

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF WEST OREGON ELECTRIC COOPERATIVE

December 18th, 2018

A regular meeting of the Board of Directors of West Oregon Electric Cooperative was held
December 18th, 2018 at 652 Rose Ave.Vernonia, Oregon at 7:00 p.m.

Director's attendance:

Brett Costley	President, District 4	Present
Jim Buxton	Vice President, District 3	Present
Rosemary Lohrke	Secretary, District 6	Present
Brian Baker	Director, District 1	Present
Nicholas Galaday	Director, District 5	Present
Robert VanNatta	Director, District 2	Present
Larry Heesacker	Director, District 7	Present

Staff attendance:

Bob Perry	General Manager	Present
Daniel Huggett	Manager of Finance & Administration	Present
Don Rose	Engineering & Operations Manager	Present
Billi Kohler	Executive Assistant	Present

Others present: Kyle Oram (DPI Solar), Steve Mead (Dist. 7), Walt Kennedy (Dist. 7), Dave Stocker (Dist. 6), Mary Stocker (Dist. 6), Cassius Mead (Dist. 7), Michial Mead (Dist.7), Linda Perry (Dist. 3), Martha VanNatta (Dist. 2).

<p>President Brett Costley opened the meeting with the Flag Salute and determined a quorum was present.</p>	<p>OPENING CEREMONY</p>
<p>Member Dave Stocker discussed with Board of Director's and staff the Board of Director per diem. Member Dave Stocker then asked why the WOEC November 2018 meeting was moved to a date off schedule, he was answered with explanation that due to the timing there would not have been enough directors present on the original date to establish a quorum. The decision to move meeting was made during the October board meeting. Member Dave Stocker discussed with WOEC staff the proposed management salary increase any necessity. Discussion of compensation surveys and how salary will have an impact on the future of WOEC took place.</p> <p>Member Mary Stocker prepared a list of questions and concerns that was read aloud to the Board of Directors. Directors addressed concerns with Mary and agreed to revisit at the January meeting given time to review. Mary expressed her concern with the salary increase.</p> <p>Board of Directors and Membership present discussed the continuing rising rates and what needs to be done to resolve the issue.</p> <p>Member Mary Stocker expressed the necessity for reasonable rates. All members present expressed they contest all wage increases until rates can be lowered.</p> <p>Discussion took place regarding the WOEC headquarters and areas that costs were saved while building as well as the necessity for the size of the building.</p> <p>Board of Directors and Membership present discussed possibility PGE purchasing WOEC. Board responded that this conversation has happened and will happen again but there is nothing official to report on the topic at this time.</p>	<p>MEMBER PARTICIPATION</p>

<p>Discussion of WOEC's Net metering policy took place. Kyle from DPI Solar advised; WOEC could grow the net metering program and would benefit from doing so. Board expressed concern of how growth in Solar use could negatively affect non-solar members. Staff discussed WOEC's current Net Metering policy and explained that WOEC does not subsidize solar installation.</p>	
<p>President Costley called the meeting to order at 8:33PM.</p>	<p>CALL TO ORDER</p>
<p>Director Nick Galaday requested to add his report to the agenda, General III. November 2018 Meeting Minutes, Member Vote in (26) / Vote outs (23), Daily Cash Flow, and General Fund Checks for November 2018 in the amount of \$778,807.69 were approved unanimously.</p>	<p>CONSENT AGENDA</p>
<p>General Manager Bob Perry had nothing to report outside of Executive Session.</p>	<p>GENERAL MANAGER'S REPORT</p>
<p>Manager of Finance & Administration Dan Huggett reported that current month revenues are below budget by \$82K (7.3%) and above last year by \$7K. Cost of Power is \$179K this month with no Spill Surcharge. YTD Tier is 1.44 (target of 1.25 minimum) and operating Tier is 1.35 (target of 1.10 minimum). Patronage Capital Retirement Fund amount is \$14,400 with report included. The 2019 standard mileage rate will be changing from .54 cents per mile to .58 cents per mile. Additionally Dan discussed the Santa Photo Fundraiser that took place the amount WOEC will be able to send to Oregon Energy Fund including the money raised from the Power Up Program.</p>	<p>FINANCIAL REPORT</p>
<p>Write off list for the month of November was presented. Upon motion by Director Brian Baker and seconded by Director Jim Buxton the write off list of \$1,110.69 was approved. No contest.</p>	<p>WRITE OFFS</p>

<p>Member's present expressed concern with the 2019 Budget Approval at the November meeting considering the change in the meetings date without notifying the membership. President Brett Costley explained that it is on the agenda to go over again this month in Executive Session.</p> <p>Executive Session Opened at 8:44PM</p> <p>Executive Session Ended at 8:55PM</p> <p>President Brett Costley entertained the Proposed Budget. Director Robert VanNatta moved to approve the WOEC 2019 Budget per the Budget Committees recommendation with the exception of management salary increase being 5.7% instead of the proposed 8%.</p> <p>Director Nick Galaday seconded the motion. Motion was approved with 5 aye votes (Robert VanNatta, Larry Heesacker, Rosemary Lohrke, Nick Galaday, and Brett Costley) and 2 Nay Votes (Brian Baker, and Jim Buxton).</p>	<p>2019 WOEC BUDGET/ RESULT OF EXECUTIVE SESSION</p>
<p>Operations Manager Don Rose reported, WOEC volunteered line trucks to help the Elsie Fire Department, and Christmas in Vernonia. Manager's recently held a meeting with Amanda Gamblin who will be replacing Tom Triplett as WOEC's labor attorney.</p> <p>Outage events have been low considering the weather and compared to neighboring utilities.</p>	<p>OPERATIONS REPORT</p>
<p>The Safety Meeting and Safety Committee meetings were held on November 29th, 2018.</p>	<p>SAFETY MEETING</p>
<p>No Policy Review.</p>	<p>POLICY REVIEW</p>
<p>Director Jim Buxton discussed digital media communications and went over material from the ORECA meeting.</p> <p>Discussion of creating a Social Media policy. No action at this time.</p>	<p>GENERAL</p>

<p>Discussion of WOEC to donate to the rural electrification project in Guatemala. ORECA is looking to either raise funds or donated time from linemen. Director Rosemary Lohrke offered a motion for WOEC to not participate in the fundraiser. Larry Heesacker seconded. The motion passed with 5 aye votes (Rosemary Lohrke, Larry Heesacker, Robert VanNatta, Brian Baker, & Brett Costley), and 2 nay votes (Nick Galaday, & Jim Buxton). WOEC will not donate to the project at this time.</p> <p>Board of Directors and staff discussed potential WOEC buyout, electric vehicles, Smart Meters, and the Public Power Council Meeting. No action at this time.</p> <p>Board of Directors and staff discussed adding an electric vehicle resource to WOEC's website. Board agreed to discuss again at a later date. No action at this time.</p>	
<p>Executive session opened at 10:15PM Executive session closed at 10:30PM</p>	<p>EXECUTIVE SESSION</p>
<p>President Brett Costley called meeting adjourned at 10:31PM</p>	<p>ADJOURN</p>

X

Brett Costley
President

X

Rosemary Lohrke
Secretary