

**MINUTES OF THE BOARD OF DIRECTORS MEETING OF
KLAMATH RIVER RENEWAL CORPORATION
March 22, 2017**

1. Time and Place. The Board of Directors (“Board”) of Klamath River Renewal Corporation (the “Corporation”) held its organizational meeting on March 22, 2017 in Salem, OR at 10 a.m. Pacific time.
2. Attendance. The following Directors of the Corporation were present:

Board Member	Appointing Authority
Michael Carrier	State of Oregon
Lester Snow	State of California
James Root	State of Oregon
Michael Barr	State of California
Ricardo Cano	State of California
Laura Rose Day (via phone)	American Rivers, California Trout, Northern California Council Federation of Fly Fishers, Sustainable Northwest, Trout Unlimited
Wendy George	Karuk Tribe
Thomas Jensen	Institute for Fisheries Resources and Pacific Coast Federation of Fishermen’s Associations
Theodore Kulongoski	State of Oregon
Leon Szeptycki	State of California
Scott Williams (via phone)	Yurok Tribe

The following Director of the Corporation was absent:

Richard Roos-Collins	American Rivers, California Trout, Northern California Council Federation of Fly Fishers, Sustainable Northwest, Trout Unlimited
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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
Cheryl Barth	Chief Financial Officer, California Environmental Associates
Michael Belchik	Senior Biologist, Yurok Tribe
Amy Cordalis (via phone)	General Counsel, Yurok Tribe
Mitchelle De Leon (via phone)	Research Associate, California Environmental Associates
Jason Eisdorfer	Utility Program Director, Oregon Public Utilities Commission
Jennifer Frozena	Attorney, U.S. Department of the Interior

Thomas Gibson	Undersecretary, California Natural Resources Agency
Terri Reaves Gilmore	Special Assistant, Deputy Regional Director's Office, U.S. Bureau of Reclamation
Sarah Kamman (via phone)	Vice President and General Counsel, Pacific Power, PacifiCorp
Lloyd Lowy	Partner, Hawkins Delafield & Wood LLP
Olivia Mahony	Associate, California Environmental Associates
Kirk Marckwald	Principal, California Environmental Associates
Curt Melcher	Director, Oregon Department of Fish and Wildlife
Brady Moss	Assistant Secretary for Policy, California Natural Resources Agency
Peter Okurowski (via phone)	Director, California Environmental Associates
Eric Petersen (via phone)	Partner, Hawkins Delafield & Wood LLP
Patrick Reiten	Senior Vice President, Berkshire Hathaway Energy
Dustin Till	Senior Counsel, Pacific Power, PacifiCorp
Darcy Wheelles (via phone)	Director, California Environmental Associates
Richard Whitman	Director, Oregon Department of Environmental Quality

3. Call to Order. Mr. Carrier called the meeting to order and acted as Chair thereof, and Ms. Mahony acted as Recording Secretary of the meeting. After a roll call of Directors, 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.
 - a. Newly-appointed Director Mr. Cano introduced himself to the Directors and guests of the meeting. Mr. Carrier then introduced guests of the meeting.
4. Approval of Agenda. Upon motion duly made by Mr. Barr, seconded by Mr. Root, and unanimously carried, the agenda was approved.
5. Approval of Minutes. Mr. Carrier presented the minutes of the February 8, 2017 Board meeting for approval. Upon motion duly made by Mr. Jensen, seconded by Mr. Barr and unanimously carried, the minutes were approved.
6. Comments from the President. Mr. Carrier welcomed all Directors and guests to the meeting and provided an overview of the status of the work of the Corporation.
7. Federal and State Agency Introductions and Comments. Mr. Melcher introduced himself and provided an update on the work of the Oregon Department of Fish and Wildlife with regards to the Klamath. Mr. Belchik and Ms. Cordalis introduced themselves and provided an update on the status of the Yurok Tribe fisheries and the communication and outreach efforts of the tribe. Mr. Eisdorfer provided comments from the Oregon Public Utilities Commission ("OPUC"). Ms. Frozena introduced herself and noted the continued support of the U.S. Department of the Interior for the work of the Corporation.

