

**MINUTES OF THE BOARD OF DIRECTORS MEETING
ORCAS POWER & LIGHT COOPERATIVE**

Thursday, April 16, 2015

President Jim Lett called the meeting to order at 8:45 a.m. at the Friday Harbor OPALCO office.

Board Members Present: Winnie Adams, Vince Dauciunas, Glenna Hall, Jim Lett, Bob Myhr, Chris Thomerson, Jerry Whitfield.

Staff Present: General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance and Administration Nancy Loomis, Manager of Member Services and Energy Savings Amy Saxe, Gerry Lawlor, Vice-President of Rock Island Communications and Executive Assistant Bev Madan (serving as recording secretary).

Member/Guests

Each member/guest was offered an opportunity to address the board.

OPALCO counsel Joel Paisner; EES Consultant Anne Falcon; EES Consultant Steve Anderson; consultant Jay Kimball; Doug Rowan (San Juan) and members:

Lopez: Dwight Lewis; Brian Silverstein; Steve Ludwig

Orcas: Ed Sutton, candidate for District 2 Director,

San Juan: Steve Hudson

Comments ranged from concern about broadband to dissatisfaction with the increased facility charge.

March Meeting Minutes

- **Motion** made by Myhr to accept the March minutes as presented. Motion was seconded (Dauciunas) and carried by voice vote.

New Members

- **Motion** made by Myhr to accept the new members listed below. Motion was seconded (Adams) and carried by voice vote.

Decatur

Dingfield, Mark

Lopez

Boyce, Jon & Petito-Boyce,

Catherine

Cyprex Services

Gaddis, J.B

Goodwood

Gundlach, Jens & Giedt,

Cassandra

Mackinnon,

Megan

Uradnik, Gazala & Michael

Vachon, Jennifer & Brown, Adam

Orcas

Alter, Susan

Blewett, Jim

Boero, Micheal

Boetger, Randall

Bowers, Amy & Hamilton, James

Bryant, Alan T & Kitrina M

De Anda, Ricardo

Hagen, Steven

Hampel, Larry & Susan

Hostler, James A

Mr & Miscellaneous

Mueller, Anna

Nute, Stephen

Orcas Island Storage LLC

Robertson, Sue & David

Sleeper, Amy Brown, Lynne

Stewart, Joel D & McIntyre, Annie

Stonecipher, Thomas & Brenda

SanJuan

Arnold, Adrienne

Barton, Elisabeth G

Beliveau, Jacob

Bond, Tomi

Border, David & Jennifer

Buckler, Joe

Camassia Professional Corp

Campbell, Crystal

Dobbins, Austin T

Frink, J Curtis

Groseclose,

Nicholas

Guthrie, Jessi

Halliday, Michelline & Bama, Ben

Halverson, Helen

Hartigan, Steve

Irwin, Brandon

Iverson, Steffan

Johnson, John

Kielty, Gail

Kilpatrick-Boe, Me'Tairie

Kubisty, Cheryl

Kyser, Brian

Lindenberg, Nancy R

Lloyd, Isaac

McFarland, Jean

McFarland, Lee Krueger &

Michael E

Mock, Michela

Moore, Robert L

Neeley, Gail & Jeffrey

Rajczi, Kristee

Rice, Jenny

Roddick, Jeffrey

Ross, Rob & Sommer

Searles, James

Wagner, Valeria & Johanna

Wampler, Nancy D

Wells, Gloria A

Wilson, Ronald & Raber, Susan

Zall, Barnaby

Zygocki, David A

Shaw

Johnson, Rodney

Capital Credits

- **Motion** made by Myhr and seconded (Hall) to approve payment of \$7,782.05 in capital credits to the estates of deceased members listed below. Motion carried by voice vote.

John I. Goodlad \$1,411.99

Jean Heidenreich \$174.22

Francesca Hosea \$254.10

Juan Johnson	\$842.74
Charles W. Lindenberg	\$568.16
Margaret K. Reynolds	\$1,998.51
Romayne Richie	\$1,531.12
June Stewart	\$164.66
Charles Wells	\$836.55

NWPPA Voting Delegate

The annual conference and membership meeting will be held in Anchorage, Alaska May 17-20, 2015. Attendees will be Jim Lett, Bob Myhr and Foster Hildreth.

- **Motion** made by Myhr and seconded (Thomerson) to appoint Jim Lett the voting delegate with Foster Hildreth as the alternate. Motion carried by voice vote.

RUS 219s

The Inventory of Work Orders includes projects completed at the Lopez substation, Henry Island submarine cable replacement, Blakely Island and a Lopez to San Juan secondary gigabit radio.

- **Motion** made by Myhr and seconded (Thomerson) to approve submission of the RUS Form 219s that total \$1,897,841.92. Motion carried by voice vote.

Member Services Policy 11 Capital Credits

Draft revisions were presented for discussion. After thorough discussion, it was agreed that more research was needed. Staff is to explore how members can find their patronage capital balance online. The policy revisions will be presented at the June board meeting.

Integrated Resource Evaluation

Ann Falcon and Steve Anderson of EES were present to give an overview of the timeline and expectations of the Integrated Resource Plan. Similar to the rate design process, this will occur over several months. Hildreth presented a PowerPoint entitled "Perspectives on Energy in San Juan County" that outlined the problems to be solved with the evaluation and gave an overview of electric usage in San Juan County. It was the consensus of the Board that the PowerPoint should be presented to members. Further discussion included concerns that the goal be defined and affordability and greener options are factors for generation/usage.

2014 Annual Meeting Minutes

The minutes will be approved by the membership at the Annual Meeting; however, the Board reviewed for errors.

Cost Recovery Charge

The cost recovery charge would be a "true-up" mechanism on member's bills to avoid a revenue shortfall. Developing a plan that will be fair to all members is key. The Board agreed that educating the members is going to be difficult but extremely important. Hildreth is to present to the Board a plan to increase revenue by utilizing a cost recovery charge and the suggested messaging to members at the June meeting.

Rock Island Communications Update

Lawlor reviewed activity to date. RIC is moving into the second phase of their finance integration plan.

The meeting adjourned to an Executive Session at 2:00 p.m. The regular session resumed at 3:20 pm.

2014 Audit Report

Olga Darlington and Jennifer Chu of Moss Adams LLC presented the 2014 audit report. They reported a clean audit with no audit adjustments and no difficulties. The revenue shortfall caused by a warming trend in the weather surprised everyone and was true for all of the utilities Moss Adams works with.

The meeting adjourned to Executive Session at 4:10 p.m. and regular session resumed at 4:40 p.m.

Reports

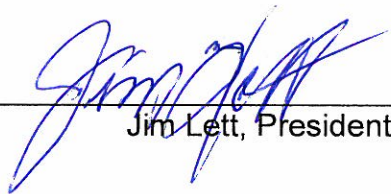
The **Cash Recap** shows a projected ending balance of \$68,865 as of April 30, 2015.

The **Safety** report indicated no incidents or near misses for March. There was one reported accident that occurred when a lineman strained his lower back reconnecting a service to a transformer.

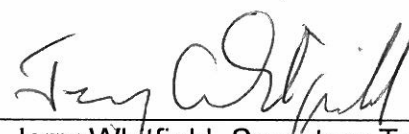
Hildreth reviewed the **General Manager's** report. April 18, 2015 is Lineman Appreciation Day. Hildreth will present a shirt to our line crew with a logo designed by Ed Lago, Engineering Technician.

Adjournment

The meeting adjourned at 4:55 p.m.



Jim Lett, President



Jerry Whitfield, Secretary-Treasurer