The regular monthly meeting of the Board of Directors of Lane Electric Cooperative Inc. was called to order by President Jeri Nelson at 11:00 AM on Monday, May 28, 2013, at the Cooperative’s office at 787 Bailey Hill Rd, Eugene, Oregon. Directors present were Christopher B. Seubert, Vice-President; Patricia C. Dymock, Secretary; Charles J. Leighter, Treasurer; and directors, Charles E. Bangle, Loy M. Sparks and James W. Hill. Also present were Charles N. Fadeley, Cooperative’s attorney; Rick Crinklaw, General Manager; Dave D’Avanzo, Manager of Member Services; Debi Wilson, Manager of Office & Staff Services; Tony Toncray, Manager of Construction & Maintenance; Doug Stockdale, Manager of Engineering Services; and Brenda Everts, Executive Secretary, who acted as recording secretary.

Member Input

There were no members present to observe the meeting.

Approval of the Agenda

President Nelson asked if there were additions or amendments to the agenda. Mr. Crinklaw asked to add one item to the agenda. Hearing no other changes or amendments, President Nelson declared the agenda approved as amended.

Approval of Minutes

President Nelson asked if there were any additions or corrections to the minutes of the regular board meeting held on April 22, 2013. Hearing none, President Nelson declared the minutes approved as presented.

Reports – Director & Committee

- Director:
  - NWPPA Annual Meeting
Directors Dymock, Leighter, Bangle, Sparks and President Nelson all gave reports on the NWPPA Annual Meeting that was held May 19-23 in Bellevue, Washington.

- **ORECA Director:**

Vice President Seubert reported on the NRECA/ORECA Legislative Mission that was held in Washington DC April 28-May 1.

- **ORECA Government Affairs Committee:**

Mr. Crinklaw reported on Senate Bill 306 (Carbon Tax Study). He also reported that he, along with Vice President Seubert participated in the NRECA/ORECA Legislative Mission April 28-May 1 in Washington D.C. The issues discussed were: Columbia River Treaty, Fish & Wildlife, BPA Issues, and Cyber Security.

- **Safety Meetings:**

Director Bangle reported on the outside safety meetings held March 28 and the inside safety meeting held April 18. Director Dymock reported on the combined safety meeting on “Back Safety” held March 20.

**Report – Manager’s**

- **Thank You Cards:**

Cards and thank you letters were shared with the board.

- **Don Hampton**

Mr. Crinklaw reported the former Oakridge mayor, Don Hampton passed away on May 23 from liver cancer. A memorial service will be June 18 at 6:30 PM at the Methodist Church in Oakridge.

- **Umatilla Electric Co-op 75th Anniversary**

Mr. Crinklaw reported that this year is the 75th year Umatilla Electric Cooperative has been in business. The cooperative recently had a history book created, “When the High Line Comes”. He mentioned there is a copy in the Cooperative’s library and he has four extra copies if anyone is interested.

- **Biological Opinion (BiOp)/ Fish & Wildlife Status:**

Mr. Crinklaw gave an update on the following items:

- Lethal removal of California Sea Lions at Bonneville Dam has begun.
- The hydro forecast at The Dalles Dam is at 96% and a Grand Coulee Dam is 102%.
- The progress of the CleanHydro television campaign.
- Salmon and Steelhead forecasts are slightly below the 10-year average.
Regional/Federal Power Issues:

Mr. Crinklaw reported on BPA’s 2014-2015 power and transmission rate cases, Columbia River Treaty, Columbia Generating Station and Northwest Power Planning & Conservation Council.

PNGC Financial report:

Mr. Crinklaw reported on the current monthly and year-to-date financials for PNGC through March.

PNGC Activities:

Mr. Crinklaw reported on the following PNGC issues: Cyber Security and FERC/NERC Jurisdiction.

BPA Fuel Mix for Calendar-Year 2012:

Mr. Crinklaw gave a summary of BPA’s fuel mix report: reporting that 96 percent of BPA resource is carbon-free. The information must be submitted to the State of Oregon to comply with reporting requirements. BPA will file in June.

Pre-Pay Program Update:

- Participants = 557
- Average Payment = $50.00
- Energy Monitoring = 385
- Facebook Access = 16

Mr. Crinklaw mentioned the goal is to have 10% participation by 12/31/13. Currently there are 557 participants, representing a 4.3% participation rate.

Conferences & Meetings:

Mr. Crinklaw reminded everyone of the ORECA Mid-Year meeting to be held July 16-18 at Gleneden Beach, OR.

