

**Minutes of Regular Board Meeting October 27, 2010**

The Regular Meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Newport office on Wednesday October 27, 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  
Brian Barth, Accounting and Finance Manager  
Julie Brown, Executive Assistant  
Chris Chandler, Communication, Community and Econ. Devel. Mgr  
Doug Dawson, Communications & Information Technology Manager  
Brandon Hignite, Electric Policy Analyst  
Dennis Hinton, Customer and Energy Services Manager  
Bruce Lovelin, Chief Engineer & Systems Engineering Manager  
Gary Nieborsky, Distribution Engineering and Operations Manager  
Mike Wilson, Power Manager  
Ms. Nyla Jebousek, Newport customer

**Visitors Recognized**

President Matheny welcomed the District's staff and visitors to the meeting. She asked Ms. Jebousek, a Newport customer, if she would like to address the Board. Ms. Jebousek stated that she was present to discuss Central Lincoln's policy and procedure for automatic bill paying. A discussion about this policy ensued.

*Ms. Jebousek left the meeting following the discussion.*

**Consent Agenda**

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

- a) Minutes of the September 2010 Regular Board Meeting;
- b) Vouchers for September, 2010;
- c) Petty Cash for September, 2010;
- d) Uncollectibles for September, 2010;
- e) Directors' Cash Report dated October 27, 2010.

**Communication and Counsel to the Board  
Governance Policy, pg. 8**

Mr. Davies reviewed with the Board his report on the Board's governance policy on Communication and Counsel to the Board. Discussion was held.

(See attached document.)

- A negotiated contract will not result in favoritism or reduced competition; and savings to the District can be obtained through this lease;
- The capacity is surplus to Central Lincoln's needs.

After discussion the following motion was made:

**Motion:** Mr. Abbott moved and Mr. Benfield seconded that the Lease of Dark Fiber Surplus Capacity to Charter Communications Operations LLC be approved for the above stated reasons. **Aye:** Abbott, Tymchuk, Kaliher, Benfield, Matheny. (See attached.)

### **Single Source SQ-01-11**

Mr. Davies explained that as part of the Smart Grid project Central Lincoln is expanding its fiber optic network for the purposes of path diversity and reliability.

- This will require the purchase of approximately 25 miles of 72- count fiber optic cable.
- There is currently only one manufacturer of fiber optic cable that meets the District's installation design criteria and system standards.
- All of the necessary hardware for cable of this diameter is already within our stock system.
- Vendor Stephens, McCarthy, Lancaster, LLC supplies the cable characteristics and parameters for our design work, at a purchase price of \$76,291.60.

After discussion the following motion was made:

**Motion:** Mr. Abbott moved and Mr. Kaliher seconded that Single Source SQ-01-11 for fiber optic cable be awarded to Stephens, McCarthy, Lancaster LLC for the purchase price of \$76,291.60. **Aye:** Abbott, Tymchuck, Kaliher, Benfield, Matheny. (See attached.)

### **November Board Meeting Agenda**

The following items are to be included on the agenda for the November 17th Board Meeting scheduled to be held at the Newport office:

Workshop -

Board Meeting - 10:00 a.m.

Financial Condition, Kenneth Kuhn's Annual Audit,  
Discussion with Tom Barrows

Consent Agenda:

Minutes, vouchers, petty cash, uncollectibles, and  
Director's cash report.

### **Manager's Report**

#### **Tier II Power**

Mr. Davies discussed a Resource Plan Outline that was developed by NEMS (Northwest Energy Management Services) for resource development and load growth projection for Tier II Power, focusing on FY 2014-2015 but including information through 2019. (See attached.)

#### **Correspondence**

- A letter from Northwest RiverPartners expressing appreciation for Central Lincoln's past support and outlining some of the challenges for 2011 was discussed. (See attached.)