Maupin Fiber System as a separate utility. We will establish a fund where we will track the construction cost, and pay for the cost to operate the new system.

QLife would provide, at no cost, project Administrative Services for construction and operation including completing service orders for all customer connections and financial accounting until which time the system is operating at a profit. Attachment G shows the financial priorities for operation of this new system. To operate the Maupin Broadband QLife will obtain Network System Technical service through a request for proposal (RFP) for those services (see Attachment L for a possible example) to the three ISPs operating in the Maupin area.

REVENUE PLAN: When the project is completed QLife will purchase a Gig of broadband transport from the new Maupin POP to The Dalles POP. We will be offering customers three products:

1. Middle mile: This includes one rack in the POP. The current proposal is to charge ISPs who operate on the systems middle mile 20% of the revenue they generate.
2. Collocation Space: This product is intended for those who are not using the middle mile or have other special needs. The proposed cost is \$400/mo.

BUSINESS PLAN QUALITY LIFE
INTERGOVERNMENTAL AGENCY
(Q LIFE)

FOR
MAUPIN FIBER OPTIC BROADBAND SYSTEM

(DRAFT)

As of January 13, 2016

STRATEGIC OBJECTIVE

Leverage current technology planning efforts in our region, the region's broadband infrastructure and our investment in middle-mile fiber plant to enhance our region's economic vitality and quality of life.

STRATEGIC PRIORITIES

Economic Development	Community Development	Education and Health	Utilization of Resources
----------------------	-----------------------	----------------------	--------------------------

GOALS

- | | | | |
|--|--|---|---|
| <p>1. Increase the number of new businesses entering the county and existing business retention and expansion by creating a technically fluent workforce.</p> | <p>2. Through digital literacy campaigns, increase adoption and utilization rates of broadband.</p> | <p>3. Improve health and education outcomes by leveraging tele-health and on-line learning modalities throughout the county.</p> | <p>4. Increase availability of high quality broadband service in ALL Wasco County communities by driving demand through education.</p> |
|--|--|---|---|

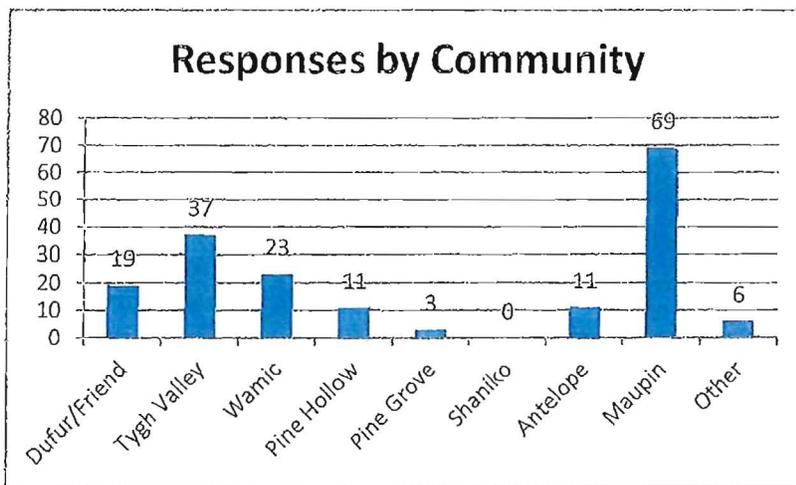
Strategies & Tactics (*strategies in bold are highest priority*)

- | | | | |
|--|---|---|---|
| <ul style="list-style-type: none"> a. Provider collaboration on increasing adoption rates by establishing access 'hubs'. b. Recruit and support local entrepreneurs in technology fields to start or expand businesses in the county. c. Expand bi-state collaboration within Mid-Columbia Region on broadband training, adoption and rural access initiatives. d. Assist fruit growers and other local businesses to adopt broadband-enabled strategies to compete in global markets. e. Market the business and quality-of-life benefits of The Dalles and Wasco County as a "connected community" to large employers with a telecommuting workforce. | <ul style="list-style-type: none"> a. Develop and promote policy for access equity in the County. b. Deploy an effective public awareness and outreach campaign that articulates broadband benefits and value. c. Establish partnerships to provide digital literacy training. Develop a community-based Technology Users Group with the mission of helping others, "neighbor-to-neighbor", with broadband/ technology utilization skills. d. Establish means of increasing service and device affordability, e.g. neighborhood hot-spots, equipment recycle program and grants or subsidies. | <ul style="list-style-type: none"> a. Establish a policy to get broadband access to every address to support healthcare and education service delivery. b. Establish a public/private consortium for collaboration and sharing best practices across the education and healthcare sectors. c. Initiate a pilot program to test assumptions and develop best practices for using broadband to improve healthcare and/or educational outcomes. | <ul style="list-style-type: none"> a. Drive demand for service through education and marketing the impacts and benefits of broadband. b. Explore partnerships to focus on demand activation and last mile accessibility. c. Explore all possibilities for leveraging existing public and private infrastructure to bridge rural last mile gaps. d. Advocate for state or federal level policies or programs which extend rural broadband service. Participate in policy reform efforts focused on incentivizing rural accessibility. e. Partnership or pilot project with OPB, OBAC and OBDD to demonstrate a rural broadband project. |
|--|---|---|---|