Community Events & Meetings:

- Oakridge Tree Planting Festival Parade was held May 4.
- Creswell Chamber of Commerce Dinner will be held May 30 at Rivers Edge. Those scheduled to attend are; Rick & Carla Crinklaw, Tony & Shelley Toncray, Debbie Wilson, Ed Bangle, and Faye & Tami Stewart.

Managers Report:

Mr. Crinklaw gave a report on the following items:

- Veteran’s Work Experience Program
- Hills Creek Dam/Oakridge Clocks running fast
Strategic Planning Retreat – Aug 20-21
Service extension exceeding $10,000 at Pole Location# AH49A4AR1

Travel & Meetings Itinerary:

Each director received a copy of Mr. Crinklaw’s travel and meeting itinerary for May/June.

*Attorney Chuck Fadeley arrived for the meeting at 12:00 P.M*

**Policy Review**

Mr. D’Avanzo, Manager of Member Service, gave a review of Policy 401 (Financial Management Authority), and Policy 602 (Capital Credits Retirements). A motion was made and properly seconded to renew as amended and presented Policy 401 (Financial Management Authority) and Policy 602 (Capital Credit Retirement). The motion was approved by unanimous vote.

**Donation Request**

Lane Pomona Grange – A motion was made and seconded to donate $125 to the Lane Pomona Grange. The motion was approved by unanimous vote.

Cottage Grove Rotary Club – “Cycle the Lakes Bike Tour” – A motion was made and properly seconded to donate $400 to the Cottage Grove Rotary Club – “Cycle of the Lakes Tour”. Following discussion, a motion was made and properly seconded to amend the motion to reduce the amount to $200. The amendment passed by majority vote. A motion was made and properly seconded to donate $200 to the Cottage Grove Rotary Club. The motion passed by majority vote.

March of Dimes – “Walk for Babies” – A motion was made and properly seconded to donate a dollar for dollar match in the amount of $ 1,490 to the March of Dimes Walk for Babies. The motion was approved by unanimous vote.

Lane Metro Partnership – A motion was made and properly seconded to donate $1,500 annually to the Lane Metro Partnership on a three consecutive year commitment. The motion was approved by unanimous vote.

**Construction Work Plan Activities Report**

Doug Stockdale gave the quarterly construction work plan activities report.

**Appoint Voting Delegates**

A motion was made and properly seconded to appoint the following individuals to serve as voting delegates representing Lane Electric Cooperative for the annual meetings for following organizations and purposes:

National Rural Electric Cooperative Association Director Election
Delegate: Director Seubert       Alternate: President Nelson

National Cooperative Services Corporation Annual Meeting

Delegate: President Nelson       Alternate: Director Bangle

The motion was approved by unanimous vote.

Authorize Appointments Committee to Make Appointment

A motion was made and properly seconded to authorize the Member Appointments Committee to make timely appointments for vacancies on the Nominating Committee and the Election & Credentials Committee. The motion was approved by unanimous vote.

Board of Directors Transition Planning Proposals

A motion was made and properly seconded to accept the proposal submitted by Monica Schmidt for the development of a Board of Directors Transition Plan. The motion was approved by unanimous vote.

Resolution 4-13 – NRECA Retirement Plan Pre-Payment Option

Following a lengthy discussion with Moss Adams representative Julie Desimonei, a motion was made and properly seconded to not approve Resolution 4-13 (A resolution authorizing the prepayment of the NRECA Retirement Security Plan obligation). The motion was approved by majority vote.

SmartHub Presentation

Mr. D’Avanzo gave a presentation and answered several questions regarding the service capabilities of the new SmartHub program.

Financial Report

Ms. Scoble, Controller, reported on the financial condition of the Cooperative for the period ending April 2013.

Safety Program Report

Toncray, Manager of Construction & Maintenance, reported the Office safety meeting was held May 16 and the topic was “Exercise for Life”. The Construction and Maintenance safety meeting was held May 23. The topic was “Grounding & Bonding”. He also reported on the status of the Employee Safety Program through the end of April, and reported there have been 780 days without a time loss injury.

Agenda Items for June 24

Donations
NRECA Retirement Pre-Payment Plan

Service territory

Facilities follow-up

Legal report and Executive Session

There being no further business to come before the board in open session, the directors along with Mr. Crinklaw and Mr. Fadeley, entered into executive session.

Adjournment

Meeting adjourned at approximately 3:00 PM.