

# MINUTES OF THE BOARD OF DIRECTORS MEETING

## ORCAS POWER & LIGHT COOPERATIVE

Thursday, July 17, 2014

President Jim Lett called the meeting to order at 9:50 a.m. at the Eastsound OPALCO office. The start time of the meeting was delayed due to fog. Directors Winnie Adams, Vince Daucianas, Glenna Hall, Bob Myhr, Chris Thomerson and Dr. Jerry Whitfield were present. Also present were General Manager Randy Cornelius, Assistant General Manager Foster Hildreth, Manager of Engineering and Operations Russell Guerry, Manager of Information Services John Graminski and Executive Assistant Bev Madan, serving as recording secretary.

### Member/Guests

Harvey Aldort (Orcas), Gabriel Jacobs (Shaw), Dwight Lewis (Lopez), John Fleischer (Orcas) and Jay Kimball (Orcas) were welcomed and given an opportunity to address the board. Aldort implored the Board to let the members vote on the Broadband issue and stated that it was not something the Board alone should decide. Jacobs referred to a newspaper article written by Alex McLeod of Shaw and urged the Board to discuss its contents and "act accordingly". *Whitfield commented that he had a letter to distribute to the Board that they will discuss at their first opportunity.* Lewis commented on the letter to the editor written by Alex McLeod and urged the Board to provide answers to the questions risen in the letter. *Lett told Lewis he would discuss with him privately.*

Lett read aloud a letter sent to him by member Tom Ritter (Orcas) commending Cornelius and Hildreth for their expertise in addressing a men's group on Orcas recently. Madan was commended for coordinating their attendance.

### June Minutes

Myhr noted that the minutes should indicate that the Board adjourned to executive session in order to discuss personnel matters.

- **Motion** made by Thomerson and seconded to approve the June minutes with the correction. Motion carried by voice vote.

### New Members

- **Motion** made by Thomerson and seconded to accept the new members as listed. Motion carried by voice vote.

#### Blakely

Zech, Cynthia

#### Decatur

Brace, Colin & Milkana  
Wallace, Tim & Beth

#### Lopez

Fletcher, Corey & Luckhurst, Jasmine  
Gammill, Hilary & Kevin  
Huff, Connie  
Kent, Amilia & Nurczyk, Tim  
Koening, Tai  
Moilanen, David  
Russo, Ambrose  
Tri Grand Lopez Limited Partnership  
Williams, John & Anne  
Yalden, Victor

#### Orcas

6543 LLC & Howard Wright III  
Adam, Emmett  
Boerstler, Diane & Philip  
Carrion de Quintero, Cristal  
Olmstead, Erin & Kintzele, Paul  
Tonachel, Debra  
Webb, Eric  
Webster, Tim  
Emerson, Susan  
Whitley, Wesley

#### San Juan

Action 24 LLC  
Allen-Tate, Ross

Baker, Dalton  
Balster, Diane  
Bartlett, Jessica  
Billington, Carl  
Cagwin, Tom  
Churape, Santiago  
Cole, James  
Compton, Christopher & Anna  
Dann, Tsolo & Janet M  
Davis, Alex  
Dick, Gordon W  
Dutton, Ashley & Watts, Kevin  
Easterbrook, Trevor  
Edholm, Wesley  
Gallaty, Ralph  
Galluccio-Mott, Karen & Mott, Patrick  
Good, Jonathan  
Granger, Donald  
Gustafson, David  
Hanson, Jadin & Charisse  
Knutson, Dana & McGillivray, Mike  
Lautenbach Industries  
Macaskill, Dawn  
Martinez, Debbie & Kelly  
McCullough, Annette  
Peterson, Robert E  
Plane House LLC  
Randall, Jacob Ian & Michelle Renee  
RIC Insurance General Agency  
Robb, Laura & Paul  
Roberts, Steven  
Rollins, Shane  
Scanlan Dressler, Emma & Dressler, Brian  
Shih, Jenny

Slack, JadyN  
Stevens, Laurel & Sera, Jay  
Storms, Pamela & Kevin  
Sutherland, Nickie  
Wade, Dennis  
Waite, Hannah & Lawson, Parker  
Watson, Wesley

Weigeshoff, Raymond L  
Zell, Van  
  
Shaw  
Messenger, Marcia & David

**Member Owned Renewable Energy (MORE)**

Cornelius reported that the San Juan Islands Conservation District (SJICD), under the direction of Linda Lyshall, is doing a good job so far working as the umbrella organization for Policy 28 *Collaborating with Nonprofits to Accelerate Energy Efficiency & Conservation*.

Cornelius requested that the MOU be adjusted to include the MORE Committee and to add \$50,000 to the SJICD budget so that SJICD can hire additional staff to do the work of the MORE Committee. This increases the amount OPALCO will contribute annually to \$200,000.

