

OHPBA Board Meeting

November 20, 2009

By Teleconference

Minutes

Attending (*indicated)

*John Frankel, President
Ray Horowitz, Treasurer
*Linda Ommen, Vice President
Tony DiDomenico, Past President
*Fred Kirkpatrick, Region 9 Director
*Dan Bonham, Eastern Oregon Area Director
Chad Clark, Director, Manufacturer's Rep.
*Warren Hench, Western Oregon Area Director
*Mike Kohn, Southern Oregon Director
Roger Sanders, Central Oregon Director

Staff:

*Harvey Gail, Executive Director

1. Call to Order

John Frankel noted that a quorum was present and he called the meeting to order at 8:05 am.

2. Approval of Minutes

Frankel asked for review of the minutes from the August board meeting. Some people did not have them available, so he emailed them out again.

PASSED

*Motion to approve the minutes of the August Board Meeting. MM L. Ommen; MS D. Bonham.
Motion Carried.*

3. Old Business

A. Energy Trust of Oregon Incentives

Frankel said ETO had cancelled their incentive program for high efficiency gas fireplaces, but they are bringing it back in January. The rebate will be \$100 for 65% efficiency gas fireplaces and \$150 for 70% efficiency gas fireplaces. He will send a link to ETO's website for more information including manufacturers and models and efficiency levels. It will be effective January, but not retroactive.

B. HPBA Drive for 25 Contest

Harvey Gail said OHPBA received \$2,100 for the Drive for 25 membership contest. He said the board should discuss how to spend the funds.

C. Portland Citizen's Advisory Group on Air Toxics

Frankel said "PATs" is a citizen committee that is reviewing ways to mitigate air toxics in the Portland metro area. He said they mention wood stoves on their website, but it looks like they are coordinating information with Oregon Department of Environmental Quality. There are no blanket statements about woodstoves other than distinguishing EPA certified stoves from non certified stoves. He said we should continue to monitor their discussions.

D. Special Session of the Oregon Legislature

Gail said he agenda for the special session in February will be dependent on whether Ballot Measures 66 and 67 pass. He said he did not believe DEQ had any agenda there. He said according to Dave Brook at the Oregon Department of Energy, the Residential Energy Tax Credit (RETC) program is still going in 2010 and it doesn't sunset. Some member said we should promote that because members may not be aware of that.

E. Dues Rates for 2010

Frankel said in October the board approved a dues increase. The motion was to increase dues for retailers from \$345 for retailers to \$375. (Other categories also increased, but new member and informational member remained flat.) Frankel said the board approved a dues increase in September and October. Gail said there was one proposal to increase them further than that and one other board member supported a further increase, but that proposal did not receive a second and the original motion passed. Gail said these new rates will be reflected in the budget and on the membership forms.

F. EXPO Orlando 2010

Fred Kirkpatrick said most of the exhibitors are booking at the last minute. He said the show is down about 20% from Reno in 2009. He said HHT and Lennox have both pulled out of the show, but other manufacturers have increased their booth space.

4. Financial Report

Harvey Gail noted Ray Horowitz, Treasurer called the day before and he was unable to attend the meeting. Gail read the balances as follows as of November 20:

Checking (Wells Fargo)	\$14,466.59
Savings (Wells Fargo)	\$500.09
Certificate of Deposit	<u>\$16,919.08</u>
Total:	\$31,885.76

Gail reviewed the profit and loss and budget report. He noted we budgeted to lose \$3,148.32 in 2009. He said we will get some income from membership dues in December, which will bring up our bank balance to fairly and net income will be fairly close to budget. Gail said he created a draft budget for 2010 and sent that to John Frankel and Ray Horowitz for review. The budget draft includes estimates for EXPO profit share, based on predictions by HPBA, and dues income that reflect the increased rate. He said membership numbers in the budget will be conservative - down a little over 2009.

5. New Business

A. Region 9 Meeting 2010

Frankel said he spoke to Rudy Kirkvliet, NWHPBA President. He said they would support a location close to I-5 and they liked having an opportunity for a tour. He suggested after we have our board meetings, we should put together a committee to start to nail down some location options. Linda Ommen said she talked to a manufacturer's rep about our conference and they and other manufacturers were interested and want to be supportive. Frankel said we should look at a location that supports both outdoor burn space as well as indoor because that builds in more opportunity for sponsorship income. Ommen said manufacturers are saving money by not going to EXPO, so they have savings for other kinds of promotion, like our Regional meeting. Frankel said Skamania Lodge looks promising. He calculated that we would break even if we get 120 people.

B. Use of the Drive for 25 Contest Funds

Gail provided several ideas for ways we could use the contest funds. He said whatever we do, it will send a message to HPBA that we are proud to have won and we want to use them to benefit our members which is in the spirit of the contest. He provided these ideas:

- Public education of the Heat Smart Bill (the laws will be enforced next year)
- Travel vouchers for first time attendees at our regional conference
- Free or discounted membership breakfast meetings

Ommen said she liked the idea of using the funds at our annual conference for members. She suggested reduced or complimentary rooms or some other way to encourage people to come. Think of it more as an investment in their attendance. Keep the benefit to be a benefit for new members for the conference.

6. Committee Reports

A. Membership

Gail described the breakfast meeting topics that have been held so far this year. He asked for ideas for topics for future breakfast meetings. Frankel said we should have mechanical inspectors in Salem or Eugene speak - basically the same as we did in Portland. Ommen said she could help with that and she thought that kind of meeting would be of benefit to non active members and non members. Fred Kirkpatrick said Tom Pugh does a two-hour session called, "How to How to Survive in a Down Economy." The group agreed that would be a great topic. Gail said some of these ideas could also apply to the annual conference. Frankel said he would like to organize a panel of energy experts again because several people said they enjoyed that topic.

