



BLACHLY-LANE ELECTRIC COOPERATIVE
P.O. Box 70 Junction City, OR 97448-0070
90680 Highway 99 Eugene, OR 97402-9630
Tel (441) 688-8711 Fax (441) 688-8948

www.blachlylane.coop

**BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
Monday, July 27, 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 5:15 p.m., following the board workshop. The following were present:

Thomas C. Irwin III	-- Chairman
Bob Sikes	-- Vice Chairman
Ernie Jacksch	-- Sec/Treasurer
Jon Swanzy	-- Director
Cliff Kelley	-- Director
Bud Tracy	-- General Manager
Joe McFadden	-- Manager of Key Accounts
Mary Locke	-- Manager of Office Services
Jami Bartunek	-- Manager of Financial Services
Mary Cirks	-- Administrative Assistant
Todd Payne	-- Large Power Representative
John Prescott	-- CEO PNGC

AGENDA:

A motion was made and seconded to rearrange the ORECA discussion first so Mr. Prescott could be in attendance and add employee physicals under New Business. Motion carried 5-0.

MEMBER COMMENTS: Discussion was held on the lack of understanding by our consumers on what the facility charge is. It was reported this has been communicated to our consumers many times. Comments received from the public indicate the Triangle Lake Park caretaker is doing a great job.

CONSENT AGENDA: Items specifically discussed from the consent agenda were disbursements, and staff reports. A to do list from the outage report is being formed so we can see where and why these outages are happening. More specific information on the educational solar fact sheet was requested. The message from our Large Power Representative Todd Payne was to carry the question of why BPA chose the time frame of 2007/2008 when that was at the beginning of a recession. This message will be carried on to PNGC and BPA.

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

1

FINANCIALS: Manager of Finance Jami Bartunek reported the Accounts Receivable report indicates an upward trend in the 31-60 past due category. This is a 29% increase over the past year. The year to date Cost of Service Analysis for Jan – June 2009 was reviewed in preparation of making certain no rate class has a negative margin and if/what to do about rates in general.

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

SAFETY REPORT: The Board of Directors reviewed the safety reports. Manager Tracy addressed the injured people we currently have in the organization. Safety was discussed and how we will continue to offer our service to our consumers being short staffed.

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

PNGC/PRC REPORT: The Board was informed of the results of the PNGC Strategic Planning Session recently held. All of the board will be attending PNGC's annual meeting.

ORECA REPORT: Discussion was held on an ad in the Register Guard and how that could be used to educate people in the state of Oregon. Mr. Prescott will attempt to see if it can be done as a regional issue on reliability. Manager Tracy informed the Board that at the Government Affairs Committee meeting they reviewed the happenings of the legislative session. They also discussed Glenn English's position on Cap and Trade. ACRE is still seeking donations. Region 9 meeting will be meeting separately this year but in 2010 it will meet with Region 7 in Anchorage, Alaska. The 2009 Region 9 meeting is being held in San Diego and topics the BLEC Board would like to address are the 2010's annual meeting and governance issues. Governance issues start at the ground level, to the regional meeting, to the resolutions committee, to the annual meeting for voting and if ORECA's annual meeting is to be held every other year from now forward, that would circumvent the processes.

After lengthy discussion, a motion was made and seconded to prepare a resolution addressing our request for yearly annual meetings. Motion carried 5-0.

MANAGER'S REPORT: Discussion was held on the value of the Retirement and Security program, employee retention, the BPA rate increase, TIER, and proposing a green power solution to the Governor regarding the prison, which Manager Tracy will pursue. Email addresses for the Board of Directors were discussed.

After lengthy discussion, a motion was made and seconded to give a BLEC email account to directors for cooperative business and communication with members while serving as a director. Motion carried 4-1 with Bob Sikes casting the nay vote.

Manager Tracy explained management has looked into the Wild Blue satellite service and explained that at this time, the product is not suitable for presentation to the board. Broadband over power carriers were discussed and noted that there are many problems making it not cost effective. Internet service has now been tabled until good reception is available in the BLEC areas.

OLD BUSINESS: Any request for a list of members must be in writing, stating the reason why the list is desired. The list is then presented to the Board of Directors at the next board meeting for approval and is done on a case by case basis. BLEC bylaws do not commit to any rotation of capital credits; it is strictly up to the Board of Directors. Discounting of capital credits ceased years ago.

CFC Member Capital Securities (MCS): Discussion was held on last month's visit with CFC's Dan Kessler in regards to securities.

After discussion, a motion was made to submit \$25,000 to CFC for the MCS. This died due to a lack of a second. A motion was made and seconded to invest \$50,000 at 7.5% interest. Motion carried with a 3-2 vote and Director Jacksch and Director Kelley being the nay voters.

NEW BUSINESS:

Region 9: Chairman Irwin and Manager Tracy are the attendees to the Region 9 conference.

A motion was made and seconded to have Chairman Irwin be the voting delegate and Manager Tracy as alternate for CFC and NRECA. Motion carried.

Calendar: The September AWARE meeting is scheduled for the 3rd Tuesday but the Board of Directors would like to see if we can have the meeting on a Monday. This will be discussed at next month's meeting after the Board of Directors has a chance to talk to the membership.

Policy 608.01: Discussion was held on this policy regarding physicals.

A motion was made and seconded to have management review this policy and make certain it is consistent with business and the needs of HIPPA. Motion carried 5-0.

FUTURE LOADS: Discussed previously throughout the meeting.

DIRECTOR ASSESSMENTS:

Comments:

Expenses: Expense reports were turned in.

Meeting Attendance: All of the Board of Directors will be attending the PNGC 2009 Annual Meeting. Chairman Irwin and Manager Tracy will be attending the Region 9 meeting in San Diego this year.

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 10:45 p.m.

(SEAL)

Ernie Jacksch
Board Secretary