

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**November 30, 2007**

**I. PRELIMINARY**

The regular meeting of the board of directors of Coos-Curry Electric Cooperative, Inc. ("CCEC") was called to order at 8:36 a.m. on Friday, November 30, 2007 by Vice President/Chairman ("vice chair") Robison in the conference room at the cooperative's headquarters, Port Orford, Oregon. Secretary Radabaugh called the roll, showing the following directors present: Robison, Radabaugh, Herzog, Schlottmann, and Kitchen. Director Combs was absent. Also present were General Manager/CEO ("GM/CEO") Roger Meader, Executive Assistant Dian Marple, and Member and Public Affairs Director Christine Stallard.

Regular session adjourned to executive session at 8:38 a.m. to discuss general counsel issues. Executive session adjourned and regular session reconvened at 9:19 a.m.

The vice chair announced that by a motion duly made, seconded, and unanimously carried and effective today, Attorney Melinda J. Davison of Davison Van Cleve P.C. had been retained by the board to serve as general counsel for the cooperative.

Director Combs arrived by telephone to attend the meeting.

The proposed agenda of this meeting, as amended, was approved.

Vice chair Robison advised the board that no CCEC members had applied under PB#76A to attend the board meeting and speak to the board.

A motion was made, seconded and unanimously carried to approve, as written, the minutes of the October 26, 2007 regular board meeting.

## **V. ITEMS OF BUSINESS**

### **A. Wholesale Power Issues – PNGC/BPA**

John Prescott, President/CEO of Pacific Northwest Generating Cooperative (PNGC Power) was introduced to the board. Mr. Prescott gave a lengthy presentation concerning the history of PNGC Power and Power Resources Cooperative (PRC) and Pacific Northwest Services Cooperative (PNSC). PNGC Power's business model and the future of PNGC Power were discussed. Mr. Prescott responded to questions from the board and then departed the meeting.

## **II. CONSENT AGENDA**

The board held a brief dialog concerning the consent agenda. A motion was duly made, seconded, and unanimously carried to approve Items A through F under the consent agenda, to-wit: the list of general & operating checks for 10/2007; the write-off list by district through 11/19/2007; the list of new memberships for 10/2007, the purge list for 10/2007; the cooperative attorney's(s') invoice(s); and the GM's & directors' expenses for 10/2007.

## **III. MANAGER'S REPORT**

GM/CEO Meader briefly reviewed the cooperative's financial condition. The

outage report and the November 2007 safety report were reviewed. The financials presented under the manager's report were "filed for audit." The November safety meetings included training of Equipotential Grounding Practices. The November safety report was approved by a motion duly made, seconded, and unanimously carried.

## **VI. OLD BUSINESS**

There was no old business.

## **V. ITEMS OF BUSINESS**

### **C. Policy Committee Recommendations**

- Proposed, Revised PB#59

Proposed, revised PB#59 was discussed briefly. Following several questions to management and comments made by general counsel, the board instructed general counsel to review the proposed policy and to submit recommended changes to the policy committee.

### **D. Proposed Board Resolution No. 626 – FAS71 Slice True-Up Deferral**

Following brief dialog, a motion was made, seconded, and unanimously carried to adopt, as presented, proposed board resolution No. 626, FAS71 Slice True-Up Deferral to budget year 2008.

### **E. City of Brookings Issue**

The board held a brief discussion and review of the situation.

Director Combs departed the meeting by termination of the telephone call.

B. AMR - Cannon Presentation

Steve Deraita, CCEC AMR coordinator, Chance Curtis from Cannon Technologies, and CCEC's Lauren Porsch gave a presentation and live demonstrations of how the Automated Meter Reader (AMR) system and AMR meters are currently performing. The AMR technology is expected to improve services to cooperative members in many ways, including but not limited to resolving bill complaints and outage management. The AMR system is not just for reading meters.

O. Open Board Meetings

There was a brief dialog concerning open board meetings. It was agreed that the recent town hall meetings have been very successful and very productive. The membership is getting much more information at the town hall meetings that it received at the open board meetings. Directors are spending their own time to attend the town hall meetings, and the board agreed by consensus that the current status, where a member may apply to attend a board meeting for a specific reason and where all members may attend any and all town hall meetings, should not be changed at this time.

F. 2008 CCEC Annual Meeting – revisit – Date and Location

The 2008 CCEC annual meeting was revisited and after a brief dialog, it was agreed, by consensus, that the date and location of the 2008 annual meeting be changed to the following: to be held on June 14, 2008, at the Coquille Community Center, Coquille, Oregon.

G. Request for Assistance/Donation

The board agreed, by consensus, to approve, as presented, the request for assistance/donation.

H. Audit Firm – Discuss Pre-audit Meeting and Engagement Letter

There was a dialog about a pre-audit meeting with the new auditor and the engagement letter that needs to be signed. The board agreed, by consensus, to authorize vice chair Robison to sign the Letter of Engagement for the audit firm of Blodgett, Mickelsen & Naef, P.S., Certified Public Accountants, to audit the cooperative's 2007 books in 2008.

General Counsel Melinda Davison departed the meeting.

I. GM/CEO Executive Search – NRECA Billing

Following a brief discussion, a motion was made, seconded, and unanimously carried to authorize payment, as presented, of the National Rural Electric Cooperative Association (NRECA) revised billing.

J. GM/CEO Appraisal Form

A GM/CEO appraisal form was distributed to each board member with instructions to complete and return with it to the December board meeting. The board agreed, by consensus, to ask NRECA to conduct a GM/CEO appraisal toward the end of 2008.

K. Proposed 2008 Budget – Compass Forecast

The Proposed 2008 Budget was discussed, including the CCEC organizational chart, the negotiations with the union, the salary/wage survey, and specific items in the budget. GM/CEO Meader and CFO Eden responded to questions from the board.

The regular session adjourned to executive session at 3:03 p.m. to discuss the 2008 budget and related issues. Executive session adjourned and regular session reconvened at 3:39 p.m.

The vice chair announced that upon motions duly made and seconded, the following resolutions were approved by the Board of Directors:

A safety incentive program; director Schlottmann declared a potential conflict and abstained from the vote;

As amended, the cooperative organizational chart;

As presented, the union contract; director Schlottmann declared a potential conflict and abstained from the vote;

As amended, the 2008 budget; and

The adoption of the NRECA salary scale.

L. General Counsel – Discussion

It was noted that, effective today, Melinda Davison has been retained as the cooperative's general counsel.

M. Miscellaneous Issues

There were no miscellaneous issues.

N. Radio Ads - Discussion

Following a brief discussion, Christine Stallard was asked to reevaluate the effectiveness of radio ads.

P. Retirement of Capital Credits

Following a brief discussion, a motion was made and seconded to approve the retirement of capital credits for the years 1973, 1974, 1975, and 1976 in the approximate total amount of \$1.5 million. After additional dialog, the motion carried

unanimously. It was noted that the checks for the capital credits are expected to be mailed next spring.

Q. Board Survey

Christine Stallard advised the board that NRECA has begun the member survey, employee survey, and board survey. The directors were asked to complete the board survey and submit the forms to NRECA.

**VI. MEETINGS ATTENDED**

Brief reports were given about meetings attended.

**VII. MEETINGS TO ATTEND**

The board announced that the next regular meeting of the board is scheduled on December 28, 2007, at the cooperative's headquarters in Port Orford, Oregon.

**VIII. ADJOURN**

The meeting adjourned at 3:50 p.m.

/s/ Peter Radabaugh  
Peter Radabaugh, Secretary

**ATTEST:**

/s/ Grant Combs  
Grant Combs, Chairman