South Wasco Community Broadband Access Project

Demand Survey Summary

The South Wasco Alliance Internet Capacity Committee, the Wasco County Economic Development Commission, and Mid-Columbia Economic Development Commission worked with local communities and volunteers in South Wasco County to distribute approximately 1800 surveys to each PO Box and Rural Route Customer in January of 2015. All partners worked to provide outreach about the importance of filling out the surveys for each area. Of these surveys, 224 were returned via community based drop locations and the mail. This is an overall response rate of 12.3%.

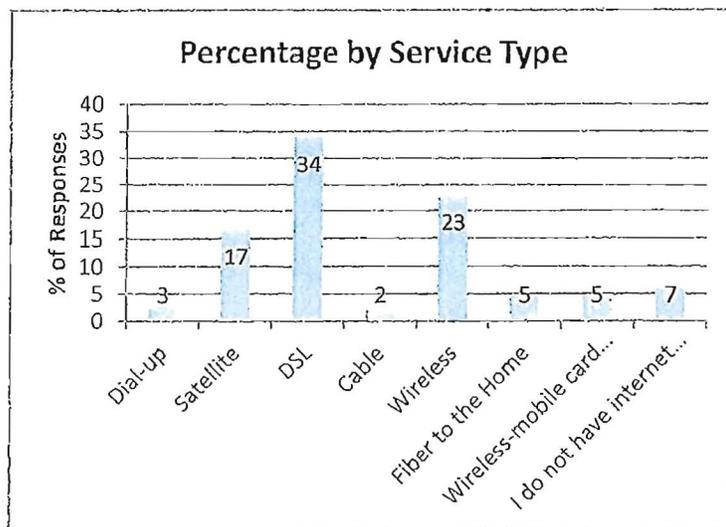


Overall, there is relatively good representation of the various communities around the county. The Dufur area had the lowest response rate other than Shaniko, with only a 4% return rate. However, the Maupin area had a 14% response rate while Antelope had a 10% response rate. The Tygh Valley Postal routes that include Wamic, Pine Hollow,

and Pine Grove had approximately 7% return surveys.

Broadband Service

Over half of the respondents to the survey indicated that they had either DSL or wireless internet access. However, another 20% of respondents had dialup or satellite. Often DSL or wireless can provide acceptable service, but respondents were overwhelmingly (68%) not satisfied with their internet service. Many expressed concern over the speed and reliability of their connections.



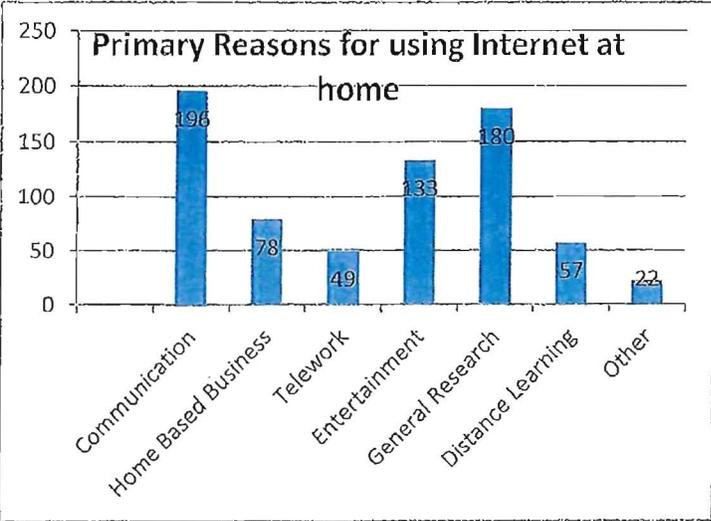
“My two high school students struggle daily as their web pages for school load. It is slow and tedious! Also, I work from home and do 95% of my work on the internet. It is horribly slow for me.”

