

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF  
COOS-CURRY ELECTRIC COOPERATIVE, INC.**

**APRIL 27, 2007**

**I. PRELIMINARY**

The regular meeting of the board of directors of Coos-Curry Electric Cooperative, Inc. (“CCEC”) was called to order at 10:05 a.m. on Friday, April 27, 2007 by President/Chairman of the Board (“Chairman Robison”) in the conference room at the Cooperative’s headquarters, Port Orford, Oregon. Secretary Radabaugh called the roll, showing all directors present. Also in attendance were General Manager/CEO (“GM/CEO”) Werner G. Buehler; and Dan G. McKinney, Attorney.

Chairman Robison recognized members of the audience and guests.

Items VI(C) Bylaw Change to Increase Board Size and VI(D) Transmission Lines were added to the agenda. The amended agenda was approved.

**II. REMARKS & COMMENTS BY MEMBERS OF THE AUDIENCE**

Members of the audience identified various comments, questions and concerns including the Brookings-Harbor transmission lines. Ed Goodell submitted a written report dated April 19, 2007, to the board for consideration. A request was made by David Pesonen for names and addresses of members in electronic fashion, a request was made by Dale and JoAnn Thomas for information pertaining to board attendance and fees, a request was also made that the financial schedule be placed on the website. A request was made for fewer activities in closed session.

**III. CONSENT AGENDA**

There was a brief discussion concerning the consent agenda. A motion was made to approve items A through D of the consent agenda. The motion was seconded and unanimously approved.

**IV. MONTHLY FINANCIAL REPORTS**

Staff gave a brief review of the cooperative’s financial reports through March 2007. A motion was made to approve the monthly financials as presented. The motion was seconded and unanimously approved.

**V. REPORTS**

A. Staff Reports

Staff reports were discussed.

B. ORECA Report

Director Combs reported on the Oregon Rural Electric Cooperative Association (“ORECA”) pending legislative issues.

C. Governance, Policies, and Bylaws Review Committee Report

The committee had no report.

D. Insurance Committee Report

The insurance committee reported its recommendation to continue the reinsurance carrier. A motion was made, seconded and unanimously approved to renew the current reinsurance carrier.

E. Annual Meeting Update

An update was given on the upcoming annual meeting.

**VI. ACTION ITEMS**

A. Safety Report

Staff presented the safety report which was reviewed and considered by the Board. A motion was made, seconded and unanimously approved to accept the safety report.

B. CFC Cooperative System Integrity Fund Contribution Request

The staff presented a request by the CFC for a contribution to its Cooperative System Integrity Fund. After considering the request, a motion was made to approve a contribution in the form of a deduction of five percent from the patronage capital refund not to exceed \$1,000.

C. Bylaw Change to Increase Board Size

A presentation was made by board member Combs recommending an increase in the board to seven members. A motion was made to increase the board to seven members with a new position in Bookings. The other position would be an open position at which time the position would be voted on by the members. The motion was seconded by Director Radabaugh.

The Board discussed the proposed bylaw change. After discussion regarding the board size and recent changes in the board from nine to five, the motion failed; Directors Schlottmann, Herzog and Robison opposed, and Directors Radabaugh and Combs were in favor.

D. Transmission Lines

Director Combs presented a motion for the board to release the hold on the budgeted portion of the rebuild of the transmission line into Brookings and to direct management to start action necessary to have the engineering accomplished to complete the new transmission line in a timely fashion. The motion was seconded by Director Radabaugh.

The board discussed the request, members indicated their concern that the 12 million dollar cost may be excessive until further studies which were underway to determine whether the transmission line rebuild is necessary at this time. The motion failed; Directors Schlottmann, Herzog and Robison opposed, and Directors Radabaugh and Combs were in favor.

**VII. OLD BUSINESS**

None

**VIII. NEW BUSINESS**

None

**IX. MEETINGS**

The Board announced its next regular meeting for May 31, 2007, for the CCEC regular board meeting at Port Orford, Oregon, at 10:00 a.m.

**X. EXECUTIVE SESSION**

The executive session was conducted from 9:00 a.m. until 10:00 a.m. and reconvened at 12:30 p.m.

Two matters were added to the agenda for the Executive Committee: Item 2(J) Status of Werner Buehler, and Item 2(K) Request for Information by Thomas Pertaining to Board Information.

After a brief discussion, a motion was duly made and seconded, approving the attorney's billing statement as presented.

A. PNGC/Power Supply Issues

The Board considered PNGC/Power Supply issues and the Benton REA sale of assets. No action was taken.

B. SAG RFPs

The Board considered the SAG RFP's and approved the RFP from HDR to do Tasks 1, 2, 3, and 4, and directed staff to ensure that HDR did not exceed its estimate on Task 2. The

motion to approve the hiring of HDR was made, seconded, and approved with Directors Grant and Radabaugh abstaining.

C. Energy Star Program

Staff presented a report on the Energy Star Program. No action was taken.

D. SCADA

The staff presented a presentation on a SCADA system which would create a user interface between the main office and the substations. After an extensive presentation on the subject, a motion was made to release the funds in budget to undertake the SCADA system. The motion was seconded and unanimously approved.

E. Central Dispatch

The Board considered the creation of a position of central dispatch operator and the necessary room and facilities for the operator. A motion was made, seconded, and unanimously approved.

F. Future Strategic Planning Session

No discussion.

G. GM/CEO's 2007 Goals

The Board deferred the discussion of the GM/CEO's 2007 goals.

H. Request for Donation/Contribution/Sponsorship

No discussion.

I. ORECA Letter - HB 3080

No discussion.

J. Status of Werner Buehler

The board discussed the status of Werner Buehler. A motion was made and seconded to terminate GM/CEO Werner Buehler for just cause after consultation with legal counsel. After discussion by the board, the resolution was made; Directors Schlottmann, Herzog and Robison voted yes. Directors Radabaugh and Combs voted no. The motion was approved. The Board advised Mr. Buehler of its decision. The Board agreed CCEC will pay medical insurance premiums for up to 12 months for Mr. Buehler if he elects to maintain insurance coverage under COBRA. The insurance reimbursement will continue for 12 months or until he obtains other employment whichever occurs first.

