

**TANNER ELECTRIC COOPERATIVE, INC**  
**BOARD OF DIRECTORS**  
**Regular Meeting –June 16, 2020**

**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 June 16, 2020.

**I. CALL TO ORDER**

Board President Ed Stephenson called the meeting to order at 1:02 p.m.

**II. ROLL CALL/ESTABLISH QUORUM**

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

President Ed Stephenson  
Vice-President Paul Bay  
Secretary Susan Serrette-Egan  
Roger Guay  
Dutch Siedentopf  
Steve Nicholes  
John Saatela  
David McGoldrick

Absent: Treasurer Mike Hodge

A quorum was established.

**Staff Present:**

Steven Walter, Chief Executive Officer  
Nick Himebauch, Operations Manager  
Steve Chamberlin, Controller  
Lisa Peabody, Executive Administrative Assistant  
Joel Merkel, Corporate Counsel

### **III. APPROVAL OF THE MEETING AGENDA**

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 June 2020 TEC Board meeting agenda be, and is hereby approved.

**Moved:** Paul Bay      **Second:** David McGoldrick      **Status:** Passed

### **IV. APPROVAL OF THE CONSENT AGENDA**

#### **Check List /Write Offs**

Motion: To accept the consent agenda as presented in the Board packet on June 16, 2020.

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 June consent agenda as set forth in an attachment to the meeting agenda and was distributed to all the Board members be, and is hereby approved.

**Moved:** Paul Bay      **Second:** Susan Serrette-Egan      **Status:** Passed

#### **New Membership Applications**

Motion: To accept the new membership applications for May 2020.

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 May 2020 new membership applications as they appeared on the attachment to the Board meeting agenda be, and are hereby approved.

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

### **V. APPROVAL OF THE TEC BOARD OF DIRECTOR'S MEETING MINUTES**

#### **TEC Board of Directors Meeting May 19, 2020**

Motion: To accept and approve the May TEC Board meeting minutes as presented.  
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 minutes of the May 2020 TEC Board of Director’s meeting be, and are hereby approved as amended.

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

## **VI. APPROVAL OF THE SUMMARY MINUTES FOR *RURALITE***

Motion: To approve and accept the May TEC Board meeting minutes as written for the *Ruralite* publication.

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 May 2020 minutes for the *Ruralite* magazine be, and are hereby approved.

**Moved:** Dutch Siedentopf      **Second:** Susan Serrette-Egan      **Status:** Passed

## **VII. OTHER UNFINISHED BUSINESS**

### **King County Update – Joel Merkel**

General Counsel Joel Merkel provided an update on the status of the lawsuit by utilities challenging King County’s ordinance imposing a “rental charge” on utilities for use of the public right of way for their distribution facilities. King County originally sued 21 Water Districts for a declaratory ruling and a group of King County cooperative utilities of which Tanner is a member successfully moved to intervene.

The coop group will continue its alliance with the 21 Water Districts. The next step will be to develop a strategy for how to litigate the unresolved issues. The utilities group will also work together with the Washington Rural Electric Cooperative Association (WRECA) to pursue a legislative solution in the next session of the Washington Legislature.

## VIII. REPORTS

### CEO Report – Steven Walter

Mr. Walter submitted a written report to the Board updating them on how the employees, operations and the Cooperative's members have all been impacted over the last several months due to the Covid-19.

The pandemic has created widespread and unique financial challenges for electric utilities. Although lost revenue and rising debt are common during economic downturns, such impacts are not usually accompanied by increased expenses in unrelated cost categories. Co-ops throughout are experiencing increased expenses due to the pandemic, including costs related to personal protective equipment (PPE) for employees, medical supplies, technology for remote work and additional cleaning services.

Mr. Walter continues his close contact with the National Rural Electric Cooperative Association (NRECA), who are diligently working in Washington D.C. at the national level to provide information and guidance to the utilities and coops throughout the regions as it relates to financial implications and pathways for relief due to COVID 19 pandemic.

### Operations Manager's Report – Nick Himebauch

Mr. Himebauch submitted a written report to the Board and during the meeting discussed the following capital projects.

- **Country Club Drive Overhead – Underground Conversion** - Construction is moving along. I have been making weekly visits to observe the progress on Country Club system improvement. The project is on budget and on schedule.
- **Yoman Rd Overhead – Underground Conversion** - The project involves 900 feet of single phase and the crew will begin the job weather permitting, as the area is inaccessible during the rainy season.
- **Rattlesnake Ridge** - Our return to Rattlesnake has gone well. We have around 350' of conduit left to install this year. We will pull the 1500' of wire in and heat it up after all of the pipe is in the ground.
- **Circuit 2** - The North Bend crew has inspected circuit #2's neutrals and found a significantly LESS problems than we anticipated. The parts of the circuit that need repair have been documented and will be tackled when the Rattlesnake project is finished.

### Finance & Audit Committee – Chairman Paul Bay

The Finance Committee Chairman, Mr. Bay, reported the committee will be meeting online in July. The purpose of the meeting is to review and discuss the annual financial audit results with the auditors, Kenneth Kuhns & Company.

### **Union Affairs Committee – Chairman Steven Walter**

The Union Affairs Chairman, Mr. Walter reported the current union employees for IBEW Local 77 agreed and accepted the one-year extension of the current contract. In March or April of 2021 committee Chairman will begin the process to conduct face to face negotiations with the union business representatives.

*There were no Personnel, Operations & Facility, Policy & Bylaws, Youth Development or New Technology reports this month.*

### **IX. Financial Reports – Steve Chamberlin, Controller**

Mr. Chamberlin presented an overview of the financials, expenses, and actual results vs. budget.

Motion: To accept and receive the May financial reports as submitted by the Controller. 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 May 2020 financial statements be, and are hereby accepted as presented to the TEC Board of Directors on June 16, 2020.

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

### **X. NEW BUSINESS**

#### **TEC Board Resolution 20-261 – Appointing the Tanner Wind Energy (TWE) Board of Directors**

Motion: To accept and approve Resolution 20-261 as presented on June 16, 2020 stating that the TEC Board of Directors will also serve as the TWE Board of Directors for 2020-2021.

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 Resolution 20-261 be, and is hereby approved by the TEC Board of Directors on June 16, 2020.

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

**TEC Board Resolution 20-262 Authorizing Bank Account Signatories for Umpqua Bank**

From time to time due to the change of officers and or management staff the Board of Directors finds it necessary to update the signatory cards for the Cooperative's bank accounts.

Motion: to accept and approve Resolution 20-262 authorizing the change in the signatory names on the bank accounts held at Umpqua Bank. 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 Resolution 20-262 be, and is hereby approved by the TEC Board of Directors on June 16, 2020.

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

**XI. ADJOURN MEETING**

There being no further business, the TEC Board meeting was adjourned by the Board President at 3:20 p.m. The next Board of Directors meeting is scheduled for July 21, 2020