Three providers cover approximately 60% of those with service. CenturyLink serves 39% of respondents, with GorgeNet serving another 19%. HughesNet with 10% of respondents is the third most used service. North State Telephone provides service to another 7% of respondents focused in the Dufur area.

There seem to be a patchwork of internet service providers that address portions of the County. Maupin respondents utilized mostly GorgeNet and CenturyLink services. The Tygh Valley, Wamic, and Pine Hollow areas tended to have a variety of options depending on location. In addition to having GorgeNet and CenturyLink service in some areas, these communities rely more heavily on satellite and dialup services. In the Dufur area, North State Telephone and GorgeNet were the major service providers reported. In the outskirts of town, satellite is the only option.

Over 90% of respondents noted they would be interested in a new service if it was available. About half also said they would pay over \$50 for service. It should also be noted that many of those that did not express interest in new service said that one of the reasons they did not want new service because of its cost.

Utilization



Internet is already used for a variety of activities by the respondents to the survey. While the vast majority of respondents use internet for communication, several key items that directly impact economic development also appear. 34% of respondents have home based businesses they run utilizing the internet, and 22% said that they telework. Additionally, a quarter of the respondents also utilize internet for distance learning or online

courses. This question allowed respondents to choose all that apply to them.

Those that responded that they use broadband in their businesses also noted they use the internet for a whole variety of activities, including streaming video conferencing, point of sale systems, as well as uploading and downloading large files.

“Our community needs fast service to bring business to our town.”

Questions? Contact Carrie Pipinich at carrie@mcedd.org or 541-296-2266.

Draft Time Line
MAUPIN BROADBAND PROJECT
(As of January 13, 2016)

<u>Date</u>	<u>Activity</u>
Completed	Work Order signed for feasibility study
Completed	Request for \$60,000 SPWF TA Grant
Completed	Request for \$87,880 Google Wi-Fi/Fiber Grant
Completed	Preliminary Construct Cost estimate
Dec. 11, 2015	Draft Business Plan submitted to Board
Dec. 16, 2015	Letters of Intent from Consumers
Dec. 16, 2016	Maupin City Council Approves IGA with QLife and grant and loan applications
Jan. 7, 2016	Project Agreements Approved
Jan. 14, 2016	Revised Business Plan submitted to Board for Review
Feb1, 2016	Service Agreement signed with Level 3 for Transport Service
Feb. 1, 2016	Agreement with Business Oregon for \$410,000 Regional Solution Grant Signed
Feb. 1, 2016	SPWF-TA Grant for Engineering Approved
Feb. 25, 2016	Agreements with ISPs to purchase services
Feb. 25, 2016	Agreements with ISP who will operate Maupin system
April 30, 2016	Project Design Completed
May 1, 2016	Bids Process Implemented
May 26, 2016	Bid Awarded
June 2016	Construction Starts

Sept., 2016 Construction Completed

DRAFT BUDGET:**MAUPIN BROADBAND PROJECT
(As of January 13, 2016)**

REVENUES	AMOUNT
SPWF-TA Grant (85%) (pending)	\$ 59,382
Google Grant	\$ 87,880
Regional Solutions Grant (SPWF loan)	\$ 410,000
QLife	\$ 0
TOTAL REVENUE	\$ 557,262
EXPENDITURES	
QLife Project Administrative Costs	\$ 25,000
Conceptual, Preliminary & Final Engineering and Permitting	\$ 69,862
Construction Engineering Services	\$ 11,446
Equipment For Level Three Connection	\$48,186
POP Facility and Level 3 Connection	\$109,329
Maupin Fiber Middle Mile Build	\$195,903
Contingency	\$34,656
Public Wi-Fi Equipment & Installation	\$ 20,400
3 Year Wi-Fi Maintenance/Operation and Internet Costs	\$ 42,480
TOTAL EXPENDITURES	\$ 557,262

QUALITYLIFE NETWORK INTERGOVERNMENTAL AGENCY POLICY
Maupin Project Financial Priorities for Fiscal Year 2016-17

Purpose:

The purpose of this policy is to establish a prioritization of expenditure of funds for QLife's Maupin Project prior to each Fiscal Year's budget preparation.

Primary objective:

The primary objective is to provide general direction for the QLIFE Budget Committee in establishing the annual budget and to make public the general intentions of QLIFE in regard to its' Maupin Project.