10:30 a.m. Wendy George joined the meeting.

8. Presentation by PacifiCorp. Mr. Reiten introduced himself and Berkshire Hathaway Energy and PacifiCorp and their continuing support of the Corporation and implementation of the amended Klamath Hydroelectric Settlement Agreement (“KHSA”). Mr. Till and Ms. Kamman offered further comments. There was discussion of the ongoing coordinating efforts between the Corporation and PacifiCorp and of the next steps to implement the amended KHSA.

11:13 a.m. Thomas Gibson left the meeting.

11:20 a.m. Jason Eisdorfer and Curt Melcher left the meeting; Richard Whitman joined the meeting.

9. Overview of Timeline of Key Events, as anticipated by FERC, CA 401 Application, and KRRC Internal deadlines. Mr. Marckwald presented of the anticipated integrated timeline of events for the Corporation. There was discussion about the timeline, status of current processes, and the interconnection of the external and internal deadlines and processes.
10. Process for Development of AECOM Contract. Mr. Root presented an overview of the proposed AECOM Technical Services, Inc. contract and statement of work. There was discussion about the development of the contract and statement of work as well as the financial and task oversight of the contract.
 - a. Approval of AECOM Contract. Upon motion duly made by Mr. Barr, seconded by Mr. Root and unanimously carried, the following Resolution was approved:

RESOLVED: that the Board of Directors of the Klamath River Renewal Corporation (“the Corporation”) authorizes the President of the Board of Directors to enter into a contract with AECOM Technical Services, Inc. upon the recommendation of the Corporation’s general counsel; and

RESOLVED, FURTHER: that the Board of Directors of the Corporation as a part of this contract, approves expenditures by AECOM Technical Services, Inc. from the period of March 1, 2017 through June 30, 2017 totaling up to \$2,313,000.

- b. Executive Director Update. Mr. Snow presented on the status of the hiring of an Executive Director and provided next steps in the process for the Board.

11:32 a.m. Thomas Gibson rejoined the meeting.

11. Financial Update. Mr. Root and Ms. Barth presented the status of the Corporation’s finances and an overview of the budget to date.
 - a. Plan of Approval for 2017/18 Budget. Mr. Root presented on the plan for creating the 2017/18 budget, which will be presented to the full Board for review at the next Board meeting.

- b. Financial Report for KRRC. Ms. Barth presented that the Corporation submitted expenditure reports to Oregon and to California. She then updated the Board that the OPUC transferred \$3,700,000 to the Corporation on March 21, 2017.
- c. Internal Controls. There was discussion about the need for the Corporation's timely payment of invoices.
 - i. Upon motion duly made by Mr. Jensen, seconded by Ms. George and unanimously carried, the following Resolution was approved by the Board:

WHEREAS, the Board of Directors of the Klamath River Renewal Corporation ("the Corporation") approved the Financial Controls, Contractor Selection Process, Governance, and Standard Operating Procedures ("Internal Controls Policy") on February 8, 2017;

WHEREAS, the payment and approval of expenditures by the Board of Directors of the Corporation should be made in a timely fashion;

NOW THEREFORE, be it hereby:

RESOLVED: that the "Internal Controls" section of the Internal Controls Policy shall be amended to add the language in this section.

- 6. (c) Individual expenditure reports for travel and other reimbursements >\$1,500.
- 7. All non-contract invoices equal to or above \$5,000 and less than \$50,000 must be approved by the Treasurer and one other member of the Executive Committee.
- 8. All invoices above \$5,000 and already under a Board of Directors previously-approved contract including a budget and rates can be approved by the Treasurer and one other member of the Executive Committee. If there are material variances in amounts or workplan timing in the invoice, the Treasurer will present such invoice, with recommendations, to the Board of Directors for review and approval.

RESOLVED, FURTHER: that all other provisions of the Internal Controls Policy shall remain in effect and the foregoing amendment shall be incorporated into the policies of the Corporation.

