

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
May 30, 2008

I. PRELIMINARY

The regular meeting of the board of directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:35 a.m. on Friday, May 30, 2008 by President/Chairman of the Board (chair) Combs in the conference room at the cooperative's headquarters, Port Orford, Oregon. Secretary Radabaugh called the roll, showing the following directors present: Combs, Robison, Kitchen, Radabaugh, Schlottmann, and Herzog. Also present were general manager/chief executive officer (GM/CEO) Roger Meader, executive assistant (EA) Dian Marple, member & public affairs director Christine Stallard, and legal counsel Melinda J. Davison.

Items were added to the proposed agenda under IV. Old Business and VI. Meetings Attended and noted that the representative from Bonneville Power Administration will not be attending today's meeting.

Chair Combs 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 amended, the minutes of the April 25, 2008 regular board meeting.

II. CONSENT AGENDA

The board held a brief dialog concerning the consent agenda. Management responded to questions from the board. There was a discussion about collections and tree trimming. 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 4/2008; the write-off list by district through 5/19/2008; the list of new memberships for 4/2008; the purge list for 4/2008; the cooperative attorney's invoice; and the GM's & directors' expenses for 4/2008.

III. MANAGER'S REPORT

GM/CEO Meader reviewed the cooperative's financial condition. The financials presented under the manager's report were filed for audit.

The outage report was mentioned.

The May 2008 safety report was reviewed. The safety meetings in May included pole top & bucket truck rescue training. The May 2008 safety report was approved by a motion duly made, seconded, and unanimously carried.

The GM/CEO gave a report on his business and community contacts for the previous month.

IV. OLD BUSINESS

There was a brief update on a road easement agreement.

V. ITEMS OF BUSINESS

A. Wholesale Power Issues – PNGC Power/BPA

There was a lengthy dialog concerning power supply and contract issues pertaining to Pacific Northwest Generating Cooperative (PNGC Power), and Bonneville Power Administration (BPA). There was further discussion regarding Benton REA's rate case challenge, the recent PNGC workshop, the Power Resources Cooperative,

and the Boardman Coal Plant.

B. Policy Committee Recommendations

Reorganize, update & replace policy bulletins:

- Proposed P#100-120, Selection of Consultants, Contractors, & Materials Purchases (Replaces PB#28)

A motion was made, seconded, and unanimously carried, to approve, as written, proposed Policy No. 100-120.

- Proposed P#100-130, Damage to Cooperative Equipment (Replaces PB#9)

Following discussion, Policy No. 100-130 was tabled to allow legal counsel time to research questions posed by the board.

- Proposed P#100-140, Joint Use of Wood Poles (Replaces PB#10)

A motion was made to approve, as written, proposed Policy No. 100-140. Following discussion the motion was amended to approve, as amended, Policy No. 100-140. The amended motion was seconded, and unanimously carried.

- Proposed P#100-150, Memberships in Local Organizations (Replaces PB#21)

A motion was made to approve, as written, proposed Policy No. 100-150. Following discussion the motion was amended to approve, as amended, Policy No. 100-150. The amended motion was seconded, and unanimously carried.

- Proposed P#100-160, Participation in Local County Fairs (Replaces PB#22)

Following a brief discussion of the proposed changes, it was decided

that this policy is unnecessary, and a motion was made, seconded, and unanimously carried to rescind PB#22.

C. ERO/WECC Regulations

The board viewed a presentation by the GM/CEO and held a lengthy dialog on the regulations and reporting requirements under the Electric Reliability Organization/Western Electric Coordinating Council (ERO/WECC) compliance. It was noted that PNGC will be very beneficial to CCEC in meeting these reporting requirements.

D. Existing Debt Options

Following a review of options and a lengthy discussion regarding interest rates and future options, a motion was made to authorize the GM/CEO to implement option C to reprice, following a meeting with National Rural Utilities Cooperative Finance Corporation (CFC's) representative to request a waiver of repricing fees, the CFC debt for 2009-2011. The motion was seconded and carried. Director Kitchen cast a no vote stating that he believed all CCEC should be repriced to the ends of the terms.

E. Request for Donations

- B-H Children's Theater - A motion was made to approve a donation at the "mirror level" of \$600 to the Brookings-Harbor Children's Theater.

The motion was seconded and unanimously carried.

F. Capital Credits Update

The GM/CEO reported that the 1959 – 1970 capital credits publication requirements have been completed and advised the board on the progress of the capital credits process, member contacts and checks being mailed.

G. Annual Meeting Update

The board was given a brief update on the annual meeting packet mailing to members and the annual meeting preparations and arrangements.

H. Miscellaneous Business Issues

- No June town hall meeting because of June annual meeting – The board talked about there being no specific town hall meeting in June because it would be held just two days before the annual meeting.
- ORECA July meeting at Shalishan – Following a brief discussion, the board agreed, by a majority consensus, to approve fees for CCEC's ORECA representative Radabaugh and the GM/CEO to attend the ORECA July meeting in Salishan, Oregon. Director Robison voiced his reservations but agreed to go along with the majority.

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 for June 27, 2008, at the cooperative's headquarters in Port Orford, Oregon.