Section I.

Policy

It is the policy of the QLIFE Board that expenditures of revenue not *specifically* committed to another purpose through grant or loan agreements or other contractual obligations shall be budgeted in the following priority:

- A. Routine Costs:
 - 1. Normal maintenance and operating costs of the Maupin Project as determined through the appropriate budget process.
 - 2. Purchase of one (2) gig of long haul transport between the Maupin and The Dalles POPs.
 - 3. Amounts needed for annual debt retirement responsibilities of the Agency including any loans from QLife's other Funds.
 - 4. A contingency equal to 10% of the Middle Mile maintenance and operations budget.

- B. Discretionary Costs:
 - 5. A Right of Way fee payment to the City of Maupin equal to 3% of the gross Middle Mile Revenue.
 - 6. A lease payment to the City of Maupin for the POP site, equal to an annual amount of \$0.21 per square foot.
 - 7. Payment to the QLife Operating fund for Administrative, Financial and Legal services for the Maupin Project.
 - 8. A reserve equal to the initial cost to build the Maupin System.

Section II.

Amendment of this policy

This policy may be amended at any time by action of the Board.

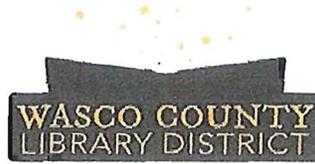
Section III.

Conflict with annual budget process

If anything in this policy conflicts with the annual budget process as outlined in the Intergovernmental Agreement (IGA), the IGA will take precedence. The partners to this agreement may approve an initial budget and work scope or an amended budget and work scope that varies from this policy by an affirmative majority vote of the Boards of all partners.

Amended and approved by QLife Board February 25, 2016

Erick Larsen, QLife President



November 20, 2015

It is my pleasure to write a letter in support of a proposal that expands the QLife fiber optic network resulting in the The Dalles-Wasco County Library and Southern Wasco County Library (Maupin) being more effectively connected.

The library is a dynamic knowledge center where the librarian and users exchange ideas. It is a healthy "space" where ideas flourish, live, grow and are even protected. Ideas prosper while those that come into contact with them learn, carry them in their minds as memories and behaviors, and share or teach them to the rest of our community. The library is important because it affects cultures, innovation and individuals. It is a safe place for children, families and elders to expand imagination and explore the intellect. It serves as a refuge for young people to read and study. It is a technology and activity hub. A QLife fiber optic network reaching to Maupin would amplify these many benefits that our libraries produce.

A more robust ability to communicate with the library in Maupin enhances the Wasco County Library Service District's capacity to serve its community. For example, more collaboration through story times, early literacy activities, book club discussions, STEM learning and chess instruction could occur for patrons in southern Wasco County at the hand of instructors from The Dalles Library. Continuing education and professional development between the library staffs in The Dalles and Maupin would be augmented. Brawny connectivity can only buttress the Maupin and The Dalles libraries as they nourish their communities.

In closing, I would like to say I'm proud The Dalles-Wasco County Library and the Southern Wasco County Library have embraced the QLife proposal for magnifying the fiber optic network. Any technology upgrades that can help folks reach their full potential should be encouraged.

Sincerely,

Jeff Warronek

Library Director
Wasco County Library Service District

received
5-28-15



CITY OF MAUPIN

Frank Kay
Mayor

P.O. Box 308
408 Deschutes Avenue
Maupin, OR 97037
Tel: 541-395-2698
Fax: 541-395-2499
E-mail: maupincity@centurytel.net

May 27, 2015

Erick Larson, President
Board of Directors
Q-Life Network
313 Court Street
The Dalles, OR 97058

We have learned that the QualityLife Intergovernmental Agency is working on a project to provide access to Bonneville Power Administration fiber for improved broadband service here. The Agency, also known as Q-Life Network, hopes to substantially increase the quantity and quality of broadband telecommunications service in Maupin and other communities in south Wasco County.

We strongly support this effort, and offer this letter as an expression of our intent to utilize that broadband when it becomes available. Recognizing that Q-Life Network is a "middle-mile" provider, and that we will continue to receive service from existing "last-mile" providers such as CenturyLink and GorgeNet, we will be asking those providers to take advantage of this new broadband service.

In the event our current provider is unwilling or unable to connect us through Q-Life Network, it is our intention to seek a provider who will. This project is one that will be of great benefit to the economy and future of Maupin and south Wasco County, and it is our strong desire that it be successful.

