

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF WEST OREGON ELECTRIC COOPERATIVE
FEBRUARY 26TH, 2019

A regular meeting of the Board of Directors of West Oregon Electric Cooperative was held February 26th, 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	Not Present

Staff attendance:

Bob Perry	General Manager	Present
Daniel Huggett	Chief Financial Officer	Present
Don Rose	Engineering & Operations Manager	Present
Billi Kohler	Office Manager / Administrative Assistant	Present

Others present: Erika Paleck (Dist. 5), Linda Perry (Dist. 3), Martha VanNatta (Dist. 2), Mary Stocker (Dist. 6), Dave Stocker (Dist. 6), Larry Fish (Dist. 3), Kenneth & Mrs. Barnett, William Cullinane (Federated Insurance Representative).

<p>President Brett Costley opened the meeting with a Flag Salute and determined a quorum was present.</p>	<p>OPENING CEREMONY</p>
<p>President Costley called the meeting to order at 7:00PM.</p>	<p>CALL TO ORDER</p>
<p>Federated Insurance Representative William Cullinane was present to answer any questions or address any concerns the Board of Directors may have. Discussion took place of insurance rates and the impact that proper maintenance has on rates. He is pleased to see the maintenance accomplishments of WOEC and strongly encourages WOEC to utilize maintenance programs to the max.</p>	<p>GUEST SPEAKER</p>
<p>Member Dave Stocker asked if retired employees receive a cost of living increase? No, retired employees will only receive what was contributed while they were employed. Member Mary Stocker asked if pay raises are calculated into retirement annually. Yes, when wages increase retirement contributions are recalculated.</p> <p>Member Mary Stocker spoke regarding high rates and affordability.</p> <p>Member Mary Stocker asked the Board of Directors if they are aware of any dollar amounts given to PGE regarding potentially selling territory. Per the non-disclosure agreement dollar amounts may not be disclosed. Board of Directors responded to the question stating that WOEC presented a scope amount to PGE, they countered with a scope amount that will not benefit the membership at large. WOEC is currently waiting to hear from PGE, there is nothing official to report at this time.</p> <p>Member Mary Stocker spoke regarding a dangerous situation on Greener Rd. during a recent outage. Mary reported that lines came down and were laying in the road where people needed to walk to get to their homes. The response time to repair took longer than they would like to see in that type of situation. WOEC strongly encourages members to stay clear of downed power lines no matter the circumstance or time frame. It may take crews some time to get to the area for repair, in this case it may be appropriate to call law enforcement to block the area until crews arrive. Discussion who would be able to respond to Greener Rd. in a</p>	<p>MEMBER PARTICIPATION 7:18PM – 7:43P</p>

<p>timelier manner took place, PGE or WOEC. WOEC is in a position of being able to count on aid from neighboring utilities in large outages. Large investor owned utilities would not have the same assistance which could result in longer recovery times.</p> <p>Member Mary Stocker reported that petitions are going around in multiple areas and will be turned into the board along with letters from members who are struggling upon completion. Mary states she is fighting for fair rates.</p> <p>Member Mary Stocker questioned what the average usage is? The most recent report showed an average of approximately 900 KWH per month.</p>	
<p>Director Rosemary Lohrke noted a correction to the January meeting minutes.</p> <p>No further Discussion.</p> <p>Consent Agenda was approved unanimously.</p>	<p>CONSENT AGENDA</p>
<p>General Manager Bob Perry, nothing to report at this time.</p>	<p>GENERAL MANAGER'S REPORT</p>
<p>CFO Daniel Huggett reported that current month revenues are below budget by \$106K (8.3%) and above last year by \$59K. Cost of Power is \$280K this month. YTD Tier is 2.78 (target of 1.25 minimum) and operating Tier is 2.75 (target of 1.10 minimum). Patronage Capital Retirement Fund amount is \$17,200 with report included. Additionally, Dan reported that Ken Kuhns will be present at the March 26th, 2019 regular Board Meeting.</p>	<p>FINANCIAL REPORT</p>
<p>Write off list for the month of December was presented. Upon motion by Director Robert VanNatta and seconded by Director Brian Baker. The write off list of \$1,508.99 was approved with unanimous consent.</p>	<p>WRITE OFFS</p>

