

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Regular Meeting of the Board of Directors**  
**February 24, 2006**

**I. PRELIMINARY**

The Regular Meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:19 a.m. on Friday, February 24, 2006 by President/Chairman of the Board Hanscam in the conference room at the Cooperative's Headquarters Building, Port Orford, Oregon. Secretary Thomas called the roll, showing the following directors present: Hanscam, Thomas, Radabaugh, Combs, Itzen, Lund, and Doran. Also present were General Manager/CEO (GM/CEO) Werner G. Buehler, Chief Financial Officer (CFO) Doyle F. Eden, Executive Assistant Dian Marple, Member & Public Affairs Director Christine Stallard and Member Services Manager Lauren F. Porsch. Also present was CCEC's Legal Counsel Michael G. Hanlon. President/Chairman of the Board Hanscam recognized members of the audience and guests.

The proposed Agenda was approved with additions to VII Old Business A. AMR Update and B. Accomplishments for 2005.

The CCEC Board presented ownership documents and keys for designated vehicles to students, parents, and school representatives from project graduation groups from Bandon High School, Port Orford's Pacific High School, Brookings-Harbor High School and Gold Beach High School. The vehicles will be used to enhance fundraising efforts for each school's project graduation program.

**II. CONSENT AGENDA**

After a brief discussion and questions concerning several checks, a motion was made to approve all items under item II. Consent Agenda, including the minutes as mailed. The motion was seconded and unanimously carried.

**III. MONTHLY FINANCIAL REPORTS**

A. Budget Analysis

CFO Eden began his brief report with a review of the *Coos-Curry Electric Cooperative, Inc. Consolidated Year to Date Comparison, Actual/Previous Year/Budget (CCEC and SCSC) as of January 2006*. CFO Eden reviewed revenues, direct costs, indirect costs, and margins, concluding that CCEC is doing well so far this year. The Form

7 was discussed briefly and GM/CEO Buehler and CFO Eden responded to questions. A motion was made to approve the financials as presented. The motion was seconded and unanimously carried.

#### **IV. REPORTS**

##### **A. Power Supply Report/PNGC**

GM/CEO Buehler reviewed PNGC's Board Summary. GM/CEO Buehler reported that, so far, 2006 has been a much better water year as water is at 106% - 113% of normal. The secondary markets are good right now and PNGC is over on revenue to date. The Block step-up issue also was discussed.

Conservation with Bonneville Power Administration (BPA) was mentioned. GM/CEO Buehler advised that BPA's new conservation program will make it very, very difficult to qualify for their conservation program and credits.

##### **B. Staff Reports**

The board reviewed the Operations' Report including the outage report; the Engineer's Report, including the substation load report and the staking report; the Southern Division Report and the Member Services Department Report; and the Member & Public Affairs Report with various attachments.

##### **C. ORECA Report**

President/Chairman of the Board Hanscam gave a brief report concerning the activities of the Oregon Rural Electric Cooperative Association (ORECA) and on meetings he recently attended at ORECA.

##### **D. NRECA Annual Meeting Report**

President/Chairman of the Board Hanscam reported that he recently attended the National Rural Electric Cooperative Association's annual meeting. Hanscam reported that the CCEC developed NRECA resolution on multiple cooperative ventures has completed its approval process through the ORECA, NRECA Regional Meeting and now at the NRECA National Meeting. The resolution will not be acted on by NRECA staff. Hanscam stated that he had also attended meetings of the National Rural Utilities Cooperative Finance Corporation (CFC), Federated Rural Utilities Insurance Exchange (Federated), and other association meetings and gave a brief overview of those meetings.

##### **E. Workforce Housing Summit Report**

EA Marple gave a brief report on the Workforce Housing Summit meeting she

recently attended in Medford. She advised that workforce, affordable housing is a major problem in Southern Oregon, in all of Oregon, and in the Northwest. Everyone who attended the summit acknowledged that there is a problem but they also acknowledged that there is no simple solution. It will take a lot of hard work and cooperation to even begin to find solutions to some of the problems. That cooperation will have to come from local, state and federal government, financial institutions, non-profit organizations, large employers, and developers, to name a few.

## **V. ACTION ITEMS**

### **A. Safety Report**

Following the reading and review of the February 2006 Safety Report, a motion was made to approve the Safety Report as presented. The motion was seconded and unanimously carried. The warehouse fire that occurred Thursday morning was mentioned.

### **B. Disposal List**

CFO Eden advised the board that the disposal list is a result of going through CCEC's records and cleaning up items of equipment that are obsolete. Following discussion, a motion was made, seconded and unanimously carried to approve the disposal list as presented.

### **C. Appoint Nominating Committees**

After President/Chairman of the Board Hanscam stated that there would be a change to the proposed District 1 nominating committee, a motion was made, seconded and unanimously carried to appoint the nominating committees for District 1, District 3 and District 4 as revised.

### **D. Policy Review Committee Proposal**

1. Proposed Revised Policy Bulletin No. 6, Security Payments for Electric Services – Residential, was reviewed. Policy Review Committee Chairman Combs advised that the policy review committee recommended approval. A motion was made, seconded, and unanimously carried to approve proposed revised Policy Bulletin No. 6, Security Payments for Electric Services – Residential, as presented.