Sincerely,

Frank Kay
Mayor

*And we'll certainly use this
service in our new library
when it is built!*

City of Maupin

MOVING MAUPIN FORWARD

In 2004, the small, rural city of Maupin (population 420) engaged a professional facilitator to craft a citizen-driven Strategic Plan. A vision statement and a multi-faceted plan with specific goals & action steps was produced over several months of meetings involving over 80 citizens and community leaders.

“We are a safe, progressive community that cares for citizens & visitors while protecting our natural resources and maintaining our rural heritage.”

Since 1992, we have added 39 new homes that now represent about 60% of our residential property taxes. These homes are occupied by “new citizens” that have brought significant personal and professional assets to Maupin. These new people were attracted here by our community values & vision, and our potential to be a great, special, “cool” place to live.

The Strategic Plan included key facets to make our small city a strong, quality-of-life community. Over the past 12 years, we have achieved the following goals to advance our town.

- Developed, funded, and constructed a nice assisted living facility that allows local aging residents to live near friends/family instead of having to move 50-150 miles away.
- Created and passed the White River Health Taxing District, and built/staffed the Deschutes Rim Health Clinic, providing the only medical care in our South County region.
- Planned and executed the “Main Street” (Deschutes Avenue/ Hwy 197) project, creating a new, attractive streetscape with ODOT & Stimulus funds (we were “ready to go” with plans in place, including some local match for this \$2.6 Million project).
- Developed and implemented a Micro-Enterprise Facilitation Program (in cooperation with several small cities, nearby counties, and the tribes) that resulted in three new businesses, including a fabulous, modern grocery store.
- Completed re-zoning of some idle industrial land over-looking the Deschutes River into prime residential sites (12 new homes and counting).
- Developed and passed a Wasco County Library Taxing District to support 3 libraries, one of which is in Maupin. Our Library currently has over 700 members, about 25% of South County residents.
- Passed a Transient Lodging Tax (on hotel stays in Maupin) producing \$60,000 annually to fund an effective Maupin Area Chamber of Commerce.
- Developed and conducted a signature community event (RiverFest).
- Currently in the final phase of raising \$125,000 for a “local match” to construct a new modern Southern Wasco County Library (\$1.2 Million project funded by library grants) to replace our “smallest in the state” inadequate library. We’ve raised about \$90,000 from 72 donors, and hope to raise another \$30,000-\$50,000 during the general campaign now in process.

- We will probably construct a new City Hall as part of the Library Project, creating a “civic center”.
- We are aggressively seeking to expand internet services in Maupin and South County- for our Library, Schools, City Hall, businesses, and citizens- connecting us to the rest of the world!
- Next on our horizon is planning and developing a “Town Square” park on recently donated land in down town Maupin, not only for our citizens, but for the 80,000+ visitors each year.
- We are beginning the planning process for creating a “community center”, perhaps in the current, moribund American Legion Hall.

The above vision, plans, & execution demonstrates Maupin’s energy and success in developing a great little city that people like to live in and visit. Completion of the current Library/ City Hall Project with ultra high speed fiber internet service is critical to our continued success.

QLife Administrator's Report: January 14, 2016

Maupin Regional Solutions (RS) Project (Goal #1 Objective 1): During December I spent about 53% of my time on this project. During the first two weeks of January I have spent 58% of my time on the Maupin Project. On January 20th prior to the meeting on the 21st I will send you a copy of my January time sheet to that date. Attached is an updated Business Plan. In executive session we will talk about our different negotiations for this project. In open session we have a separate agenda item to further discuss this project and its progress. The attached Administrative Projects work plan has more detail on this projects activities.

Service Orders: No new Service Orders since our report at the meeting on January 7th.

QLife Strategic Plan: President Larson and I have prepared a prioritized Strategic plan which is on this agenda for consideration. It first lists our goals in a recommended priority than line list a prioritized list of our 7 goal objectives for 2016. Attached is the Administrator's current work plan that reflects these priorities. The work plan identifies those items I plan to complete in the remaining time on my contract and items needing action from your next Administrator.

Administrative Services (Goal #2, Objective 2): The packet for the January 21st meeting includes a Staff Report on this item which is an action item on the agenda.

Capital Improvement Plan (Goal #3, Objective 5): A request for information has been sent to Engineering and Technical Staff.

Rates (Goal #4, Objective 3): This is also an action item on the January 21st meeting. A staff report with attachments is included in the agenda packet.

