Minutes of Regular Board Meeting June 24, 2020

A regular meeting of the Board of Directors of the Central Lincoln People’s Utility District was held at the Newport Office on Wednesday, June 24, 2020. Due to COVID-19 pandemic-related social distancing ordered by Governor Kate Brown, the majority of attendees participated via WebEx. Vice President Davies called the meeting to order at 10:00 a.m. and asked that roll be called.

Directors attending via WebEx:
Paul Davies, Vice President
Judy Matheny, Treasurer
Jim Chambers, Secretary

Directors unable to attend:
Curt Abbott, President & Assistant Treasurer
Keith Tymchuk, Board Member

No visitors were present. The following staff attended in person:
Randy Grove, General Manager
Sunnetta Capovilla, Executive Assistant
Mark Freeman, Director of Employee, Customer & Community Services
Brandon Hignite, Director of Shared Services

Staff Attending via WebEx:
Wade Carey, Energy Services Manager
Chris Chandler, Public Affairs Manager
Ty Hillebrand, Director of Engineering & Operations
Becky Johnson, Accounting Supervisor
Gail Malcolm, Senior Project Manager
Ken Murray, IT Manager
Teri Turner, Human Resources Manager

Consent Agenda

The Board approved the following Consent Agenda items as presented:
 a) Minutes from May 27, 2020 Board Meeting
 b) Accounts Payable Check Register for May 2020

Monthly Financial Reports

The Board reviewed and discussed the following financial reports:
 a) Accounts Receivable Aging Analysis as of May 31, 2020
 b) Cash Report as of May 31, 2020
 c) Contribution Margin Analysis Fiscal YTD

Change of Board Meeting Date

Due to a previous scheduling issue that has been resolved, the Board decided to move the September board meeting back to the third Wednesday in September. After discussion, the following motion was made:
**Motion:** Mrs. Matheny moved and Mr. Chambers seconded to change the Board Meeting date from September 17, to September 16, 2020. **Aye:** Davies, Matheny, Chambers.

**Confirm Next Board Meeting Agenda**  
**August 19, 2020–Yachats Commons**

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<th>Board Meeting 1:00 p.m.</th>
<th>Consent Agenda – Minutes, A/P Check Register</th>
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<td>A/R Analysis, Cash Report, Contribution Margin</td>
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<td>Quarterly Conservation Update</td>
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<td>Tentative Executive Session: ORS 192.660(2)(e)</td>
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**General Manager’s Report**

**COVID-19 Financial Update**

It was reported that although customers are still expected to pay for electricity used and related charges, Central Lincoln suspended disconnects and the charging of late fees on March 16 in response to the coronavirus pandemic. At the time of those suspensions, staff did not anticipate the pandemic would last into the summer months. Ultimately, Central Lincoln must balance the desire to help individual customers by providing our product at no charge with the need to maintain financial health for all customers. Currently outstanding accounts receivables are nearly four times the normal amount.

Mr. Freeman reported that in June, customer service representatives (CSRs) began making outreach calls to all past due customers to begin a conversation with the customer about making payment arrangements, as well as inform them of the job loss assistance program. Only about half of the allotted job loss funds have been used, and the Board agreed to extend the program through September.

Collection work will actively begin in August along with disconnects. This is necessary to avoid future rate increases for all customers. Communication efforts will be targeted to only customers with past due balances, offering them the opportunity to make appointments for those wishing to meet with a CSR face to face.

Mr. Hignite reported that Central Lincoln will see some unanticipated financial relief through a stop-loss premium change in our insurance of $200,000, a suspension of BPA’s reserve surcharge of $600,000 and a reimbursement of COVID-19 costs through the CARES act of $84,000. Travel and training costs will also be reduced for FY21, but that amount is unknown.

**FY20 Accomplishments**

Each year at this time, staff provides a list of accomplishments organized by business strategy. The Performance Management Cycle involves a process of planning, executing, monitoring and reviewing. This process is used not only to manage organizational performance, but employee performance as well. Mr. Grove reviewed with the Board a list of accomplishments for FY20 reflecting significant work completed as prioritized in the Work Plan as well as required unplanned work. It was the consensus of the Board that staff is doing good work and was pleased with the report.
**Electrical Vehicle (EV) Strategy FY21**

The initial Central Lincoln EV Strategy was presented to the Board in December 2017. Since then, the number of fully electric and plug-in hybrid electric cars on the market have continued to grow, and Central Lincoln customers have been buying and leasing them. In calendar year 2019, the number of EVs registered in the District increased by 61—a 34% increase. Ms. Chandler presented slides identifying the benefits of electric vehicles in Central Lincoln’s service area including increased electrical load, Clean Fuel Credits from the state of Oregon, as well as being environmentally friendly. Plans for Central Lincoln’s electric vehicle support for FY21 were presented as follows:

- Purchase of an electric ‘crossover/SUV’ vehicle, likely assigned to Florence or Reedsport.
- Installation of fee-based public charging at Central Lincoln’s Florence and Newport facilities.
- Installation of charging stations for Central Lincoln’s electric vehicles.
- Continuation of Level 2 charging station rebates to commercial and residential customers.
- Incentives for car dealerships to be Oregon DEQ certified to offer the $2,500 Clean Vehicle Rebate at the time of sale or lease.
- Incentivize car salespeople to complete a two-hour class on the benefits of electric vehicles and suggested sales techniques.

**Directors’ Discussion**

It was noted that both the OPUDA and NWPPA annual conferences planned for September will be going virtual. Boardlines is the publication that replaces the August issue of Coastlines. Boardlines is an opportunity for Board members to provide perspective and commentary on topics affecting Central Lincoln. Various Boardline topics were discussed, and will be submitted during the first week of July.

There being no further business, Vice President Davies adjourned the meeting at 11:30 a.m.

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Jim Chambers, Board Secretary

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Paul Davies, Vice President