

MINUTES



**Tanner Electric Cooperative
TEC Board of Directors
April Board of Directors Meeting
Tuesday, April 19, 2022, 3:00 pm - 6:00 pm
TEC North Bend Office and ZOOM**

In Attendance

Member

Carol Paschal; David McGoldrick; John Saatela; Mike Hodge; Paul Bay (remote); Roger Guay; Steve Nicholes; Susan Serrette-Egan (remote)

Staff

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

Not In Attendance

Member

Dutch Siedentopf

A. ROLL CALL

1. Establish a Quorum

The Board President took roll call and a quorum was established.

B. CALL TO ORDER

The Board President, Mr. Hodge called the meeting to order at 3:00 p.m.

1. *Action Item* - Approve the Agenda

Move: Steve Nicholes Second: Roger Guay Status: Passed

C. 2021 Audit Review by Jarrod M. Bryant and Brad Willis CPA | Audit Managers from Bolinger, Segars, Gilbert & Moss, L.L.P.

The audit managers reviewed the 2021 audit report in detail with the Board and announced that TEC received a "clean" audit.

D. CONSENT AGENDA

1. New Memberships List
2. Monthly Outage Reports
3. 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. Location: 9518 and 9514 110th Ave Ct, Anderson Island.

4. **Action Item** - Receive the Consent Agenda
Move: Carol Paschal Second: Susan Serrette-Egan Status: Passed

E. UNFINISHED BUSINESS

1. **Action Item** - Approve the Board Meeting Minutes
Motion to approve the March 2022 Board meeting minutes as written.
Move: David McGoldrick Second: Roger Guay Status: Passed
2. **Action Item** - Approve the Summary Minutes for Ruralite
Motion to approve the March 2022 Board meeting minutes as written for the Ruralite magazine.
Move: Paul Bay Second: Roger Guay Status: Passed
3. **Action Item** - Approve TEC Resolution 22-274 to Amend the TEC Bylaws-Article V, section 9(c) Policy and Bylaws Committee and Article XI - Amendments
Move: Roger Guay Second: David McGoldrick Status: Passed

Yes: Susan Serrette-Egan, Roger Guay, Paul Bay, Steve Nicholes, David McGoldrick, Carol Paschal

No: John Saatela

Abstain: Mike Hodge
4. **Action Item** - Approve Board Policy # 100
Following a lengthy discussion, the Board President assigned an AD HOC committee to work in conjunction with the General Counsel to redraft Board Policy #100.
Move: Second: Status: Tabled
5. **Action Item** - Approve Board Policy # 106 - Board Association and Educational Meeting Attendance
A motion was made and seconded to approve Board Policy #106 related to Board Association & Educational Meetings. Following a discussion, the motion was amended and was restated to approve the policy contingent on the understanding that under Section II, #7 will be deleted and #8 shall read "cost-free in-person, online video series and webinars offered by any of our Trade Organization partners that are Board President approved and deemed valuable to the role of a Director."
Motion passes 6-1
Move: Roger Guay Second: Paul Bay Status: Passed

Yes: Susan Serrette-Egan, Roger Guay, Paul Bay, John Saatela, David McGoldrick, Carol Paschal

No: Steve Nicholes

Abstain: Mike Hodge

F. FINANCIAL REVIEW

1. Funds Disbursement List
2. Monthly P & L
3. Misc. Financial Data
4. Equity % by Year
5. **Action Item** - Receive the Financial Reports

Motion to receive the Financial reports as presented by Director of Finance, Mr. Burns.

Move: Paul Bay Second: Roger Guay Status: Passed

G. REPORTS

1. CEO Report

The CEO gave a verbal report to the Board on the five-year market trend, and the current Mid-C pricing summary. Mr. Walter also informed the Board of some upcoming Board meeting dates that will include CFC Director Education or guest speakers.

2. Operations Report

Operations Manager Nick Himebauch prepared a written report for the Board that was distributed in the meeting packet that outlined the progress on the current projects for the crew/staff.

3. Committee Reports

- a. Finance & Audit - Mr. Paul Bay, Chairperson

Mr. Bay reported the committee met on April 18th and reviewed the 2021 final issued audit reports. They also discussed the CFC Powervision Loan, reinstating the Power Cost Adjustment/Operating Revenue Adjustment credits on the members billing statements, and the current impacts of inflation on wages and benefits. The chairman also made a recommendation to the Board to approve and authorize the staff to re-price the current CFC loans to lock in the best interest rates available.

- b. New Technology & Conservation - Mr. Roger Guay, Chairperson

Mr. Guay recommended the Board should read a book called the *Science of Energy* by Michael E. Wysession, Ph.D.

- c. Operations & Facilities - Mr. Steven Walter, Chairperson

Nothing to report

- d. Personnel - Mr. Mike Hodge, Chairperson

Nothing to report

- e. Policy & Bylaws - Mr. Dutch Siedentopf, Chairperson

Nothing to report as Chairman Dutch Siedentopf was absent

- f. Union Affairs - Mr. Steven Walter, Chairperson

Nothing to report

g. Youth Development - Susan Serrette-Egan, Chairperson

Ms. Susan Serrette-Egan reported the committee met on April 5th to discuss new options for scholarships. They also extended the High School application deadline to the 1st week of May to allow more time for students to apply.

h. General Counsel Reports - Mr. Joel Merkel

King County ROW

General Counsel Mr. Merkel reported that after the lawsuit involving the utility challenges was dismissed without prejudice pending negotiations between the County and the utilities, the utilities have communicated their specific challenges to the County's methodology for calculating the "rental fee." King County has not yet responded to any of the utility challenges to its methodology but has indicated that it will respond, but it will probably not do so for several months.

The non-profit utility group to which Tanner belongs is attempting to schedule a meeting between utility Board members and King County Council members about Ordinance 18403, and Board member Paul Bay was appointed to participate in any such meeting on behalf of Tanner.

H. NEW BUSINESS

1. **Action Item** - Reinstate the Power Cost Adjustment (PCA) and Operating Revenue Adjustment (ORA) Credits to the member billing and Repricing of the CFC loans

Motion to approve that the Power Cost Adjustment (PCA) and the Operating Revenue Adjustment (ORA) credits be reinstated on the next billing cycle, and to authorize the repricing of the CFC loans.

Move: Paul Bay Second: Roger Guay Status: Passed

I. ADJOURN MEETING

The April TEC Board meeting was adjourned at 6:11 p.m.