

# MINUTES



**Tanner Electric Cooperative  
Board of Directors  
April TEC Board of Directors Meeting  
Thursday, April 20, 2023, 3:00 pm - 6:00 pm  
TEC North Bend Headquarters**

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## In Attendance

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### Member

Carol Paschal; David McGoldrick (remote); Dutch Siedentopf; John Saatela; Kristina Michael; Mike Hodge; Roger Guay; Steve Nicholes (remote)

### Staff

Joel Merkel; Kevin Burns; Lisa Peabody; Nick Himebauch; Steven Walter

## A. ROLL CALL

The Board President took roll, and all Directors were in attendance.

1. Establish a Quorum

A quorum was established.

## B. CALL TO ORDER

1. **Action Item** - Move to Approve the Agenda

Move: Kristina Michael Second: David McGoldrick Status: Passed

2. President's Remarks

## C. 2022 Audit Review

Audit Review by Jarrod M. Bryant and Robert Cobb Auditors with Bolinger, Segars, Gilbert & Moss, L.L.P.

1. **Action Item**-Receive the 2022 Audit Results as Presented

Move: Carol Paschal Second: Dutch Siedentopf Status: Passed

## D. UNFINISHED BUSINESS

1. Consent Agenda
  - a. Release of Easement Rights- Anderson Island

Finding no conflicts with TEC electric facilities, it is recommended to the Board that TEC release both easements to combine lots as listed below in the Riviera according to the plat thereof recorded in Pierce County, Washington, Lake Josephine Riviera No. 23, Lots 228 and 229

Location: 12816, 12820 Camus Rd

- b. New Memberships/New Construction List
- c. Monthly Outage Reports

2. **Action Item** - Move to Receive and File the Consent Agenda  
Move: Roger Guay Second: Carol Paschal Status: Passed
3. **Action Item** - Move to Approve the March Board Meeting Minutes  
Move: Kristina Michael Second: Roger Guay Status: Passed
4. **Action Item** - Move to Approve Summary Minutes for Ruralite  
Move: John Saatela Second: Dutch Siedentopf Status: Passed
5. Bylaw Revision on Youth Development Committee's Role
6. **Action Item** - Accept and Approve the bylaw revision to amend the Youth Development Committee's role.  
Move: Dutch Siedentopf Second: Roger Guay Status: Passed

## **E. FINANCIAL REVIEW**

1. Funds Disbursement List - Kevin Burns
2. Arrears List
3. Balance Sheet
4. YTD Financials
5. Mar -23 MTD\_YTD Sales by Class
6. **Action Item** - Receive the Financial Reports

Move: Dutch Siedentopf Second: Kristina Michael Status: Passed

## **F. REPORTS**

1. CEO Report - Steven Walter
  - a. Report on current Legislative Update
  - b. Technology Road Map Update
  - c. 2023 Strategic Planning Scheduled for October 20th & 21st.
  - d. TEC Cost of Service Study is scheduled to begin in November and should be completed by Jan 1, 2024
2. Operations Report - Nick Himebauch
3. Committee Reports
  - a. Finance & Audit - Carol Paschal, Chair  
committee made the recommendation to the board to lock in the interest the new rate as soon as possible before the interest rate increases.  
Move: Carol Paschal Second: Kristina Michael Status: Passed
    - i. Action Item - To approve the 2023 Capital Credit retirement allocation of \$400K

Move: Carol Paschal Second: Dutch Siedentopf Status: Passed

- b. Action Item - To approve the forward rate lock loan repricing with CFC.

Move: Carol Paschal Second: Kristina Michael Status: Passed

- c. New Technology & Conservation - Roger Guay, Chair

Nothing to report at this time.

- d. Personnel - Mike Hodge, Chair

- e. Youth Development - Dutch Siedentopf, Chair

The committee is reviewing all the scholarship candidate's applications online and will announce the winners at the annual meetings in May.

- f. Director Area Reports

Nothing to report at this time.

- g. General Counsel Report - Joel Merkel

Nothing new to report; utilities are just waiting to be contacted by the county's newly hired staff to work on negotiating an equitable agreement on the ROW rental fees related to King County Ordinance 18403

## G. NEW BUSINESS

1. **Action Item** -TEC Board Reaffirmation Resolution 23-282 NRU and CFC

In 2017 NESC obtained a LOC with CFC for \$2M. It was for a 5-year term. In 2022 when we were renewing it, seeing the direction market power was headed, we recommended that the NESC Board consider increasing that amount from \$2M to \$5M as part of the renewal. They agreed and that is the process that we've been involved with.

Each NESC member GM needs to sign the Amendment to the LOC Reimbursement Agreement (which Steve already signed) and their Board secretary needs to sign the Guarantor's Certificate of Resolutions and Incumbency. The latter states that the GM is authorized to sign the Amendment to the LOC Reimbursement Agreement. This ultimately enables the GM of each participating NESC member to encumber the LOC according to their utility's share of the guaranteed amount. So, for example, if Tanner Electric was responsible for 5% of a purchase NESC had with Shell, Tanner Electric would account for 5% of the exposure and would therefore be responsible for 5% of the cost to carry the LOC amount that was encumbered to cover the exposure, should the need arise.

Move: Carol Paschal Second: Dutch Siedentopf Status: Passed

## H. ADJOURN MEETING

The Vice-President adjourned the meeting at 5:25 p.m.