Fiscal Year 2016-17 Budget (Goal #4): I have completed draft Financial Priorities for both the regular QLife Funds and the new Maupin Fund. When we have adopted the supplemental budget on January 21st I will get updated Budget work sheets from finance.

QLife Administrative Projects

(January 14, 2016)

I. Current Administrator's Projects and Tasks.

Project 1: Maupin Regional Solutions (RS) Project:

Task #1: Obtain approval of IGA with City of Maupin for Project Grants **(Done)**

Task #2: Finalize Business Plan (January 21st)

- Negotiate with Level Three for Fiber connection in Maupin:
- Update Conceptual Design and Cost Estimate for Level Three connection.
- Update Budget for Level Three connection.

Task #3: Draft Agreement with City of Maupin for lease of Collocation Hut (POP) site and use of ROW. (Completed; approval pending).

Task #4: Draft Agreements with ISPs including Fee model (Completed; approval pending).

Task #5: Obtain final approval and sign contracts for SPWF-TA and Regional Solution Grants (Feb. 25th)

Task #6: Pole Contact Agreement with Waco Electric Cooperative (February 25th) (Keith)

Task #7: Finalize Use Agreements with ISPs and an agreement with one of the ISPs for operation of the System (Feb. 23th)

Task #8: Sign contract for and start final design and construction documents (January 2016).

Project 2: QLife Strategic Plan:

Task #1: Board adopts mission Statement and prioritized goals and objectives. (Jan. 21)

Project 3: Review current Pricing Models and determine if amendments are needed.

Task # 1: Draft Resolutions for Rates and NRC costs **DONE**

Task #2: Obtain Board approval (Jan. 21st)

Project 4: Develop plan for Administrative services and pursue plan.

Task #1: Identify options **DONE**

Task #2: Prepare work scope for new administrator **DONE**

Task #3: Obtain direction from Board (Jan. 21st)

Task #4: Obtain new Administrator (Feb./March)

Project 5: Consider policy regarding balance between system reserves and potential distribution to partners.

Task #1: Develop information on historic trends for 5 years. (Jan.)

Task #1: Develop alternative models. (Feb.)

Project 5: FY 2016-17 Draft Budget (Jan/Feb)

Task #1: Prepare Draft Financial Priorities. **Done**

Task #2: Prepare Draft Budget numbers.

Task #3: Prepare Draft Budget Document

II. New Administrator's Projects and Tasks.

Project #1: Maupin Regional Solutions (RS) Project:

Task #1: Handle all Grant administration and draw downs for State of Oregon grants in Coordination with Maupin..

Task #2: Monitor Engineering for Design and Construction.

Task #3: Final design and construction documents (Erik Orton by April 2016).

Task #4: Build system. Erik Orton Project Management (May – Sept. 2016).

Project 2: Consider policy regarding balance between system reserves and potential distribution to partners. (April)

Task #1: Review work done by prior Administrator.

Task #2: Identify alternatives and make recommendation to Board.

Task #3: Board adoption Policy that is used to help set financial priorities for Budget

Project 3: Develop a capital improvement plan (CIP)that looks at equipment replacement, system weaknesses and opportunities for expansion. (April)

Task #1: Request to project Engineer and Technical Staff for information on needs. **DONE**

Task #2: Review needs and develop a recommend list

Task #3: Compare list to projected resources over the next five (5) years and prepare a Five (5) year CIP.

Task #4: Present prioritized list and CIP to Board for consideration (April)

Project 4: New Collocation Space: (April)

Task#1: Identify options

Task #2: Determine feasibility of each option and develop concepts and budgets as appropriate

Task #3: Present Recommendation and alternatives to Board for consideration

Task #4: Develop time line and budget for pursuit of preferred option

Project 5: Final Approved Budget.

Task #1: Amend draft budget in response to projects 2,3 and 4 (May 2016).

Task #2: Budget committee approval (May)

Task #3: City and County Approval (June)

Task #4: Board Adoption (June 23rd)

Project 6: Review contracts for other services and consider changes.

Task #1: Engineering.

Task #2: Network Technical Operation.

Task #3: Outside plant maintenance and construction.

III. Optional Projects:

Project #1: Identify Cost to place Insurance Outdoor Plant.

Project #2: Review current Policies and bring in line with new Mission Statement, Values and pricing models.

Aristo Networks LLC
Technical Management Report
By
John Amery
1/13/2016

Items of Discussion:

- There were no system issues this month