

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**March 19, 2009**

**I. PRELIMINARY**

The regular meeting of the board of directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 9:00 a.m. on Thursday, March 19, 2009 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, Dowdy, and Schlottmann. Also present were general manager/chief executive officer (GM/CEO) Roger Meader, executive assistant (EA) Dian Marple, and marketing & member services manager Christine Stallard. Legal counsel Melinda J. Davison arrived at 9:34 a.m.

Items added to the proposed agenda were under II. Consent Agenda - Cooperative's Auditor's Billing and VI. Items of Business - 1) Public Power Council, 2) Oregon Costal Zone Management Association, and 3) Touchstone Energy Update.

There was a call for items for strategic discussion, but there were none.

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 February 27, 2009 regular board meeting and executive session.

**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 F under the consent agenda, to-wit: the list of general & operating checks for 2/2009; the write-off list through 3/6/2009; the list of new memberships for 2/2009; the cooperative attorney's invoice; the GM's & directors' expenses for 2/2009, and the cooperative auditor's invoice.

### III. MANAGER'S REPORT

GM/CEO Meader gave a brief report on revenue and expenses, and responded to questions about the budget and cost-cutting options. The financials presented under the manager's report were filed for audit.

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

The March 2009 safety report was reviewed. The safety meetings in February included Hazard Communication and Medical Records training. The March 2009 safety report was approved, as presented, by a motion duly made, seconded, and unanimously carried.

### IV. ITEMS OF BUSINESS

#### A. Wholesale Power Issues - PNGC Power/PRC/BPA

The board held a discussion about wholesale power issues and future power supplies. GM/CEO Meader talked about water, snow pack, weather, solar, wind, and bio mass generation, and market prices and responded to questions from the board. The Bonneville Power Administration's (BPA) rate case and the potential, substantial rate increase from BPA were discussed. Pacific Northwest Generating Cooperative (PNGC Power) issues were discussed along with the federal stimulus package, energy efficiency, and an in-depth conservation program. The Power Resources Cooperative (PRC) was also discussed along with the smart grid, new technologies, Ocean Power Technologies (OPT), BPA and loads.

#### B. Policy Committee Recommendations

- Proposed new Policy No. 100-210 Meter Tampering & Unauthorized Diversion of Electric Energy – There was a brief dialogue regarding the legal counsel's revisions to the proposed policy. A motion was made to approve, as presented, proposed Policy No. 100-210 Meter Tampering & Unauthorized Diversion of Electric Energy. The motion was seconded and unanimously carried.
- Proposed draft Service Policies for Members – Policy No. 300-020 – Christine Stallard presented the proposed, combined service policies for members. The revisions from the February board meeting and from legal counsel were included in this proposed policy. Following additional discussion, the board asked that a paragraph be added to

the policy that would require that a member who disconnects and then reconnects within one year, must pay the basic monthly charges from the time of the disconnect to the time of the reconnect. A late fee of \$3.00 was also discussed and approved.

**CREDIT CARDS USED BY MEMBERS-LIMITS:** Options for the use of credit card by members were discussed. A motion was made to approve a cap-limit of \$9,999.99 for any credit card used by a member to pay for services provided by the cooperative. The motion was seconded and unanimously carried. A paragraph on the use of credit cards by members to pay for cooperative services will be added to the service policies for members.

Ms. Stallard will revise the proposed policy and bring it back to the board for approval.

- Proposed Ethics and Conflict of Interest – Employees Policy No. 400-040 – This policy is still waiting to take effect until the similar policy for directors has been approved.
- Discussion of Ethics and Conflict of Interest – Directors policy – There was a discussion regarding the creation of an ethics and conflict of interest policy for directors. The policy committee chair is working on a draft policy.

C. Disposal of Obsolete Assets

A motion was made to authorize the cooperative's GM/CEO to dispose of cooperative obsolete assets and to report the disposition each month as an item under the manager's report.

The board wants to hold a discussion at the next board meeting about the appropriate minimum dollar amount set for capitalized items.

A motion was made, seconded, and unanimously carried to approve, as presented, the list for disposal of obsolete assets.

D. Request for Donation/Contribution

Under P#100-190 the board considered the following:

- Curry Health Foundation – Following a discussion, a motion was made, seconded, and unanimously carried to deny the request from the Curry Health Foundation for a donation because the request is for

administrative expenses and does not fall within the guidelines of the cooperative's policy for donations.

