

**TANNER ELECTRIC COOPERATIVE
BOARD OF DIRECTORS**

**Regular Meeting
February 15, 2022**

MINUTES

The Tanner Electric Cooperative (TEC) Board of Directors met online in Regular Session at 3:00 p.m. on Tuesday February 15, 2022. Staff attended the meeting online from the boardroom at the TEC administration building in North Bend, Washington.

I. CALL TO ORDER

Board President, Mike Hodge, called the meeting to order at 3:03 p.m.

II. ROLL CALL & PLEDGE OF ALLEGIANCE

Roll call was taken, and the following were present or participated by video conference:

President Mike Hodge
Vice President Roger Guay
Treasurer Paul Bay
Secretary Susan Serrette-Egan
Steve Nicholes
John Saatela
David McGoldrick
Carol Paschal
Dutch Siedentopf
Joel Merkel, General Counsel

Absent: None

Quorum: A quorum was established

Staff Present:

Steven Walter, Chief Executive Officer
Nick Himebauch, Operations Manager
Kevin Burns, Director of Finance
Lisa Peabody, Executive Administrative Assistant

III. APPROVAL OF THE BOARD MEETING AGENDA (Action Item)

Motion: To approve the Board meeting agenda as presented. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

RESOLVED, that the February 2022 TEC Board meeting agenda be, and is hereby approved.

Moved: Paul Bay **Second:** Dutch Siedentopf **Status:** Passed

IV. GUEST PRESENTERS

Mr. Kent Lopez, General Manager - Washington Rural Electric Cooperative Association (WRECA)

WRECA identifies and monitors state and legislative bills impacting the mutual electric companies and rural electric cooperatives at the state capitol, develops strategic alliances to effectively deal with identified legislative issues. Mr. Lopez acts as the statewide liaison for the National Rural Electric Cooperative Association.

Mr. Michael Shepard, CEO for Pioneer Utility Resources (PUR)

PUR was founded in 1954 as a communications cooperative and over the years expanded beyond the Ruralite magazine to offer website design and hosting, social media management, training, special projects, etc. Today they support more than 240 electric co-ops, PUDs, independent broadband companies, and statewide associations in 40+ states.

V. UNFINISHED BUSINESS

Receive the Consent Agenda (Action Item)

Motion: To receive the consent agenda items for the February 2022 TEC Board meeting. The motion was seconded and passed by a voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that the consent agenda set forth in an attachment to the meeting agenda that was distributed to all the Board members be and is hereby received as presented.

Moved: David McGoldrick **Second:** Carol Paschal **Status:** Passed

Approval of the Board Meeting Minutes (Action Item)

The minutes from the previous meeting were included as an attachment to the agenda and distributed to the Board for review.

Motion: To accept and approve the TEC Board meeting minutes from January 18, 2022 as written. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that the January TEC Board of Director's meeting minutes be, and are hereby approved as modified.

Moved: Roger Guay **Second:** Dutch Siedentopf **Status:** Passed

Approval of the Summary minutes for the *Ruralite* (Action Item)

Motion: Move to approve the January Board meeting minutes as written for the *Ruralite* magazine. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that the January meeting minutes for the *Ruralite* be, and are hereby approved.

Moved: Roger Guay **Second:** Paul Bay **Status:** Passed

Approval of the TEC Wildfire Mitigation Plan (Action Item)

TEC Operations developed a Wildfire Mitigation Plan (WMP) as recommended by Federated Rural Electric Exchange. This WMP describes TEC's measures to mitigate the threat of Cooperative equipment ignited wildfires. The goals and activities included in the WMP focus on a comprehensive and integrated assessment of the risks posed by TEC's distribution system, including equipment, facilities, weather conditions, density and condition of potential fuels, and the potential threat to public safety. TEC's commitment to fire safety, prevention, mitigation, response, and recovery is a crucial element of our mission.

Motion: To accept and approve the TEC WMP as presented by Operations. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that TEC WMP be, and is hereby approved by the Board of Directors on February 15, 2022

Moved: Carol Paschal **Second:** Roger Guay **Status:** Passed

VI. FINANCIAL REVIEW – Mr. Kevin Burns (Action Item)

TEC Funds Disbursement List

The Board reviewed the Checks, ACH and Wire Transactions for January 2022.

