Minutes of the Board of Directors’ Meeting
Lane Electric Cooperative, Inc.
October 27, 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, October 27, 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, Cooperative’s attorney; Matt Michel, 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. There were five members present to observe the meeting, William Macauley, J. Ingrid Kessler, Kathy Keable, Gary Jensen, and Bill Webber.

Member Input
No Member input.

Approval of the Agenda
President Seubert asked if there were additions or amendments to the agenda. There were two suggested changes in the agenda. President Seubert declared the agenda approved as amended.

Approval of Minutes
President Seubert asked if there were any additions or corrections to the September 22, 2014 board meeting minutes. Hearing no corrections or comments, President Seubert then declared the minutes approved as presented.

Reports
• Committee:

• Director: The Directors that attended the PNGC Annual Meeting all gave oral reports.

• ORECA Director: The ORECA Annual Meeting will be held Dec 2 – 6 in Salem Oregon.

• ORECA Government Affairs Committee (GAC): None

• Manager: Matt Michel shared a thank you note received. He also reported on several issues:
  – EPA 111(d) – Litigation heads-up
  – BPA EEI Billing Credits Proposal
  – Two-man rule update
– Hack Attack Training: NWPPA Dec 12 at the Sheraton Airport Hotel in Portland
– LIHEAP – LEC Stats #5 participation and #3 in amount of funds needed
– BPA issues affected restoration efforts during the week-ends scheduled outage
– NRECA Region 9 de-brief
– Electric Vehicle charging station report
– No Cadillac tax for health care for Lane Electric
– Oakridge Mobile home park clean-up and donated tree effort

Donation Request
Sharing Among Neighbors Toy Appeal (S.A.N.T.A.) – Upon motion was made and properly seconded it was unanimously approved to donate $400 to the Sharing Among Neighbors Toy Appeal.

Kiwanis Holiday Food Drive – Upon motion was made and properly seconded, it was unanimously approved to donate $500 to the Kiwanis holiday Food drive program.

Creslane Food 4 Kids – Upon motion was made and properly seconded, it was unanimously approved to donate $400 to the Creslane Food 4 Kids drive program.

Senior Citizens Christmas Baskets – Upon motion was made and properly seconded, it was unanimously approved to donate $500 to the Senior Citizens Christmas Baskets program.
Director Knudsen-Obermeyer stepped outside of the board room and recused herself from the discussion and vote.

Attorney Chuck Fadeley arrived for the meeting at 12:00 pm.

Appointment of Representatives
Upon motion made and properly seconded, it was unanimously approved to appoint Chris Seubert as Lane Electric’s Designee to the ORECA Board of Directors for the calendar year 2015 term.

Upon motion made and properly seconded, it was unanimously approved to appoint Jack Billings as Lane Electric’s alternate designee to the ORECA Board of Directors for the calendar year 2015 term.

Upon motion made and properly seconded, it was unanimously approved to appoint Matt Michel to the ORECA ACRE Committee for the calendar year 2015 term.

Upon motion made and properly seconded, it was unanimously approved to appoint Matt Michel as Lane Electric’s designee to the ORECA Governmental Affairs Committee for the calendar year 2015 term.

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

• Policy 213 (Employee Training Program): Upon motion made and properly seconded it was unanimously approved to adopt Policy 213 concerning the Employee Training Program as amended.
• Policy 307 (Identity Theft Prevention & Red Flag Alerts): Upon motion made and properly seconded it was unanimously approved to adopt Policy 307 concerning Identity Theft Prevention & Red Flag Alerts as presented.

• Policy 311 (Net Metering Services): Upon motion made and properly seconded it was unanimously approved to adopt Policy 311 concerning Net Metering Service as amended. The change clarifies that Lane Electric’s net metering rate is an avoided wholesale cost rate; state that billing credits will be applied only to the consumption charge, not the monthly fixed basic charge, and new language allowing Lane Electric to acquire the excess energy and associated green attributes for renewable energy credits (RECs).

Lunch – District Meeting De-Brief
Dave D’Avanzo, Manager of Member and Regional Affairs, gave a summary of member attendance trends of the five District Meetings.

Consideration of Clean Hydro Campaign
Matt Michel reported on the declining support for hydroelectric projects and increasing interest in dam breaching. Northwest RiverPartners is suggesting a donation based on sales and suggested partnering with Lane County and Douglas County consumer owned utilities on a Southwest Oregon television market buy. The ads produced for the last two campaign years were shown.

Review Health Insurance Proposals
Employee Insurance Committee members, Debi Wilson, Manager (Office& Staff Services), Denisa Bradley, (Junior Accountant) and Andy Cave (IT Coordinator), recommended renewing health insurance coverage with Providence for the calendar year 2015. The insurance premiums would decrease by 5.3%. The Committee worked with Insurance broker Pacific Benefits Consultants and NRECA to seek proposals from other providers, but were unable to find anything cost-comparative with the current plan.

Summary of CFC 2013 KRTA
Debi Wilson reviewed the 2013 Key Ratio and Trend Analysis (KRTA). KRTA is prepared annually by CFC and is a comparative reflection of the financial performance of the previous year. She also reported Lane Electric continues to compare favorably in most areas as measured by performance ratios.

Introduction of 2015DRAFT Budget (Version 1)
Debi Wilson and Cynthia Scoble discussed the 2015 draft budget (Version 1). A detailed budget workshop was scheduled for Monday November 10.

Financial Report
Cynthia Scoble, along with Debi Wilson reported on the financial condition of the Cooperative for the period ending September 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 September and reported there have been 759 days without a time loss injury.

Agenda Items for November 24
- Donations
- Adopt 2015 Budget
- Approve 2015 Board Meeting Dates
- Health Insurance Renewal
- Adopt 10-year Construction Work Plan
- Ratify 2014 Audit Engagement Letter/Agreement

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

Adjournment
Meeting adjourned at approximately 4:30 p.m.