

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
June 27, 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, June 27, 2008 by Chairman of the Board (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, 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 V. Items of Business G. Request for Donations.

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 amended, the minutes of the May 30, 2008 regular board meeting, and, as written, the minutes of the June 14, 2008 annual meeting of the board of directors.

V. ITEMS OF BUSINESS

A. Wholesale Power Issues – PNGC Power/BPA

- BPA Representative Rod Aho

Rod Aho of Bonneville Power Administration (BPA) was introduced.

He briefly described his background and experience in the industry. Mr. Aho talked about the regional dialogue, the contract process, products to be offered, future rate design, his role in the current process, the true separation of Tier I and Tier II, and proposed blended rates. Mr. Aho held a discussion about the Power Act, the high water mark, costs analyses, load shaping charges or credits, fixed customer charge, demand charge, and Tier I power being federal and Tier II power being non-federal. Mr. Aho responded to questions from the board and the GM/CEO prior to departure.

II. CONSENT AGENDA

The board held a brief dialogue concerning the consent agenda. Management responded to questions from the board. A motion was duly made, seconded, and unanimously carried to approve Items A through E under the consent agenda, to-wit: the list of general & operating checks for 5/2008; the write-off list by district through 6/12/2008; the list of new memberships for 5/2008; the cooperative attorney's invoice; and the GM's & directors' expenses for 5/2008.

III. MANAGER'S REPORT

GM/CEO Meader gave a brief report. The financials presented under the manager's report were filed for audit.

The outage report was mentioned.

The June 2008 safety report was reviewed. The safety meetings in June included fire protection training and fire extinguisher training for all employees and

required sabotage reporting procedure training for linemen & on-call staff. The June 2008 safety report was approved by a motion duly made, seconded, and unanimously carried.

The GM/CEO reported on his business and community contacts for the previous month.

The regular session adjourned to executive session at 11:28 a.m. to discuss and receive legal advice on the following issues: personnel, conflicts of interest, potential litigation, and legal issues surrounding contracts. The executive session adjourned and the regular session reconvened at 12:54 p.m. There was no action to report.

IV. OLD BUSINESS

There was no old business to come before the meeting.

V. ITEMS OF BUSINESS *(revisited)*

A. Wholesale Power Issues – PNGC Power/BPA *(revisited)*

There was a lengthy dialogue concerning power supply issues pertaining to Pacific Northwest Generating Cooperative (PNGC Power), and Bonneville Power Administration (BPA). There was further discussion regarding the PV solar array recently installed at the CCEC office in Brookings and a wind generator that is expected to be installed at the CCEC office in Port Orford, utilizing energy efficiency/conservation funds from BPA.

B. Policy Committee Recommendations

Reorganize, update & replace policy bulletins:

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

A motion was made to approve, as written, proposed Policy No. 100-130. Following discussion and an opinion from legal counsel, the motion was seconded and unanimously carried.

- Proposed P#100-160, Power Lines & Substation Equipment Rights-of-Way on Public & Private Lands (Replaces PB#27)

A motion was made to approve, as written, proposed Policy No. 100-160. Following discussion the motion was seconded and unanimously carried.

- Proposed P#100-170, Inactive Accounts (Replaces PB#29)

A motion was made to approve, as written, proposed Policy No. 100-170. Following discussion the motion was seconded and unanimously carried.

- Proposed P#100-180, Publicity (Replaces PB#30)

A motion was made to approve, as written, proposed Policy No. 100-180. Following discussion the motion was amended to approve, as amended, Policy No. 100-180. The amended motion was seconded, and unanimously carried.

C. Committee Appointments

Chair Robison made the following committee appointments:

- Governance, Policies, & Bylaws Review Committee Chair
Radabaugh
- Audit Committee Chair Kitchen

- Insurance Committee Chair Schlottmann

Chair Robison declared and the board agreed, by consensus, that all directors should be members of all board committees.

D. Appoint CCEC Designated Representative to SCSC Meeting of Members

Chair Robison appointed CCEC director Herzog to be the CCEC Designated Representative to the South Coast Satellite Cooperative, Inc. (SCSC) Annual Meeting of Members scheduled for July 25, 2008.

E. Day of Regular Board Meetings – discussion

The board held a brief discussion about the possibility of changing the regular board meetings to a different day of the week. The board agreed, by consensus, that no change would be made.

F. Touchstone Energy

The GM/CEO and the member & public affairs director gave a presentation regarding Touchstone Energy. Although Touchstone Energy has been around for a long time and many cooperatives are members, cooperatives in the Pacific Northwest are only beginning to realize that Touchstone Energy is no longer just a marketing tool. Touchstone Energy is expected to be a good tool in the future to help educate CCEC members about renewable energy options, and conservation programs, and Co-op Connections Program opportunities for CCEC members. GM/CEO Meader stated that Touchstone Energy could be a very positive program for our cooperative and will provide benefits to our members. Favorable, discounted membership fees were offered to CCEC. A motion was made to approve and endorse the Touchstone Energy Program and to join the program effective 9/1/2008, prorated for 2008. The motion was seconded and unanimously carried.

G. Request for Donations

- Curry County Fair – A motion was made to approve a cash donation of \$500 to the Curry County Fair/Event Center on the Beach to sponsor the 2008 Curry County Fair. The motion was seconded and unanimously carried.
- City of Brookings – Director Kitchen declared a potential conflict in regard to this request. Following a discussion, a motion was made to approve a cash donation of \$3000 to the City of Brookings to assist in a project to construct an emergency operating center and radio communications tower at the Civic Center/Police Station/Fire Station in Brookings. After further discussion, the motion was seconded and carried. Director Kitchen abstained from the vote.
- Southern Oregon Coast Maritime History Preservation Society – A motion was made to approve a cash donation of \$500 to the Southern Oregon Coast Maritime History Preservation Society to assist in the restoration of the 44385 motor lifeboat for the benefit of the community. The motion was seconded and unanimously carried.
- Curry County Home Health & Hospice – A motion was made to approve a cash donation of \$500 to the Curry County Home Health & Hospice as a Corporate Partnership sponsor to help others in our community. The motion was seconded and unanimously carried.

Melinda J. Davison departed.

- Curry Health Foundation – A motion was made to approve a cash donation of \$500 to the Curry Health Foundation for the 2008-2009

sponsorship to help fund healthcare projects in Curry County. The motion was seconded and unanimously carried.

- American Red Cross – A motion was made to approve a cash donation of \$100 to the American Red Cross for the Spirit of Excellence celebration. The motion was seconded and unanimously carried.

H. Obsolete Asset Disposal List

A motion was made, seconded, and unanimously carried to approve the obsolete asset disposal list.

I. Annual Meeting Recap – Plans for Next Year

The board discussed the recent annual meeting and some options for the 2009 annual meeting.

J. New Director Positions Appointment Process and Timeline

Following a dialogue, the board agreed, by consensus that notice to the membership of the new director positions appointment process and timeline needs to be published in the member newsletter, local newspapers, and the Ruralite Magazine, and that the advertisement should include a description of the appointment process, instructions, and deadlines.

K. Miscellaneous Business Issues

- Tree trimming report – The GM/CEO and the board reviewed the tree-trimming report.

VI. MEETINGS ATTENDED

Brief reports were given about meetings attended.

