

Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, December 21, 2017

President Vince Dauciuinas called the meeting to order at 8:00 a.m. at the Lopez Fire Hall. Board members present were Winnie Adams, Randy Cornelius, Jim Lett, Mark Madsen, Brian Silverstein and Jerry Whitfield. Staff present were General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance and Member Services Nancy Loomis, Head Accountant Travis Neal; Assistant Manager of Member Services Jon Blomgren; Communications Team Suzanne Olson and Krista Bouchey; and Executive Assistant Bev Madan (serving as recording secretary).

President Dauciuinas 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."*

Nourdine Jensen Youth Scholarship Presentation

Scholarship recipients Haley Moss, Zach Fincher, Joanne Mietzner, Jonathan Doherty, Jayna Ott and Youth Director Tenley Nelsen presented highlights of their experience at the ICUA Youth Rally held at the College of Idaho this past July. All expressed their thanks to the Board and agreed that it was a life-changing experience.

District 3 Board of Directors Appointment

Dauciuinas thanked the Elections and Governance Committee (EGC) for their diligent work vetting candidates for the seat in District 3 (Lopez, Decatur, Center and Charles) that will be vacated when Jim Lett retires from the Board in January 2018. Candidates were interviewed during closed session.

Executive Session 8:35 am – 11:00 am

Peter Garlock was appointed to fill the remaining term of Jim Lett, effective immediately following the January 2018 board meeting. The term expires in 2019.

Consent Agenda

- **Motion** was made and seconded to approve the Consent Agenda, including November 15 and 16 minutes, new members (listed below), capital credit payments totaling \$7,741.36 and RUS 219s totaling \$431,621.50. Motion carried by voice vote.

New members:

District 1 (San Juan, Pearl, Henry, Brown, Spieden)
Adams, Jon & Dean
Arrowsmith, Lacy
Berard, Jenny
Cox, Seth
Evans-Wickberg, Susan & Daniel B
Franklin, Antoinette
Grant, Randy & Jan
Green, Heidi & Mark
Johnson, Jeffrey & Smith, Rebecca
Joseph, Natalie
Lord, Mary
Mahoney, Stephen & Brittany
McCullagh, Sarah A
Montgomery, Aaron
Moreno, Ernest & Karyn
Nigro, Edward & Donna Lee
Ottinger, Nicholene & Gary
Rodman, Leslie
San Juan Auto Parts LLC
Springtree Vacation Stay LLC
Tripp, Jeffery & Jennifer
Tritschler, Maurice
Vitarelli, Arthur & Laurie
Weiland, Derek
Wow Thai Kitchen LLC

District 2 (Orcas, Armitage, Blakely, Obstruction, Big Double, Little Double, Fawn)
Arneill, Allison
Burbridge, Dean
Carter, Rebecca
Davidson, Lindsey
Hancock, Gregory C
Kean, Leslie S & Promislow, Daniel
LaFaunce, Denise
Larson, Tylen C
Lassen, Alexander
MacDonald, Jeff
Murray, Brian
Pettyjohn, Steven & Knipe, Joan M
Shivers, Mike & Barbara
Unlax, LLC
Willard, Linda
Williams, Rosalind
Wilson, Jonathan
Younger, Tracie & Joaquin

District 3 (Lopez, Decatur, Center, Charles)
Bates, Albert
Clark, Carly
Coro's Mechanical Repair
Danvolgyi, Lena
Fuller, Jane
Funaro, James & Theresa
Herold, Mehgan
Klein, Angel
Nichols, Rachel

Nou, Daniel
Peterson, Robert
Pope, Mary K & Bacco, Edward M
Stearns, Brian & Jean

Ward, Robin
District 4 (Shaw, Crane, Canoe, Bell)
Miller, Walter & Nicolene

Capital Credit Payments:

<u>Decedent #</u>	<u>Amount</u>
1780	\$ 665.61
7310	\$ 177.32
11179	\$ 388.32
21970	\$2,173.69
26680	\$ 859.46
26850	\$ 443.07
62468	\$1,906.23
69660	\$1,127.66

Tariffs

It was noted that these tariffs are the result of the 2017 annual budgetary process and the rate structure will be studied throughout 2018 for the 2019 rate period after the Cost of Service study is complete. The rates were set with the approval of the 2018 budget.

