

Minutes of Regular Board Meeting January 14, 2010

The Central Lincoln Board of Directors met in Executive Session at 12:15 p.m. PST in accordance with ORS 192.660. (2)(d) "to conduct deliberations with persons designated by the governing body to carry on labor negotiations". The Session adjourned at 12:45 p.m. PST.

The Regular Meeting of the Board of Directors of the Central Lincoln People's Utility District was held at the Newport office on the 14th day of January 2010 at 1:00 p.m. PST. President Abbott 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
Brian Barth, Accounting and Finance Manager
Chris Chandler, Communication, Community and Econ. Devel. Mgr
Dennis Hinton, Customer and Energy Services Manager
Bruce Lovelin, Chief Engineer and Systems Engineering Manager
Whit Patrick, Safety and Risk Manager
Steve Barker, Barker-Uerlings Insurance, CIC President
Michael Hoyt, Senior Account Executive Barker-Uerlings
Chan Christiansen, Assistant Distribution Eng/Ops Supervisor
Wayne Secrist, Serviceman, Toledo
Don Taggart, Serviceman, Newport
Bill Vezina, Line Foreman

Visitors Recognized

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

Election of Officers

President Abbott declared that, as this was the first meeting of 2010, it was appropriate to elect new officers for the coming year. He asked for nominations. Mr. Tymchuk nominated the following slate of officers for the year 2010; Mrs. Matheny, President; Mr. Kaliher, Vice President; Mr. Benfield, Secretary; Mr. Tymchuk, Treasurer. Discussion was held and the following motion was made:

Motion: Mr. Tymchuk moved and Mr. Benfield seconded that Mrs. Matheny be elected President; Mr. Kaliher, Vice President; Mr. Benfield, Secretary; Mr. Tymchuk, Treasurer; for the year of 2010. Aye: Benfield, Kaliher, Tymchuk, Matheny, Abbott.

The meeting continued with Mrs. Matheny serving as President.

Consent Agenda

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

- a) Minutes of the December 16, 2009 Regular Board Meeting;

- b) Vouchers for December, 2009;
- c) Petty Cash for December, 2009;
- d) Uncollectibles for December, 2009;
- e) Directors' Cash Report dated January 14, 2010

International Linemen's Rodeo

Mr. Davies introduced Chan Christiansen, Assistant Distribution Engineering/Operations Supervisor. Mr. Christiansen introduced Wayne Secrist, Don Taggert, Bill Vezina, the team from Central Lincoln that participated in the *2009 International Linemen's Rodeo* in Kansas City, Missouri. Mr. Christiansen, a judge for the event, explained that participation in the Rodeo offered many benefits, including:

- Improved teamwork within the crew.
- Networking with other utilities.
- An opportunity to see other utilities work practices.
- Attending the Expo trade show gave them an opportunity to see new equipment in the industry and talk to factory representatives.

Central Lincoln's team competed in the senior event category and did bring home a trophy.

Mr. Christiansen, Mr. Secrist, Mr. Taggert and Mr. Vezina left the meeting at this time.

District Property and Liability Insurance

Mr. Patrick introduced Mr. Steve Uerlings and Mr. Michael Hoyt, account executives from Barker Uerlings Insurance. Mr. Uerlings explained that they were agents of record for the District's property and liability insurance. He then presented a review of Central Lincoln's 2010-2011 property and liability renewal summary. (See attached.)

Mr. Patrick, Mr. Uerlings, and Mr. Hoyt left the meeting at this time.

Resolution No. 855 **Emergency Succession, pg. 5**

Mr. Davies discussed Resolution 855, which states that Mr. Matt Boshaw would continue as the Acting General Manager in Mr. Davies absence for the coming year. After discussion the following motion was made.

Motion: Mr. Kaliher moved and Mr. Abbott seconded that Resolution 855 stating that Matt Boshaw will be the Acting General Manager in Mr. Davies absence for 2010 is accepted. Aye: Benfield, Abbott, Tymchuk, Kaliher, Matheny. (See attached.)

Appointment of OPUDA Representative

Mrs. Matheny appointed Mr. Abbott to be Central Lincoln's representative to the Oregon PUD Association, and Mr. Kaliher to be the alternate, for 2010.

Appointment of Trustee's to District's Pension Plan for 2010

Motion: Mr. Abbott moved and Mr. Tymchuk seconded that in compliance with Article XVI Paragraph 1, of the District's Pension Trust Plan, Brian Barth, Nancy Evans and Mike Wilson be re-appointed as Plan Trustees for the year 2010. Aye: Benfield, Abbott, Tymchuk, Kaliher, Matheny.

