Minutes of the Board of Directors’ Regular Meeting  
December 18, 2017

The Lane Electric Cooperative, Inc. (LEC) Board of Directors convened its regular board meeting on December 18, 2017 at the LEC corporate office at 787 Bailey Hill Road in Eugene, Oregon.

Call to Order
President Christopher B. Seubert called to order the LEC Board regular monthly meeting around 9:00 am with a quorum present. Directors present were: Vice-President Susan Knudsen Obermeyer, Secretary Kathy Keable, Treasurer Hugh Buermann, and Directors Jack Billings, J. Ingrid Kessler, and Jerry Shorey.

Also present at different times in the meeting were: Charles N. Fadeley, LEC attorney (arrived at 8:45 am); Matt Michel, General Manager; Tony Toncray, Manager of Engineering & Operations; Debi Wilson, Manager of Office & Staff Services; Dave D’Avanzo, Manager of Member Services; and Cynthia Scoble, Controller. Steve Robinson attended as the lunchtime speaker.

Communications/Executive Assistant Brenda Everts acted as recording secretary.

Approval of Agenda
President Seubert asked if there were additions or amendments to the agenda. President Seubert declared the agenda approved as presented.

Approval of Minutes
President Seubert asked if there were additions or corrections to the November 26, 2017 board meeting minutes. Hearing none, President Seubert declared the November 26, 2017 board meeting minutes approved as amended with one spelling correction.

Member Input
No members in attendance.

Safety Report
Manager Toncray reported on the November Inside and Outside Safety Meetings. He presented the safety graphs and noted 186 days without a workplace accident. Discussion occurred about accident investigation forms trends and the recent hire of two journeyman linemen. Director Buermann will attend the January 18, Office Safety meeting. Director Kessler will attend the January 25, Construction & Maintenance Safety meeting.

Adopt 2018 Operating & Capital Budgets
Manager Wilson reported on the proposed 2018 operating and capital budgets. Upon motion made and properly seconded it was moved to adopt the 2018 Operating and Capital Budgets as presented and identified as Version 3 in the board packet. The motion passed.

Adopt 2018 Retail Rate Schedules
Manager Wilson along with Cynthia Scoble, Controller reported on the proposed 2018 retail rate schedules. Upon motion made and properly seconded it was moved to adopt the revisions in the Cooperative’s
retail rate schedules as presented in the board packet to cause an overall $530,046 budget rate revenue increased by:

- Increasing the monthly Basic Charge by $4.00 for all classes, and
- Lowering the Demand charge (kW) threshold from 50 kW to 31 kW for all applicable single-phase rate schedules,

All to be made effective to all billings rendered on or after April 1, 2018. The motion passed with one director abstaining from the vote.

Executive Session
The directors along with General Manager Michel, and Attorney Fadeley entered executive session.

General Manager’s Report
Quarterly Strategic Plan Initiatives Update General Manager Michel presented a Gantt chart showing actions being taken to date on strategic planning initiatives; discussion occurred with CONSENSUS to add a 10-year system improvement plan action item.

Cascadia Resiliency
Steve Robinson, President, Cascadia Prepared gave a presentation on the possibility of a catastrophic earthquake happening in the Cascadia zone in the next 15 years. He explained how to make your family and your business as prepared as possible.

General Manager’s Report, continued
General Manager Michel reported on: PNGC clean audit; 4 questions on PNGC blended rates, by CONSENSUS the Board authorized General Manager Michel to vote “Yes” on Question 1 in favor of going forward with a non-binding exploration of a blended rates-based power supply contract with PNGC; “No” as to alternative options presented in Questions 2, 3, and 4; and supporting other PNGC members answering “Yes” to Question 2 allowing PNGC members the option to either continue discussing blended rates or not; EWEB hosting Regional Carbon Study on January 24, 2018; Policy 401 expenditures greater than $10,000; pre-pay enrollment; net metering participation; economic development activity in Veneta; NRECA pension bill activity; safety inspection discovered bucket truck boom crack; retirement party January 8th for Wayne Schvaneveldt; a foreman achieving a Dale Carnegie class certificate; the Dolly Parton Preschool Imagination Book Program; and upcoming events; among other information.

Reports
Director Reports: Director Kessler received a Board Leadership certificate pin and certificate. President Seubert proposed changing the March 2018 regular board meeting date to accommodate an NRECA directors’ training event. Discussion occurred. By CONSENSUS, the March regular board meeting will occur on the third Monday, March 19, 2018. President Seubert proposed moving the date for the quarterly meeting with the general manager to accommodate an ORECA meeting. Discussion occurred. By CONSENSUS, the Board will meet on Wednesday, January 17th from 9:30 AM to 12:30 PM, with lunch provided.

ORECA: President Seubert reported on ORECA matters.

