

AMENDED AGENDA

City of The Dalles
City Council Meeting
September 28, 2015

The September 28, 2015, City Council meeting agenda will be amended by adding the following item to Action Items:

11, G Consider Options to Provide Administrative Services to QLife Agency



Julie Krueger, MMC, City Clerk



CITY of THE DALLES

313 COURT STREET
THE DALLES, OR 97058

PH. (541) 296-5481
FAX (541) 296-6906

AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
September 28, 2015	Action Items 11, G	

TO: Honorable Mayor and City Council

FROM: Julie Krueger, CMC, City Clerk

DATE: September 21, 2015

ISSUE: Consider Options to Provide Administrative Services to QLife Agency.

BACKGROUND: I attended the special QLife Agency Board meeting on September 18. The Board discussed the future administration, due to the termination of City Manager Nolan Young, who has been providing the administration for QLife. The Agency directed their attorney to draft a proposed contract for transitional services until the City could determine how we can provide the service. For the immediate time, their Board authorized the QLife President to work with clerical staff and John Amery to tend to immediate issues.

The City has an Agreement with QLife Agency to provide administrative services to QLife, including financial, clerical and administration. The agreement is attached for review. Also attached, is billing information for the first two quarters of 2015 to provide you with an example of what the City receives for the services. The City also receives \$1,938 in rent each quarter, which is included in the invoice information. As background information, the agreement between the City of The Dalles and Wasco County, creating the QLife Agency is also attached.

The City Council should consider how to continue providing administrative services. A staff person could be assigned to perform this function. At this time, I have not been able to identify a staff person to serve in this capacity. If the City Council determines there is not a qualified or available individual, other options should be considered.

One option is to amend the agreement and ask QLife to provide their own administrative services, but have the City continue to provide financial and clerical support.

Another option is to terminate the agreement and ask QLife to provide all of the services provided in the agreement.

The next QLife Agency Board meeting is scheduled for September 30. I will attend the meeting and present any proposals or decisions you make.

BUDGET IMPLICATIONS: None at this time. If the services were no longer provided by the City, revenues would decrease.

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
QUALITYLIFE NETWORK INTERGOVERNMENTAL AGENCY (QLIFE)
AND
CITY OF THE DALLES (CITY)**

Recitals:

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

NOW, THEREFORE, the parties agree as follows:

Section I: City Duties: In consideration of the compensation to be paid to the City under Section II, the City agrees to provide the following services upon request from designated QLife officials:

A. Financial Accounting Services as follows: At the same standard the City provides for its own Fund accounting.

1. Budgeting – All activities required by the State of Oregon budget law including preparation of the annual budget and submittal to the QLife Board of monthly budget report showing expenditures and revenues.
2. Purchasing and contractual duties as required by the Agency's Contract Review Board Rules.
3. Accounts Payable – a minimum of twice a month payments.
4. Accounts receivable including monthly billing of customers.
5. General ledger accounting.
6. Assist Auditor with annual audit as outlined in the Agreement between the City and its Auditor for the QLife audit, which is attached as Attachment A.

B. Secretarial Services – Attend Board meetings, take minutes, send out necessary meeting notices, prepare documents and correspondence for Board.

C. Administrative Services – QLife shall pay the City for administrative services prior to November 1, 2003 a sum of \$15,000.00; after November 1, 2003, service provided by the City Manager or other paid City officials, on behalf of QLife, excluding attendance at Board meetings, including, but not limited to, preparation of QLife documents, correspondence, meetings, working with other QLife contractors, customers and others, responding to inquiries by e-mail, telephones, or in person.

QLife's reimbursement for administrative services will not include time City staff spends looking out for the interest of the City by reviewing documents for the City, attending meetings for the City, and preparing reports and information on QLife issues for the City Council.

D. CITY shall submit bills to QLife quarterly with amounts described in Section II A & B.

E. CITY shall be reimbursed for amounts described in Section I, C and will be payable, no later than November 1, 2005 and thereafter, quarterly.

