

Minutes of Regular Board Meeting April 17, 2013

A regular meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Depoe Bay City Hall on Wednesday, April 17, 2013 at 10:00 a.m. PDT. President Abbott called the meeting to order and asked that the roll be called.

Members present: Curt Abbott
Larkin Kaliher
Judy Matheny
Tom Tymchuk
Ron Benfield

Others present: Paul Davies, General Manager
Brian Barth, Accounting & Finance Manager
Julie Brown, Executive Assistant
Wade Carey, Energy Services Administrator
Chris Chandler, Communication, Community & Economic Development Manager
Brandon Hignite, Power Analyst
Dennis Hinton, Customer Service & Energy Services Manager
Bruce Lovelin, Chief Engineer & Systems Engineering Manager
Gary Nieborsky, Distribution, Engineering & Operations Manager
Debra Smith, General Manager, effective July 1, 2013

Staff and Visitors Recognized

President Abbott welcomed staff and visitors to the meeting.

Consent Agenda

The Board took action to approve the following Consent Agenda items as presented:

- a) Minutes of March 20, 2013 Regular Board Meeting
- b) Vouchers for March, 2013
- c) Uncollectibles for March, 2013
- d) Directors' Cash Report dated April 17, 2013

Board Governance Policy
Asset Protection

Mr. Davies reported on the Annual Asset Protection Policy, page 6 of the Board's Governance Policy. He stated that there were no changes to the policy from 2012. (See attached.)

Customer Feedback

Mr. Davies also reported on the Customer Feedback Policy on page 9 of the Governance Policy. Customer Satisfaction Surveys from 1999 through 2012 were compared and discussed.
(See attached.)

Premium Power

Mr. Davies asked Mr. Hignite to recap Central Lincoln's Premium Power Program.

- Mr. Hignite explained that since 2007 Central Lincoln has offered Premium Power for an additional \$5.00 per 250 kWh which Central Lincoln purchases from BPA in the form of EPP. (Environmentally Preferred Power)
- Currently Central Lincoln has banked around 6,611 RECs (Renewable Energy Credits).
- The discussion continued considering three different options.
 - 1) Continue current program and retire the RECS
 - 2) Discontinue the Premium Power Program
 - 3) Procure renewable power from outside the district or generate within

After discussion it was the consensus of the board to continue the current program and to offer customers an option to buy renewable power.

(See attached.)

Operational Facility Upgrades

Mr. Davies stated that the Five Year Capital Plan will be presented in its entirety at the May Board meeting.

- He stated that with the current concern for a Cascadia Subduction quake in the future and the fact that our South Beach facility (including vehicles and equipment) are in a tsunami inundation zone, it is clear that other options need to be considered.
- The upcoming Five Year Capital Plan will reserve future funds for operational facility upgrades and possible land acquisition for relocation options, to address this issue. Mr. Davies asked Mr. Nieborsky to comment.
- Mr. Nieborsky stated that Florence is currently not in an inundation zone but due to its design, it is doubtful that the building would survive a Cascadia quake. Florence has outgrown the facility and has road access problems due to the location.
- The Reedsport facility is totally within the inundation zone for any credible tsunami event. In a large quake there would not be time to move vehicles to high ground.
- The discussion also included review of recent land acquisitions inquiries in the Florence area.
- Establishing a data center in Florence that would mirror the data center in Newport to assure operational capacities for the district in an emergency was also discussed.
- This topic will continue in the coming months.

(See attached.)

May Board Agenda - Newport Office

Board Meeting - 10:00 a.m.	Compensation and Benefits, pg.7, Financial Condition, page 4, Budget/Forecasting, page 3
Consent Agenda -	Minutes, vouchers, petty cash, uncollectibles, and Directors' cash report

Manager's Report

Conservation Presentation

Mr. Carey presented his quarterly Conservation report. He discussed the activity summary as of March 2013 including, incentives claimed to Bonneville Power Administration, customer savings, and aMw savings claimed. He also discussed an Energy Smart Grocer Completed Projects hand-out which identified the customers involved, kWh savings, incentives earned and the date the project was completed.

(See attached.)

Customer Correspondence

Mr. Davies discussed a comment from a customer who was not happy being charged a deposit; and a customer who had health concerns about the new meter that was installed at her home.

(See attached.)

NWPPA Letter

Mr. Davies discussed a draft of a letter written to Northwest Public Power Association which stated concerns about conference locations that are being held in areas not served by public power utilities.

Project Care Update

Ms. Chandler gave a recap on the Project Care/Round Up Program donations from 2005-2013. The results have shown a steady increase in participation over the past three years.

(See attached.)

Identity Theft Prevention

Mr. Barth gave the annual report on the Identity Theft Prevention Program at Central Lincoln. He stated that there had been neither issues nor incidents involving identity theft, nor were there any recommendations for improvement to the program as the current program appears to be sufficient.

(See attached.)

Directors Discussion

Proposal to OPUDA

Mr. Abbott discussed a proposal to the Oregon People's Utility District Association (OPUDA) from Van Heuvelen Strategies LLC to provide strategic guidance as well as scheduling and logistical support for a Washington DC "fly-in" by representatives of the member utilities of OPUDA. The proposal will be presented at the next OPUDA meeting in Salem on April 19th.

(See attached.)

Life Membership Award

Mr. Benfield stated that it was his pleasure to announce that Mr. Paul Davies was going to be a recipient of the Northwest Public Power Association Life Membership Award, to be presented to him at the next NWPPA annual meeting in May.

The meeting adjourned at 11:36

Larkin Kaliher, Secretary

Curt Abbott, President