

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**August 26, 2010**

**I. PRELIMINARY**

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:24 a.m. on Thursday, August 26, 2010 by Chairman of the Board Peter Radabaugh (Chair Radabaugh) in the conference room at the cooperative's headquarters, Port Orford, Oregon. The Secretary called the roll, showing the following directors present: Daryl Robison, Peter Radabaugh, Ed Dowdy, Cheryl McMahan, Dave Kitchen, and Jim Kolen. John Herzog arrived at 11:36 a.m. Also present were General Manager/Chief Executive Officer (GM/CEO) Roger Meader, Executive Assistant (EA) Dian Marple, and Marketing & Member Services Manager Christine Stallard. General Legal Counsel Melinda J. Davison arrived at 9:59 a.m.

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

Two items were deleted from the Agenda under Items of Business: NRECA Youth Tour report and CFC Financial Training. The agenda as amended was approved.

Chair Radabaugh advised the Board that no CCEC member had applied, under P#300-030, 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 July 22, 2010, regular board meeting, and as written, the minutes of the July 22, 2010, executive session.

**IV. ITEMS OF BUSINESS**

**I. NRECA Web-Cast Presentation – market research**

Christine Stallard invited Gina Ricci of the National Rural Electric Cooperative Association (NRECA), at 8:30 a.m., to give a web-cast/telephone presentation on a market research member interview survey recently conducted by NRECA on behalf of CCEC. Some of the subjects discussed in the interviews with CCEC members were reliability, outage restoration, energy resources and hydro, alternative energy, wind, solar, and wave, climate change, fish recovery, smart grid and

AMI. The survey results were very positive, but it was clear that CCEC needs to do more to educate its members concerning the costs of alternative energy and what's happening in the industry and how it affects their power bills. The web-cast and phone call with Gina Ricci ended at 9:29 a.m.

## **II. CONSENT AGENDA**

Following a brief discussion, a motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the write-off list through 8/17/2010; the list of new memberships for 7/2010; CCEC's attorney's invoice; and the GM's & Directors' expenses for 7/2010. The motion carried unanimously.

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

The financials were reviewed, and GM/CEO Meader gave a brief report and responded to questions from the Board. The financials presented under the manager's report were filed for audit.

The following reports were given: outages, credit card usage, and the obsolete asset disposal list.

The safety meetings in August included Pole Top and Bucket Truck Rescue training. The August 2010 safety report was reviewed by the Board.

General Counsel Melinda J. Davison arrived at 9:59 a.m.

Discussion continued on the safety report, including safety of CCEC personnel in all CCEC area offices, confrontation with a member, cameras, and other security measures that have been taken, and additional security measures being considered to protect CCEC employees in the future.

## **IV. ITEMS OF BUSINESS**

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

The Board held a discussion about wholesale power issues, wave energy progress, the Bonneville Power Administration's (BPA) current conservation program and the next BPA conservation program to be launched next year. It may be difficult to find conservation projects that qualify for next year's program. Pacific Northwest

Generating Cooperative's (PNGC Power) report, wholesale power supplies, and the Power Resources Cooperative (PRC) were discussed. PNGC's annual meeting is coming up and a dialogue occurred as to who would attend.

Proposed Resolution No. 2010-02, Director Nomination of Pacific Northwest Generating Cooperative: A motion was made to adopt proposed Resolution No. 2010-02, Director Nomination of Pacific Northwest Generating Cooperative, nominating GM/CEO Roger Meader as director to PNGC. The motion was seconded and carried unanimously.

Appoint Designated Membership Representative of PNGC: A motion was made, seconded, and unanimously carried to appoint GM/CEO Roger Meader as the designated membership representative and Director Dave Kitchen as the designated alternate for voting purposes at membership meetings of PNGC.

Proposed Resolution No. 2010-03, Director Nomination of Power Resources Cooperative: A motion was made to adopt proposed Resolution No. 2010-03, Director Nomination of Power Resources Cooperative, nominating GM/CEO Roger Meader as director to PRC. The motion was seconded and carried unanimously.