Section II: QLife Duties: In consideration of the services provided by CITY and QLife agrees as follows:

- A. To compensate CITY for financial and secretarial services based on actual salary paid employee providing the service plus the cost of the following Health Insurance, Retirement, FICA, Workers Comp Insurance and Life Insurance fringe benefits. The City overhead costs or materials will be charged, except for actual postage cost.

- B. All invoices for services will be due and payable within 15 days of the date of the invoice, except that during the initial first year term of this agreement, QLife may request up to a 90 day delay to allow it to accumulate sufficient cash flow resources.

Section III: General Terms:

- A. Term of the Agreement - This contract shall commence upon the first day of the first month (anticipated to be August 1, 2003) that QLife will be providing services to customers, and the initial term of the contract will continue until June 30, 2004. Thereafter, this contract will be renewed on an annual basis beginning with the term that will commence on July 1, 2004, unless either party provides written notice of intent to terminate this contract at least sixty (60) days prior to June 30th of each year thereafter. The contract may also be terminated at any time by mutual agreement of both parties.
- B. Assignment - The responsibility for performing the services under the terms of this agreement shall not be assigned, transferred, delegated, or otherwise referred by the CITY to a third party without prior written consent of QLife.
- C. Indemnification - Each party shall hold harmless and defend the other party, its officials, agents, and employees from and against any and all claims, damages, lawsuits, and expenses, including attorney fees, that is the result of an error, omission or negligent act of either the City or QLife arising from the performance or non-performance of any of their respective duties set forth in this agreement.
- D. Attorney fees. If by reason of any default on the part of either QLife or the City, litigation is commenced to enforce any provision of this agreement or to recover for a breach of any provision of this agreement, the prevailing party shall be entitled to recover from the other party, in addition to costs and disbursements, reasonable attorney fees in such amount as is fixed by the court.
- E. Notices - All notices required to be given under this agreement as required by law shall be in writing and delivered to the parties that follow:

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

City Manager, City of The Dalles
313 Court Street
The Dalles, OR 97058

- F. Applicable laws - The laws of the State of Oregon shall be used in construing this Agreement, including determinations concerning the enforcement of the respective rights and remedies of the parties.
- G. Merger - There are no other undertakings, promises, or agreements either oral or in writing other than that which is contained in this agreement. Any amendments to this agreement shall be in writing and executed by both parties.

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

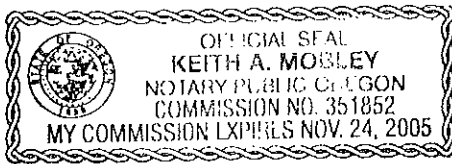
IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth opposite their names below.

QualityLife Intergovernmental Agency

[Signature] 10/14/03 [Signature] 10/14/03
Dan Ericksen, President Date Susan Gearhart, Secretary Date

STATE OF OREGON)
) ss.
County of Wasco)

SIGNED OR ATTESTED before me this 14th day of October, 2003, by Dan Ericksen and Susan Gearhart.

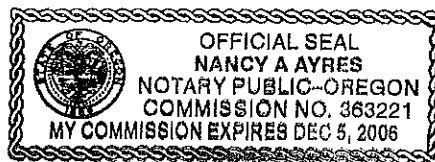


[Signature]
Notary Public for Oregon
My Commission Expires: 11/24/05

CITY OF THE DALLES

[Signature]
Robb E. Van Cleave, Mayor
City of The Dalles

Date: October 20, 2003



STATE OF OREGON)
) ss.
County of Wasco)

SIGNED OR ATTESTED before me this 20th day of October, 2003, by Robb E. Van Cleave, Mayor, City of The Dalles.