Appointment of Trustee's to the District's Deferred Compensation and 401K Plans for 2010

Motion: Mr. Abbott moved and Mr. Kaliher seconded that Brian Barth, Nancy Evans and Sue Tyler continue to serve as Deferred Compensation and 401K Plan Trustee's for the year of 2010. Aye: Benfield, Abbott, Tymchuk, Kaliher, Matheny.

Meeting Dates and Locations for 2010

Discussion was held regarding the board meeting schedule for 2010, including dates and locations, as follows:

February 17 th	Depoe Bay
March 17 th	Newport
April 21 st	Florence
May 26 th	Newport
June 16 th	Florence
July 21 st	Toledo
August 18 th	Reedsport
September 15 th	Newport
October 20 th	Yachats
November 17 th	Lakeside
December 15 th	Waldport

After a brief discussion the following motion was made:

Motion: Mr. Abbott moved and Mr. Benfield seconded that the above meeting schedule for 2010 be accepted as to dates and locations. Aye: Benfield, Abbott, Tymchuk, Kaliher, Matheny.

Bid No. 04-001-10
kV Circuit Switchers

Mr. Davies asked Mr. Lovelin to discuss Bid No. 04-001-10. Mr. Lovelin advised that after a complete review of the bids submitted, it is staff's recommendation to award the following circuit switchers to the lowest bidders who met these specifications: one 72.5 kV circuit switcher w/bypass, and two 121 kV circuit switcher's w/bypass, submitted from Siemens Electric; one 72 kV switcher w/bypass and disconnect from S&C Electric Company, at a total bid cost of \$172,804.00

After discussion the following motion was made:

Motion: Mr. Kaliher moved and Tymchuk seconded that Bid No. 04-001-10 requesting two-121 kV circuit switcher's and one 72.5 kV circuit switcher be awarded to Siemens Electric; and one 72.5 kV circuit switcher w/bypass and disconnect, be awarded to S&C Electric Co. at the total bid cost of \$172,804.00. Aye: Benfield, Abbott, Kaliher, Tymchuk, Matheny. (See attached.

NRU/NIES Discussion

Mr. Davies discussed a *Member Guarantee of Member Share of Market Purchase Agreement* which was presented to the 10 utilities included within the NIES Group from the Northwest Requirements Utilities (NRU). One of the potential bidders, EDF Trading North America LLC, has requested additional guarantees from the NIES members because the NIES organization has not yet established a credit history.

Mr. Davies was requesting authorization from the Board to sign the *NIES Member Guarantee* or any future Guarantee that would parallel this agreement, for energy purchases within the 2012-14 timeframe. After discussion the following motion was made;

Motion: Mr. Abbott moved and Mr. Benfield seconded that authorization to sign this Guarantee and any future Guarantee that would parallel this Guarantee, for energy purchases, within the 2012-2014 timeframe, be given to Mr. Davies. Aye: Benfield, Abbott, Kaliher, Tymchuk, Matheny. (See attached.)

February Board Meeting Agenda

The following items are to be included on the agenda for the February 17th Board Meeting in Depoe Bay.

10:00 a.m. -

Regular Board Meeting

Board -GM Relation, pg. 4,
Conservation Update

Board Action- Review & Asset

BPA TRM Rate Structure Discussion

Consent Agenda -

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

Manager's Report

Smart Grid Update

Mr. Lovelin gave a brief update on the status of the Smart Grid Contract stating that the finalization of the Department of Energy contract is not yet complete.

Correspondence

Mr. Davies discussed two letters from customers in Waldport and Seal Rock expressing appreciation for great service and for the duct sealing program.

Media Releases/Events

Ms. Chandler discussed a post card that went out to some of our rural customer's informing them of pending work in their area; and a *Chipping for Charity* event that recycled Christmas trees with the proceeds going to the Central Lincoln SOS fund.

(1/14/10)

Newport Bicycle and Pedestrian Committee

Mr. Davies reviewed a meeting with the *Newport Bicycle and Pedestrian Committee*. Discussion was held on use of our property from Chestnut Street to 35th street for a walking / bike trail. It was determined that a trail through the proposed area would not be feasible.

Director's Discussion

OREGON PUD ASSOCIATION

A discussion on Oregon PUD Association issues was held.

American Public Power Association

After discussion it was determined that Ms. Chandler would be Central Lincoln's representative to the February 2010 APPA Legislative Rally in Washington D.C.

There being no further business, the regular meeting adjourned at 3:45 p.m.

List of vouchers, cash report, uncollectibles, and manager's financial report were all given to the Board prior to the meeting

Ron Benfield, Secretary

Judy Matheny, President