

Minutes of Regular Board Meeting June 16, 2010

The Regular Meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Florence office on 16th day June 2010 at 10:00 a.m. PDT. President Matheny called the meeting to order and asked that the roll be called.

Members present: Curt Abbott
Ron Benfield
Larkin Kaliher
Judy Matheny
Tom Tymchuk

Others present: Paul Davies, General Manager
Julie Brown, Executive Assistant
Chris Chandler, Communication, Community and Econ. Devel. Mgr
Bruce Lovelin, Chief Engineer and Systems Engineering Manager
Mike Wilson, Power Manager

Visitors Recognized

President Matheny welcomed the District's staff and visitors to the meeting.

Lineman's Rodeo

President Matheny welcomed the District's staff to the meeting.

Convened to Executive Session

President Matheny adjourned the regular meeting at 10:05 a.m. PDT and declared that an Executive Session was convened pursuant to ORS 192.660. (2)(d) "to conduct deliberations with persons designated by the governing body to carry on labor negotiations". Ms. Chandler, Mr. Wilson and Mr. Lovelin left the meeting at this time.

Reconvened to Regular Meeting

The Executive Session adjourned at 10:25 a.m. PDT. And the regular meeting was reconvened by President Matheny. Ms. Chandler, Mr. Wilson, and Mr. Lovelin returned to the meeting at this time.

Consent Agenda

The Board took action to approve the following consent agenda items as presented:

- a) Minutes of the May 19, 2010 Regular Board Meeting;
- b) Vouchers for May, 2010;
- c) Petty Cash for May, 2010;
- d) Uncollectibles for May, 2010;
- e) Directors' Cash Report dated June 16, 2010.

AMI Project Update

6/16/10

Mr. Davies asked Mr. Lovelin to give an update on the Advanced Metering Infrastructure project. Mr. Lovelin briefly reviewed the status of the US Department of Energy Smart Grid Investment Grant requirements; and discussed the timeline for the upcoming RFP process for the AMI project. He stated that;

- Proposals will be sent to qualified vendors on July 1, with a due date of July 30;
- The responses will be reviewed the first two weeks of August and a selection of finalists will follow;
- Finalists will be notified, and site visits will be made;
- Oral presentations from selected vendors will be made the first week of October;
- A vendor selection will be presented to the Board at the October meeting, and a contract submitted to the Board at the November meeting.

NWPPA Annual Meeting

Discussion was held on the recent Northwest Public Power Association Annual meeting in Sacramento Calif. The presentations that pertained to Smart Grid models and consumer education were of special interest.

Amendment to the Pension Plan

Mr. Davies explained that the proposed Amendment to Central Lincoln's Restated Pension Plan and Trust closes out the current pension plan. The Amendment states that "All employees shall become a Member of the Trust on the July 1st following date of hire by the District, except that no employee hired or rehired by the District after June 30, 2010 shall become a Member of this Trust and no employees shall become a Member of this Trust after July 1, 2010." After discussion, the following motion was made:

Motion: Mr. Abbott moved and Mr. Benfield seconded that the Amendment to Central Lincoln's Restated Pension and Trust be approved, effective June 16, 2010. Aye: Abbott, Tymchuk, Kaliher, Benfield, Matheny.

Resolution No. 859 **General Manager's Compensation and Benefits**

A discussion was held on Resolution No. 859 which states that the General Manager's Compensation shall be increased by 4% per year for the next three years, and to postpone any further discussion on this matter until 2013. After discussion the following motion was made:

Motion: Mr. Abbott moved that Resolution No.859 which states that the General Manager's salary be fixed at \$15,159.62 per month effective July 1, 2010, be fixed at \$15,766.00 per month effective July 1, 2011, be fixed at \$16,396.64 per month effective July 1, 2012; be approved. Aye: Abbott, Tymchuk, Abbott, Kaliher, Matheny.

July 21st Board Meeting Agenda

Board Meeting
10:00 a.m.

BPA TRM Rate Structure
APPA National Meeting Review
Rep. Jean Cowan visit

(6/16/10)

Consent Agenda: Minutes, vouchers, petty cash, uncollectibles, and Director's cash report

Manager's Report

Correspondence

City of Toledo

Mr. Davies reported on a letter written by the Toledo City Manager concerning Central Lincoln's franchise fees. The City Council is considering an increase in the industrial franchise fee to a standardized rate of 3.5%.

Solar Power

A letter from a Florence customer concerning solar power was discussed.

Board Member Elections

Ms. Chandler distributed packets for the upcoming Central Lincoln PUD Director Election to be held on November 2, 2010 for Subdivisions 1 (Newport), 2 (Toledo/Siletz/Depoe Bay), and 5 (Reedsport). She mentioned that the information packets will be available at District offices and on Central Lincoln's website as well.

COU Presentations

Ms. Chandler discussed the upcoming *Consumer Owned Utility Statewide Presentations* focusing on climate change. One will be hosted by Central Lincoln in the Reedsport area in September 2010.

Director's Discussion

OREGON PUD ASSOCIATION

Mr. Abbott reported on current Oregon PUD Association issues, including a Request for Quotes (RFQ) for an OPUDA Administration Management Company.

Possible Conflict of Interest

Mrs. Matheny discussed a letter received from Mr. Davies concerning a possible Conflict of Interest with a family member and vendor ESG. After discussion it was the consensus of the Board that any future decisions concerning this company will be referred to the Acting General Manager.

The meeting adjourned at 11:50 a.m.