[Signature]
Notary Public for Oregon
My Commission Expires: 12/5/06

Approved as to form:

QLIFE

Keith P. Mobley 10/14/03
Keith Mobley, Agency Attorney Date

CITY OF THE DALLES

Gene E. Parker 10-20-03
Gene Parker, City Attorney Date

**City of The Dalles
Invoice to QLife
2nd Quarter 2015**

1. RENT AT CITY HALL and Public Works Facility

Months of April, May, June

\$1,938.00

2. CITY SERVICES

\$6,963.40

Detail: Billed Services

MONTH	FINANCIAL	SECRETARIAL	OTHER	ADMIN	TOTAL
Apr-15	\$468.59	\$579.08		\$ 892.81	\$1,940.48
May-15	\$447.24	\$541.72		\$ 2,010.85	\$2,999.81
Jun-15	\$570.56	\$653.80		\$ 798.75	\$2,023.11
TOTAL:	\$1,486.39	\$1,774.60	\$0.00	\$ 3,702.41	\$6,963.40

Total: 8,901.40

Acct# 600.6000.660.44.10

Amount \$1,938.00

Approved by _____

Acct# 600.6000.660.31.10

Amount \$6,963.40

Approved by _____

For the Month of April 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	5.50	318.29
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	3.00	109.56
Finance Total:				468.59
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	15.50	579.08
			0.00	0.00
Clerical Total:				579.08
Administrative				
	Nolan Young	88.75	7.00	621.25
	Daniel Hunter	22.63	12.00	271.56
	Jim Schwinof	44.27		0.00
Admin Total:				892.81

TOTAL VALUE: 44.00 1,940.48

For the Month of May 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	4.50	260.42
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	4.00	146.08
Finance Total:				447.24
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	14.50	541.72
			0.00	0.00
Clerical Total:				541.72
Administrative				
	Nolan Young	88.75	21.00	1,863.75
	Daniel Hunter	22.63	6.50	147.10
	Jim Schwino	44.27		0.00
Admin Total:				2,010.85

TOTAL VALUE: 51.50 2,999.80

For the Month of June 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	6.00	347.22
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	5.00	182.60
Finance Total:				570.56
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	17.50	653.80
			0.00	0.00
Clerical Total:				653.80
Administrative				
	Nolan Young	88.75	9.00	798.75
	Daniel Hunter	22.63		0.00
	Jim Schwinof	44.27		0.00
Admin Total:				798.75

TOTAL VALUE: 38.50 2,023.11

**City of The Dalles
Invoice to QLife
1st Quarter 2015**

1. RENT AT CITY HALL and Public Works Facility

Months of **January, February, March**

\$1,938.00

2. CITY SERVICES

\$5,429.78

Detail: Billed Services

MONTH	FINANCIAL	SECRETARIAL	OTHER	ADMIN	TOTAL
Jan-15	\$294.98	\$410.96		\$ 1,579.30	\$2,285.24
Feb-15	\$331.50	\$523.04		\$ 399.38	\$1,253.92
Mar-15	\$447.24	\$429.64		\$ 1,013.74	\$1,890.62
TOTAL:	\$1,073.72	\$1,363.64	\$0.00	\$ 2,992.42	\$5,429.78

Total: 7,367.78

Acct# 600.6000.660.44.10

Amount \$1,938.00

Approved by _____

Acct# 600.6000.660.31.10

Amount \$5,429.78

Approved by _____

For the Month of January 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	2.50	144.68
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	3.00	109.56
Finance Total:				294.98
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	11.00	410.96
			0.00	0.00
Clerical Total:				410.96
Administrative				
	Nolan Young	88.75	15.50	1,375.63
	Daniel Hunter	22.63	9.00	203.67
	Jim Schwinof	44.27		0.00
Admin Total:				1,579.30

TOTAL VALUE: 42.00 2,285.23

For the Month of February 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	2.50	144.68
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	4.00	146.08
Finance Total:				331.50
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	14.00	523.04
			0.00	0.00
Clerical Total:				523.04
Administrative				
	Nolan Young	88.75	4.50	399.38
	Daniel Hunter	22.63		0.00
	Jim Schwinof	44.27		0.00
Admin Total:				399.38

TOTAL VALUE: 26.00 1,253.91

For the Month of March 2015

ACTIVITY	EMPLOYEE	RATE	HOURS	VALUE
Finance				
	Kate Mast	57.87	4.50	260.42
	Janet Bloom	40.74	1.00	40.74
	Lisa Rowland	36.52	4.00	146.08
Finance Total:				447.24
Clerical				
	Julie Krueger	61.56	0.00	0.00
	Izetta Grossman	37.36	11.50	429.64
			0.00	0.00
Clerical Total:				429.64
Administrative				
	Nolan Young	88.75	9.00	798.75
	Daniel Hunter	22.63	9.50	214.99
	Jim Schwinof	44.27		0.00
Admin Total:				1,013.74