- d. California Public Utilities Commission. Mr. Gibson provided an update on the status of the California Public Utilities Commission ("CPUC") Funding Agreement and next steps for the Corporation.

- e. Audit Committee. Ms. Barth presented on the status of the Audit Committee of the Board and the timeline of the audit activities.
12. Communications and External Relations Update. Mr. Kulongoski and Ms. Wheelles presented on the communications and external affairs work of the Corporation. There was discussion of the next steps and areas of focus for the Corporation’s communication strategy.
13. Resolutions to Consider and Approve.
- a. Informational Meeting. Upon motion duly made by Mr. Barr, seconded by Mr. Snow and unanimously carried, the following Resolution was adopted:

WHEREAS, the Bylaws of the Klamath River Renewal Corporation (“the Corporation”), as amended on August 17, 2016, directs the Board of Directors to hold an informational meeting or meetings that are open to the public at least once each year, which may be called at any time by the President of the Board or at the request of not less than 25% of the Directors in office, and

WHEREAS, Section 3.9 of the Corporation’s Bylaws requires the Board to adopt policies relating to holding informational meetings that are open to the public;

NOW THEREFORE, be it hereby:

RESOLVED: that the attached policies constitute the initial policies intended to satisfy Section 3.9 of the Corporation’s Bylaws.

- b. Stillwater Sciences. Upon motion duly made by Mr. Barr, seconded by Mr. Szeptycki and unanimously carried, the following Resolution was adopted:

RESOLVED: that the Board of Directors of the Klamath River Renewal Corporation approves the attached contract for various technical services by Stillwater Sciences.

- c. Whistleblower Policy. It was decided that the Audit Subcommittee of the Board would review the Whistleblower policy and present their final recommendation to the Board at the next Board meeting.

1:40 p.m. Thomas Jensen left the meeting.

14. Board Approval of Invoices over \$50,000.
- a. CEA January 2017. Mr. Root presented the California Environmental Associates January 2017 invoice for \$98,157.33. Upon motion duly made by Mr. Root,

seconded by Mr. Szeptycki and unanimously carried, the CEA January 2017 invoice was approved.

- b. Perkins Coie February 2017. Mr. Root presented the Perkins Coie February 2017 invoice for \$82,756.12. Upon motion duly made by Mr. Root, seconded by Mr. Snow and unanimously carried, the Perkins Coie February 2017 invoice was approved.

2:00 p.m. Thomas Jensen rejoined the meeting.

15. Upcoming Meeting Dates and Location. Upon motion duly made by Mr. Snow, seconded by Mr. Kulongoski and unanimously carried, the Board approved the May 4, 2017 and June 21, 2017 Board meetings to be held in Sacramento, CA.
 - a. Travel Reimbursement. Mr. Carrier updated the Board about discussions regarding travel cost reimbursement requirements in the Funding Agreements.
16. Election of Executive Committee Member. Upon motion duly made by Mr. Barr, seconded by Ms. George and unanimously carried, Mr. Jensen and Mr. Szeptycki were selected as additional Executive Committee members, per Article 4 Section 4.1(b) of the Bylaws of the Corporation.
17. Discussion about Formation of the Advisory Council. Mr. Carrier presented on the formation of an Advisory Council to the Corporation, per Article 4 Section 4.3 of the Bylaws of the Corporation.


2:35 p.m. Cheryl Barth, Michael Belchik, Amy Cordalis, Michelle De Leon, Jennifer Frozena, Thomas Gibson, Terri Reaves Gilmore, Sarah Kamman, Brady Moss, Patrick Reiten, Dustin Till, Darcy Wheelles, and Richard Whitman left the meeting.

18. Executive Session. The Board then moved into Executive Session to discuss personnel and risk management information.
19. Adjourn. There being no further business to come before the Board, the meeting was adjourned at 3:51 p.m. Pacific time.

Respectfully submitted,



Olivia Mahony, Recording Secretary



Michael Carrier, President of the Corporation