

**BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION  
BOARD OF DIRECTORS  
SPECIAL BOARD MEETING MINUTES  
DECEMBER 14, 2010**

Call to Order: The meeting was called to order at 9:03 a.m. All directors were present, in addition to General Manager Bud Tracy, Ass't General Manager/Manager of Financial Services Jami Bartunek, Attorney Chip Greening, and Administrative Assistant Mary Cirks.

Agenda Approval:

A motion was made, seconded, and carried to approve the agenda with the addition of adding an executive session. Motion carried 5-0.

Governance: Attorney Greening led a discussion on board governance, conflicts of interest, trust, libel, general manager/board division of responsibilities, and director relationships. The Board also discussed director communications with outside professionals, including legal counsel and auditors.

Employee Communications: Following the employee vote defeating the union organizing petition, the Board discussed what measures the Cooperative might take to ensure the employees that management and the board will hear their concerns. The Board directed management to draft a policy providing a means by which an employee with a serious grievance can escalate that grievance up through the management chain of command. If the employee feels it is not resolved by management, such policy would provide an appeal in appropriate cases to a Board Grievance Committee consisting of two Directors appointed by the Chair.

Other Business: In preparation for the upcoming Board meeting at which management will present a draft budget proposal for 2011, the Board directed management to identify potential spending cuts in the budget that will enable the Cooperative to avoid a rate increase while maintaining reliable service and meeting the Cooperative's debt service requirements

Executive Session: Executive session was held with no action taken.

Adjournment: At 3:30 p.m. the meeting was adjourned.

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Ernie Jacksch, Secretary

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