

**TANNER ELECTRIC COOPERATIVE
BOARD OF DIRECTORS**

**Regular Meeting
July 20th, 2021**

MINUTES

The Tanner Electric Cooperative (TEC) Board of Directors met in Regular Session at 3:00 p.m. on Tuesday, July 20th, 2021, in 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 3:00 p.m.

II. ROLL CALL & PLEDGE OF ALLEGIANCE

Roll call was taken, and the following Directors were present:

President Mike Hodge
Vice President Roger Guay
Treasurer Paul Bay
Secretary-Susan Serrette-Egan
John Saatela
Steve Nicholes
David McGoldrick
Carol Paschal

Absent: Dutch Siedentopf

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
Joel Merkel, General Counsel

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

Motion: To accept the meeting agenda as presented. The motion was seconded and passed by a unanimous voice vote of all Directors present as follows:

RESOLVED, that the July 2021 TEC Board meeting agenda be, and is hereby approved.

Moved: Steve Nicholes **Second:** Paul Bay **Status:** Passed

IV. UNFINISHED BUSINESS

Receive the Consent Agenda (Action Item)

Motion: To receive and file the consent agenda items as presented during the July 2021 TEC Board meeting. The motion was seconded and passed by a voice vote of all Directors present as follows:

RESOLVED, that the July consent agenda including New Memberships, Release of Easements on Anderson Island, and Monthly Outage Reports be, and are hereby received by the Board without modifications.

Moved: Steve Nicholes **Second:** John Saatela **Status:** Passed

Approval of the June 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 June 22nd, 2021, as modified.

The motion was seconded and passed by a unanimous voice vote of all Directors present as follows:

RESOLVED, that the TEC Board meeting minutes from June 2021 be, and are hereby approved.

Moved: Paul Bay **Second:** Carol Paschal **Status:** Passed

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

Motion: Move to approve the June 22nd, 2021 Board meeting minutes as amended for the *Ruralite* magazine. The motion was seconded and passed by a unanimous voice vote of all Directors present as follows:

RESOLVED, that the June 2021, minutes for the *Ruralite* be, and are hereby approved.

Moved: David McGoldrick **Second:** Roger Guay **Status:** Passed

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

TEC Funds Disbursement List

The Board reviewed the monthly Checks, ACH and Wire Transactions for the month of June.

Monthly P & L

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

Motion: To receive and file the Financial Reports as presented to the Board for the month of June 2021. The motion was seconded and passed by a voice vote by all the Directors present and participating by teleconference as follows:

RESOLVED, that the June 2021 Financial reports as presented be, and are hereby received by the Board without modifications.

Moved: Paul Bay **Second:** John Saatela **Status:** Passed

VI. REPORTS

CEO Report – Mr. Steven Walter

Mr. Walter submitted a written report that was distributed to the Board as an attachment to the agenda. During the meeting, he discussed the rolling margins requirements as outlined in the TEC Financial Policy, the current AR balances, and the proposed King County Loop Project in

North Bend. Also mentioned, the Board Strategic Planning Meeting is scheduled for October 18 & 19th at the TEC administration building.

Operations Manager's Report – Nick Himebauch

Mr. Himebauch submitted a written report that was distributed to the Board as an attachment to the meeting agenda. During the meeting, he discussed the area's recent outages and its effects on the TEC distribution system. Also reported that the Middle Fork transmission is expected to have wire up in the air by the end of the summer.

Finance & Audit Committee – Paul Bay, Chairperson

Mr. Bay reported that the committee met today, before the TEC Board meeting, to discuss the 2022 Budgets, the TEC Charitable Fund, the unclaimed capital credits procedure, and the Vanguard accounts.

Mr. Bay recommended that the Board authorize a transfer of the funds from Vanguard to Homestead Funds, an affiliate company of NRECA.

Motion: To support the recommendation of the Finance committee and authorize the transfer of TEC funds from Vanguard to Homestead Funds. The motion was seconded and passed by a unanimous voice vote of all Directors present as follows:

RESOLVED, that the transfer of funds from Vanguard to Homestead Funds is hereby approved by the TEC Board of Directors on July 20th, 2021.

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

Policy & Bylaws – Mike Hodge, Board President

Mr. Hodge reported to the Board on behalf of the Chairperson, that he and the CEO met with the Policy Chair on July 7th to discuss the purpose, objectives, and the policy review process of the committee. The committee members have been informed of the changes in procedures.

New Technology & Conservation –Roger Guay, Chairperson

The committee will be meeting on August 9th to discuss the removal of the Snake River Dam controversy. Director David McGoldrick was asked to join the committee and participate in the discussion.

Personnel Committee –Mike Hodge, Chairperson

Mr. Hodge reported the committee would be meeting in early August.

***Union Affairs – Nick Himebauch – Paul Bay, Board Oversight**

Operations Manager Mr. Himebauch and Mr. Bay provided reports to the Board. A new five-year Collective Bargaining Agreement (CBA) with IBEW Local 77 has been accepted by all parties. At this time a recommendation was made to the Board for approval.

There were no, Operations & Facility or Youth Development reports this month.

VII. OTHER REPORTS

General Counsel Report – Mr. Joel Merkel - King County ROW Update

Corporate Counsel Joel Merkel reported that the County, the Water Districts, the five water associations, and Tanner filed their initial motions for partial summary judgments on June 23rd. They will be heard on Friday July 23rd. Following the hearing, General Counsel will summarize the findings in a memo and present it to the TEC Board during the August meeting.

The Board discussed the District 3 candidates running in the upcoming King County elections. also agreed to participate

VIII. NEW BUSINESS

Approval of the Collective Bargaining Agreement (CBA) with IBEW Local 77

Motion: To accept and approve the CBA as presented. The motion was seconded and passed by a unanimous voice vote of all Directors present as follows:

RESOLVED, that the 2021-2026 CBA as presented was accepted and approved by the TEC Board of Directors on July 20th, 2021.

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

IX. ADJOURN TEC BOARD MEETING

Following no further business, the Board President adjourned the July 2021 Board of Directors meeting at 5:05 p.m. The next Board of Directors meeting is scheduled for August 17th, at 3:00 p.m. at the Administration building in North Bend.