

**BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
Monday, May 18, 2009**

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	-- Director
Bob Sikes	-- Director
Ernie Jacksch	-- Director
Jon Swanzy	-- Director
Cliff Kelley	-- Director
Bud Tracy	-- General Manager
Mary Locke	-- Manager of Office Services
Jami Bartunek	-- Manager of Financial Services
Greg Gardner	-- Manager of Operations
Joe McFadden	-- Manager of Key Accounts
Mary Cirks	-- Administrative Assistant

ELECTION OF OFFICERS:

Director Jacksch nominated Director Irwin for Board Chairman. Director Kelley nominated Director Sikes for Board Chairman. After paper ballots were counted by our attorney, Director Irwin was chosen as the Board Chairman. Director Jacksch nominated Director Sikes as Vice Chairman. There were no other nominations therefore Director Sikes is the Vice Chairman by unanimous consent. Vice Chairman Sikes nominated Director Jacksch for Sec/Trea and Director Jacksch nominated Director Swanzy for Sec/Trea. After paper ballots were counted by our attorney, Director Jacksch is the Sec/Trea.

AGENDA

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

MEMBER COMMENTS: There were none

CONSENT AGENDA: The minutes were discussed and a motion needed to be extracted because it was a carryover from last year; question and answer session was held on the disbursements; work orders were discussed; BLEC will have several notaries after this next month and we need to let members know of these services; discussion was held on the investment policy and the insurance claim on the chipper truck.

A motion was made and seconded to accept the consent agenda. Motion carried 5-0.

FINANCIALS: Manager of Finance Jami Bartunek reviewed the plant analysis; statement of financial position, operations, cash flow; the power and service data; the billing and receivable data; and the sales report with the Board of Directors.

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A motion was made and seconded to accept the financials as presented. Motion carried 5-0.

SAFETY REPORT: The Board of Directors reminded management that safety is number one as they discussed the pre-flight inspections that are to be done on a daily basis and thanked the employees for their concern for safety.

After discussion, a motion was made and seconded to accept the safety report as submitted. Motion carried 5-0.

PNGC/PRC REPORT: Manager Tracy reported water is being dumped and the concern we have on the price of electricity for this action. Discussion at the PNGC meeting centered on the stimulus package and how all participants must know the requirements and repercussions of obtaining stimulus money.

Load Forecast: Manager Tracy met with BPA on the transition HWM to establish a firm number for BPA's Load Forecast. BLEC has not received anything official and BPA's deadline for Load Forecasts must be to BPA by Tuesday 5-19-09. Staff has prepared two Load Factors. Discussion was held on the commitment from the State on the load subscribed, treating all new customers with equity, and that the stimulus package is not an option.

It was moved and seconded to develop a Load Forecast of projected loads with the entities in an effort to minimize the risk for all our members. The Management needs to obtain satisfactory commitments from the project developers; otherwise their individual loads shall not be included in the Cooperative's forecast as a result of each of their actions or inactions to commit and not through any action of BLEC. Their loads will only be included with satisfactory representation to the Cooperative's management. Motion carried unanimously.

The board reviewed the PRC board summary from May 12, 2009.

ORECA REPORT: Manager Tracy informed the Board of Directors Congressmen DeFazio and Walden understand cooperative philosophy. While attending the Washington DC Legislative conference, Manager Tracy met with several heads of staff on the Energy Committee. Some of the topics covered were the Cap and Trade issue, non-member revenue, property tax and how reducing tax of businesses makes the tax go around to our members. ORECA Board Representative Irwin reported on the ORECA conference call where they discussed the dues structure and that a formula is being worked on at ORECA. He also stated the Legislative Days and the NRECA annual meeting might be held the same week in WDC. The next ORECA annual meeting will be at the Crown Royal in Portland. Representative Irwin reported the Metal Theft bill passed and stressed the importance of *Power of Community*.

MANAGER'S REPORT: Manager Tracy reported another cut has been made in our fence and repaired, but nothing was taken; and reported on the bills at the Legislative Session in Salem.

OLD BUSINESS: The pros and cons of the BLEC annual meeting were discussed.

NEW BUSINESS: AWARE Committee:

Director Kelley will look for two new members from his district to participate in this committee.

Policy 409.01 Services

A motion was made and seconded to approve the *Services* policy as presented effective immediately. Motion carried 5-0.

Calendar: Director Kelley will participate in the Summer School for Directors June 12-17 at Jackson Hole, Wyoming.

FUTURE LOADS: Manager Tracy reported on these loads during the PNGC agenda discussion.

DIRECTOR ASSESSMENTS:

Comments: Good meeting.

Expenses: Expense reports were turned in.

Meeting Attendance: Director Kelley will attend the Summer School for Directors June 12 – 17 at Jackson Hole, Wyoming. Director Sikes would like to attend the Columbia Generating Station tour in Richland WA on July 17.

RECESS: At 9:30 the meeting was recessed for the Blachly-Lane Services Inc. meeting.

RECONVENE: The BLEC Board reconvened the meeting at 9:45 p.m.

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 10:30 p.m.

(SEAL)

Ernie Jacksch
Board Secretary