

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**April 27, 2023**

**I. PRELIMINARY**

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:01 a.m. on Thursday, April 27, 2023, by President Kolen, in the conference room at CCEC Headquarters office, Port Orford, Oregon.

Director Herzog called roll and stated a quorum was present, including Directors Cockerham, Kolen, Loshbaugh, McMahan, Radabaugh and Robison. Also present was Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer (CFO) Paul Keeler, Marketing & Member Services Manager (MMSM) Keith Buchhalter, Executive Assistant (EA) Marie Coleman and Executive Assistant (EA) Shelly Smith-Napier. General Legal Counsel Tyler Pepple was in attendance via Webex video conference.

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

**V. ITEMS OF BUSINESS**

**B. 2022 Year End Audit Presentation – Aldrich (10:00 a.m.)**

Mr. Scott Daniels of Aldrich, CPAs + Advisors, LLP arrived at 10:02 a.m. to present the results of the audit of the consolidated financial statements as of and for the year ended December 31, 2022. Beacon Broadband GM, Paul Recanzone, joined the meeting at 10:05 a.m. Mr. Daniels reviewed key items and conclusions, internal controls and compliance and the state of accounting records for the year ending 2022 for CCEC and CCEC's wholly owned subsidiary Beacon Broadband, Inc. The results of the audit returned a clean opinion with no material weaknesses. Beacon Broadband's growth and increase in construction activity impacted the number of adjustments made to Beacon's accounting records. Staff departed at

10:43 a.m. and the Board discussed the audit with Mr. Daniels. Staff returned at 10:57 a.m. and Mr. Daniels departed at 10:57 a.m. A motion was made and seconded to accept the audit as presented and the motion passed with one against (Cockerham).

**C. Cooperative Family Fund Q & A with President Tony Anderson (11:00 a.m.)**

Tony Anderson joined the meeting via Webex conferencing at 11:00 a.m. to discuss the Cooperative Family Fund (CFF). CFF is a 501(c)(3) that establishes a fund to assist the children of any electric cooperative employee who passes while employed by the co-op. Mr. Anderson responded to questions from the board and departed the meeting at 11:17 a.m.

**I. PRELIMINARY (Cont.)**

A motion was made and seconded to approve, as amended, the minutes of the March 23, 2023, regular meeting of the Board of Directors. The motion carried unanimously.

**III. CONSENT AGENDA**

A motion was made and seconded to approve Items A through E under the consent agenda, to-wit: the list of new members for 03/2023; the members purge list for 04/2023, the write off report for 03/2023, the GM/CEO's & Directors' expenses for 03/2023, and the attorney invoice. The motion carried unanimously.

**V. ITEMS OF BUSINESS (cont.)**

**A. Committee Reports**

Policy Committee – The chair of the policy review committee, Director McMahan, advised that earlier in the 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 #100-010 Mission, Vision, & Value Statements – as presented, and the motion carried with one against (Cockerham).
- Policy #100-130 Damage to Cooperative Property – as presented, and the motion carried unanimously.
- Policy #100-160 Power Lines & Sub Equipment Rights of Way - as presented, and the motion carried unanimously.
- Policy #300-020 Member Accounts – as presented, and the motion carried unanimously.

## **II. MEMBER PARTICIPATION**

### **A. Open Comment Period**

No members were present for the open comment period.

### **B. Member Request to Present**

Mark Gautreaux with Wild Rivers Film Festival (WRFF) arrived at 11:30 a.m. to present information on a workshop and Film Festival to be held locally with participants largely from the Pacific NW. Mr. Gautreaux answered questions from the board and departed the meeting at 11:43 a.m. A motion was made and seconded to make an initial donation of \$1,000.00. The motion passed (four in favor, one against and one abstained).

## **III. CONSENT AGENDA**

This item was discussed earlier in the meeting.

## **IV. MANAGER'S REPORT**

Chief Financial Officer (CFO) Keeler reviewed the Financial Report for March 2023. Year-to-date operating revenues are ahead of budget and higher than the prior year. The cost of purchased power is also higher than budgeted and higher than the prior year, mostly due to colder weather in the area. Operating expenses were higher this

month and higher than the prior year due to several storms this year. Year to date net margins are less than last year but ahead of this year's budget.

The April safety report was reviewed. GM/CEO Bischoff reported there were no accidents or injuries during the month and discussed a near miss incident with the board.

