

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

April 23, 2019

A regular meeting of the Board of Directors of West Oregon Electric Cooperative was held April 23, 2019 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	Chief Financial Officer	Present
Don Rose	Engineering & Operations Manager	Present
Billi Kohler	Office Manager / Executive Assistant	Present

Others present: Linda Perry (District 3), Martha VanNatta (District 2), Sally Harrison (District 3)

<p>President Brett Costley opened the meeting with a Flag Salute and determined a quorum was present.</p>	<p>OPENING CEREMONY</p>
<p>President Brett Costley called the meeting to order at 7:00PM.</p>	<p>CALL TO ORDER</p>
<p>Member Sally Harrison was present to share a message with the Board of Directors from Member Mary Stocker who was not present. Mary wanted to express concern regarding customer service, and wages. Board of Directors will review her concerns.</p> <p>Member Sally Harrison expressed concern with WOEC’s willingness to work with struggling members. WOEC will offer a payment plan to help members with past due balances, however, payment plans are not an option for every case. At the time of disconnect for nonpayment a member is more than three months behind in usage. WOEC bills are generated in arrears. Payment arrangements are permitted with the understanding that current bills need to be paid in full and on time while working to catch up any past due balances. WOEC staff will work with every member to the best of their ability as well as provide energy assistance information to those interested. Disconnection of service is a last resort.</p> <p>Member Sally Harrison expressed concern with the due date and how it affects members on a fixed income. If the 27th due date is an issue due to a members’ pay date WOEC staff suggests that they contact the office and request special arrangements.</p> <p>Membership participation ended at 7:15 p.m. and member Sally Harrison left the meeting.</p>	<p>MEMBER PARTICIPATION</p>
<p>Director Jim Buxton requested a grammar correction to the March 2019 meeting minutes, Board of Directors agreed to the correction, the Consent Agenda was approved unanimously.</p>	<p>CONSENT AGENDA</p>
<p>General Manager Bob Perry had nothing additional to report beyond his written report.</p>	<p>GENERAL MANAGER’S REPORT</p>

<p>Chief Financial Officer Daniel Huggett reported that current month revenues are above budget by \$5K (0.5%) and below last year by \$1K. Cost of Power is \$311K this month. YTD Tier is 3.27 (target of 1.25 minimum) and operating Tier is 3.17 (target of 1.10 minimum). Patronage Capital Retirement Fund amount is \$16,300 with report included. Additionally, Daniel Huggett reported WOEC had a good month, in part thanks to mutual aid.</p> <p>Capital Credit discussion took place. 2019 Capital Credit allocation information was sent to the membership on the April 2019 billing statement. If a member has elected paperless billing, they are able to view their allocation on their statement via SmartHub. Board of Directors agree that including allocation information on the regular invoice is a cost saving benefit.</p> <p>Board of Directors and Daniel Huggett discussed the RUS Audit results. The insurance policy is set to renew in April 2019.</p> <p>WOEC had zero estimated meter reads in the month of April.</p> <p>Discussion took place of Board of Directors need to review employee purchases. CFO Daniel Huggett proposed that he will provide a monthly report as applicable. This was accepted by the Board of Directors.</p> <p>Capital Credit Estate Retirements were completed in April 2019. Board of Directors is asked to review and approve the listing. Director Robert VanNatta moved to approve the Capital Credit Estate Retirement listing with a potential monetary change to one account, Director Rosemary Lohrke seconded. Motion passed with unanimous consent.</p>	<p>FINANCIAL REPORT</p>
<p>Write off list for the month of February was presented. Upon motion by Director Robert VanNatta and second by Director Jim Buxton. The write off list of \$1,474.34 was approved with unanimous consent.</p>	<p>WRITE OFFS</p>
<p>Operations Manager Don Rose reported; The Construction work plan is still temporarily stalled due to a State Historical</p>	<p>OPERATIONS REPORT</p>

