

BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
Monday, March 24, 2008

CALL TO ORDER

The regular meeting was held at the cooperative office, 90680 Hwy 99, Eugene, Oregon. A quorum was declared present and Chairman Tom Irwin III called the meeting to order at 5:06 p.m., following the board workshop on power supply. The following were present:

Thomas C. Irwin III	-- Chairman
Bob Sikes	-- Vice-Chairperson
Audrey Rust	-- Secretary/Treasurer
Ernie Jacksch	-- Director
Jon Swanzy	-- Director
Bud Tracy	-- General Manager
Jami Bartunek	-- Manager of Financial Services
Joe McFadden	-- Manager of Member Services
Matt Smith	-- Acting Manager of Operations
Mary Cirks	-- Administrative Assistant
Chip Greening	-- Attorney
Todd Payne	-- Large Power Representative

AGENDA

(Motion) A motion was made and seconded to approve the agenda as presented. Motion carried 5-0.

MEMBER COMMENTS: There were none.

(Motion) CONSENT AGENDA

Discussion was held on the environmental quality annual fee and underground tank. Acting Manager of Operations Matt Smith informed the board that this will be done in the summer when it is dry, the fan application and other updates to the Parker Sub to bring it more functional will also be accomplished this summer. Remote monitoring of transformers was discussed as well as performing inspections going forth. Ryan Garner has been hired as a Lineman and will be starting April 14, 2008. A motion was made and seconded to approve the consent agenda. Motion carried 5-0.

(Motion) FINANCIALS: Manager of Financial Services Jami Bartunek informed the Board that BLEC equity position is now at 55%, which is an all time high and the 37% debt is close to an all time low. The Board of Directors discussed the *Where the \$ Went* graph and praised the employees for having done a great job in keeping expenses down. A motion was made and seconded to accept the financials. Motion carried 5-0.

(Motion) SAFETY REPORT: OSHA has responded to the November accident and will be on site tomorrow. Discussion was held on the functionality of the Safety Committee. After discussion, a motion was made and seconded to accept the safety reports. Motion carried 5-0.

PNGC/PRC REPORT: Discussion was held that most all cooperatives in Oregon are supportive of PNGC's services and BLEC is ready to support PNGC's strategic planning results. The PNGC Board of Directors discussed what will happen to Boardman after the Turlock contract is fulfilled.

ORECA REPORT: Chairman Irwin reported their next meeting is this coming Monday. The *Power of Community* dues are being paid by all cooperatives which led into a discussion that Touchstone could be done that same way in the future.

MANAGER'S REPORT: Manager Tracy informed the Board of Directors that future ratemaking will be a challenge with TIER II; renewables will raise our consumers' bill more than imagined; the need to educate our members as to what they can do to let their voice be heard i.e. ORECA, NRECA, Power of Community, Local government, Federal Legislators, Planners and Zoners, and County Commissioners. Director Swanzy reported on a renewable conference he and three of our members attended. Education is vital.

(Motion) Manager Tracy presented Resolution 2008-03, *Residential Exchange Settlement*, authorizing the General Manager to sign all documents relative to the residential exchange settlement. After discussion and all questions answered, a motion was made and seconded to accept the resolution as presented. Motion carried 5-0.

(Motion) The Board reviewed and discussed at length the Load Forecast as presented by management during the workshop. After all questions were answered, a motion was made to accept the Load Forecast as presented at the high mark in the IPCO formula. Motion carried 5-0.

OLD BUSINESS: BLEC annual meeting – The graph Ms. Bartunek discussed earlier, *Where the Dollar Went*, should be included as a handout for the annual meeting. Also discussed was the timing of the annual meeting in that Mother's Day weekend is not a good time to have the annual meeting and requested that the board consider another time next year. Rotation of the Counting Committee members was discussed in that it would bring education and involvement to more of our members if more were asked to serve. The Board chose to have the same people serve on the committee this year namely, Barbara Glenzer, Chuck Coty, Pete Holmes, Cliff Kelley, Ethlyn Forcht, and Cheryl Haskell with Marlene Northrup and Betty Herbert as alternates.

Unclaimed property: Discussion was held on if BLEC really needs to have a \$5 membership fee. It was explained that this is how we keep track of our members and where they live as well as the internal / state costs. More information will be sought and pros and cons will come before the board at a future date.

NEW BUSINESS: Calendar: The board reviewed the calendar.

Moss Adams Agreement: The Master Services Agreement (MSA) for the Federal Form 990 tax filing will be approximately \$2,600 this year. A motion was made and seconded to approve the MSA. Motion carried 5-0.

Audit Committee Report: The Board reviewed and discussed the BLEC Audit Committee meeting report. Director Rust reported all is working well with the BLEC Audit Committee. Manager Tracy reported there was no audit adjustments made this year in the Moss Adams audit. For the purposes of printing the annual report and completing the capital credit allocation, a motion was made and seconded to approve the draft financial statement provided by Moss Adams. Motion carried 5-0.

CFC integrity Fund: A motion was made and seconded to approve the participation in the Cooperative System Integrity Fund with the amount of \$600. This fund aids in the protection of territorial integrity of NRECA's members. Motion carried 5-0.

STATE HOSPITAL/PRISON: There have been no new updates.

DIRECTOR ASSESSMENTS:

Comments: A director inquired about a line down on the west side of our territory and it was reported BLEC management is working with the BLM on this project. Director Sikes reported on the NRECA Annual Meeting he attended. Manager Tracy reported the one statement he would like to pass on to our members is - *No one cares how much you know until they know how much you care.*

(Motion) The Board of Directors discussed the General Manager's evaluation form that is in the board packet each month. Director Sikes reported that in the discussions at a class he attended at the annual meeting, there is no reason to evaluate on a monthly basis, but needs to be done on an annual basis. After discussion, a motion was made and seconded to remove the evaluation form from the board packet and perform an annual evaluation. Motion carried 5-0.

Expenses: Expense reports were reviewed and signed.

Meeting Attendance: No discussion.

EXECUTIVE SESSION

Executive session was held with no action taken.

ADJOURNMENT

With there being no further business to come before the Board, Chairman Irwin adjourned the meeting at 8:30 p.m.

(SEAL)

Audrey Rust
Board Secretary