The first quarter outage report was reviewed. There were three major event days in the first quarter including January 9-10, 2023, and February 23, 2023. 67% of the first quarter outages were due to trees. The average member's power is on 99.970% of the time excluding major event days and power supplier outages. SAIDI, CAIDI and SAIFI meet or exceed industry standards.

The first quarter tree trimming report was reviewed. Crews have cleared 466 spans in 2023 which is 4% higher than the previous 5-year average. Due to wet conditions no mowing has taken place yet this year. Clearing expense is favorable to the year-to-date budget.

Mr. Bischoff gave his CEO Report. Topics included personnel, wholesale power, the power system, media, IT services and the updated strategic plan.

## **V. ITEMS OF BUSINESS (Cont.)**

### **A. Committee Reports**

This item was discussed earlier in the meeting.

### **B. 2022 Year End Audit Presentation – Aldrich (10:00 a.m.)**

This item was discussed earlier in the meeting.

### **C. Cooperative Family Fund Q & A with President Tony Anderson (11:00 a.m.)**

This item was discussed earlier in the meeting.

### **D. 2023 CCEC Annual Meeting – Approve Director Candidates Nominated by Petition**

The Nominations by Petition for the CCEC District Director positions received by the deadline and verified to be qualified candidates are as follows:

- Southern District 1 & 2 At-Large – Brookings/Harbor Areas
  - o Sue Gold
  - o Cheryl McMahan, Incumbent
- District 4 –Port Orford/Langlois Areas
  - o Daryl Robison, Incumbent
  - o Gayle Wilcox

The Board approved the Nominations by Petition, as presented, for inclusion on the Ballot for Directors for a vote of the CCEC membership by vote-by-mail prior to the 2023 Annual Meeting of the Membership scheduled for June 22, 2023. A motion was made and seconded to approve all candidates for placement on the ballot, and the motion passed unanimously.

**E. City of Brookings Franchise Agreement**

GM/CEO Bischoff updated the board that on Monday, April 24, 2023, the City of Brookings passed a new Ordinance 23-O-806. The ordinance is consistent with the Memorandum of Understanding (MOU) approved by the Board in March, with the exception that the new ordinance imposes a 5% franchise fee immediately, whereas the previous ordinance, as modified by the MOU, would have imposed an initial 3% franchise fee and increasing over time to 5% by January 1, 2025. In summary, the terms are: 5% franchise fee, ten-year term, the City will pay for streetlights within city limits, and is effective May 1, 2023. Given that the City has the right under Oregon law to impose a 5% franchise fee on CCEC, and also given that the new ordinance removes unlawful provisions in the previous ordinance that required CCEC to socialize the cost of the franchise fee among all of its members and to furnish free streetlighting to the City, a motion was made and seconded to sign the Brookings Franchise Ordinance, and the motion passed unanimously.

Discussion was had on whether to include the newly adopted Brookings franchise fee as a pass through item on the bill for City of Brookings residents given that the fee only benefits City of Brookings residents or to absorb the franchise fee as an operating cost, essentially socializing the franchise fee across the entire membership. A motion was made and seconded that none of the franchise fee be socialized by CCEC. The motion carried with one against (Cockerham).

**F. Open Discussion**

None

**G. Miscellaneous**

1. Cooperative Family Fund (CFF) Donation – A motion was made and seconded to donate \$1,000.00 to CFF. The motion passed unanimously.
2. America’s Electric Cooperative PAC (formerly ACRE) contribution cards were collected.
3. NWPPA Annual Meeting – no attendees for 2023.
4. CFC Forum (June 19-21, Seattle, WA) – no attendees at this time.
5. ORECA Mid-Year Meeting (July 11-13, Hood River, OR) – Director Radabaugh plans to attend.
6. Reschedule October Board Meeting (Wednesday, October 25<sup>th</sup>) - The board has agreed to change the October board meeting from Thursday, October 26<sup>th</sup>, 2023, to Wednesday, October 25<sup>th</sup>, 2023, to accommodate the Oregon Connections Telcom Conference.

**VI. EXECUTIVE SESSION**

The regular Board meeting adjourned at 1:50 p.m. and went into an executive session to discuss member issues, contract matters and employee issues. The regular meeting reconvened at 2:26 p.m.

**VII. ADJOURN**

The next regular meeting of the Board of Directors is scheduled for Thursday, May 25, 2023, at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 2:27 p.m.

/s/ John Herzog  
John Herzog, Secretary

**ATTEST:**

/s/ Jim Kolen  
Jim Kolen, President