

Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, March 15, 2018

President Vince Dauciunas called the meeting to order at 8:30 a.m. at the Eastsound OPALCO office. Board members present were Winnie Adams, Randy Cornelius, Mark Madsen, Brian Silverstein and Jerry Whitfield. Peter Garlock attended via video. 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, Consultant Jay Kimball and Executive Assistant Bev Madan (serving as recording secretary).

President Dauciunas 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 Services Policy 17. If you would like answers to specific questions, please fill out the Q&A card for post meeting follow-up."*

Welcome

Members in attendance included Dwight Lewis and District 2 candidates Jeff Struthers and Rick Christmas.

Newly hired Journeyman Linemen Ken Loock and Joaquin Younger were introduced.

Consent Agenda

- **Motion** was made and seconded to approve the Consent Agenda, including February 15, 2018 minutes, new members (listed below) and capital credit payments totaling \$4,714.59. Motion carried by voice vote.

New members:

District 1 (San Juan, Pearl, Henry, Brown, Spieden)

Ayers, Justin & Nicole

Brahic, Anne & Kusner, Jon

Dancing Seeds Farm LLC

Depamphius, Donna

Duke, David J & Lisa A

Hall, Nina

Herring, Nathaniel

Joyner, Kimberly

Liptack, Michael

Mangin, Thomas

Newley, Christopher & Jessica

Paul, Brett

Ray, Robert C

SJ Vineyard LLC

Strider Construction Inc

Taylor, Ali

Team PB LLC

Thomson, Tate

Wagner, Curt & Toy, Suzanne

Wu, Meng Chuan

Cody, Casey

Cox, Justin & Bianca

Haberna, Bernadeta

Loock, Julia & Ken

Meneley, Scott

Nigretto, Tyler

Raisters, Eric H & Inese V

Schilling, Matt

Tobens, Carla

Virginia L Wood Estate

Viscofsky, Nancy A & Khodaverdian,

Mohama

Whitley, Katherine & Packer, Jason

District 3 (Lopez, Decatur, Center, Charles)

Cardenas, Alec

Dahl, Jonathan & Palmisani, Nicole

Garvey, Luann & Jenkins, Dennis

Glover, Jonah & Zengota, Mishawn

Neidermeyer, Justin & Perkins, Melissa

Quetin, Langdon B & Ross-Quetin, Robin

District 4 (Shaw, Crane, Canoe, Bell)

Brooks, Eli

Frankham, David

Lockhart, Megan

District 2 (Orcas, Armitage, Blakely, Obstruction, Big Double, Little Double, Fawn)

Capital Credit Payments:

<u>Decedent #</u>	<u>Amount</u>
5175	\$ 402.02
18190	\$1,536.67
30405	\$1,407.68
51304	\$ 448.53
65852	\$ 263.90
66498	\$ 267.15
68501	\$ 388.64

Meeting adjourned 8:35 a.m. to convene Rock Island Communications Meeting
Meeting resumed 10:10 a.m.

BYLAW REVISION: STAGGERED BOARD TERMS

Staggered terms for directors were discussed, with an implementation plan to begin in 2019 reviewed. Bylaw revisions, which reflect changes as seen in the table below, were reviewed by counsel and were presented for approval.

Election Year	Election District			
	1 – San Juan	2 - Orcas	3 - Lopez	4 - Shaw
2019			3A (3 Year) 3B (2 Year)	4 (3 Year)
2020	1A (3 Year) 1B (2 Year)			
2021*		2A (3 Year) 2B (2 Year)	3B (3 Year)	
2022	1B (3 Year)		3A (3 Year)	4 (3 Year)
2023	1A (3 Year)	2B (3 Year)		
2024		2A (3 Year)	3B (3 Year)	
2025 - repeat	1B (3 Year)		3A (3 Year)	4 (3 Year)

**2021 is final transition year*

- **Motion** to approved revisions to the bylaws was made and seconded; motion carried by voice vote.

MEMBER SERVICE POLICY 18 COMMUNITY SOLAR

OPALCO has an opportunity to partner with the Bonneville Environmental Foundation (BEF) to receive a grant dedicated to assisting low-income members with participation in Community Solar. This grant requires a portion of the energy produced from the Community Solar Project be for low-income participation. Funds from BEF (\$50,000) and OPALCO’s Energy Assist Program (\$50,000) will be used to purchase solar units which will return a monthly energy credit back into the Energy Assist Program.

- **Motion** to transfer up to \$50,000 of previously collected funding from OPALCO’s Energy Assist Program in exchange for receiving ten percent (10%) of the monthly energy production in the form of a dollar credit back to the Energy Assist Program was made and seconded. Motion carried by voice vote.
- **Motion** to approve Member Service Policy 18 *Community Solar* after counsel reviews section 18.3.5 “...non-members, may invest and assign a subscription to the program in order to benefit a separate existing member. The beneficiary will be bound by the same guidelines outlined in the PA.” by counsel was made and seconded. Motion carried with the included stipulation of counsel review. [Please note, legal counsel has reviewed the language as presented and concurred that this policy does not violate the cooperative’s bylaws or policies.]

RATES REVIEW: LONG-RANGE CAPITAL PLAN

In preparation of the March 16 work session, the Board reviewed the timeline created as part of the rates review. The March 16 work session will concentrate on long-range capital projects with staff presenting a long-term perspective on grid automation, local distributed generation to maintain our complex infrastructure going forward and to keep costs as low as possible into the future.

REPORTS

2017 Year-End Financials (Unaudited)


The overall 2017 finances tracked favorably to budget. Revenue was \$1.57M (6.0% higher than budgeted) but was offset by the related increase in purchased power (\$514,000). The result is a 2017 margin of \$3.4M, which is approximately \$1.4M greater than budgeted. The variance is primarily the result of colder weather generating higher revenues than budgeted as well as cost reductions across various operating and non-operating accounts.

General Manager:

Hildreth reviewed the GM report, highlighting the addition of an EV savings potential calculator on the OPALCO website.

ADJOURNMENT

Meeting adjourned at 2:10 p.m.


Vince Dauciunas, President


Winnie Adams, Secretary-Treasurer