2. Proposed Revised Policy Bulletin No. 52, Service Connection Fees, was reviewed. Policy Review Committee Chairman Combs advised that the policy review committee recommended approval. A motion was made, seconded, and unanimously

carried to approve proposed revised Policy Bulletin No. 52, Service Connection Fees, as presented.

3. Proposed Revised Policy Bulletin No. 13, Electric Service Rules & Line Extensions, was reviewed. Policy Review Committee Chairman Combs advised that the policy review committee recommended approval. A motion was made, seconded, and unanimously carried to approve proposed revised Policy Bulletin No. 13, Electric Service Rules & Line Extensions, as presented.

4. Proposed Net Metering Rate Schedule was reviewed. Policy Review Committee Chairman Combs advised that the policy review committee recommended approval to bring CCEC into compliance with Oregon Statutes. A motion was made, seconded, and unanimously carried to approve proposed Net Metering Rate Schedule, as presented.

F. Advance Payments

There was no additional discussion concerning advance payments.

## **VI. REMARKS & COMMENTS BY MEMBERS OF THE AUDIENCE**

President/Chairman of the Board Hanscam asked for questions or comments from the audience.

Evan Kramer from the *Port Orford Today* publication, asked the board to make reports, policies and other information available to the members and to the media in advance of the board meeting. Following discussion, it was agreed that this question of supplying information to the media and members prior to the board meeting will be placed on the agenda for the board's next strategic planning session. Legal Counsel Hanlon advised that some materials provided to the board are very sensitive and others are attorney/client privileged materials.

Daryl Robison, CCEC member, asked whether outsourcing is really saving money. He asked if the Cooperative would put some information on its website that would show the real savings and comparisons. Is AMR a money saver? Show it on the website. Mr. Robison asked the board to be more transparent about the decisions it makes. Analyze the savings so the members will be able to understand the savings.

There were no other comments from the audience.

## **VII. OLD BUSINESS**

### **A. AMR Update**

Member Services Manager Lauren Porsch showed the board one of the new Automated Meter Reader (AMR) meters. The meter is a computer with no moving parts. He described how it works and gave a power point presentation on the AMR system. He described the pilot program, which is primarily in the Agness/Illahe area and stated that the Cooperative now has a 98% read of those meters. A few minor problems have been experienced but most have been resolved. Porsch described how the system works and stated that it is expected to integrate the meter readers into the system's operations. The meter readers are replacing meters now and most will eventually become linemen. He talked about the extensive toolbox of options offered by the AMR system for the use of the Cooperative in regard to outage management, engineering, operations, and substation issues, in addition to other options. He advised that the Cooperative is only beginning to tap the resources available with the use of the AMR. Mr. Porsch then responded to questions from the board.

### **B. Accomplishments for 2005**

Meeting the Challenges – CFO Eden gave a lengthy overview of the Cooperative's accomplishments in 2005, from substation work, tree trimming and rotten pole replacements to advances in technology and employee training.

## **VIII. NEW BUSINESS**

### **A. Association Activities**

The board reviewed various, miscellaneous reports, notices, letters, and newsletters.

The regular meeting adjourned for lunch at 1:02 p.m. and reconvened at 2:23 p.m.

## **IX. EXECUTIVE SESSION**

Regular session was adjourned at 2:23 p.m. into executive session and reconvened into regular session at 3:18 p.m.

Upon motion duly made and seconded, the following resolutions were approved by the Board of Directors:

### **A. Requests for Donation/Contribution – After lengthy discussion the board**

resolved to approve the following requests for donation/contribution:

1. Nature's Coastal Holiday – A cash donation of \$500 to assist in the installation of an additional electrical line at Azalea Park
2. Port Orford Public Library Foundation – A cash donation of \$1,000 to assist in building the new Port Orford community library
3. Gold Beach Education Fund – A cash donation of \$500 to the scholarship program for graduates of Gold Beach High School
4. Port Orford Arts Council – A cash donation of \$200 to help cover the expenses of the Port Orford Cedar Expo to be held Memorial Day weekend, May 27 & 28, 2006
5. Curry County Habitat For Humanities-Brookings – A waiver of construction fees, such waiver of fees not to exceed \$1,000.00, on Habitat for Humanity's first low-income housing project in Brookings, which will supply homes for two families in a condominium style configuration, with construction scheduled to begin April-May 2006

B. Member Request for Information – After brief discussion, the board resolved to allow Member Harbor Construction to receive copies of requested high resolution photos/maps so long as the member will pay all costs of such reproduction/copies.

C. Executive Session – Upon advice of Legal Counsel concerning the general practices of the members of the NRECA, the board resolved to dispense with formal minutes of executive session meetings.

## **X. MEETINGS**

The board took note of the following meetings:

March 24, 2006, CCEC Regular Board Meeting, Port Orford OR

## **XI. ADJOURN**

There being no further business to come before the Regular Meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc., the meeting adjourned at 3:19 p.m.

/s/ Dale L. Thomas

Dale L. Thomas, Secretary

## **ATTEST:**

/s/ Terry C. Hanscam

Terry C. Hanscam, President/Chairman of the Board