Committee Reports: Annual Meeting Committee - Dave D’Avanzo reported the need to authorize the Appointments Committee to appoint members for the 2018 year. Upon motion made and properly seconded it was moved to authorize the Appointments Committee to appoint Nominations Committee and Elections Committee members for 2018. Appointments Committee Chairman Billings assigned committee members to contact incumbent members serving on the two committees to ask if those
members are available to continue serving another 3-year term. Discussion occurred on the District Meetings. By CONSENSUS, Vice President Knudsen Obermeyer will speak about the Co-op Connections card at the District meetings.

Financial Report
Manager Wilson, along with Controller Cynthia Scoble reported on LEC’s financial condition for the period ending November 2017. Discussion occurred.

Policy Review
General Manager Michel presented Policy 102 (Replacement of Director - Midterm) and Policy 203 (Compensation Administration) Exhibit 1, with recommended changes by staff.

Upon motion made and properly seconded Policy 102 (Replacement of Director - Midterm) was approved as amended and presented in Call to Order.

Upon motion made and properly seconded Policy 203 (Compensation Administration) Exhibit 1, was approved as presented and discussed.

NWPPA Resolution Proposals: General Manager Michel presented several NWPPA resolutions for Board consideration in offering amendments to the NWPPA Resolutions Committee. Discussion occurred. By CONSENSUS the Board directed General Manager Michel to contact NWPPA to ask about carrying NWPPA’s Wildfire funding resolution 2017-15 at NRECA.

Engineering Department Program Report
President Seubert asked to post-pone this presentation until January Board meeting due to time restraints. Discussion followed. By CONSENSUS, the presentation was rescheduled to the January regular board meeting.

Donations
President Seubert presented the following donations for consideration:

- Community Sharing Program
- Oakridge Snack Pack for Kids
- March of Dimes Employee Match
- Remaining Donations

Community Sharing Program – No Action Taken

Upon motion made and properly seconded it was approved to donate $500 to the Oakridge Snack Pack for Kids.

Upon motion made and properly seconded it was approved to donate $672.50 to the March of Dimes.

Upon motion made and properly seconded it was approved to donate $1,100 to each of the following four school districts to be paid for child enrollment in the Dolly Parton’s Imagination Library Foundation: Oakridge, McKenzie, Lowell and the Crow-Applegate-Lorane Schools.

Upon motion made and properly seconded it was approved to donate the remainder of the Board’s 2017 donation funds to the Veteran’s Legacy.
Agenda Topics for January 22, 2018
President Seubert reviewed next month’s agenda items.
Travel Check-In: Brenda Everts gave a travel and training update.

Voting Delegates & Alternates Appointments for 2018
Following discussion regarding the need to appoint the 218 voting delegates and alternates, it was approved to appoint the slate of Lane Electric voting delegates and alternates for 2018 as listed in the amended Annual Voting Delegate & Alternate Appointments 2018 document.

Action Review
General Manager Michel reviewed Board actions: approval of agenda, approval of minutes with a typo; Treasurer Buermann to attend the 1/18 inside safety meeting; Director Kessler to attend the 1/25 outside safety meeting; adopted Version 3 “V3” of the 2018 operating and capital budgets as presented; adopted rates schedules change effective on bills calculated on and after April 1, 2018 of adding $4.00 to the basic charge for all classes, and lowering the kilowatt demand charge for applicable classes from 50 kW to 31 kW with one director abstaining; add 10-year system improvement plan to strategic initiatives Gantt chart; authorized a “Yes” vote on PNGC blended rates question #1 to continue exploring a blended rates contract, and supporting other co-ops voting “Yes” on Question #2 to not discuss blended rates while allowing other co-ops to do so; rescheduled the March regular board meeting to the third Monday, March 19, 2018; rescheduled the quarterly GM meeting to Wednesday, January 17 from 9:30AM to 12:30PM with lunch provided; authorized Appointments Committee to make member appointments to member committees; assigned contact responsibilities to Appointments Committee members; Vice President Knudsen Obermeyer will speak about the Co-op Connections card at the District meetings; adopted Policy 102 as presented; adopted Exhibit 1 of Policy 203 as presented and discussed; directed the general manager to contact NWPPA about their wildfire resolution; rescheduled the Engineering Department to the January regular board meeting; donated $500 to the Oakridge Snack Pack for Kids; donated $672.50 to the March of Dimes; donated $1,100 each to the 501(c)3 affiliates of the Oakridge, Lowell, McKenzie, and Crow school districts to be applied exclusively towards paying the Dolly Parton Imagination Library Foundation for child enrollment; donated the remainder of the Board’s 2017 donation fund to the Veteran’s Legacy project.

Adjournment
Being no further business to come before the Board, President Seubert adjourned the meeting at approximately 3:55pm.