

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
July 28, 2011

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:30 a.m. on Thursday, July 28, 2011 by President Peter Radabaugh in the conference room at CCEC's headquarters office, Port Orford, Oregon. The Secretary called the roll, showing the following directors present: Peter Radabaugh, Ed Dowdy, Cheryl McMahan, Dave Kitchen, Daryl Robison, John Herzog, and Jim Kolen. Also present were General Manager/Chief Executive Officer (GM/CEO) Roger Meader and Marketing and Member Services Manager Christine Stallard. General Legal Counsel Melinda J. Davison was available by phone.

There was a call for items for strategic discussion.

One item was added to the regular Agenda under Items of Business: cost containment committee recommendation, and the agenda as amended, was approved.

President Radabaugh advised the Board that one 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 amended, the minutes of the June 30, 2011, regular board meeting and to approve, as amended, the minutes of the June 30, 2011, executive session.

The regular session adjourned to an executive session at 8:35 a.m. to discuss a member issue, and the regular session reconvened at 8:55 a.m.

II. CONSENT AGENDA

Following a brief discussion, a motion was made and seconded to approve Items A through E under the consent agenda, to-wit: the write-off list through 7/13/2011; the list of new memberships for 6/2011; the purge list for 7/2011; CCEC's attorney's invoice; and the GM/CEO's & Directors' expenses for 6/2011. The motion carried unanimously.

IV. ITEMS OF BUSINESS

C. Bob Alvin, NRECA Field Rep – Presentation of RSI options

Bob Alvin, NRECA Field Rep joined the meeting at 9:00 a.m. and was introduced to the Board. Alvin gave a presentation regarding RSI options, and advised that cooperatives across the nation are struggling with rising costs and the impacts on their consumers. Alvin responded to questions and departed the meeting at 10:00 a.m.

The regular session adjourned to an executive session at 10:10 a.m. to discuss a member issue, and the regular session reconvened at 10:30 a.m.

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 asset disposal list.

The July 2011 safety report was reviewed by the Board. The safety meetings in July included Job Briefings training. A discussion was held concerning the roles, responsibilities and functions of the safety committee.

The SPS quarterly reports were given to fulfill the strategic planning goals and measurements.

IV. ITEMS OF BUSINESS

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

The Board and the GM/CEO held a discussion about wholesale power issues, the Bonneville Power Administration's (BPA) programs, legislative issues, the Pacific Northwest Generating Cooperative's (PNGC Power) report, snow pack and high water, wholesale power supplies, and the Power Resources Cooperative (PRC).

A discussion occurred regarding an upcoming PNGC Strategic Education Program (SEP) in September. An alternative to attending the SEP would be to ask John Prescott to attend one of CCEC's board meetings.

The GM/CEO gave an update on conservation funding at BPA being over budget and the implications for future conservation funding post 9/30/2011.

The Board received an update concerning the PRC strategic planning session.

B. Policy Review Committee Recommendations

The chairman of the policy review committee and the Board discussed the following policies for review, proposed new or revised:

- For review, proposed, revised: P#100-200 – Identity Theft Prevention Program (Red Flag) – A motion was made, seconded, and unanimously carried to approve, as written, proposed, revised P#100-200 Identity Theft Prevention Program (Red Flag).

C. Bob Alvin, NRECA Field Rep – Presentation of RSI Options

Bob Alvin, NRECA Field Rep gave his presentation earlier in this meeting.

D. Federated – Loss Analysis Report

GM/CEO Meader reviewed the Federated – Loss Analysis Report that he had prepared. This was just information for the Board showing that CCEC has a good record in comparison to other cooperatives.

E. Strategic Planning Session – 7/11/2011 - recap

Vice President McMahan led a discussion concerning the recent CCEC board and upper management strategic planning session. Her presentation focused on strategic management rather the strategic planning. McMahan will lead a strategic management process at no charge to better focus our efforts. The Board will set aside 30 – 45 minutes at each board meeting for strategic management discussions.

F. Miscellaneous Business Issues

- GM/CEO's Job Description – with changes

GM/CEO Meader advised that he and Director McMahan have been working on the GM/CEO's job description to make it more applicable.

A discussion was held about why a job description is needed if CCEC has a policy outlining the duties and responsibilities of the GM/CEO.

The general practice in the utility industry is to have job descriptions for all employees, including the GM/CEO. The Board approved the GM/CEO job description.

- Cost Containment Committee – recommendation

The GM/CEO presented the Cost Containment Committee's recommendation to the Board, concerning the estimated costs to

