

**TANNER ELECTRIC COOPERATIVE
BOARD OF DIRECTORS**

**Regular Meeting
February 16, 2021**

MINUTES

The Board of Directors of Tanner Electric Cooperative (TEC) met in Regular Session at 1:00 p.m. online with video conferencing on Tuesday February 16, 2021.

I. CALL TO ORDER

Board President Ed Stephenson called the meeting to order at 1:15 p.m.

II. ROLL CALL

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

President Ed Stephenson
Vice President Paul Bay
Treasurer Mike Hodge
Roger Guay
Dutch Siedentopf
Steve Nicholes
John Saatela
David McGoldrick

Absent: Susan Serrette-Egan, Board Secretary

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 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 February 2021 TEC Board meeting agenda be, and is hereby approved.

Moved: Dutch Siedentopf **Second:** Mike Hodge **Status:** Passed

IV. GUEST SPEAKER

Mr. Kent Lopez, General Manager of the Washington Rural Electric Cooperative Association (WRECA) was invited to join the TEC virtual Board meeting and provided an update on the current Legislative actions taking place in Olympia.

V. UNFINISHED BUSINESS (Action Items)

Consent Agenda

Motion: To receive and file the consent agenda items as presented at the February 16, 2021 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 February 2021 consent agenda including Write Offs, Release of Easements on Anderson Island, and Monthly Outage Reports be, and are hereby received as presented.

Moved: Mike Hodge **Second:** John Saatela **Status:** Passed

New Membership Applications (Action Item)

The monthly new membership list was distributed and reviewed by the Board.

Motion: To receive and file the new membership applications for February 2021.

The motion was seconded and passed by a voice vote of all Directors participating by video conference as follows:

RESOLVED, that the February memberships as presented in an attachment to the Board meeting agenda be, and are hereby approved.

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

Approval of the Minutes of Prior Meeting – January 19, 2021 (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 for January 19, 2021 as written. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

RESOLVED, that the TEC Board meeting minutes for January 2021 be, and are hereby approved.

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

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

Motion: Move to approve the January 2021 Board meeting minutes as written, be published in the *Ruralite* magazine. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

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

Moved: Dutch Siedentopf **Second:** Mike Hodge **Status:** Passed

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

TEC Funds Disbursement List

The Board reviewed the monthly Checks, ACH and Wire Transfers for the month of January 2021.

Monthly P & L

Mr. Burns presented the January profit and loss reports to the Board for review.

Motion: To receive and file the Financial Reports that were presented to the Board on the February 16, 2021. 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 2021 Financial reports as set forth as an attachment to the meeting be, and are hereby received with no adjustments.

Moved: Dutch Siedentopf

Second: Susan Serrette-Egan

Status: Passed

VII. REPORTS

CEO Report – Mr. Steven Walter

Mr. Walter presented a verbal report to the Board during the meeting. He also informed the Board about an upcoming meeting he is attending with Congresswoman Kim Schrier’s staff to discuss the Cooperative model and opportunities for the Congresswoman to engage and support TEC and its members.

Also discussed was the upcoming Cooperative’s annual meeting and Board elections scheduled for May.

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 and included progress updates on the current underground conversion projects and the new Middle Fork TEC transmission line.

Finance & Audit Committee – Chairman Paul Bay

Mr. Bay reported the committee has been working online to continue their discussions on compliance for the Clean Energy Transformation Act (CETA). They have also been consulting with TEC’s General Counsel regarding unclaimed Capital Credits and a charitable fund policy.

Personnel Committee – Chairman Ed Stephenson

Mr. Stephenson reported the committee continues to meet online to review the TEC Board policy related to Director meetings and stipends.

Policy & Bylaws – Chairman Dutch Siedentopf

Mr. Siedentopf reported that the committee is currently working on reviewing TEC Board policies and the Bylaws.

There were no New Technology, Youth Development, Operations & Facilities or Union Affair reports this month.

VIII. OTHER REPORTS

King County Update – General Counsel, Joel Merkel

The Coop Attorney group has been working with the Water District attorneys and the King County attorneys to get an agreement with King County to move the trial date by 6 months from August 2021 to February 2022. As part of that agreement, we have also been working to:

- (i) get agreement with the County on a schedule for utility motions for partial summary judgment with a target date in June 2021;
- (ii) hold a scheduling conference on April 9, 2021 with the County and the Court to schedule hearing dates and to address other scheduling issues and
- (iii) identify the topics to be addressed in June 2021 summary judgment motions by all parties.

A Stipulation tentatively agreed to by all parties (including the County) to extend the trial date from August 2021 to February 2022, and to hold a scheduling conference with the Court on April 9, 2021 on deadlines for discovery, other motions and to address other case scheduling issues. King County has been informed by the Coop attorneys that certain issues will be the subject of motions by the Coop Intervenors.

Legislative Efforts - While the Washington Association of Water Districts (“WAWD”) and WRECA did not believe that a legislative effort to resolve this dispute was viable in the 2021 session, one benefit of moving the trial date to February 2022 is that it may make it more possible to pursue a legislative effort in early 2022. I checked with Kent Lopez at WRECA to see if he thought this delay would be helpful, and he agreed that 2022 will be a much more favorable environment to push a legislative solution.

IX. SUSPEND TEC BOARD MEETING

The February 2021 TEC Board meeting was suspended by the Board President at 3:39 p.m. The staff was excused, and an Executive Session was convened.

XI. RECONVENE TEC BOARD MEETING

The regular meeting was reconvened by 4:00 p.m. and the following action was taken.

Motion: There will be no salary increase for the CEO in 2021, but as an alternative a bonus was recommended and approved by the Board.

RESOLVED, that the TEC Board approved the bonus for the CEO in lieu of a salary increase for 2021.

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

XII. ADJOURN

Following no further business, the Board President adjourned the February Tec Board of Directors meeting at 4:06 p.m. The next Board of Directors meeting is scheduled for 1:00 pm on March 16, 2021.