

Minutes of Regular Board Meeting December 18, 2013

A regular meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Waldport City Hall on Wednesday December 18, 2013 at 10:00 a.m. PST. President Abbott called the meeting to order and asked that the 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
Julie Brown, Executive Assistant
Chris Chandler, Communication, Community & Economic Development Manager
Brandon Hignite, Power Analyst
Dennis Hinton, Customer & Energy Services Manager
Bruce Lovelin, Chief Engineer & Systems Engineering Manager
Gary Nieborsky, Distribution, Engineering & Operations Manager
Tom Willoughby, Materials and Standards Agent
Chan Christiansen, Assistant Distribution Engineering & Operations Supervisor
Don Taggart, Line Foreman
Leo Newman, Serviceman
Cedar Johnston, Journeyman Lineman
Wayne Secrist, Central Lincoln Retiree
Rich Edwards, Central Lincoln Retiree
Dale Smith, Newport customer
Ruby Moon, OSU Marine Renewable Energy Associate

Staff and Visitors Recognized

President Abbott welcomed visitors and staff to the meeting.

International Linemen's Rodeo

Chan Christiansen, Assistant Distribution Engineering & Operations Supervisor introduced Don Taggart, Leo Newman, and Cedar Johnston, who all represented Central Lincoln at the 30th Annual International Linemen's Rodeo in Kansas City in October. He then introduced Central Lincoln retirees, Wayne Secrist and Rich Edwards who also attended the rodeo to assist as ground support for the crew. Chan thanked the Board for its support of this program stating that the rodeo is a great learning experience for our crews. They are able to see state of the art technology and information, and get an opportunity to meet crews from all over the world. Our team placed 74th out of 219 teams and 8th out of 32 in the senior division. Each of

the crew members thanked the board, and presented them with t-shirts commemorating the event.

Consent Agenda

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

- a) Minutes of November 20, 2013 Regular Board Meeting
- b) Vouchers for November, 2013
- c) Petty Cash for November, 2013
- d) Uncollectibles for November, 2013
- e) Directors' Cash Report dated December 18, 2013

Sole Source Request **SQ-04-14 - CVR Project**

Ms. Smith explained that this was a request for a sole source procurement of an enterprise software solution to implement a system-wide Conservation Voltage Regulation (CVR) program at Central Lincoln.

- The sole source would be Landis & Gyr and Dominion Voltage, Inc. (DVI) at a procurement cost of \$1,160,234.
- The implementation process for the project will be over a period of three years
- The project was described in detail in a November memorandum to the Board and the CVR Program was discussed at the November 20th Board meeting.
- This sole source complies with the requirements of Central Lincoln Resolution No. 862, Article V, Section 5, Qualification A, E, and F.

After discussion the following motion was made:

Motion: Mr. Kaliher moved and Mr. Benfield seconded that Sole Source No.SQ-04-14 which will contract with Landis & Gyr and Dominion Voltage (DVI), to implement a system-wide CVR software solution for Central Lincoln, at the procurement cost of \$1,160,234 and which will comply with the requirements of Resolution No. 862 Article V, Section 5 , Qualification A,E, and F, be approved. Aye: Benfield, Matheny, Kaliher, Tymchuk and Abbott.

Resolution No. 874 **Amendment to Resolution No. 862**

Ms. Smith explained that Resolution No. 874 would amend Resolution No.862, Central Lincoln's Procurement Policy.

- The amendment authorizes exemptions from competitive bidding on goods and services for small procurements not exceeding \$10,000.00.
- In addition Resolution No. 874 allows the Board or General Manager to exempt competitive bidding if emergency conditions require prompt execution of a contract.
- Resolution No. 874 provides authority to the General Manager to enter into contracts without competitive bid under emergency conditions.

After discussion the following motion was made:

Motion: Mr. Kaliher moved and Mrs. Matheny seconded that Resolution No. 874 be approved. Aye: Benfield, Matheny, Kaliher, Tymchuk, and Abbott.

**Lease of Dark Fiber Surplus
Depoe Bay to Siletz**

Mr. Dawson explained that Wave Broadband, Inc. was requesting a lease of (1) one fiber pair on the fiber system for (7) seven years from the Central Lincoln Depoe Bay fiber optic vault at the junction of Indian Trail and Douglas Street, Depoe Bay to a Central Lincoln fiber vault near James Frank Avenue, in Siletz. The distance is approximately ten miles at Central Lincoln’s fiber rate of \$75.00 per pair per mile. The fee would be approximately \$750.00 a month.

