

**BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
Monday, October 25, 2010**

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. Directors Doyle, Irwin, Jacksch, and Sikes were present. General Manager Bud Tracy and all staff were present along with Attorney Chip Greening, Large Power Representative Todd Payne, and Administrative Assistant Mary Cirks.

AGENDA: Addition requests to the agenda were draft Resolution 2010-08 under the Manager's report, CFO resolution under Old Business, and Moss-Adams Engagement Letter/Resolution under New Business

A motion was made and seconded to approve the agenda with the additions. Motion carried 4-0.

MEMBER COMMENTS: There were none.

CONSENT AGENDA: The safety minutes were pulled for discussion. The Board supports the Safety Committee in knowing the cost of a fire alarm system for the building. Questions were asked and answered on the Southard assess, our materials, and plans to finish the project.

A motion was made and seconded to accept the consent agenda. Motion carried 4-0.

FINANCIALS: Ass't General Manager/Finance Manager Jami Bartunek reviewed the financials, calling attention to the Average Residential Usage, A/R over 60 days as a percent of Operating Revenue, and the amount written off as a % of operating revenue.

A motion was made and seconded to accept the financials as presented.
Motion carried 4-0.

PNGC/PRC REPORT: Manager Tracy led a discussion the closure of Boardman and sale of Turlock. PNGC role is protecting their members. It is very important to give accurate numbers for the Load Forecast to PNGC.

A motion was made and seconded to nominate Manager Tracy as the 3rd AC Intertie designated membership representative and Jami Bartunek as the alternate as stated in Resolution 2010-07. Motion carried 4-0.

ORECA REPORT: Board Representative Irwin reported on the recent meeting they held. The ORECA draft budget was presented to the ORECA board members and discussion was held.

MANAGER'S REPORT: The Board of Directors discussed Resolution 2010-08, stating it needed to be redrafted to better express the board's concerns.

MONTHLY POLICY REVIEW:

Policy 306.01 (Collection of Unpaid Accounts): Motion was made and seconded to accept the policy as presented and discussed in the work session. Motion carried 4-0.

Policy 309.02 (Investments): Motion was made and seconded to accept the policy as presented and discussed in the work session. Motion carried 4-0.

Policy 311.01 (Purchasing): Discussion was held on the wording of the Operations Manager's authorization limit. A motion was made and seconded to leave the control limits of the Operations Manager as they are but amend the present wording by adding "anything greater than \$10,000 requires two (2) signatures on the work order." Motion carried 4-0.

Policy 312.02 (Allocation and Retirement of Patronage Capital): Motion was made and seconded to accept the policy as presented and discussed in the work session. Motion carried 4-0.

OLD BUSINESS: Based on the direction received at the NRECA Region 9 meeting, A motion was made and seconded to authorize management to prepare a resolution to make an appropriate change to the Finance Manager's title to include "CFO". Motion carried 4-0.

NEW BUSINESS: *Federated:* Manager Tracy explained the Federated *Loss Analysis Report*. There is no change in coverage from last year.

A motion was made and seconded to extend present insurance coverage with Federated Insurance. Motion carried 4-0.

Moss Adams Audit Firm: Discussion was held on the proposed audit service being supplied by Moss Adams. Manager Tracy informed the Board of Directors that this firm is recommended by the Audit Committee and presented Resolution 2010-09 which directs authorization to contract this professional audit firm.

A motion was made and seconded to approve Resolution 2010-09. Motion carried 4-0.

Calendar: The calendar was reviewed. The Board of Directors discussed the Christmas party which is scheduled at Diamond Woods. Director Doyle stated Diamond Woods is a separate Corporation and he has no direct benefits given to him. The Board of Directors recognized this and found no conflict as defined in the bylaws.

FUTURE LOADS: There are no additions to what is presently slated to occur.

DIRECTOR ASSESSMENTS: *Comments:* There were none.

Expenses: Expense reports were turned in.

Meeting Attendance:

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 9:30 p.m.

(SEAL)

Ernie Jacksch, Board Secretary