

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
June 16, 2022

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 2:02 p.m. on Thursday, June 16, 2022, by President Jim Kolen, in the conference room at CCEC Headquarters office, Port Orford, Oregon.

Director Herzog called roll and stated a quorum was present, including Directors Cockerham, Kolen, Loshbaugh, McMahan, Radabaugh and Robison. Also present were Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer (CFO) Paul Keeler, Executive Assistant Shelly Smith-Napier, and General Legal Counsel Tyler Pepple.

A motion was made and seconded to approve, as amended, the regular Board meeting agenda and the motion carried unanimously.

A motion was made and seconded to approve, as presented, the minutes of the May 26, 2022, regular meeting of the Board of Directors. The motion carried unanimously.

President Kolen advised the Board that no member had applied, under P#300-030, to attend the Board meeting and speak to the Board.

II. CONSENT AGENDA

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the list of new members for 05/2022; the members purge list for 06/2022, and the GM/CEO's & Directors' expenses for 05/2022. The motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Keeler reminded the board the May financials were

not available due to the early timing of the board meeting. He went on to review upcoming CFO accounting and financial topics for the remainder of 2022.

The May write-off report was reviewed. CFO Bischoff suggested moving the write off report to the consent agenda. A motion was made and seconded to move the write off report to the consent agenda and the motion passed unanimously.

The June safety report was reviewed. There have been no incidents since the May report. CCEC safety consultant, ESCI, has designated a new safety representative for training CCEC personnel.

The June CEO report was not available due to the early timing of the board meeting. CEO Bischoff's primary focus has been on preparations for the annual meeting. CCEC will be sharing, via social media, the Northwest River Partners (NWRP) Lower Snake River Dams social media campaign.

IV. ITEMS OF BUSINESS

A. CCEC Wildfire Mitigation Plan

The plan has been updated with additional language that helps demonstrate compliance to regulatory agencies. The substance of the plan remains unchanged. A motion was made and seconded to approve the updated Wildfire Mitigation Plan and the motion passed unanimously.

B. Capital Credits Allocation of Margins – Continued Discussion

At the May board meeting three options were presented for the 2021 allocation of margins to members. The board requested to see the impact of options B and C on the 2021 year-end balance sheet. CFO Keeler presented the board with the year end balance sheet impact for Options B and C. The board held a discussion, and a motion was made and seconded to approve Option B. The motion passed unanimously.

C. CoBank Line of Credit

CCEC's CoBank Line of Credit is up for annual renewal. CFO Keeler recommends increasing the unsecured line of credit from \$1M to \$5M. The board made a motion and seconded to approve the line of credit increase to \$5M and authorized GM/CEO Bischoff to execute the documents necessary for this transaction.

D. Open Discussion

No topics for discussion.

E. Member Motions from the 2022 Annual Meeting

The board reviewed motions made at today's annual meeting.

- Open board meetings to all members – a discussion was had, and a motion was made and seconded to have staff draft a policy for Board consideration allowing members to attend regular CCEC board meetings.

The motion passed 4 in favor and 2 against.

- Move the annual meeting to the weekend and move the meeting to where the largest population of members reside – a discussion was had, and it was agreed that, as the date, time and location of the annual meeting is determined on an annual basis, and not specifically set by the bylaws or any board policy, the Board will table this item until November when the Board sets the meeting schedule for 2023.

- Perform an external risk-assessment audit of the Beacon Broadband business plan, that the audit results be published and made available to members, that all infrastructure expenses by Beacon immediately desist until the audit is available, and that based on the published audit results a majority yes vote by the membership be had before proceeding with more Beacon Broadband infrastructure spending – A motion was made for the board to order a project audit from external

auditor familiar with broadband, such as PWC or KPMG, discussion was had, the motion failed for the lack of a second.

- Make Beacon Broadband a not-for-profit entity – during the annual meeting, the Beacon Broadband presentation provided sufficient rationale for why the for-profit corporate structure was chosen. The Board took no further action.

- Reinstate all of Director Cockerham's board member duties – a motion was made to change Beacon Broadband bylaws back to 7 board members, the motion died for a lack of a second. A motion was made to allow Director Cockerham back into Executive Session meetings, the motion died for a lack of a second. Director Roberson inquired as to whether Director Cockerham would commit not to violate Policy No. 200-040 going forward. Director Cockerham responded that she would commit not to violate the policy if the Board took certain actions, such as opening board meetings to members. Based on Director Cockerham's conditional response, a motion was made and seconded to deny Director Cockerham access to Beacon Broadband board meetings and CCEC executive session meetings; discussion was held, the motion passed with one abstention.

- Board term limits – General Legal Counsel Pepple reminded the board that any change to term limits would require a bylaw change. A motion was made for terms limits of no more than 3 terms. The motion died for the lack of a second. The board asked staff to explore the term limit option with other cooperatives/PNGC/NRECA for benchmarking purposes.

V. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, July 28, 2022, at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 3:55 p.m.

 /s/ John Herzog
John Herzog, Secretary

ATTEST:

 /s/ Jim Kolen
Jim Kolen, President