- **Motion** made by Thomerson to approve modification of the MOU with San Juan Islands Conservation District to include the MORE program and to contribute an additional \$50,000 to SJICD, increasing the annual total to \$200,000 effective this year. Motion was seconded and carried by voice vote.

**Capital Credits**

- **Motion** made by Myhr to approve payment of \$7,194.91 in capital credits to the estates of deceased members as listed below; motion was seconded and carried by voice vote.

|                           |            |
|---------------------------|------------|
| Joan Dexter Glidden ..... | \$1,402.52 |
| Daniel D. Martel .....    | \$4,188.39 |
| Edith E. Schwendeman..... | \$622.45   |
| Frank Sera .....          | \$981.55   |

**RUS 219s**

- **Motion** made by Myhr and seconded to approve submission of RUS Form 219s that include projects completed in May from the Construction Work Plan totaling \$32,916.86. Motion carried by voice vote.

**Resolution 6-2014 Load Forecast**

RUS requires annual updates to the Load Forecast. This update also satisfies requirements of Washington State's HB 1010 *Resource Plan*.

- **Motion** made by Adams and seconded to approve Resolution 6-2014 2014-2024 *Electric Load Forecast Update*; motion carried by voice vote.

**Whitney Easement Relinquishment**

Easement AFN 71640 on San Juan Island was for an old overhead line granted in 1969 and is an old abandoned right of way. It bears no direct relationship to the existing line or clearing zone.

- **Motion** made by Myhr to relinquishment AFN 71640 and seconded; motion carried by voice vote.

**Survey Results: PixelSpoke**

Cameron Madill of PixelSpoke presented the results of the recent member satisfaction survey; members will be presented with the results at the San Juan County Fair in August.

This survey was developed to help OPALCO build a culture of “listening” to better serve members and will be repeated every other year.

The 35-question survey was released to the membership on May 3 and closed on June 20.

Members were offered a \$5 bill credit for participating. A total of 2,172 respondents completed the survey (almost 20% of the membership). The survey showed that, of those responding, 48.8% were “very satisfied” overall and 1.1% were “very dissatisfied”. Results of this survey will be used to determine areas that need improvement and trends will be developed over time.

**Rate Design**

Anne Falcon of EES Consulting presented objectives of the rate design. This is the third step in the process of designing new rates. Rates presented indicated an overall 6% increase that would be effective with the March 2015 billing.

An important aspect of the new rates will be adding a demand charge. Objectives of the new rate design will also include consideration of conservation price signals and simplifying the rate schedules.

The next step in the process will be for the Board to review the rates distributed, add their comments/suggestions and send to Hildreth to determine the impact on members. Rates will be reviewed at the August Board meeting. It is hoped that the new rates will be approved at the October Board meeting. Members will have two months to comment before the rates are finalized.

#### **Island Network Cost Interim Rate**

Hildreth reviewed the Island Network Costing and Rates presentation prepared by EES Consulting. Current objectives are to determine the costs of providing Internet services; identify interim service offerings; apply interim rates and to modify policies and procedures consistent with interim rates. Next steps will be to perform market studies, refine service offerings and rates and develop operating procedures and policies. IN is currently serving 45 members with 85 connections with monthly revenues of \$41,401 -- an increase of 61%.

#### **Adjournment**

The meeting adjourned for lunch followed by Executive Session at 12:30 p.m.

  
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Jim Lett, President  
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Jerry Whitfield, Secretary-Treasurer



# ORCAS POWER & LIGHT COOPERATIVE

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## BOARD OF DIRECTORS

### RESOLUTION 6-2014

#### 2014-2024 ELECTRIC LOAD FORECAST UPDATE

**WHEREAS**, Joel Mietzner, System Engineer of Orcas Power and Light Cooperative, has been actively involved in the development of the Electric Load Forecast 2014-2024; and

**WHEREAS**, Joel Mietzner has reviewed and recommends the acceptance of the 2014 – 2024 Electric Load Forecast for Orcas Power and Light Cooperative; and,

**WHEREAS**, the preparation of the Electric Load Forecast 2014-2024 conforms to RUS requirements; and,

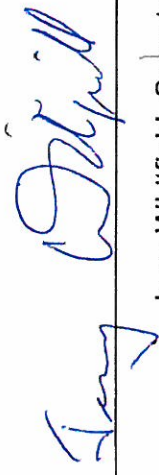
**WHEREAS**, the Board of Directors has reviewed the data for the Electric Load Forecast and finds that it meets the needs of Orcas Power and Light Cooperative.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of Orcas Power and Light Cooperative accepts and approves the 2014-2024 Electric Load Forecast upon the recommendation of the System Engineer at a regular meeting held July 17, 2014 and directs the General Manager to execute and carry out its recommendations.

#### CERTIFICATION OF SECRETARY

I, Jerry Whitfield, Secretary of Orcas Power and Light Cooperative, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of the Orcas Power and Light Cooperative, held on the 17<sup>th</sup> day of July 2014 at which meeting a quorum was present.





Jerry Whitfield, Secretary

