

MINUTES OF ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS
OF KLAMATH RIVER RENEWAL CORPORATION
July 19, 2016

1. Time and Place. The Board of Directors (“Board”) of Klamath River Renewal Corporation (the “Corporation”) held its organizational meeting on July 19, 2016 at Resources Legacy Fund offices in Sacramento, CA at 10:35 a.m. Pacific time.
2. Attendance. The following directors of the Corporation were present:

Name	Appointed by
Michael Carrier	State of Oregon
Lester Snow	State of California
James Root	State of Oregon
Wendy George (via phone)	Karuk Tribe
Thomas Jensen	Institute for Fisheries Resources and Pacific Coast Federation of Fishermen’s Associations
Theodore Kulongoski	State of Oregon
Richard Roos-Collins	American Rivers, California Trout, Klamath Riverkeeper, Northern California Council Federation of Fly Fishers, Salmon River Restoration Council, Sustainable Northwest, Trout Unlimited
Scott Williams	Yurok Tribe

No directors of the Corporation were absent.

The following guests were also present by invitation of the Board:

Name	Title and Affiliation
Glen Spain (Board alternate)	Northwest Regional Director, Pacific Coast Federation of Fishermen's Associations and the Institute for Fisheries Resources
Richard Whitman	Natural Resources Policy Director, State of Oregon
Charles Bonham	Director, California Department of Fish and Wildlife
Thomas Gibson	Deputy Secretary and General Counsel, California Natural Resources Agency
Kevin Takei,	Counsel, California Department of Fish and Wildlife
Renee Moulun	Assistant Attorney-in Charge, Natural Resources Section, Oregon Department of Justice
Craig Tucker (via phone)	Natural Resources Policy Advocate, Karuk Tribe
Kirk Marckwald	Principal, California Environmental Associates
Molly Singer (via phone)	Consultant, California Environmental Associates
Darcy Wheelles (via phone)	Director, California Environmental Associates
Olivia Mahony	Associate, California Environmental Associates

3. Call to Order. Michael Carrier called the meeting to order and acted as chair thereof, and Lester Snow acted as secretary of the meeting. Mr. Carrier announced that a quorum of the directors was present, and that the meeting, having been duly convened, was ready to proceed with its business.
4. Approval of Agenda. Mr. Carrier asked for any changes and reordering of agenda. It was proposed that a Procurement of Insurance resolution and a Selection of an Executive Committee resolution be added to the New Business portion to the agenda. Upon motion duly made by Mr. Jensen, seconded by Mr. Snow and unanimously carried, the amended agenda was approved.
 - a. Communications Planning. There was a discussion about the sharing of information with the public and a communications plan. It was agreed that a communications plan should be implemented and that minutes will be included on the Corporation website. Upon motion duly made by Mr. Williams, seconded by Mr. Jensen and unanimously carried, it was determined that Mr. Carrier, or an expert determined by Mr. Carrier, is the initial point of contact for the Corporation.
5. Approval of Minutes. Carrier presented to the Board the minutes of the June 24, 2016 meeting of the Board for approval, whereupon motion duly made by Mr. Root, seconded by Mr. Snow and unanimously carried, the minutes were approved as presented.
6. Resolutions.
 - a. Ratification of Acts of Incorporator. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Root and unanimously carried, the following resolution was adopted:

RESOLVED: that the actions of the Incorporator as reflected in the Certificate of Incorporation, attached to these resolutions as Exhibit 1, are hereby ratified and confirmed and that they be inserted into the minute book of this Corporation;
 - b. Adoption of Bylaws. Upon motion duly made by Mr. Williams, second Mr. Root and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the Bylaws adopted by the Incorporator, in the form attached to these resolutions as Exhibit 2, are hereby ratified as the Bylaws of the Corporation and that they be inserted into the minute book of this Corporation;

There was discussion to edit the final citation in section 3.2 of the Bylaws from “Part B of Exhibit 2” to “Part B of Exhibit 1.”

There was discussion to amend section 4.6 of the Bylaws at the next Board meeting to exclude payment of Directors. The Bylaws currently state:

Section 4.6. Fees and Compensation. Members of Board Committees may receive reasonable compensation of up to an amount to be determined by the Board. Reimbursement for expenses incurred in performance of duties may be fixed or determined by the Board.

- c. Election of Officers. The meeting then proceeded to the election of officers in the interim until a full Board has been appointed. The officers so elected, each being present, accepted his office(s).