Appoint Designated Membership Representative of PRC: A motion was made, seconded and unanimously carried to appoint GM/CEO Roger Meader as the designated membership representative and Director Dave Kitchen as the designated alternate for voting purposes at membership meetings of PRC.

Appoint Coffin Butte, Boardman, and Intertie Subscribers' Committees Representatives of PRC: A motion was made, seconded, and unanimously carried to appoint GM/CEO Roger Meader as the designated membership representative and Director Dave Kitchen as the designated alternate for voting purposes at Coffin Butte, Boardman, and Intertie Subscribers' Committees meetings of PRC.

B. Policy Committee Recommendations

Policy Review Committee Chair McMahan reported on and explained policy issues, led a discussion with the Committee, and made recommendations. The following actions were taken:

- Update proposed P#100-270 Disposition of Property (replaces PB#39) – Following discussion, this policy was tabled to allow some additional language to be added. This policy will be resubmitted in September.

- Update proposed P#200-090 Election of Officers (replaces PB#77) – To update this policy into the new format, a motion was made, seconded, and unanimously carried to approve, as presented, proposed P#200-090 Election of Officers (replaces PB#77).
- Proposed, revised P#300-020 Service Policies for Members – Christine Stallard described events, including delinquent and cut-off trends and credit card merchant fees, leading to staff's recommendation to increase late penalty fees and to limit a member's credit card transaction amount. A motion was made, seconded, and unanimously carried to approve, as amended, effective 11/1/2010, proposed, revised P#300-020 Service Policies for Members.

C. Transmission Line Progress - update

GM/CEO Meader gave an update on the transmission line rebuild project.

Progress is looking good and under budget.

D. Annual Meeting – update

The Board received a report that the 2011 annual meeting of the members is scheduled for May 14, 2011, and will be held at the Event Center on the Beach, Gold Beach, Oregon.

Director Herzog arrived at 11:36 a.m.

E. Bylaws Review Process - discussion

- October board meeting-reschedule: Due to a conflict, the Board resolved to reschedule the October board meeting to October 21, 2010.
- Bylaws Review Committee meeting-schedule: The Board agreed by consensus to schedule a Bylaws Review Committee meeting on Monday, October 25, 2010, beginning at 8:30 a.m., in the CCEC Port Orford conference room.

F. Video Conferencing - discussion

GM/CEO Meader advised the Board that he recommends that CCEC not purchase video conferencing equipment at this time. Instead, he would like to explore the possibility of leasing and using equipment for a year in just the Port Orford office to

try it out to see if there is a value to CCEC. Meader is investigating the costs for leasing. This type of complex technology is expensive and quickly becomes obsolete.

G. Work Order Process Revision - update

The Board reviewed the revised work order process. Staff expects to have the revised policy ready to present to the Board in the next month or so, and staff hopes to have the revised work order system in place by March 2011.

H. ERO/WECC Compliance Costs

A report was given on the ERO/WECC new regulations. The estimated cost to comply with this new federal regulation for 2010 is approximately \$123,000.

I. NRECA Web-Cast Presentation – market research

The NRECA Web-Cast Presentation was given earlier in this meeting.

J. BLM W District Resource Advisory Committee – letter of recommendation

Director McMahan advised the Board that she wants to join the BLM Western District Resource Advisory Committee to represent energy development interests. She requested a recommendation and approval from the CCEC Board and asked the Board to authorize Chair Radabaugh to sign a “Letter of Recommendation” from CCEC. The Board agreed by consensus to support Director McMahan’s bid to join the BLM’s committee and to authorize Chair Radabaugh to sign the Letter of Recommendation on behalf of CCEC.

K. Miscellaneous Business Issues

- Laptops for Directors – The Board held a discussion about the amount budgeted for directors’ computers. A motion was made, seconded, and unanimously carried to set a limit of \$2000 for hardware plus the basic software necessary for the purposes of a Director conducting business as a CCEC Director.

**V. EXECUTIVE SESSION**

The regular session adjourned to an executive session at 1:09 p.m. and reconvened into the regular session at 3:28 p.m.

**VI. MEETINGS ATTENDED AND TO ATTEND**

Brief reports were given about meetings attended and a discussion was held about meetings to attend.