- North Curry After School Program through the North Curry Families' and Children's Center (NCFCC) – Following a discussion, a motion was made and seconded to deny the request from the NCFCC North Curry After School Program for a donation. The motion failed with a vote of 2 in favor and 4 against. Following additional dialogue, Director Dowdy was asked to investigate further into this program and return to the board next month with a recommendation on the donation request. The NCFCC donation request was deferred to the April board meeting.
- Southern Oregon Coast Maritime – Following a discussion, a motion was made, seconded, and unanimously carried to deny the request from the Southern Oregon Coast Maritime for a donation because the request is for electric services and does not fall within the guidelines of the cooperative's policy for donations.
- Brookings-Harbor High School – Following a discussion, a motion was made and seconded to deny the request from the Brookings-Harbor High School for a donation because the request is for pom-poms and does not fall within the guidelines of the cooperative's policy for donations. The motion carried with Director Kitchen casting a NO vote.
- Gold Beach High School – Following a discussion, a motion was made and seconded to deny the request from the Gold Beach High School for a donation because the request is for pom-poms and does not fall within the guidelines of the cooperative's policy for donations. The motion carried with Director Kitchen casting a NO vote.
- Southern Oregon Kite Festival – Following a discussion, a motion was made and seconded to deny the request from the Southern Oregon Kite Festival for a donation. The motion failed with a vote of 2 in favor and 4 against. A motion was made to approve a \$200 cash donation to the Southern Oregon Kite Festival. The motion was seconded and carried with directors Schlottmann and Herzog casting NO votes.

- Safety City – Following a discussion, a motion was made to approve a \$100 cash donation to the Safety City Program. The motion was seconded and carried with directors Schlottmann and Herzog casting NO votes.
- Whaleshead Private Road District – GM/CEO Meader advised the board that he had spoken with the representative of the road district and told the representative that he would discuss the request with the board. There was a discussion, and a motion was made, seconded, and unanimously carried to deny the request from the Whaleshead Private Road District for a donation.
- Port Orford Arts Council– Following a discussion, a motion was made and seconded to deny the request from the Port Orford Arts Council for a donation. The motion failed with a vote of 2 in favor and 4 against. A motion was made to approve a \$200 cash donation to the Port Orford Arts Council. The motion was seconded and carried with directors Schlottmann and Herzog casting NO votes.

**AUTHORIZE GM/CEO TO APPROVE DONATIONS:** The board held a dialogue concerning the amount of time that is required to approve donations. A motion was made, seconded, and unanimously carried to delegate to and authorize GM/CEO Meader the task of approving or denying, in accordance with Policy No. 100-190 and the approved budget, the requests for donations received by the cooperative.

E. 2009 CCEC Annual Meeting

The board received a brief update concerning arrangements for the annual meeting scheduled for May 2, 2009, including the mailing of the ballots and the plan for counting the ballots.

F. Cost Containment Committee Recommendations

The Cost Containment Committee Recommendations were reviewed by GM/CEO Meader, and he advised the board that he and his staff are working to implement the recommendations. The board thanked management and staff for their hard work on these recommendations for cutting costs.

The regular session adjourned to an executive session at 11:41 a.m. to discuss the following: contracts and personnel issues. The executive session adjourned and the

regular session reconvened at 1:21 p.m.

G. Coos County Task Force on Renewables

The GM/CEO reported on the renewables groups in Coos county and Curry county who want CCEC to be involved in their organizations. The GM/CEO advised that he plans to be a participant in the task force for renewables groups in both counties, and the board agreed.

H. Miscellaneous Business Issues

- Update on 4-day work weeks – The report concerning the first four months of the four 10-hour day work weeks was not available for review but will be e-mailed to the board as soon as it is available.
- Employees' Donations Fund – The board was advised that the CCEC employees are considering the creation of a fund through payroll deductions that could be used by a committee of participating employees to make donations to worthy causes within the guidelines established by the employees' group.

I. Public Power Council (PPC) The board held a dialogue regarding the importance and significance of the PPC. The GM/CEO advised that PNGC Power is a member of the PPC. The question of whether CCEC should become a member of the PPC was discussed. The GM/CEO will research the amount CCEC would be required to pay in dues and gather some background information so the board can evaluate a potential membership in the PPC. Meader will invite PPC Executive Director Scott Corwin to a future board meeting to give a presentation.

J. Ocean Coastal Zone Management Association (OCZMA)

There was a discussion concerning the OCZMA and whether CCEC should be a part of that organization. Director Kitchen advised that he is expecting CCEC to be invited to join. The annual dues are \$500. The board asked for some background information on the OCZMA organization before it can proceed to make a decision regarding membership.

K. Touchstone Energy

Christine Stallard advised the board that she had received a report from Touchstone Energy that CCEC members using the Co-op Connections card in January and February saved a substantial amount of money on prescriptions. The report shows