Upon motion duly made by Mr. Jensen, seconded by Mr. Roos-Collins and unanimously approved, the following resolution was adopted:

RESOLVED, FURTHER: that the following individual is hereby appointed as the President of the Board:

Michael Carrier

Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Root and unanimously approved, the following resolution, as amended, was adopted:

RESOLVED, FURTHER: that the following individual is hereby appointed as the Vice President of the Board:

Lester Snow

Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Williams and unanimously approved, the following resolution, as amended, was adopted:

RESOLVED, FURTHER: that the following individual is hereby appointed as the Secretary and Treasurer:

Jim Root

- d. Principal Office. Upon motion duly made by Mr. Jensen, seconded by Mr. Snow and unanimously carried, the following resolution was adopted:

RESOLVED FURTHER: that the principal office for the transaction of business of the corporation shall be at KRRC, c/o California Environmental Associates, 423 Washington Street, 4th Floor, San Francisco, California, 94111.

- e. Fiscal year. Upon motion duly made by Mr. Jensen, seconded by Mr. Roos-Collins and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the fiscal year of the Corporation ends on 30 June;

- f. Organizational Expenses. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Snow and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the officers of the Corporation are hereby authorized and directed to pay all of the organizational expenses of the Corporation;

- g. Tax Filings. Upon motion duly made by Mr. Jensen, seconded by Mr. Root and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the officers of the Corporation are hereby authorized and directed to execute and file all necessary applications and to do all things deemed by such officers necessary or desirable to secure for the Corporation appropriate exemptions from federal, state, and local taxation;

- h. Payment of Board Expenses: Upon motion duly made by Mr. Jensen, seconded by Mr. Snow and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the Corporation is hereby authorized and directed to reimburse the reasonable and necessary expenses that each director incurs in attending each annual or special meeting of the Board of Directors;

There was discussion about the Expense Reimbursement Policy with a recommendation that the U.S. General Services Administration guideline rates be reconsidered for Board members, as these rates will not be available to Board members. There was also discussion of allowing for higher than economy class airfare for longer distance flight. It was agreed that the policy will be reviewed for the next Board Meeting.

- i. Bank Account. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Root and unanimously carried, the following resolutions were adopted:

RESOLVED, FURTHER: that any two officers of the Corporation, acting together, are authorized to:

- (a) Designate one or more banks, trust companies, or other similar institutions as a depository of the funds, including, without limitation, cash and cash equivalents, of the Corporation;
- (b) Open, keep, and close general and special bank accounts, including general deposit accounts, payroll accounts, and working fund accounts, with any such depository;
- (c) Cause to be deposited in accounts with any such depository, such funds, including, without limitation, cash and cash equivalents, of the Corporation as such officers deem necessary or advisable, and to designate or change the designation of the officer or officers and agent or agents of the Corporation who will be authorized to make such deposits and to endorse checks, drafts, or other instruments for such deposits;
- (d) From time to time designate or change the designation of the officer or officers and agent or agents of the Corporation who will be authorized to sign or

countersign checks, drafts or other orders for the payment of money issued in the name of the Corporation against any funds deposited in any of such accounts, and to revoke any such designation;

(e) Authorize the use of facsimile signatures for the signing or countersigning of checks, drafts, or other orders for the payment of money, and to enter into such agreements as banks and trust companies customarily require as a condition for permitting the use of facsimile signatures;

(f) Make such general and special rules and regulations with respect to such accounts as they may deem necessary or advisable; and

(g) Complete, execute and/or certify any customary printed bank signature card forms to exercise the authority granted by this resolution.

RESOLVED, FURTHER: that any form resolutions required by any such depository, which relate to the establishment of such accounts and the authorization of signatories with respect thereto and substantially incorporate the authorizations contained in these resolutions, are adopted and approved; and

RESOLVED, FURTHER: that any such depository is entitled to rely on these resolutions, if they are certified by an officer of the Corporation, for all purposes until it shall have received written notice of the revocation or amendment of these resolutions by the Board;

- j. Approval of Klamath Hydroelectric Settlement Agreement. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Jensen, the following resolution, as amended, was adopted:

RESOLVED, FURTHER: that the Board of Directors authorizes Michael Carrier to sign the Klamath Hydroelectric Settlement Agreement, as amended on April 6, 2016 on behalf of the Klamath River Renewal Corporation;

- k. Approval of Conflict of Interest Policy. Upon motion duly made by Mr. Jensen, seconded by Mr. Roos-Collins and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the Board of Directors adopts the Conflict of Interest Policy attached to these resolutions as Exhibit 4 and are hereby adopted and confirmed;