B. HPBA Report

Kirkpatrick said the HPBA originally projected a budget shortfall of \$812,000, but now after expense reductions it was lowered to \$475,000 for 2009. He described the cost cutting measures taken by HPBA. He said the finance committee presented the 2010 budget at the HPBA board meeting and it was quite contentious. The board accepted the report but with the required 2/3 vote. It projects a loss of \$384,000. Opposition was that some members felt we should have a balanced budget, not a loss. Several board members felt we should cut services to achieve that, but others did not agree with that approach. They voted to present a balanced budget for 2011 and an increase in 2012.

Kirkpatrick said exhibit booth sales are down slightly from Reno, but last minute booth sales are increased. He encouraged people to book their room early. If we don't go through HPBA housing they may be stuck paying for the room one way or the other.

Future Show Sites:

- 2011 Salt Lake City
- 2012 Atlanta

- 2013 Nashville
- 2014 TBA
- 2015 Nashville
- 2016 TBA
- 2018 Nashville

He said the EXPO committee approved a new show rotation schedule with a pattern of west, central, east starting in 2014. He said HPBA considers Nashville to be “central.” HPBA is encouraging affiliates to contact members and invite them to go to EXPO. He said there will be a special reception to celebrate the 30 year anniversary of HPBA.

Kirkpatrick said the Affiliate board committee created a meeting comparison chart to determine what works and what doesn't for affiliates' annual meetings. He said we need ways we can produce revenue other than from dues or HPBA funds, and these meetings are that opportunity. He said the HPBA board remains concerned about mini trade shows and as evidence of that he said they discussed our proposed joint meeting with Canada for over an hour. They adopted a policy about other meetings that bring more than one region together.

Membership in HPBA is as follows: 280 manufacturers, 2300 non-manufacturers (retailers) for a total of 2,600 which is down from 2,800 last year.

Kirkpatrick commented on his position as Region 9 Director. He read a letter regarding serving as Region 9 Rep. He said he would have one year remaining as HPBA Treasurer and he can serve as a non-voting board member, but to maintain a voting seat would require him to be the HPBA Rep for one more year, even though his three years is up. He asked that we consider extending his extending his Region 9 Rep for one year to coincide with his position as Treasurer.

PASSED

Motion of support from the OHPBA board of extending Fred Kirkpatrick's term as Region 9 Rep for one additional year. MM, J. Frankel; MS, L. Ommen. Motion Carried.

C. Government Affairs Report

Gail said the Oregon DEQ will begin the rule making process for the Heat Smart Bill in the spring of 2010. We will need to be part of that process. He said he discussed RETC list and funding for maintenance of the list with Dave Brook at the Department of Energy. Gail said ODOE said they don't have staff people who can handle that, but Gail was optimistic there may be some grant money available.

Kirkpatrick said John Voorhees received an At Large Director appointment on the HPBA board. He is with Intertek Labs. He said they met with Senator Ron Weyden and Congressman Jeff Merkley. They talked about a new bill (co authored by Weyden) that will appropriate money for woodstove changeouts. He said they had good questions and seemed interested in the issues. Kirkpatrick said initial contact with EPA with the new standard they will fast track the first phase of it and will go with a two phase process, more than likely they will adopt the Washington State standard for the first phase, and then that would drop to 2 grams per hour for the second phase which representing the top 20% of stoves.

D. Director Reports

Eastern Oregon - Daniel Bonham said woodstoves are a big seller and a lot of people them from a “survivalist” mentality. He said many consumers out there are conservative people and they a different set of parameters on why they are buying stoves than “city people.” Most people who are doing something about the tax credit have

already done something and found out about it that way (like buying windows), otherwise the tax credit is a sales closing statement.

Southern Oregon - Mike Kohn said October business picked up and it seems to be back to normal for the last two months. Business is mostly remodeling and the sales are smaller - not as high end - but activity is good.

Western Oregon - Warren Hench offered similar information. Business in Eugene is about the same as what he hears about other areas. The seasonal stuff is up, and building is up but he is wondering how long this will last.

Utility Report - Frankel said gas rates have gone down from all carriers. He said due to high production, storage has never been higher. Technology has increased the ability to pull gas out of geological areas. Demand will go up as PGE and Pacificorp open more electric plants in the state. Frankel said one factor is solar and wind farms produce electricity, the amount goes up and down, so to maintain a consistent production gas electrical generation facilities are being brought on line to fill in the production valleys. Frankel said there is speculation that it will be very difficult to meet the targets to provide 25% of electricity from renewable sources. The models show the rates will just have to go up too high. He said electrical generation from biomass could seriously impact raw materials supply for pellet plants and that is an issue we should watch.

7. Staff Report

Gail said he is currently working on the following projects for OHPBA:

- Preparing 2010 member dues renewal mailing and related materials.
- Preparing materials and talking points for membership call down.
- Working out a new agreement with the Oregon Department of Energy on the maintenance of the Residential Energy Tax Credit list of qualifying stoves. He described the way we receive funds for that project and he said currently the funding mechanism does not cover all the costs.
- Preparing a social networking speech for next month's membership breakfast
- Selling a couple more website sponsorships to reach our budget of \$3,000.

8. Next Meeting

The next meeting will be **Friday, February 19**. It will be an in person meeting and the time and location will be announced later.

9. Adjournment

With no further business, a motion was made to adjourn the meeting at 9:54 am.

PASSED

Motion to adjourn MM F. Kirkpatrick; MS M. Kohn. Motion carried.

Minutes taken by Harvey Gail, Executive Director