<p>Preservation Office review of the area along with an Archeological review. The set back will be significant.</p> <p>Operations Manager Don Rose reported the new digger truck is in production.</p> <p>Operations Manager Don Rose reported that WOEC now has two active apprentices who will upgrade to Journeymen Linemen in one year.</p>	
<p>The March Safety Meeting was held on March 28, 2019.</p>	<p>SAFETY MEETING</p>
<p>Policy # 502 Board of Directors and staff discussed policy #502 via e-mail with legal counsel. As approved by WOEC attorney Chuck Fadeley the Board of Directors agree to add section II, D stating “The board of directors, at its discretion, shall have the power at any time upon the death of a patron who was a natural person to retire the capital credits to such patron’s account as provided in the Bylaws”. Additionally, the Board of Directors discussed unclaimed capital credits and directed staff to work with legal council on clarification of said credits. Can unclaimed capital credits be donated to charity? Can unclaimed capital credits be applied to uncollected balances? Board agreed to table Policy #502 discussion at this time and revisit later.</p> <p>Complaint Policy Discussion Board of Directors and staff discussed the complexity of the proposed example complaint policy. President Brett Costley will research complaint policies and compile to discuss at a future meeting.</p>	<p>POLICY REVIEW</p>
<p>Director Nick Galaday presented a list of “WOEC Ideas – Operating improvements for cutting costs / increasing revenue / improving service” at the January 2018 board meeting. Board of Directors discussed items #7, #9.</p>	<p>GENERAL</p>

<p>#7 Eliminate the use of “Brass Caps” (company provided vehicles for select employees’ personal commuting). This practice is very costly, and disproportionately so for employees who live far away. If we provide any such Brass Caps, they should be EV’s such as a Chevy Bolt, Nissan Leaf, or Ford CMax-energi (PHEV), to reduce operating costs and promote EV use among our employees and members. Level II EVES’s would need to be installed to refuel these vehicles at our headquarters and the respective employees’ homes. Consider leasing to take full advantage of “tax credit” incentives.</p> <p>Board of Directors discussed the company owned vehicles for commuting policy. The employees who use a company vehicle for personal commuting pay taxes along with a portion of the 5-year lease. The coop does not have a legal requirement to provide employee vehicles. The vehicles are a convenience for frequent business travel. Board of Directors unanimously agreed to make no changes at this time.</p> <p>#9 Withdraw support for many trade organizations, particularly ORECA. Evaluate the value of all such affiliations through a cost-benefit analysis. Any that are principally political must go. Board of Directors discussed membership value. Memberships are valued, the memberships have proven to be a benefit to the coop. Board of Directors unanimously agrees to review all membership affiliations annually during budget committee meetings. No changes were made at this time.</p>	
<p>Board of Directors were presented with a list of WOEC members interested in participating on the 2019 Election & Credentials Committee. Director Brian Baker moved to approve the proposed list of names; Director Robert VanNatta seconded. Motion passed with unanimous consent.</p> <p>The Election & Credentials Committee will be called to meet before July 1, 2019.</p>	<p>ELECTION & CREDENTIALS COMMITTEE</p>
<p>District #5 Nominating Meeting will be held at 7:00 p.m. on Wednesday June 19, 2019 at the WOEC headquarters. District # 2 Nominating Meeting will be held at 7:00 p.m. on Thursday June 20, 2019 at the Mist-Birkenfeld RFPD Main Station. Notices for</p>	<p>2019 NOMINATING MEETINGS</p>

<p>these meeting will be mailed out to district members on May 31, 2019. Nominees must reside in the district they wish to represent.</p>	
<p>President Brett Costley and General Manager Bob Perry have been invited to attend the 2019 Roadmap Conference in June.</p> <p>Director Nick Galaday and Director Larry Heesacker are scheduled to meet with the PUC on Wednesday April 24, 2019. Directors are invited to join them. Discussion will focus on WOEC territorial boundaries. Directors attending such meetings may not represent the whole Board of Directors but simply attend for informational purposes.</p> <p>Board of Directors and staff discussed the WOEC net metering policy and the concern of lost revenue. The cost of service study and rate design in process will assist in addressing concerns and finding a solution to avoid cost. WOEC has reached the threshold for net metering accounts and has the liberty to suspend the program for new net metering customers until a new policy is in place. Board of Directors agreed to no action at this time.</p>	<p>BOARD OF DIRECTORS DISCUSSION</p>
<p>Executive session opened at 9:04PM Executive session closed at 9:38PM</p>	<p>EXECUTIVE SESSION</p>
<p>President Brett Costley called meeting adjourned at 9:38PM</p>	<p>ADJOURN</p>

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Brett Costley
President

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Rosemary Lohrke
Secretary