Monthly P & L

Mr. Burns presented the monthly profit and loss reports to the Board.

Motion: To receive and file the Financial Reports for January as presented to the Board. The motion was seconded and passed by a voice vote by all the Directors present and participating by video conference as follows:

RESOLVED, that the January 2022 Financial reports as presented be, and are hereby received by the Board without any modifications.

Moved: Paul Bay

Second: Carol Paschal

Status: Passed

VII. REPORTS

CEO Report – Mr. Steven Walter

Mr. Walter presented a verbal report to the Board and discussed new funding for co-ops to provide broadband services to rural areas and grants to bring solar power to schools.

He also informed the Board that as of March 1st, the staff will be reinstating service disconnect procedures for any past due accounts that do not have a payment arrangement plan established to clear out the unpaid balances that resulted during the pandemic.

Operations Manager Report – Nick Himebauch

Mr. Himebauch submitted a written operations report that was distributed to the Board as an attachment to the meeting agenda. During the meeting, he discussed the current work in progress and the infrared study that was recently done on the substation.

Finance & Audit Committee – Paul Bay, Chairperson

Mr. Bay reported that the committee met in early February to discuss the AR balance of member’s unpaid bills, the status of the TEC charitable fund and how to best utilize a portion of the funds in the best interest of the Cooperative.

Motion: To accept and approve the transfer of \$10,000.00 to the Salvation Army to provide energy bill assistance to the members of the cooperative, who need it, as a result of the pandemic. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that the transfer of \$10,000 to the Salvation Army energy assistance program is hereby approved by the TEC Board on February 15, 2022.

Moved: Paul Bay **Second:** Roger Guay **Status:** Passed

Personnel Committee –Mike Hodge, Chairperson

Mr. Hodge will schedule a meeting with the CEO to review the first draft of the TEC Board Education Policy and suggest edits as needed before presenting it to the Personnel Committee.

Policy & Bylaws – Dutch Siedentopf, Chairperson

Mr. Siedentopf will meet with the CEO and Board President in the upcoming week to discuss the best way to manage policy development and review process.

New Technology & Conservation –Roger Guay, Chairperson

Nothing to report.

Operations and Facilities – Steven Walter, Chairperson

Nothing to report.

Union Affairs – Steven Walter, Chairperson

Nothing to report.

Youth Development – Susan Serrette-Egan, Chairperson

Nothing to report.

VIII. OTHER REPORTS

King County Right of Way Report- Joel Merkel

We have entered a new phase of this dispute with the County in which TEC and the other utilities will need to enter into negotiations with the County on the various disputed issues.

IX. NEW BUSINESS

Everest Infrastructure Lease – Middle Fork Yard (Action Item)

Operations has been approached by a company who is interested in leasing a section of the TEC Middle Fork property for a new communication tower. Following a discussion, the staff made a recommendation to the Board for approval to enter into a lease agreement.

Motion: To approve and authorize the CEO and Operations to forgo the necessary steps to execute the Everest Infrastructure Lease on the Middle Fork Property. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that the execution of Everest Infrastructure Lease is hereby approved by the TEC Board of Directors on February 15, 2022.

Moved: Paul Bay **Second:** Dutch Siedentopf **Status:** Passed

Federated Rural Electric Exchange Insurance Renewal for 2022-23 (Action Item)

Motion: To approve the annual Federated insurance premiums with the addition of new policies for limited equipment breakdown, cyber protection, and crime protection. The motion was seconded and passed by a unanimous voice vote of all Directors present and participating by video conference as follows:

RESOLVED, that annual Federated insurance premiums were reviewed and approved by the TEC Board of Directors on February 15, 2022.

Moved: Paul Bay **Second:** Dutch Siedentopf **Status:** Passed

X. ADJOURN TEC BOARD MEETING

Following no further business, the Board President adjourned the February 2022 Board of Directors meeting at 5:39 p.m. The next Board of Directors meeting will be March 15, 2022, at 3:00 p.m.