Minutes of the Board of Directors’ Meeting  
Lane Electric Cooperative, Inc.  
September 22, 2014

The regular monthly meeting of the Board of Directors of Lane Electric Cooperative, Inc. was called to order by President Christopher B. Seubert at 11:00 AM on Monday, September 22, 2014, at the Cooperative’s office at 787 Bailey Hill Rd, Eugene, Oregon. Directors present were Jeri Nelson, Vice-President; Charles E. Bangle, Secretary; Patricia C. Dymock, Treasurer; and directors, Charles J. Leighter, Susan Knudsen Obermeyer and Jack Billings. Also present were Charles N. Fadeley, the Cooperative’s attorney; Debi Wilson, Interim General Manager; Dave D’Avanzo, Manager of Member 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 six members present to observe the meeting; J. Ingrid Kessler, Kathy Keable, Gary Jensen, William Macauley, Nathan Philips and Lynn Bowers. Matt Michel was also in attendance.

Approval of the Agenda
President Seubert asked if there were additions or amendments to the agenda. It was suggested to move the executive session earlier in the agenda. Hearing no other suggestions, President Seubert declared the agenda approved as presented and amended.

Approval of Minutes
President Seubert asked if there were any additions or corrections for the August 25 board meeting minutes. Hearing no corrections or conform, President Seubert then declared the minutes approved as presented.

Reports – Director & Committee
• Committee: The District Meeting Committee met prior to the board meeting with the purpose of finalizing the agenda for the upcoming District Meetings.

• Director: None.

• ORECA Director: President Seubert reported ORECA is not expected to increase membership dues in the year 2015. The Annual Meeting is scheduled for Dec. 2-6.

• ORECA Government Affairs Committee (GAC): None
Report – Manager’s

• Thank You Cards:

Cards and thank you letters were shared with the Board.

• Biological Opinion (BiOp)/ Fish & Wildlife Status:

The following issues were discussed:
o A lawsuit challenging BPA and NOAA Fisheries.
o To celebrate the record runs of returning salmon, BPA, the US Army Corps of Engineers, NOAA Fisheries, customer representatives, and tribes are working together to host an event at the Bonneville Dam Visitors Center.

• Regional/Federal Power Issues:

The following issues were discussed:
o BP-16 Rate Case
o Rate Increase
o Delivery Charges
o BPA Human Capital Issues
o BPA use of personal e-mail accounts
o Columbia River Treaty

• PNGC Financial Management:

The following issues were discussed:
o Month to date / year to date financial report
o Load shaping true up
o PNGC Budget
o Community Solar Committee

• PNGC Activities:

Update on Coffin Butte.

• Pre-Pay Program Update

o Pre-Pay Participants: 858

• Conferences & Meetings:

o PNGC Annual Meeting will be held in Portland, October 6-7
o NRECA Region IX will be held in Omaha NE, October 15-17
o ORECA Annual Meeting will be held in Salem, Dec. 2-6

• Community Events & Meetings:

o Cottage Grove Community Foundation Dinner, Oct. 15
Attorney Chuck Fadeley arrived for the meeting at 12:00 pm.

Policy Review

Dave D’Avanzo, Manager of Member Service reported on the policies subject to review:

Policy 204 (General Manager Compensation & Evaluation): Upon motion made and properly seconded it was approved to adopt Policy 204 (General Manager Compensation & Evaluation) as presented. The motion was approved by unanimous vote.

Policy 601 (Disclosure of Member Information): Upon motion made and properly seconded it was moved to approve Policy 601 (Disclosure of Member Information) as presented. The motion was approved by unanimous vote.

Policy 604 (Damage of Member Property): Upon motion made and properly seconded it was moved to approve Policy 604 (Damage of Member Property) as presented. The motion was approved by unanimous vote.

Donation Request

Spencer Creek Grange – Upon motion made and properly seconded it was moved to donate $500 to the Spencer Creek Grange. The motion was approved by unanimous vote.

Lunch – Appointment of Committee Designees

Upon motion made and properly seconded it was approved to appoint Matt Michel fill the remainder of the current term on the ORECA Government Affairs and ACRE Committee. The motion was approved by unanimous vote.

Request for Additional Capital Budget Funds

Upon motion made and properly seconded it was moved to authorize additional funds for the capital budget in the amount of $350,000. The motion was approved by unanimous vote.

Insurance Renewals

Upon motion made and properly seconded, it was moved to renew dental insurance coverage for calendar year 2013 with NRECA. The motion was approved by unanimous vote.

Upon motion made and properly seconded it was moved to renew workers’ compensation insurance coverage with SAIF effective October 1, 2014 through September 30, 2015. The motion was approved by unanimous vote.

Resolution 4-14

Debi Wilson explained due to a change in general managers, there is a need to execute the necessary documents to place financial authority as outlined in Policy 401 (Financial Management Authority) to the new general manager. Discussion followed.
Upon motion made and properly seconded it was moved to adopt Resolution 4-14, a resolution authorizing the officers and general manager to execute documents with and borrow from CoBank. The motion was approved by unanimous vote.

Resolution 5-14

Debi Wilson reported Lane Electric currently provides employees with a Section 125 plan that allows medical, dental and vision expenses be paid with pre-tax dollars. The IRS added a new option allowing employees to carryover up to $500 into the next calendar year. A resolution would be needed to adopt the amendment to the Section 125 plan. Discussion followed.

Upon motion made and properly seconded it was approved to adopt Resolution 5-14, a resolution adopting an amendment to the Section 125 plan to allow health FSA to carry over as permitted by IRS Notice 2013-71. The motion was approved by unanimous vote.

Legal report and Executive Session

The directors along with Debi Wilson, Matt Michel and Mr. Fadeley, entered into executive session.

Concluding executive session, the regular session resumed.

Financial Report

Cynthia Scoble, along with Debi Wilson reported on the financial condition of the Cooperative for the period ending August 2014.

Safety Program Report

Tony Toncray, Manager of Construction & Maintenance, reported the Office safety meeting was held on September 18th, the topic was “Defensive Driving” and the Construction and Maintenance safety meeting will be held on September 25th, the topic will be “Substation Training”. He also reported on the status of the Employee Safety Program through the end of August and reported there have been 718 days without a time-loss injury.

• Agenda Items for October 27
  o Donations
  o Adoption of the 10-year Construction Work Plan
  o Review CFC KRTA
  o Introduction of 2015 Budget
  o Introduction of the “Clean Hydro” Campaign

Adjournment

Meeting adjourned at approximately 3:00 p.m.