- l. Fiscal Administrator, Legal Counsel, Organizational Counsel. Upon motion duly made by Mr. Jensen, seconded by Mr. Roos-Collins and unanimously carried, the following resolutions were adopted:

RESOLVED, FURTHER: that the Board of Directors approves the retention of Cascade Pacific Resource Conservation and Development to serve as the fiscal administrator for the Corporation until such time as the Corporation is prepared and can assume these operations for itself;

RESOLVED, FURTHER: that the Board of Directors approves the retention of Hawkins Delafield & Wood, LLP to serve as legal counsel for the incorporation and for other such matters as may be directed by the officers of the Corporation or the Board of Directors;

RESOLVED, FURTHER: that the Board of Directors ratifies the retention of California Environmental Associates to provide interim staff support services and organizational filings for the incorporation and for other such matters as may be directed by the officers of the Corporation or the Board of Directors;

There was discussion about the vetting process of and decision to contract the fiscal administrator, legal counsel, and organizational counsel. Mr. Carrier addressed questions around this process and explained why each organization was selected by the Corporation.

12:15pm Chuck Bonham left the meeting.

- m. Approval of Non-Disclosure and Common Interest Agreement Concerning the Implementation of the Klamath Hydroelectric Agreement. Upon motion duly made by Mr. Jensen, seconded by Mr. Williams and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the Board of Directors approves entering into the Non-Disclosure and Common Interest Agreement Concerning the Implementation of the Klamath Hydroelectric Agreement with all relevant parties to the Settlement Agreement as it appears in Exhibit 5;

12:24pm Darcy Wheelles left the meeting.

- n. General Authority. Upon motion duly made by Mr. Jensen, seconded by Mr. Roos-Collins and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the officers of the Corporation are authorized and directed to execute such other documents and take such further actions as may be necessary or advisable to carry out the purposes of the foregoing resolutions, including the filing of these with the minutes of the meetings of the Board of Directors of the Corporation.

12:27pm Wendy George, Craig Tucker, and Molly Singer left the meeting.

- 7. Timeline, Key Dates, Budget Projections. Mr. Whitman and Mr. Gibson next provided an update on the funding agreement progress, regulatory filings timing, risk management strategy, and asset transfer.

1:04pm Wendy George and Craig Tucker rejoined the meeting.

1:35pm Chuck Bonham returned to the meeting.

8. Framing of KRRC Charter. Mr. Bonham next provided comments about the importance of the charge of the Corporation.
9. New Business.
 - a. Procurement of Insurance. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Williams and unanimously carried, the following resolution was adopted:

RESOLVED, FURTHER: that the officers of the Corporation are hereby authorized and directed to procure Directors and Officers, General Liability, and Excess Liability insurance policies and any other insurance policies that they deem necessary, desirable, or appropriate for the operation of the Corporation.

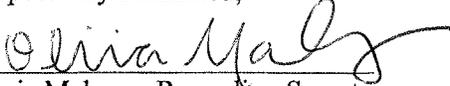
There was discussion about the immediate need for insurance during Phase I of the Corporation, but the need for more in-depth interrogation of future insurance policies and evaluation of the Corporation's insurance needs.

- b. Forming of Executive Committee. Upon motion duly made by Mr. Kulongoski, seconded by Mr. Williams and unanimously carried, the Board moved to appoint an interim Executive Committee of the three interim officers (President of the Board, Vice President of the Board, Secretary/Treasurer), as allowed by the Corporation's Bylaws.
10. Potential Next Meeting Date(s) and Location. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Jensen, the motion to meet in Portland, OR on August 17, 2016 was unanimously carried.
11. Other Business. Upon motion duly made by Mr. Roos-Collins, seconded by Mr. Jensen, the motion for the Executive Committee to explore the option of California Environmental Associates securing the services of a technical expert on a part time basis was unanimously carried.

There was discussion about next steps in the Corporation's planning process, including a possible future need for Federal Energy Regulatory Commission (FERC) counsel and technical expertise. There was discussion of the status of documents needed to complete FERC and other filings.

12. Expense Reimbursement Policies and Procedures. See discussion in item 6.h. No formal action was taken.
13. Adjournment. There being no further business to come before the meeting, upon motion duly made by Mr. Root, seconded by Mr. Jensen and unanimously carried, the meeting was adjourned at 2:40 p.m. Pacific time.

Respectfully submitted,


Olivia Mahony, Recording Secretary


Jim Root, Secretary of the Meeting