



**BLACHLY-LANE ELECTRIC COOPERATIVE**  
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**BLACHLY-LANE COUNTY COOPERATIVE ELECTRIC ASSOCIATION  
BOARD OF DIRECTORS  
MEETING MINUTES  
Monday, July 25, 2011**

**CALL TO ORDER**

After noting the presence of all directors and the existence of a quorum, the Chairman called the regular monthly Board meeting to order at 5:05 p.m. at the Cooperative's office. In addition to the directors other people present included General Manager Bud Tracy, Cooperative management staff (except Mary Locke), Cooperative Counsel Chip Greening, Administrative Assistant Mary Cirks, members Bev Mattheisen, several members from the Misery Creek area, and Siuslaw Watershed Council Executive Director Liz Vollmer-Buhl. Youth Energy Seminar attendee Rikki Redhead, Rick and Tedra Redhead and Karen Redhead were also present.

**AGENDA:** Misery Creek discussion was moved up on the agenda and Review of Auditor RFP was added to Old Business.

Motion was made and seconded to approve the agenda with the additions.

Motion carried 5-0.

**MEMBER COMMENTS:** Rikki Redhead reported on her trip to the Youth Energy Seminar, thanking the board for the opportunity and hopeful this practice will continue.

**CONSENT AGENDA:**

A motion was made and seconded to approve the Consent Agenda. Motion carried 5-0.

**FINANCIALS:** Ass't General Manager / Finance Manager Ms. Bartunek reviewed the financial highlights.

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

**PNGC/PRC REPORT:** General Manager Bud Tracy reported the final water inventory is at 132% at this time. Director Haskell reported on her attendance to the PNGC meeting and the education obtained. The Record of Decision from BPA is not out yet.

**ORECA REPORT:** ORECA Representative Irwin reported on the mid-year meeting and Director Sikes reported on the education seminar he and Tom attended.

**MANAGER'S REPORT:** Manager Tracy discussed the BPA outage and how some of our consumers were upset. Many problems occurred with BPA's equipment being the biggest

July 25, 2011

1

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*"Blachly-Lane's primary objective is to provide safe, cost effective, reliable, and competitive electrical energy and service to its Members"*

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problem. One consumer was upset with the afterhours answering crew (CRC) and their response.

A motion was made and seconded to accept the Manager's Report. Motion carried 5-0.

OLD BUSINESS: *Strategic Summary approval:*

A motion was made and seconded to approve the 2011 Strategic Planning. Motion carried 4-1 with Director Kelley abstaining from the vote.

*Auditor's recommendation on Network Penetration Testing:*

A motion was made and seconded to approve the Network Penetration Testing. Motion carried 5-0.

*Auditor's recommendation on Conflict of Interest:* This topic was tabled to next month.

*Review of Auditor RFP:* This topic was tabled to next month.

*Misery Creek discussion:* Siuslaw Watershed Council Executive Director Liz Vollmer-Buhl reported cash cannot be provided upfront for this project. A line of credit is needed.

NEW BUSINESS: *Region 9:* Director Kelley will be attending the Region 9 meeting.

*Appoint new AWARE committee member:* Director Kelley presented Wayne Lemler as an AWARE Committee appointment.

*Calendar:* August board meeting will be changed to Thursday, August 25, 2011 at 5 p.m.

POLICY REVIEW:

The Board approved the following policies with exceptions and modifications noted.

Policy 104.01 Audit Committee - clarification of implementing procedures were reviewed with minor changes.

Policy 204.01 Manager/Board Responsibilities - held over until the September board meeting.

Policy 616.01 Disciplinary Action - verbal warnings, suspension, and termination language were stricken from the policy and worded differently.

Policy 617.01 Housing Allowance Consideration for General Manager - rescinded.

Policy 618.01 Retirement and Security Plan - no changes other than generic last paragraph.

Policy 619.01 Substance Abuse, Drug, and Alcohol Testing - no changes other than generic last paragraph.

Policy 620.01 Employee Insurance Program - no changes other than generic last paragraph.

A motion was made and seconded to approve policies as presented, rescinded and discussed/amended. Motion carried 5-0.

FUTURE LOADS: Manager Tracy informed the Board of Directors of the biogas project on Milliron and the Hospital/Prison project. BLEC is putting a work plan together with the biogas project to deliver to BPA with BLEC obtaining transmission wheeling.

DIRECTOR ASSESSMENTS: *Expenses:* They were turned in.

EXECUTIVE SESSION: Executive session was held with no action taken.

ADJOURNMENT: The meeting was adjourned at 9:30 p.m.

(SEAL)

July 25, 2011



Robert C. Sikes, Board Secretary 2