

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**October 22, 2020**

**I. PRELIMINARY**

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:48 a.m. on Thursday, October 22, 2020, by President John Herzog, in the conference room at CCEC Headquarters office, Port Orford, Oregon. This meeting was offered via video conference for board members electing to attend remotely due to social distancing as a result of COVID-19.

Secretary Kolen called roll showing all directors in attendance and stated a quorum was present. Also present were General Manager/Chief Executive Officer (GM/CEO) Brent Bischoff, Marketing and Member Services Manager Jacob Knudsen, Chief Financial Officer Frank Corrales, Jr. and Executive Assistant Shelly Smith-Napier. Director McMahan was in attendance by Webex from the Brookings office and General Legal Counsel Tyler Pepple by phone.

A motion was made, seconded, to approve, as presented, the regular Board meeting agenda and the motion carried unanimously.

President Herzog advised the Board that no member had applied, under P#300-030, to attend the Board meeting and speak to the Board.

A motion was made and seconded to approve, as amended, the minutes of the September 24, 2020 regular meeting of the Board of Directors. The motion carried unanimously.

**II. CONSENT AGENDA**

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the list of new members for 09/2020; the members purge list for 10/2020, the GM/CEO's & Directors' expenses for 09/2020; and CCEC's attorney invoice. The

motion carried unanimously.

### **III. MANAGER'S REPORT**

Chief Financial Officer (CFO) Frank Corrales, Jr. gave the financial report for September. As a prelude to the 2021 draft budget presentation, scheduled for later in this meeting, Corrales reviewed CCEC's inflation rate vs. the consumer price index (CPI) from 2016 to present, the cost of wholesale power expenses on a kWh basis for the period 2016 to present, historic kWh sales from 2004 to present and retail rate increases from 2004 to present. After discussion, Mr. Corrales departed the meeting at 9:12 a.m.

The September outage report was reviewed. The third quarter statistics were reviewed and compared to previous quarters in 2020 and 2019 annual statistics.

The September asset disposal list was reviewed.

The September Write Off report was reviewed.

The October safety report was reviewed. The All Employee October safety meetings were conducted earlier this week. The safety topic was Dealing with Irate Customers. There were no accidents during the month.

The September Tree Trimming report was reviewed. Bischoff reminded the board, as we review the upcoming 2021 budget, that CCEC spends a significant amount on tree trimming, since our entire system is in the trees. If we are not proactive the cost would be transferred to wildfire risk and overtime expense repairing after-hours outages.

GM/CEO Bischoff reported on the Coos-Curry Electric Charitable Foundation (CCECF). The CCECF board is investigating Charitable Remainder Trusts and how they may be an income opportunity for the foundation. Six Bright Idea grants were awarded to local teachers during October. Round two of Bright Ideas is now open and scheduled to close on December 7<sup>th</sup>, 2020.

### **V. EXECUTIVE SESSION**

The regular Board meeting adjourned to an executive session at 10:02 a.m. to discuss member issues, contract matters, and employee issues. The regular Board meeting reconvened at 10:27 a.m.

#### **IV. ITEMS OF BUSINESS**

##### **A. Wholesale Power Issues (BPA, PNGC Power and PPC)**

The BPA Administrator vacancy announcement closed; candidate screening will begin.

The PNGC board approved revision to the non-power cost allocation following UEC's departure. UEC termination fees are being amortized to keep non-power member fees neutral in 2021 and coming years.

PPC will vote on bylaw changes during the annual meeting on November 5, 2020. The proposed bylaw changes include the duty of confidentiality, electronic meetings, and elected officials/director's being ineligible to serve on the PPC executive committee. Mr. Bischoff recommended voting in favor of the bylaw changes. The Board agreed with the recommendation.

##### **B. Committee Reports**

Policy Committee - The chair of the policy review committee, Director Kolen, advised that, earlier in a committee meeting, the committee discussed the policies and/or rate schedules for review, proposed new, revised, or rescinded language.

A motion was made and seconded to approve the following proposed, revised policies:

- Policy #100-280 Safety & Loss Control – as presented, and the motion carried unanimously.
- Policy #100-290 Planning Policy – as presented, and the motion carried unanimously.
- Policy #200-010 Director Fees has been deferred until November.

##### **C. 2021 CCEC Budget - DRAFT**

Mr. Corrales returned along with Brian Cassoday, CCEC's Controller, at

10:41 a.m. to present the draft 2021 CCEC Budget. Mr. Corrales reviewed the budget and discussed TIER, equity, revenue, long term debt, cost of power, cash flow, retirement of capital credits, donations, the capital budget and expenses. Shelly Smith-Napier presented the Coos-Curry Electric Charitable Foundation draft 2021 budget. Detail copies of the draft 2021 budget were made available to the board for their review. The board agreed to defer voting on the 2021 budget until the November Board meeting.

The Board discussed member Mary Rowe's request and subsequent letter of support from the Curry County Board of Commissioners for members over age 65 to receive a percentage of capital credits on a one-time basis if a member submits a written request. The pros and cons of the proposal were considered. Following discussion, a motion was made to deny the request. The motion was seconded and passed unanimously. GM/CEO Bischoff will prepare a response to Mary Rowe and the Curry County Board's letter explaining the board's decision.

**D. Capital Credits General Retirement Year End 2020**

CFO Corrales reviewed the proposed December 2020 general retirement of capital credits for the residual 1991, 1992 and a portion of 1993 capital credits which yields a 27-year rotation cycle. A motion was made to approve the 2020 general retirement of capital credits, as budgeted, and the motion passed unanimously.

CFO Frank Corrales Jr. and Controller Brian Cassoday departed the meeting at 12:11 p.m.

**E. Report on BPA Conservation Funds**

Billing and Energy Service Supervisor Sonya Billington arrived at 12:19 p.m. to give an update on CCEC's conservation program for the two-year rate period 2019-2021. At the end of the first half of the rate period CCEC has paid \$243,471 in rebates to our members. Ms. Billington explained the current energy efficiency