TOTAL VALUE: 39.50 1,890.61

**AMENDED INTERGOVERNMENTAL AGREEMENT FOR
THE QUALITYLIFE INTERGOVERNMENTAL AGENCY**

AN INTERGOVERNMENTAL AGREEMENT CREATING THE QUALITYLIFE INTERGOVERNMENTAL AGENCY (Agency) was entered into effective July 16, 2001 by and between the following parties: the Northern Wasco County People's Utility District, an Oregon PUD formed under ORS Chapter 261 ("NWPUD"); the Port of The Dalles, an Oregon municipal corporation formed under ORS Chapter 777 ("Port"); Wasco County, a political subdivision of the State of Oregon formed under the Oregon Constitution and ORS Chapter 203 ("County"); and the City of The Dalles, Oregon, an Oregon municipal corporation ("City"). That original agreement was subsequently amended to allow the withdrawal of NWPUD and PORT, and in certain other particulars as detailed in a document approved by County and City and on file with City and County. Those amendments, including deletions resulting from the withdrawal of NWPUD and Port, are reflected in this agreement. City and County are referred to herein individually as a "Party" and collectively as the "Parties").

RECITALS:

1. WHEREAS, the Parties hereto are authorized to enter into this Agreement creating an intergovernmental agency pursuant to their respective principal acts and ORS 190.003 to 190.265;
2. WHEREAS, the County is engaged in the provision of general local governmental services within Wasco County;
3. WHEREAS, the County operations require telecommunications capabilities for the efficient provision of local governmental services;
4. WHEREAS, the County further desires to promote economic and community development within Wasco County and the Mid-Columbia Gorge community through the development of telecommunications infrastructure and related programs;
5. WHEREAS, the City is engaged in the provision of general local governmental services within Wasco County;
6. WHEREAS, City operations require telecommunications capabilities for the efficient provision of local governmental services;
7. WHEREAS, the City further desires to promote economic and community development within Wasco County and the Mid-Columbia Gorge community through the development of telecommunications infrastructure and related programs;
8. WHEREAS, the Parties intend to further the economy and efficiency of their respective units of local government by forming an intergovernmental agency;

9. WHEREAS, pursuant to ORS 190.010, an intergovernmental agency may perform any or all functions and activities that a Party to an Agreement, or its officers or agencies, has the authority to perform;
10. WHEREAS, the Parties intend to use any authority delegated to the Qualitylife Intergovernmental Agency (as defined herein) to further the economy and efficiency of each Party by the design, construction, ownership, operation and maintenance of a telecommunications network for the benefit of Wasco County and the Mid-Columbia Gorge community;
11. WHEREAS, each of the Parties has taken all actions required under applicable acts, charters and law to authorize the execution and performance of this Agreement;
12. WHEREAS, the Parties intend by this Agreement to set forth the authority, terms, and conditions pursuant to which the Qualitylife Intergovernmental Agency will act;

NOW, THEREFORE, THE CITY AND COUNTY (PARTIES) agree as follows:

ARTICLE I QUALITYLIFE INTERGOVERNMENTAL AGENCY

1.1 Creation of Agency, IGA Amendments. There is hereby created the Qualitylife Intergovernmental Agency ("Qualitylife Intergovernmental Agency" or "IGA"). The parties to IGA are now the County and the City. The Port of The Dalles withdrew effective June 20, 2002, and the Northern Wasco County People's Utility District withdrew effective January 29, 2003. The parties to the IGA hereby ratify, confirm and approve those withdrawals, which were effective immediately, by agreement of the Parties. The parties to the IGA after the adoption of this first amendment to the IGA are the County and the City. The second amendment to the IGA was adopted by the County and City in 2010 to add the manager as an authorized signer under section 2.2.3 below.

