

## **Minutes of Regular Board Meeting May 15, 2013**

A regular meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Newport office on Wednesday, May 15, 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  
Ron Benfield  
Larkin Kaliher  
Judy Matheny  
Tom Tymchuk

Others present: Paul Davies, General Manager  
Brian Barth, Accounting & Finance Manager  
Julie Brown, Executive Assistant  
Chris Chandler, Communication, Community & Economic Development Manager  
Doug Dawson, Communications & IT 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  
Nyla Jebousek, Central Lincoln customer

### **Staff and Visitors Recognized**

President Abbott welcomed staff and visitors to the meeting.

### **Public Comment**

President Abbott asked Ms. Nyla Jebousek if she would like to address the board. Ms. Jebousek said she was present to discuss Central Lincoln's late notice policy. It was her opinion that the notices should not be mailed on the due date, but instead moved forward two or three days, which would result in savings for the District and avoid confusion and frustration for customers. A brief discussion was held. The board thanked Ms. Jebousek for coming to the meeting.

Ms. Jebousek left the meeting at this time.

### **Consent Agenda**

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

- a) Minutes of April 17, 2013 Regular Board Meeting
- b) Vouchers for April, 2013
- c) Petty Cash for April, 2013
- d) Uncollectibles for April, 2013
- e) Directors' Cash Report dated May 15, 2013

**Board Governance Policy**

**Compensation & Benefits, page 7**

President Abbott asked Mr. Davies to report on Compensation & Benefits, from the Board's Governance Policy. Mr. Davies reviewed his memo in the board packet and reviewed the changes incurred so far in 2013. (See attached.)

**Financial Condition, page 4**

Mr. Davies stated that the Operating Budget is expected to come in under budget by \$400,000.00; and the Capital Budget will also be under budget. He discussed several projects that will roll over to 2014. The August report to the board will reflect the actuals for FY-2013. (See attached.)

**Budget/Forecasting, page 3**

President Abbott asked Mr. Davies to discuss the Budget/Forecasting Policy, from the Board's Governance Policy.

- Mr. Davies explained that his comments were in reference to the upcoming fiscal year FY-14. He gave a general overview of the Five Year Projected Operating Capital Plan for FY 2012-2016, discussed operating expenditures, purchased power costs, and assumptions made.
- Mr. Davies also discussed a Budget Comparison of FY 2014 to FY 2013 Operating expenditure.
- Mr. Davies asked Mr. Lovelin, Chief Engineer/Systems Engineering Manager; Mr. Nieborsky, Distribution Engineering & Operations Manager; and Mr. Dawson, Communications & IT Manager; to present their anticipated Capital Plans for FY 2014-2017 to the board.
- Mr. Benfield commented that Item two on the Budgeting/Forecasting Policy needs to have "Renewal and Replacement" removed from the policy, as this was not a current edict. (See attached.)

**June 26<sup>th</sup> Board Agenda - Florence Office**

Board Meeting - 10:00 a.m.	My Meter Presentation, NWPPA Annual Meeting Review, APPA National Meeting Review, Mayor of Florence Introduction
Consent Agenda - Directors' cash report	Minutes, vouchers, petty cash, uncollectibles, and

**Manager's Report**

**Northwest Public Power Association Letter**

Mr. Davies discussed a letter from Mr. Scott Odegard, the NWPPA Board President, who responded to a letter from Central Lincoln regarding NWPPA conference locations in areas not served by public power utilities. (See attached).

### **Substation 101 Recap**

Mr. Davies asked Mr. Lovelin to discuss the recent fire caused by a failed circuit breaker at Substation 101 in Newport.

- Mr. Lovelin gave a PowerPoint presentation detailing the May 4th incident.
- A mineral oil filled circuit breaker failure inside the tank resulted in a large explosion and fire. It appeared that an internal fault created combustible gases that lead to an explosive failure of the breaker tank. The substation will be examined further to establish this or other causes.
- The explosion and fire resulted in damage to adjacent substation equipment and to a neighboring residence.
- A complete assessment of the damaged equipment will commence on May 6<sup>th</sup>. Both mineral oil circuit breakers at SS 101 were scheduled for replacement as part of ongoing substation upgrades.
- Power was restored to Newport in approximately 1 hour.

### **Customer Comment**

Mr. Davies briefly discussed an opinion response from a customer in Florence who expressed appreciation for Maria Waite's (Customer Services Representative Senior), personable and helpful assistance. (See attached.)

### **Coast Lines**

This month's Coastlines, which featured an article on The Yaquina Bay Lighthouse, the third in a series about the historic lighthouses that Central Lincoln powers, was reviewed. (See attached.)

### **Directors Discussion**

A brief discussion was held on Oregon PUD Association issues.

The meeting adjourned at 1:36 p.m.

---

Larkin Kaliher, Secretary

---

Curt Abbott, President