

## **Minutes of Regular Board Meeting August 20, 2014**

A regular meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Overleaf Event Center in Yachats on Wednesday August 20, 2014 at 12:20 p.m. PDT. President Matheny called the meeting to order and asked that roll be called.

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

Others present: Debra Smith, General Manager  
Brian Barth, Accounting & Finance Manager  
Sunnetta Capovilla, Executive Assistant  
Wade Carey, Energy Services Administrator  
Chris Chandler, Communication, Community & Econ Development Mgr.  
Doug Dawson, IT & Communications Manager  
Brandon Hignite, Power Analyst  
Dennis Hinton, Customer & Energy Services Manager  
Bruce Lovelin, Chief Engineer & Systems Engineering Manager  
Gail Malcolm, Project Manager  
Gary Nieborsky, Distribution, Engineering & Operations Manager  
Sue Tyler, Personnel, Compensation and Benefits Manager

### **Staff and Visitors Recognized**

President Matheny welcomed staff to the meeting

### **Consent Agenda**

The Board approved the following Consent Agenda items as presented:

- a) Minutes of July 23, 2014 Regular Board Meeting
- b) Vouchers for July, 2014
- c) Petty Cash for July, 2014
- d) Uncollectibles for July, 2014
- e) Directors' Cash Report as of July 31, 2014

### **Board Governance Policy**

#### **Financial Condition, pg. 4**

Ms. Smith reviewed the quarterly report on the Financial Condition as required by the Board's Governance Policy. She noted that we are in the process of closing the fiscal year's accounting and preparing for the financial audit. Preliminary figures are available and we have used them to update Year One of the Five Year Financial Plan; which was presented at the April Board meeting as part of the FY-15 Operating Budget approval process.

### **Rate Schedule 200 and 700**

Ms. Smith reviewed proposed rate schedule changes. With final Board approval (in September), Schedules 200 and 700 will be changed as follows effective October 1, 2014:

- Structural change to Schedule 200 which creates more traditional Basic, Energy, and Demand charges
- Proposed fee changes to Schedule 700:
  - Monthly fee for non-broadcasting meters of \$7
  - Higher reconnect fee for non-broadcasting meters of an additional \$50
  - Minimum late payment charge of \$3 or 1.5% on past-due balances over \$50 (whichever is higher).

### **SDIS Best Practices Survey**

The District currently carries workers compensation, property and liability insurance through Special Districts Insurance Services (SDIS). SDIS offers premium discounts based on how well the District scores on a Best Practices checklist. Ms. Smith reviewed the checklist as prepared by Brian Barth, and the Board discussed various questions needing approval necessary to qualify for the premium credits.

### **Serving Central Lincoln's Future Above High Water Mark Load**

Ms. Smith requested that the Board approve the signing of a new contract with Northwest Energy Management Services (NEMS), which needs to be returned by October, for the following reasons:

- Under its current contract with the Bonneville Power Administration (BPA), Central Lincoln can only purchase a limited amount of lowest-cost power (Tier 1)
- NEMS allows smaller utilities to join together to more efficiently find power supplies outside of BPA when the Tier 1 power availability is insufficient
- It is estimated there will be decreased supplies earlier than anticipated due to increased spill for fish (under the new Biological Opinion) and decreased stream flows from Canadian operations

**Motion:** Mr. Kaliher moved and Mr. Tymchuk seconded to approve the signing of a new NEMS contract. **Aye:** Benfield, Kaliher, Tymchuk, Abbott, Matheny.

### **September 17, 2014 Board Agenda – Newport Office**

Board Meeting -	10:00 a.m.	Resolution adoption for rate Schedules 200 & 700 Interns Presentation
Consent Agenda -		Minutes, vouchers, petty cash, uncollectibles, and Directors' cash report

## **Manager's Report**

### **Conservation Quarterly Update**

Ms. Smith reviewed the results of the Central Lincoln BPA FY 2014-2015 Conservation Program. She noted the program is on track to exceed the rate period savings target and is currently slightly ahead of spending targets. Customer participation in the Ductless Heat Pump Program put the District ahead of schedule in incentive spending. Central Lincoln has seen an expected decline in participation in the Ductless Heat Pump Program after the incentive was lowered on April 1<sup>st</sup>. Funding levels for all programs are closely monitored to ensure funding is available through the end of the two-year rate period. Mr. Carey said there are currently a handful of custom commercial/industrial projects in various stages of design/implementation that should result in significant cost-effective savings. The Conservation Quarterly Report, as prepared by Wade Carey, was subsequently provided.

### **Union SCADA issue settled**

Ms. Smith reported that after 20+ years, the grievance issues surrounding the Supervisory Control And Data Acquisition process have now been resolved.

### **Depoe Bay Franchise Negotiations**

A letter was sent to the City of Depoe Bay, as discussed in July's board meeting, that Central Lincoln will honor the "holdover" provision in the expired franchise agreement (between Central Lincoln and the City of Depoe Bay) until October 31<sup>st</sup>; further stating an agreement needs to be reached by that date. Progress is being made.

### **Customer Service Representative (CSR) Staffing Challenges**

Ms. Smith informed the Board that due to recent staffing changes, including an upcoming CSR resignation, we are short staffed in the Florence Office and we are looking at various options moving forward.

### **South Beach Operations Center**

As previously discussed, Central Lincoln has begun a relocation process for the South Beach Operations Center due to its location within the identified tsunami inundation/flood zone. Ms. Smith noted we have received some interest from potential buyers for our property as well.

## **Directors' Discussion**

Continuing with the South Beach relocation discussion, Mr. Kaliher noted that 28 firms have downloaded the Request for Proposal (RFP) for a 30% design specification. Responses are due by September 15<sup>th</sup>. A visitation for interested parties is scheduled for August 27, 2014. The search for a suitable relocation property is difficult as there are not a lot of suitable properties available. He discussed design/build options.

Meeting adjourned at 2:00 p.m.

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Ron Benfield, Secretary

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Judy Matheny, President