

Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Wednesday, October 18, 2017

President Vince Dauciuas called the meeting to order at 8:50 a.m. at the Friday Harbor OPALCO office. Board members present were Winnie Adams, Randy Cornelius, Jim Lett and Jerry Whitfield. Board members absent were Mark Madsen and Brian Silverstein. Staff present were General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance and Member Services Nancy Loomis, and Executive Assistant Bev Madan (serving as recording secretary).

President Dauciuas read the following statements to those present: *"Members attending the board meeting acknowledge that they may be recorded and the recording posted to OPALCO's website. Members are expected to conduct themselves with civility & decorum, consistent with Member Policy 17. If you would like answers to specific questions, please fill out the Q&A card for post meeting follow-up."*

MEMBER/GUESTS

Consultant Jay Kimball.

CONSENT AGENDA

- Motion was made to accept the Consent Agenda which included the September 21 minutes, new members (listed below), capital credit payments totaling \$6,275.48 and RUS 219s totaling \$786,543.64. Motion was seconded and carried by voice vote.

New Members

District 1

Brown, Pearl, Henry, San Juan, Spieden

Allen, Mark
Bellhart, Elspeth
Bennett, Monica & Jeff
Carlson, Mitchell
Colglazier, Katlynn
Douglas Hickman, Lana
Ewers, Robert & Tana
Greenberg, Lou
Guerrero, Maria A
Hauschild, Joy
Hess, Carl
Hills, Kyle
Johnson, Lars
Johnston, Melvin & Castleman, Linda
Leeming, Frank A & James-Slusher, Hannah
Metts, Angela L.
Morelli, Dina
Pawloski, Ryan
Rebhan, Bruce & VanCamp, Joy
Rugge, Ashley
Senn, William & Leslie
Sommers, Amy & Kenneth
Steel Breeze LLC
Stevenson, Jon
Sunbreak Roving Vet Service
Tikunoff, James & Abigail
Treehouse5 LLC
Vonderhaar, Becky & Chris
Williamson, Janet
Youngsman, William
Zack, Adam

District 2

Armitage, Blakely, Obstruction, Big Double, Little Double, Fawn, Orcas

Albertson, John & Mary
Ballou, Laurel J
Beeman, Jeffrey & Doty, Elizabeth

Blackburn, Jack
Davidson, Valorie & Maki, Robert
Day, Talya & Shively, James
Floyd, Stephen G
Fry, Sandra
Gordon, Michael
Griffin, David & Kimberly
James, Monica & Scott
Ledgerwood, E
Lefever, Sachi
Lift Strength and Condition
Marie, Kathryn
Millen, Samuel
Nawn, Rodney & Natalie
Neitman, Kristine
O'Brien, Wendy
Page, Shannon & Ferrari, Mark
Rinchai, Darawan & Chaussabel, Damien
Roepke, Meryl
Smith, Roy
Sorensen, Rachel & Boydston, Galen
Spaulding, Benjamin
Webster, Paul
Wiper, Kara & Jeff

District 3

Decatur, Center, Charles, Lopez

Crow, Sasha
Estep, Alan & Susan
Fagerholm, Paula & Jeff
Gaddis, Mel & Ferrouge-Gaddis, Annette
Huxtable, Caroline & Leighton, Andrew
Johnson, Robert T
Kisker, Danielle & Douglas
Lewis, Kendra & Henderson, R. Keith
Puglisi, Anthony & Pamela K
Romney, Elizabeth & Giles, James
Smith, William C
Weeks, Tom & Oyer, Deborah

District 4
Crane, Canoe, Bell, Shaw
Gulick, George
Sussman, Django & Wainstein, Michell

Capital Credits – Customer Estates/Organizations Retired

<u>Customer #</u>	<u>Amount</u>
65066	\$1,351.22
68293	\$ 850.37
28168	\$4,073.89

IRS Forms 990 and 990-T

The Board met in Executive Session to review the IRS Forms 990 and 990-T. The 2016 returns are consistent with the 2015 filings and are based on the 2016 financial statements which were audited by Moss Adams. The audited statements were reviewed and approved by the Board of Directors at the May 18, 2017 meeting. After discussion, the regular meeting resumed.

- **Motion** was made and seconded to approve filing the 2016 Federal Tax Return Form 990 and Form 990-T. Motion was carried by voice vote.

Policy 29 Rate Design Draft Revisions (first read)

Policy 29 was redrafted to memorialize the board discussions that occurred the 2017. The finalized version will be submitted for approval at the November Board meeting. The policy will likely be further reviewed and revised upon completion of the rate structure process in 2018.

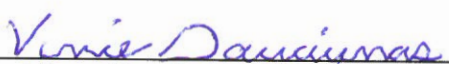
REPORTS

General Manager

- Safety: Total hours worked without loss time is 14,147.
- Submarine Cable Update: Cable removal was completed on September 24, 2017. The new cable installation was completed on October 4. All splicing will be completed by the end of October with estimated energizing to occur in December and project close-out through the beginning of 2018.
- Decatur Community Solar Bids for the design and array are due in October, after which they will be reviewed by a committee of staff and member-experts. The project is on schedule to be completed in Summer 2018.
- Decatur Energy Storage System Project: OPALCO has contracted with Washington Department of Commerce (WA DOC) to ensure reimbursement of the WA DOC matching grant funds. Pacific Northwest National Laboratories (PNNL) will be completing an analysis of the feasibility of the system.
- Mainland Redundancy: Staff met with Puget Sound Energy to brainstorm redundancy options for the radial feed from PSE Burrows Bay Substation to Washington Park Substation in Anacortes. Next steps are to submit a modification request to BPA; upon receipt BPA will conduct a feasibility study.
- Projected Finance: The Board requested options for the return of excess revenues prior to end of year. This return would account for the needed margin to cover the payout of capital credits and maintain the appropriate equity per strategic directives.

ADJOURNMENT

Meeting adjourned at 10:44 am.


Vince Dauciunas, President


Winnie Adams, Secretary-Treasurer