

BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
Monday, June 23, 2008

CALL TO ORDER

The regular meeting was held at the cooperative office, 90680 Hwy 99, Eugene, Oregon. A quorum was declared present and the meeting was called to order at 5:10 p.m., following the board workshop. The following were present:

Thomas C. Irwin III	-- Chairman
Bob Sikes	-- Vice-Chairman
Audrey Rust	-- Secretary/Treasurer
Ernie Jacksch	-- Director
Jon Swanzy	-- Director
Bud Tracy	-- General Manager
Jami Bartunek	-- Manager of Financial Services
Mary Locke	-- Manager of Office Services
Greg Gardner	-- Manager of Operations
Mary Cirks	-- Administrative Assistant
Robert Greening	-- Attorney
Todd Payne	-- Large Power Representative

(Motion) AGENDA

A motion was made and seconded to approve the agenda with the addition of discussion of the handouts under the Manager's Report. Motion carried 5-0.

MEMBER COMMENTS: In regards to the member comment on removing someone from their account, the board heard from Manager of Office Services Mary Locke that a new membership in their name alone along with the proper deposits is all it takes to achieve that desire.

(Motion) CONSENT AGENDA

The board was informed that the work order procedures have been improved and the board can expect to see the results. Staff was complimented on their reports. A motion was made and seconded to accept the consent agenda. Motion carried 5-0.

(Motion) FINANCIALS: Manager of Financial Services Jami Bartunek indicated cash remains high, our material inventory level is less than last year, and equity as a percentage of total assets is 6% higher than last year at this time. Ms. Bartunek informed the board the budget techniques that have been implemented are very effective and are proven as you look at the financial statement. Likely due to cold weather in April, residential sales are 19% over budget. A motion was made and seconded to accept the financials. Motion carried 5-0.

(Motion) SAFETY REPORT: After discussion, a motion was made and seconded to accept the safety reports. Motion carried 5-0.

PNGC/PRC REPORT: Manager Tracy reported there has been a slow down at Coffin Butte since some of the wells are down. Ravalli Electric Cooperative has signed the PNGC option contract, with several other utilities possibly following. Manager Tracy informed the board that renewable energy costs requested by an individual cooperative for RFP's will not be shared with all other cooperatives; all customers must declare their desired resources. Discussion was held on PNGC's strategic planning session as well as if PNGC would unbundle their rates.

ORECA REPORT: Board Representative Irwin reported there is a meeting in July at which time discussion will be on caps and trade.

MANAGER'S REPORT: Manager Tracy informed the Board of Directors BPA will increase their rates and expand in many areas of their staff. Fish costs are rising to \$8 billion over the next 10 years. Clean Renewable Energy Bonds (CREBS) could or may last only one more year. Manager Tracy discussed the following with the board; 20 year history of BLEC's expenses; BIOP facts; the PPC meeting; CRC funds; CFLs; results of the trial run of demand load meters at the directors' homes and they are now ready to be placed at consumers' homes; possible Plan "B" meeting on July 2 regarding the BPA contract; and the new IRS mileage rate is \$.585 effective July 1, 2008. Manager Tracy presented the possibility for BLEC to put a solar unit at the office and report the results on the website daily. This would allow all of the schools in the area to participate in an education project as well as educate the parents/consumers on how much cost is involved with green power. If BPA agrees to allow BLEC to do this project, the Board of Directors granted Manager Tracy their approval also.

OLD BUSINESS: The board reviewed a letter regarding joint membership. The Board of Directors will review the General Manager appraisal as presented in the June board books, CFC's evaluation / appraisal, and also a form from Director Swanzy for next month's board package.

(Motion) NEW BUSINESS: Calendar: Discussion was held on attending either the NWPPA board training classes in Vancouver August 5-6 or taking the classes at Region IX in St. George, Utah in September with action to be taken at a later date; Policy 407.01 Interconnection Generation Projects was tabled until next month. A motion was made and seconded to appoint Director Jacksch as delegate to the NRECA Region IX meeting with Manager Tracy as alternate. Motion carried 5-0. Discussion was held on Touchstone products and how they can benefit the members. It was requested staff investigate and report their findings at the next board meeting. Manager Tracy informed the board Junction City is investigating a Franchise Fee.

FUTURE LOADS: Manager Tracy informed the Board that management met with GloryBee last week regarding their industrial development. Manager Tracy explained to them the impact of incentives at the price of our members noting that BLEC will not offer financial incentives to any member or group of members that would be subsidized by other Cooperative members.

DIRECTOR ASSESSMENTS:

Comments: There were none.

Expenses: Expense reports were reviewed and signed.

Meeting Attendance: Director Swanzy will be attending the PPC meeting in July, and Director Sikes will be attending the PNGC/PRC meeting in July with Manager Tracy. Friday, July 11 has been set aside for the COSA/CFC review with Mr. Bill Edwards from CFC. All Board of Directors plan to be in attendance. Tuesday, July 15 will be a strategic planning session for all board members at the Blachly-Lane office.

EXECUTIVE SESSION

There was none held.

ADJOURNMENT

With there being no further business to come before the Board, Chairman Irwin adjourned the meeting at 8:40 p.m.

(SEAL)

Audrey Rust
Board Secretary