1.2 Effective Date. The effective date of this Agreement is July 16, 2001.

1.3 General Powers. The IGA shall have the following general powers:

1.3.1 To adopt, through action of its Board (as defined herein), such bylaws, rules, regulations, and policies necessary to further the purposes of this Agreement;

1.3.2 To study the best method to design, construct, own, operate and maintain a telecommunications network for the benefit of Wasco County and the Mid-Columbia Gorge Community;

1.3.3. To perform and exercise, pursuant to the principal acts of the Parties or by ORS

190.003 to 190.265, all powers pursuant to applicable charter, ordinance, or state or federal law which are necessary or desirable to efficiently and effectively design, construct, own, operate and maintain a telecommunications network for the benefit of Wasco County and the Mid-Columbia Gorge community.

1.3.4 To purchase, own, hold, appropriate, and condemn land, facilities, or right of way either in its own name or in the name of the individual Parties hereto in furtherance of the construction, ownership, operation or maintenance of a telecommunications network for the benefit of Wasco County and the Mid-Columbia Gorge community.

1.3.5 To enter into agreements with other public or private entities for the purpose of design, construction, ownership, operation or maintenance of a telecommunications network in Wasco County and the Mid-Columbia Gorge community.

1.3.6 To issue, sell or otherwise dispose of bonds, securities, or other forms of indebtedness, including the power to issue revenue bonds under ORS 288.805 to ORS 288.945;

1.3.7 Revised. To adopt and implement an annual budget. The adoption of an annual budget shall require the approval of the Board and the parties to this agreement at the time an annual budget is proposed. The Board shall provide for an annual work plan and an estimate of expenses for the next fiscal year. Each Party may provide in-kind services to further the purposes of the IGA as each Party deems necessary or desirable. Such in-kind services shall not be reimbursed from the IGA or other Parties, unless otherwise agreed.

1.3.8 To hire and discharge employees, by majority vote of the Board, as is necessary or desirable to economically and efficiently develop and operate the IGA which such authority may be delegated to management of the IGA; and

1.3.9 To exercise all powers pursuant to the applicable acts or law of the individual Parties which are necessary or desirable to economically and efficiently develop and operate the IGA.

1.4 Meetings. Meetings of the IGA shall be conducted in accordance with the provisions of the Oregon Public Meetings Law, ORS 192.610 to 192.710.

1.5 Offices. The principal offices of the IGA shall be located at the City of The Dalles offices, 313 Court Street, The Dalles, OR 97058.

1.6 Fiscal Year. The fiscal year for the agency shall be July 1 through June 30.

1.7 Several Liability. Unless as otherwise expressly agreed in writing, there shall be no joint and several liability of the Parties either in contract or tort and all obligations of the IGA or the Parties shall be several only. Without limiting the foregoing, no Party to the IGA shall be liable for damages, debts or claims caused solely by the negligent act, omission or other wrongful act by the IGA or other Parties. The Party causing damage by its sole negligent act, omission or

wrongful act shall be individually liable.

ARTICLE II GOVERNANCE AND MEMBERSHIP

2.1 Revised. Board of Directors. The IGA shall be governed by a Board of Directors ("Board"). The governing body of each Party shall appoint two representatives to the Board.. Representatives shall serve at the pleasure of their respective governing bodies. The representatives appointed by the Parties to the IGA shall appoint a fifth member to the Board. The fifth member of the Board shall serve at the pleasure of the members appointed by the Parties to the IGA. In the event of a vacancy, the governing body of the Party that appointed the departed representative shall appoint a successor. In the event of a vacancy in the fifth position, the Board shall appoint a replacement. The Board shall have the authority to create such committees and subcommittees as it may deem helpful in providing advice and assistance to the Board.

2.2 Officers. After the effective date of this Agreement, the Board shall elect from its membership a President, a Vice President, and a Secretary/Treasurer (collectively, the "Officers") who shall serve a term consisting of the remainder of 2001 and the following calendar year. Thereafter, annually, at the beginning of each calendar year, the Board shall elect from its membership Officers who shall serve as a term of one (1) year. Officers shall serve at the pleasure of the Board or until their successor shall be appointed and take office.

