

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
September 26, 2008

I. PRELIMINARY

The regular meeting of the board of directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:02 a.m. on Friday, September 26, 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, Herzog, McMahan, and Dowdy. Director Schlottmann was absent. 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.

Chair Robison welcomed the board's two new members, Ed Dowdy and Cheryl McMahan.

V. ITEMS OF BUSINESS

A. Wholesale Power Issues – PNGC Power/PRC/BPA

John Prescott, CEO of Pacific Northwest Generating Cooperative (PNGC Power) was introduced to the board. Prescott gave a presentation, beginning with the history of PNGC Power and continuing with power supply issues, legislative issues, and potential decisions that will need to be made by the end of 2008. Prescott talked about the future of PNGC, renewable energy, conservation, and future power supply, and he responded to questions from the board.

The board thanked John Prescott for his presentation, and he departed at 9:36 a.m.

I. PRELIMINARY *(continued)*

Several items were added to the proposed agenda under executive session.

There was a brief strategic discussion held by the board.

Chair Robison advised the board that no CCEC member 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 August 23, 2008 regular board meeting and executive session and the August 25, 2008 special board meeting/executive session. Directors McMahan and Dowdy abstained from the vote.

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 8/2008; the write-off list through 9/12/2008; the list of new memberships for 8/2008; the cooperative attorney's invoice; and the GM's & directors' expenses for 8/2008.

V. ITEMS OF BUSINESS *(continued)*

B. Legislative Issues – Oregon State Representative Wayne Krieger

Representative Wayne Krieger arrived at 10:00 a.m. and was introduced to the board. The GM/CEO presented a power point that addressed concerns and recommendations regarding climate change bills and cap and trade bills. The board and Representative Krieger reviewed and discussed current legislative issues and potential future legislative issues that affect cooperatives now and in the future.

The board thanked Representative Krieger for his support on the RPS legislation and for attending the CCEC board meeting, and he departed at 11:06 a.m.

III. MANAGER'S REPORT

GM/CEO Meader gave a brief report on revenue and expenses, and his report included an update on the software conversion. The financials presented under the manager's report were filed for audit.

The outage report and the right-of-way clearing report were mentioned.

The September 2008 safety report was reviewed. The safety meetings in September included First Aid training for all CCEC employees. The September 2008 safety report was approved, as presented, by a motion duly made, seconded, and unanimously carried.

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

Secretary Radabaugh presented *Credentialed Cooperative Director* (CCD) certificates to Director John Herzog, Director Dave Kitchen, and Director Daryl Robison, who have completed the director education requirements in accordance with the cooperative's bylaws.

GM/CEO Meader announced that CCEC's communications director, Member and Public Affairs Director Christine L. Stallard had been selected to receive the very prestigious *Communicator of the Year Award* from *Ruralite Magazine*, and presented the commemorative plaque/award to Ms. Stallard.

IV. OLD BUSINESS

There was no old business to come before the meeting.

V. ITEMS OF BUSINESS *(continued)*

K. Executive Session

The regular session adjourned to executive session at 11:40 a.m. to discuss the following: potential litigation, contracts, and personnel issues. The executive session adjourned and the regular session reconvened at 1:52 p.m.

A. Wholesale Power Issues – PNGC Power/PRC/BPA

The GM/CEO gave an update on wholesale power issues and future power supply issues pertaining to Pacific Northwest Generating Cooperative (PNGC Power), Power Resources Cooperative (PRC), and Bonneville Power Administration (BPA).

Legal counsel Davison departed.

B. Legislative Issues – Oregon State Representative Wayne Krieger

Representative Krieger visited the board earlier in the meeting.

C. Policy Committee Recommendations

Reorganize, update & replace policy bulletins or revise policies:

- Proposed, revised P#400-020, Employee Handbook

The draft proposed revision of the employee handbook included the changes in the 10-hour workday/4-day work week and other required legal revisions, and staff and employment law legal counsel are working on additional changes. A proposed, revised policy will be resubmitted at the next board meeting.

Donation Policy – Discussion:

The board held a dialogue concerning the scope of the board donations policy. The policy committee chair will be working on draft language for a revised donations policy. No other action was taken.

Floating Holiday Donation for Employee Hardship Policy – Discussion:

The board held a dialogue about the floating holiday donation for employee hardship policy. No action was taken.

D. Committee Appointment/Assignments

The board agreed, by consensus, that all directors will be members of all board committees, including audit committee, policy, bylaws, or governance committee, insurance committee, or any other board committee.

E. Strategic Planning Session Summary

The board reviewed the strategic planning session summary and discussed the capital credits policy. Director McMahan will summarize the strategic planning session notes. No other action was taken.

F. Tree Trimming Bids for 2009

The tree trimming bids for 2009 were presented for information. These costs will be placed into the 2009 budget.

The regular session adjourned to executive session at 3:13 p.m. to discuss personnel issues. The regular session reconvened at 3:48 p.m. There was no action to report.

G. Obsolete Asset Disposal List – Approval

The obsolete asset disposal list was discussed and a motion was made, seconded, and unanimously carried to approve the obsolete asset disposal list and to dispose of the items in the manner most advantageous to the cooperative.

H. Requests for Donation/Contribution

No donation requests were approved or denied but were tabled until the next regular board meeting.

I. PUC Safety Violations Update

The GM/CEO reported on the method by which the Public Utilities Commission (PUC) safety violations are discovered and reported to the cooperative by

the Oregon PUC. The board was given an outline of how the cooperative plans to deal with and resolve the problems.

J. Miscellaneous Business Issues

- Update on Implementation of 10-Hour Workdays – The GM/CEO advised the board that plans are moving forward to implement the 10-hour workday/4-day work week on November 1, 2008. The ads have been or are being placed in the newspapers and the Ruralite, and notices have been placed in the member newsletter, as bill messages on members' bills, in press releases, and in all CCEC offices
- Touchstone Energy – The board was given a brief report on the progress of the Touchstone Energy program.
- CCEC Calendar – Christine Stallard reported on the CCEC 2009 calendar plan.
- October - National Co-op Month – Christine Stallard informed the board that October is National Co-op Month and CCEC will recognize that at each CCEC office on the last four Fridays in October by providing cookies and coffee for CCEC's members who come into the offices.

VI. MEETINGS ATTENDED

Brief reports were given about meetings attended. Secretary Radabaugh advised that he attended the NRECA Region IX meeting, and had attended the CFC and other regional meetings at the NRECA conference location. He also talked about the "Why Some Boards Succeed and Some Don't" class that he had taken.

VII. MEETINGS TO ATTEND

The board announced that the next regular meeting of the board is scheduled for October 24, 2008, at the cooperative's headquarters in Port Orford, Oregon.

The CFC IBES meeting is scheduled for November 17 - 18, 2008. The GM/CEO advised that this would be a good meeting for a director to attend. After a brief dialogue, it was agreed that Chair Robison should plan to attend the CFC IBES meeting.