- **Motion** was made and seconded to approve the 5% increase to all components of the tariffs effective as of the first January 2018 billing cycle. Motion carried with one opposed.

Elections and Governance Committee

The Elections and Governance Committee (EGC) appointments were made with staggered terms initially in order to result in three-year rotations of different years. Members appointed to Position A of each district have completed their one-year appointments.

- **Motion** was made and seconded to reappoint members Barry Cave (District 1), Doug Marshall (District 2) and Rob Thesman (District 3) to Position A three-year terms. Motion carried by voice vote.

It was noted that two vacancies remain in Districts 1 and 3 Position B.

Member Services Policy 1 Nature of Services Offered Revision

Revisions were introduced to allow for office closures to expand staff training and development. Section 1.2.1 of MS Policy 1 will now read: *OPALCO shall maintain business offices in Eastsound and Friday Harbor. These offices shall be open from 8 a.m. until 4:30 p.m., Monday through Friday except holidays and occasional closures for safety training and staff development.*

- **Motion** was made and seconded to approve the revisions to MS Policy 1, adding "and occasional closures for safety training and staff development" to Section 1.2.1 and to waive the second reading. Motion carried by voice vote.

Member Services Policy 11 Capital Credits

Revisions were presented to Section 11.4.4 as a first read. These revisions were suggested at the November meeting to memorialize the approach of smoothing general retirement of capital credits. Clarification language was added in order to give smoothing guidance during the budgeting processes. Additional edits were suggested for clarity.

OPALCO Policy 11 Director's Stipend

The Elections and Governance Committee (EGC) was tasked with reviewing this policy, which was last revised in 2013. The Committee thoroughly researched other boards' compensation structures during their deliberation and gave a lengthy report on the process and made the policy change recommendations for board consideration.

Revisions were recommended to Section 16.2 *Meeting Stipend*, as a first read. The suggested revisions include an increase of the meeting stipend from \$250 to \$300; an increase from \$200 to \$225 per day for conferences and trainings; and an additional \$50 per Board meeting for the President.

This policy will be renumbered as well, due to some policies being transferred to the employee handbook.

Outage Recap

The outages on Shaw Island November 26 and 28 were reviewed. The outage November 26 effected Shaw, Orcas, Blakely, Obstruction and Crane islands and lasted 19 hours. Hildreth noted that the trees on Shaw Island are older and taller, posing more of a threat to the transmission lines. Future outages will be minimized once the redundant feed to Orcas from Decatur is completed and the right of way on Shaw widened.

Lessons learned for future outages include additional reconnaissance at the beginning of the outage to assess the full extent of damages; expand danger tree buffers and inspection program for transmission

lines; verify redundant communications paths; bridge communications with members and crews via the outage website; when upgrading distribution lines to transmission voltage, ensure right-of-way (ROW) widths are appropriately sized. Kudos were given for getting the power back on quickly and for keeping members informed during the process.

Cornelius left the meeting.

Community Solar Update

Hildreth reviewed the status of the Community Solar project at the Decatur Island Substation and introduced the logo. Marketing will begin in March. This array is a result of the Washington Clean Energy Fund matching grant. PNNL will provide the analytics as required by the grant and will present their report at the January 2018 meeting. BEF is providing a \$50k grant for low income.

After review and discussion, the Board consensus was to set the initial Community Solar Energy Credit Rate per kWh equal to OPALCO's residential tariff (\$0.1007/kWh effective with the January 2018 billing period).

Reports:


General Manager: Hildreth reviewed the report, including notice that staff will have monthly safety/field days, closing the office at noon for all to participate.

Total hours worked without loss time: 21,944.


The January meeting is moved to Friday, January 19.

ADJOURNMENT

Meeting adjourned at 1:40 pm



Vince Dauciunas, President



Winnie Adams, Secretary-Treasurer