2.2.1 Duties of President. The President shall preside at all meetings of the IGA and shall submit such recommendations and information as she or he may determine appropriate to discuss at the IGA meeting. The President shall perform the duties and responsibilities of the IGA in accordance with the obligations and limitations set forth in this Agreement. The President shall not otherwise hold herself or himself out to have the authority to bind the members of the IGA to any financial or other obligations.

2.2.2 Duties of Vice President. The Vice President shall perform the duties of the President in the absence or the incapacity of the President. In the case of the resignation or the death of the President, the Vice President shall perform the duties of the President until such time as the Board shall elect a new President.

2.2.3 Revised. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes and the official records of the IGA and perform such other duties required of a Secretary/Treasurer. The Secretary/Treasurer shall be responsible for the fiscal administration of all funds of the IGA. The Secretary/Treasurer may delegate the administrative functions of her or his office to another person or persons who need not be on the Board. All checks drawn upon the accounts of the IGA are required to have two co-signers. The co-signers may be any of the following: the Secretary/Treasurer, the President, the Vice President, or the person selected by the board of directors to serve as manager or administrator for the IGA.

2.2.4 Additional Duties. The Officers of the IGA shall perform such other duties and functions as may from time to time be required by the IGA bylaws, or other rules and regulations.

2.3 Voting Rights. Except as otherwise expressly provided in this Agreement, the Board shall exercise its voting rights in the following manner:

2.3.1 Manner of Acting. A majority vote of the Board shall be necessary to decide any issue except that a unanimous vote of the Board shall be required to decide financial matters described in Section 2.3.2, for the addition of new members pursuant to Section 2.3.3, for the acceptance of or amendment to the scope of work pursuant to Sections 2.5.1 and 2.5.2, and for the dissolution of the IGA pursuant to Section 3.1;

2.3.2 Financial Matters. Any decision of IGA involving the approval of the annual budget, the procurement of goods or services outside the adopted budget, or the incurrence of any financial obligation, including the issuance or sale of bonds, securities or other forms of indebtedness, exclusive of expenditures within the budget, shall require the affirmative authorization of each individual Party to be bound, such authorization to be expressed by resolution, ordinance or other binding commitment of the Party's governing body. Parties not affirmatively authorizing such actions shall in no instances be liable. The procurement of goods and services outside the budget shall be performed by resolution or separate agreement which specifies (1) the apportionment of fees, costs, or revenue derived from the functions and activities; and (2) the manner in which such revenue shall be accounted for. Such resolution or separate agreement may or may not involve the participation of the IGA; however, such participation of the IGA shall not create liability for a Party that has not affirmatively authorized such action;

2.3.3. New Members. The Board may authorize a new Party to join the IGA only if approved by a unanimous vote of the Board;

2.4 Insurance. The IGA shall provide for adequate insurance to cover the directors, officers, employees, staff, agents and activities undertaken by the IGA.

2.5 Scope of Work. A scope of work shall be presented for each specific task or project, not previously approved and adopted in the budget, to be undertaken by the IGA. The scope of the work shall contain a reasonably detailed description of the activities to be undertaken by IGA, a description of any necessary contractual arrangements, an itemization of the costs to be incurred in pursuing these activities, an allocation of costs, in-kind services and ownership interest in the Project among the participating Parties, a plan for project governance, an estimate of the expected revenues from such activities and an allocation of such revenues among the participating Parties.

2.5.1 Acceptance. Each scope of work shall be negotiated on a case-by-case basis and if approved by each Party shall be attached as an addendum to this Agreement.

2.5.2 Amendments. No change in a scope of work shall occur without each Party's written consent.

ARTICLE III TERM AND TERMINATION

3.1 Term. The term of this Agreement shall be perpetual unless, by a unanimous vote, the Parties act to dissolve the IGA.

