

TANNER ELECTRIC COOPERATIVE, INC
BOARD OF DIRECTORS
Regular Meeting
January 19, 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 January 19, 2021.

I. CALL TO ORDER

Board President Ed Stephenson called the meeting to order at 1:04 p.m.

Mr. Stephenson welcomed and introduced new employee, Mr. Kevin Burns, Director of Finance for TEC.

II. ROLL CALL

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

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

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
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 participating by video conference as follows:

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

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

IV. APPROVAL OF THE CONSENT AGENDA (Action Items)

Monthly Checks (Action Item)

Motion: To accept and approve the consent agenda items as presented on the TEC Board meeting agenda on January 19, 2021. The motion was seconded and passed by a voice vote by the Directors participating by video conference as follows:

RESOLVED, that the January 2021 consent agenda as set forth in an attachment to the meeting agenda that was distributed to all the Board members be, and is hereby approved (8-Y /1 N).

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

New Membership Applications (Action Item)

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

Motion: To accept the new membership applications for December.

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

RESOLVED, that the December 2020 new memberships as presented in an attachment to the Board meeting agenda be, and are hereby approved.

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

**V. APPROVAL OF TEC BOARD OF DIRECTORS MEETING MINUTES
(Action Item)**

The minutes from the previous meeting on December 15, 2020 were distributed to the Board for review.

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

Moved: Roger Guay **Second:** Susan Serrette-Egan **Status:** Passed

VI. APPROVAL OF THE SUMMARY MINUTES FOR *RURALITE* (Action Item)

Motion: To accept and approve the December 2020 TEC Board meeting minutes for the *Ruralite* pending one modification by the General Counsel. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

RESOLVED, that the December 2020 minutes for the *Ruralite* magazine be, and are hereby approved.

Moved: Steve Nicholes **Second:** Mike Hodge **Status:** Passed

VII. OTHER UNFINISHED BUSINESS

King County Update – General Counsel, Joel Merkel

Tanner's General Counsel, Joel Merkel, reported on the status of the King County ROW litigation, as follows:

The attorneys (Helsell Fetterman) for the water and electric utility coop group of which Tanner is a member, have been in communication with the Water District attorneys and the King County attorneys regarding the scheduling of summary judgment motions for April 9, 2021. A number of separate motions will be scheduled to address issues not resolved by the Supreme Court. The list of issues to be addressed has not yet been finalized. Merkel explained that the coop attorney group will bring separate motions in an effort to assure that the Court may issue final orders resolving any legal questions that do not require a factual hearing.

VIII. REPORTS

CEO Report – Steven Walter

Mr. Walter submitted a written report that was distributed to the Board as an attachment to the meeting agenda. During the meeting Mr. Walter discussed the current year-to-date A/R balances, Operation Round up and Tesla’s EV charging stations in North Bend.

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. Mr. Himebauch also gave a verbal report on the recent transmission line damage and power outages caused by high winds and winter weather conditions on Jan 12th.

Finance & Audit Committee – Chairman Paul Bay

Mr. Bay reported the committee has been working online to continue their discussions on Clean Energy Transformation Act (CETA), Capital Credits and financial reports.

New Technology & Conservations – Chairman Roger Guay

Mr. Guay reported to the Board about a newly produced electric vehicle car battery and charger that can deliver 100 miles of charge to an EV battery in five minutes. This latest technology requires a much higher-powered charger than the typical ones that have been previously manufactured.

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.

Operations & Facility Committee – Steven Walter

Mr. Walter reported that some of the facility improvements for the old building, as approved in the 2020 budgets, are underway.

Policy & Bylaws – Chairman Dutch Siedentopf

Mr. Siedentopf reported that the committee has completed the employee policy review and is currently working on reviewing other policies and the Bylaws.

There were no Youth Development or Union Affair reports this month.

IX. Financial Reports – Steven Walter

An overview of the updated December 2020 financials, expenses, and actual results vs. budget were distributed and reviewed by the Board.

Motion: To receive the financial reports for December 2020. 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 hereby receives the December 2020 as presented with no adjustments on January 19, 2021.

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

TEC Disbursements, ACH and Wire Transfers (Action Item)

Further discussion by the Board followed the financial reports that required action and Board approval.

Motion: That all outgoing cashflow/funds be reported to the Board on a monthly basis and going forward will be added to financial review section of the TEC meeting agenda. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

RESOLVED, that going forward all outgoing cashflow disbursements and transfers will be reported to the Board monthly and is hereby approved.

Moved: Mike Hodge **Second:** Roger Guay **Status:** Passed

X. NEW BUSINESS

CFC Loan Repricing – Steven Walter

Mr. Walter made the recommendation to the Board to authorize the repricing of a specific loan with CFC to reduce the interest rate. The Board agreed and moved for approval.

Motion: To authorize the CEO to execute and reprice a specific CFC loan in the amount of \$846,000 to a new 15-year term. 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 authorized and approved the repricing of CFC Loan No. 9024007 in the amount of \$846, 000 to a 15-year term.

Moved: Paul Bay **Second:** Mike Hodge **Status:** Passed

TEC New Service Estimate Sheet

As requested by the Board, Operations annually reviewed and updated the TEC Single Phase Service Estimate Sheet to reflect the current costs for materials and labor.

Motion: To receive the updated TEC Single Phase Estimate Sheet. 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 received the revised 2021 Single Phase Estimate Sheet as presented with no conflicts.

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

Release of Easement & Lot Combinations

Finding no conflicts with TEC electric facilities, it is recommended to the Board that TEC release easements to combine lots in as listed below in the Riviera according to the plat thereof recorded in Pierce County, Washington:

- a) 11215 & 11219 Greenwood Drive - Anderson Island
- b) 10606 & 10610 Madrona Drive - Anderson Island
- c) 11610 Pine Place & 11002 Cole Place – Anderson Island

Motion: To accept the proposed release of easements and lot combinations. The motion was seconded and passed by a unanimous voice vote of all Directors participating by video conference as follows:

RESOLVED, that the above release of easements & lot combinations as presented be, and are hereby received by the Board.

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

2021 Voting Delegates for Trade Organizations

Motion: To accept the 2021 Voting delegates as proposed by the CEO.

- a) To designate the CEO as the primary voting delegate and the Board President as the alternate delegate for the following national trade organizations; NRECA, NISC, NRTC, CFC, Federated, and Touchstone Energy.

- b) To designate the CEO as the primary voting delegate and Operations Manager as the alternate for the following trade organizations; WRECA, NWPPA, CRC, NESC, NRU, NEMS.

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

RESOLVED, that TEC 2021 voting delegates be, and are hereby approved.

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

XI. ADJOURN MEETING

The January 2021 TEC Board meeting was suspended by the Board President at 3:50 p.m. The staff was excused, and an Executive Session was convened. The next Board of Directors meeting is scheduled for 1:00 pm on January 19, 2021.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Tanner Electric Cooperative Board of Directors meeting on the 16th day of February 2021.

I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 16 day of February 2021

Approved:

Board Secretary, Susan Serrette-Egan