Staff requests that the Board approve negotiations of a lease with Wave Broadband Inc. by finding that this is in accordance with Resolution No. 835, Article 4, 15(d). for the following reasons:

- 1) A negotiated contract will not result in favoritism or reduced competition
- 2) Savings to the District can be obtained through this lease.

After discussion the following motion was made:

Motion: Mrs. Matheny moved and Mr. Tymchuk seconded that the Lease of Dark Fiber to Waveband for the fiber rate of \$75.00 per pair per mile for a distance of approximately ten miles, from the Central Lincoln Depoe Bay fiber optic vault at the junction of Indian Trail and Douglas Street, Depoe Bay to a Central Lincoln fiber vault near James Frank Ave, in Siletz for the above stated reasons be approved. Aye: Benfield, Matheny, Kaliher, Tymchuk, Abbott.

January 15th Board Agenda - Newport Office

Board Meeting -	10:00 a.m.	Election of Officers, 2014 Pension and Deferred Comp Trustees, Authorization for Directors to attend workshops/meetings Barker Uerlings Presentation, Conservation Review, Strategic Planning, Board Meeting date/locations, Economic Development report, Compensation Policy review
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Manager’s Report

Access Correspondence

Ms. Smith explained that staff was submitting two draft letters for the Board to review that are “proposed access letters” that Central Lincoln would begin sending out.

Draft #1 - Customers who “opted out” of Central Lincoln’s AMI program but do not have issues with accessing the meter; and

Draft #2 - Customers who “opted out” of Central Lincoln’s AMI program and have issues with Central Lincoln staff access.

Further discussion on this topic ensued.

Interest Based Bargaining

Ms. Smith briefly discussed an Interest Based Bargaining (IBB) training session held in Newport with the Labor Management Committee (LMC), some members of the Leadership Team and two members of IBEW 659 staff.

- The training was facilitated by two state mediators from Oregon's Employment Relations Board (ERB) at the Best Western Agate Beach in Newport. Nineteen Central Lincoln employees and two members of the IBEW Local 659 staff attended the first day, and the ten members of the actual bargaining team (Central Lincoln and IBEW) attended a second day session as well.
- Ms. Smith commented that IBB is a significant and positive change to the way management and labor has interacted at Central Lincoln.

Oregon Boating Association

A discussion was held on a request from a Newport attorney who is working for the Oregon Boating Association and is requesting funding from Central Lincoln for a Boat Float House on Newport's Port Dock 7.

Special District Grant

A Special District Association of Oregon grant for \$3,000.00 for use in a Central Lincoln security project (lighting, outdoor camera's etc.) was announced and discussed.

VSTDI

Ms. Smith discussed an employee-paid, Voluntary Short Term Disability Insurance program that was recently offered to Central Lincoln's employees. (VSTDI was a topic discussed at the Employee Forum with the Board in July.) She stated that approximately 75 (nearly two - thirds) of Central Lincoln's employees chose to sign up for the program.

HR Position

Ms. Smith discussed a posting for a second Human Resources position that will be made in January.

OSU Extension Service - Wave Energy Device

Ms. Ruby Moon a Marine Renewable Energy Associate with the Oregon State University Extension Service in Lincoln County, attended the meeting to discuss a "Wave Energy Handbook - Resources for Building a Model Wave Energy Generator" that has been written for use by K-12 students. It is hoped the curriculum will help local students understand how wave energy might work, and the basics of electricity generation.

Directors Discussion

Personal Email

A discussion on the Board's use of personal email was held. After discussion it was determined that Central Lincoln staff would analyze and provide the Board with options that would provide higher-security access.

EPUD

A brief discussion on a recent article in the Eugene Register-Guard concerning the Emerald People's Utility District's Board of Directors compensation was held.

MyMeter

Instructions on how to more efficiently utilize "MyMeter" a free program to review home or business energy use on Central Lincoln's website, was requested by Mr. Kaliher.

Christmas Lunch / Christmas Dinner

It was stated that both the employee Christmas lunch in Newport and the Christmas dinner in Florence, were well organized, well attended and good cheer was evident among the staff.

The meeting adjourned at 12:15 p.m.

Larkin Kaliher, Secretary

Curt Abbott, President