<p>Operations Manager Don Rose reported that employee Colton Dewitt is officially in the apprenticeship program. One more year and he will be a Journeyman Lineman. WOEC brought on a new employee Justin Reichard to be a groundman and work his way into the apprenticeship program.</p> <p>Don Rose reported that the recent snow storm missed WOEC territory and the company was able to send crews to assist other utilities with outages.</p> <p>Discussion on members reporting power outages took place. WOEC strongly encourages members to call in each power outage. These calls help manage the outage and ensure we restore all who have been affected.</p>	<p>OPERATIONS REPORT</p>
<p>The February Safety Meeting will be held on February 28th, 2019.</p>	<p>SAFETY MEETING</p>
<p>Policy # 102 Nick Galaday proposed a change to add efficiency to section 2A. Director Rosemary Lohrke moved to accept the change, Director Robert VanNatta seconded. Motion passed with unanimous consent.</p> <p>Policy #112 Director Nick Galaday opened discussion regarding section 2B1. Following discussion to leave verbiage the way it is or expand there was no proposed change. Director Robert VanNatta moved to approve policy #112 as is, Director Jim Buxton seconded. Motion passed with unanimous consent.</p> <p>Policy #401 Director Nick Galaday opened discussion regarding section 2B1. Following discussion regarding clarity there were no proposed changes. Director Robert VanNatta moved to approve policy #401 as is, Director Jim Buxton seconded. Motion passed with unanimous consent.</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 #1 & #2.</p>	<p>GENERAL</p>

#1 Solicit competitive bids through use of the Plan & Spec environment for all outsourced work of any size to reduce costs. Discussion took place to adopt this item as policy. The bidding process is already in place. Board agrees that quality is necessary and current contracts are working well. Board agrees to keep an open mind as bids arise and trust WOEC staff to make educated decisions with selection. Board of Directors unanimously agreed to make no immediate changes.

#2 Self -Perform larger ongoing permanent tasks such as ROW brush clearance. Perform a cost-benefit analysis for doing so for tighter control. Discussion of cost-benefit analysis necessity took place. Board agrees that in experience it makes most sense to contract this type of work. Board of Directors unanimously agreed to make no immediate changes.

Board of Directors were presented with a reminder that the WOEC Strategic Planning Workshop will be held on Wednesday May 8th, 2019 at the Elderberry Inn Seaside, OR. All agree to gather at 8AM and begin the workshop at 9AM. General Manager Bob Perry reported that proposed guest Gary Saliba is unable to attend the workshop. Board discussed inviting additional guest speakers, all agreed to keep it small and focus the time working together. General Manager Bob Perry will begin the proposed agenda and present to the board.

CFO Dan Huggett reported that he will be attending the CFPC program. Earning this certificate will benefit WOEC.

Open Discussion
No discussion.

E-Balloting. With the 2018 bylaw change WOEC will now offer electronic voting. To determine specifics the Board of Directors will need to appoint an election and credentials committee that meets WOEC bylaw standards. Committee is to be appointed at the March 26th, 2019 board meeting.

Discussion on the abundance of estimated bills in February took place. The Mist substation line rebuild caused a line interruption. The construction was projected to take 2.5 months to complete, but due to storm damage the work was not completed as expected. Estimation is a normal part of WOEC processes and cannot always be prevented.

WOEC strongly encourages members to always look at their monthly bill and call the office if there is any concern.	
Executive session opened at 9:05PM Executive session closed at 10:15PM	EXECUTIVE SESSION
President Brett Costley called meeting adjourned at 10:33PM	ADJOURN

X

Brett Costley
President

X

Rosemary Lohrke
Secretary