3.1.1. Dissolution. Upon dissolution, each Party to the IGA on the date of dissolution shall remain liable solely for its individual share of any IGA expenditure that has been specifically incurred by the Party in accordance with the terms of this Agreement or by other resolutions or separate agreements of the Party. Upon dissolution, the assets of the IGA shall be distributed to the members on the basis of the rights and obligations of each party to the assets held as of the date of the dissolution.

3.2 Voluntary Withdrawal by a Party. Any Party may elect to terminate their participation in this Agreement and withdraw from the IGA by giving written notice to the President and each member of the IGA. Withdrawal shall be effective forty-five (45) days from the date of notice. The withdrawing Party shall continue to pay its apportioned share of, or be responsible for, any debt attributable to that Party incurred prior to the Party's written notice of withdrawal, and shall hold harmless the remaining Parties and the IGA for those financial responsibilities and obligations attributable solely to the withdrawing Party.

ARTICLE IV DISPUTE RESOLUTION

4.1 Dispute Resolution. If a dispute arises between the Parties or between the IGA and the Parties regarding breach of this Agreement or interpretation of any term of this Agreement, the Parties shall first attempt to resolve the dispute by negotiation, followed by binding arbitration if negotiation fails to resolve the dispute.

4.1.1 Negotiation. The Board Member or other persons designated by each of the disputing Parties will negotiate on behalf of the Parties they represent. The nature of the dispute shall be reduced to writing and shall be presented to each of the disputing Parties who shall then meet and attempt to resolve the issue. If the dispute is resolved at this step, there shall be a written determination of such resolution, signed by each disputing Party and ratified by the IGA which shall be binding upon the Parties.

4.1.2 Binding Arbitration. If the dispute cannot be resolved by negotiation within forty-five (45) days, the parties shall submit the matter to binding arbitration. The Parties shall attempt to agree on an arbitrator. If they cannot agree upon an arbitrator within ten (10)

days, the Parties shall submit the matter of determining an arbitrator to the Presiding Judge of the Wasco County Circuit Court. The common costs of the arbitration shall be borne equally by the Parties. Each Party must bear its individual costs and fees.

ARTICLE V AMENDMENT

5.1 This Agreement may be amended by mutual written agreement of the Parties, signed by all of the Parties.

ARTICLE VI GENERAL PROVISIONS

6.1 Merger. This Agreement embodies the entire agreement and understanding between the Parties relating to the formation of the IGA hereto and supersedes all prior agreements and understandings relating to the subject matter hereof.

6.2 Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

6.3 Revised. Notice. Any notice herein required or permitted to be given shall be given in writing, shall be effective when actually received, and may be given by hand delivery or by certified mail, first class postage prepaid, addressed to the Parties as follows:

Dan Ericksen, Chairman
Wasco County Board of County Commissioners
Wasco County Courthouse
511 Washington
The Dalles, OR 97058

Nolan Young
City Manager
City of The Dalles
313 Court
The Dalles, OR 97058

6.4 Counterparts. This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, any one of which shall constitute an agreement between and among the Parties.

6.5 First Amendment. The first amendment to the Qualitylife Intergovernmental Agreement was approved by action of the Parties in March 2003.

6.6 Second Amendment. The second amendment to the Qualitylife Intergovernmental Agreement was approved by action of the Parties in June 2010.

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

Wasco County Board of County Commissioners

By: _____ Date: _____, 2010.
Dan Ericksen, Chairman

By: _____ Date: _____, 2010.
Sherry Holliday, Commissioner

By: _____ Date: _____, 2010.
Bill Lennox, Commissioner

STATE OF OREGON)
) ss
County of Wasco)

SIGNED OR ATTESTED before me this _____ day of July, 2010, by Dan Ericksen, Sherry Holliday, and Bill Lennox, Board of County Commissioners, Wasco County.

Notary Public for Oregon
My Commission Expires: _____

City of The Dalles

_____ Date: _____, 2010.
James L. Wilcox, Mayor
City of The Dalles

STATE OF OREGON)
) ss
County of Wasco)

SIGNED OR ATTESTED before me this ____ day of June, 2010, by James L. Wilcox, Mayor, City of The Dalles.

Notary Public for Oregon
My Commission Expires: _____