

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
June 23, 2007

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. ("CCEC") was called to order at 10:03 a.m. on Saturday, June 23, 2007 by President/Chairman of the Board ("Chairman") Combs in the conference room at the cooperative's headquarters, Port Orford, Oregon. Secretary Radabaugh called the roll, showing the following directors present: Robison, Radabaugh, Combs, Herzog, Schlottmann, and Kitchen. Also present were Interim General Manager/CEO ("Interim GM/CEO") Roger Meader, Chief Financial Officer ("CFO") Doyle Eden, Executive Assistant Dian Marple, System Engineer Andrew McBride, and Legal Counsel Roland A. Johnson.

Chairman Combs recognized members of the audience and guests. One item was added to the agenda under IV.E. Annual Meeting, June 16, 2007. The proposed agenda of this meeting, as amended, was approved.

II. CONSENT AGENDA

The board had a brief dialog concerning the consent agenda. A motion was duly made, seconded, and carried to approve Items A through D under the consent agenda, to-wit: the minutes of the May 31, 2007, regular board meeting as amended, the June 15, 2007, special board meeting, and the June 16, 2007, annual directors' meeting; the list of general & operating checks for May 2007; the write-off list by district as submitted; and the list of new memberships for May 2007.

III. CHIEF FINANCIAL OFFICER'S REPORT

The CFO gave a brief review of the cooperative's financial reports for May 2007. The reports included items A through D under the CFO's report: May 2007-form 7, statement of operations, status of funds, and power and service data. A motion was made to approve the monthly financial reports as presented. The motion was seconded and unanimously carried.

IV. MANAGER'S REPORT

A. Outage Report

The Interim GM/CEO gave a brief report on outages for May 2007.

B. Safety Report

The Interim GM/CEO gave his safety report for May 2007, which included training for "slips, trips & falls/back safety training" for the crews and the inside employees, and responded to questions from the board. In addition, the Interim GM/CEO talked about getting AED (defibrillator) equipment for each crew and each office, which acquisition has been emphasized by a recent medical incident with an employee. The board directed the Interim GM/CEO to see if there was money in the budget for the described equipment or, if not, to budget for it next year. A motion was duly made, seconded, and carried to approve the safety report as presented.

C. NRECA - Executive Search Update

Chairman Combs asked Director Robison to report on the executive search. Director Robison advised that the executive search for a GM/CEO is progressing and that several applications have been received by National Rural Electric Cooperative Association (NRECA) in response to its posted job advertisements. He

noted that Roger Meader's application is among the applications that have been submitted.

D. Policy Review Committee Chairman's Report

Committee Chairman Combs reported on the policy review committee meeting held earlier in the day. Committee Chairman Combs explained that the committee had discussed the issue of members, public officials, and the press attending board meetings and recommended that the board adopt policies that would allow members to attend board meetings upon written request. The cooperative is not subject to public meeting laws, and Combs advised that the board needs the time in board meetings to conduct the cooperative's business. Committee Chairman Combs reported that the board will schedule regular CCEC town hall meetings, generally on the 1st Thursday of every month at 7 p.m., rotating the meetings in the four business areas, to present issues discussed at the previous board meeting and to listen to and answer questions from CCEC members. The first four town hall meetings are scheduled, as follows: Brookings 8/2/07, Gold Beach 9/6/2007, Port Orford 10/4/2007, and Coquille 11/1/2007.

1. Proposed Revised PB#76 and Proposed PB#76A

A motion was duly made, seconded, and carried to adopt proposed revised PB#76, Board Meetings, and proposed PB#76A, Attendance of Members and Others at Board Meetings, as presented. A copy of PB#76A was distributed to the CCEC members who were present.

2. Proposed Revised PB#67

A motion was duly made, seconded, and carried to adopt proposed revised PB#67, Authority and Functions of Directors, as presented.

E. Annual Meeting, June 16, 2007

Director Radabaugh advised that as the cooperative's secretary he intended to contact the CPA firm of Wall & Wall to inquire if there are any changes that need to be made in the counting process. After a brief discussion, a motion was duly made, seconded, and carried to release director election results by ballot count per candidate certified by the CPA firm of Wall & Wall. The Interim GM/CEO announced the ballot count per candidate as certified by the CPA firm of Wall & Wall.

District 2

David D. Kitchen 2077

James F. Pritchard 1611

District 4

Gary D. Doran 1805

Daryl C. Robison 1929

District 5

Peter C. Radabaugh 2131

Jerry C. Smith 1560

There was additional dialog about questions asked at the annual meeting and Interim GM/CEO was asked to consider creating an article for publication about the kWh costs at Coffin Butte. The board discussed the mailing of annual meeting packets to out-of-state addresses, whether providing a meal for members at the annual meeting should continue, and a few potential locations for the 2008 annual meeting.

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V. MEETINGS ATTENDED

A. ORECA Report

Chairman Combs gave a brief report on recent Oregon Rural Electric Cooperative Association (ORECA) activities.

VI. EXECUTIVE SESSION

Regular session adjourned to executive session at 11:20 a.m.

A. The board authorized and directed the Interim GM/CEO as the person in charge of and who will handle all press releases to the media.

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

C. The board discussed the transmission line and listened to a presentation from System Engineer McBride concerning a proposal from the engineering firm doing the transmission line study. The board reviewed the proposal and instructed the Interim GM/CEO and the System Engineer to inform the engineering firm to complete the job as set forth in the contract. Interim GM/CEO Meader advised the board that he and the system engineer are working on an economic analysis of the transmission line. Meader recommended that the cooperative train a crew to maintain the transmission line, whether it has steel or wooden poles and that the proper equipment be purchased for that transmission line maintenance crew.

D. The board discussed wholesale power issues, including Pacific Northwest Generating Cooperative (PNGC Power,) potential future power supply, risk management, and administrative costs.

E. There was some discussion by the board of several items previously

assigned to the attorney for legal review, including tree trimming issues, right-of-way/easement and lease matters, and the status of former General Manager/CEO Werner Buehler.

F. The board discussed several member issues, including, a tree-trimming complaint, a member information request (part of which was approved and part of which was denied by the board,) a billing complaint, and the annual meeting packet mailing.

G. The planned board strategic planning session was discussed briefly. Interim GM/CEO Meader was instructed by the board to pursue creating a plan and a proposal for the upgrade of the cooperative's facility in Coquille, including the possibility of combining some CCEC facilities in the northern CCEC territory.

H. The board held a dialog concerning staffing issues. The cooperative may temporarily use two retired member services representatives (MSR) to fill-in for MSRs in all offices as needed. After further discussion, the board authorized Interim GM/CEO Meader to allow certain employees involved primarily in corporate functions the flexibility of working out of other CCEC area offices such as Brookings or Coquille within the discretion of the GM/CEO. The board asked to be kept advised of such movement of job functions to other offices.

I. The board reviewed and approved two requests for donations and sponsorship.

J. The board discussed a solicitation to participate in a salary survey and decided not to participate.

K. Interim GM/CEO Meader advised that a health insurance committee meeting has been scheduled.

L. The board discussed the board committee appointments. Chairman

