

**TANNER ELECTRIC COOPERATIVE
BOARD OF DIRECTORS**

**Regular Meeting
October 19, 2021**

MINUTES

The Tanner Electric Cooperative (TEC) Board of Directors met in Regular Session at 1:00 p.m. on Tuesday, October 19, 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 1:05 p.m.

II. ROLL CALL & PLEDGE OF ALLEGIANCE

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

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

Absent: None – Paul Bay and Dutch Siedentopf participated remotely by video conference.

Quorum: A quorum was established.

Staff Present:

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

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 and participating by video conference as follows:

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

Moved: Dutch Siedentopf **Second:** Steve Nicholes **Status:** Passed

IV. PRESENTATION BY BROWN & KYSAR ENGINEERING

Scott Lindsay And Kristi Robinson presented the TEC 2022-2031 Long Range Work Plan they engineered. The purpose of this work plan is to identify system improvements projects necessary to accommodate load growth, reliability improvements and aging facility revitalization over the next ten years.

V. UNFINISHED BUSINESS

Receive the Consent Agenda (Action Item)

Motion: To receive and file the consent agenda items as presented during the September 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 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: Dutch Siedentopf **Second:** Steve Nicholes **Status:** Passed

Approval of the September 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 September 14, 2021, 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 September 2021 TEC Board of Director's meeting minutes be, and are hereby approved.

Moved: Carol Paschal **Second:** Susan Serrette-Egan **Status:** Passed

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

Motion: Move to approve the September 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 September 2021, minutes for the *Ruralite* be, and are hereby approved.

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

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

TEC Funds Disbursement List

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

Monthly P & L

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

Motion: To receive and file the Financial Reports as presented to the Board for September. 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 September 2021 Financial reports as presented be, and are hereby received by the Board without modifications.

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

VII. 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 reported to the Board that a new 20 year franchise agreement was negotiated between TEC and the City of North Bend.

Operations Manager's 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 newly drafted TEC Fire Mitigation Plan.

Personnel Committee –Mike Hodge, Chairperson

Nothing to report.

Finance & Audit Committee – Paul Bay, Chairperson

Mr. Bay reported that the committee met on October 14th to review the second draft of the 2022 budgets. The committee supports the proposed budgets as presented during the meeting and he will make a recommendation for Board approval at the November meeting.

Policy & Bylaws – Dutch Siedentopf, Chairperson

Mr. Siedentopf reported the committee is proceeding with their review of TEC policies and pending staff edits will make a recommendation to the board approval next month.

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.

King County Right of Way Report- Joel Merkel

General Counsel Joel Merkel reported that the County’s position is that the utility lawsuit challenging Ordinance 18403 should be dismissed as “unripe” until negotiations take place between the utilities and the County. Until then, the County argues that the utilities lack “standing” to challenge the Ordinance because they have suffered no harm, at least prior to an unsuccessful effort to resolve all issues through negotiations. The County has filed a motion to dismiss the current case pending negotiations being completed.

Given that the Court’s prior rulings on utility motions challenging the Ordinance in late August seem to support the County’s position, the utilities are not opposing the County’s motion to dismiss, but have been attempting to work out an agreement on an order to dismiss the case, without prejudice to the claims of the utilities as a group or of any individual utility, should efforts to negotiate an agreement with the County fail. To date there is no agreed order, however the utilities will continue to try to reach agreement with the County prior to the scheduled court hearing on the County’s motion in early December.

Thus, the next phase of the dispute over the County’s rental fee Ordinance will probably be an effort negotiate individual agreements between the utilities and the County. However, negotiations cannot commence until the Court rules on the County’s motion to dismiss the case and enters a dismissal order after the hearing in early December. Thus, negotiations will probably not start until the first quarter of 2022.

Mr. Merkel indicated that he expected the utilities in the Coop group to continue to work together, as their interests align, on issues of common interest.

VIII. NEW BUSINESS

None at this time.

IX. ADJOURN TEC BOARD MEETING

Following no further business, the Board President adjourned the October 2021 Board of Directors meeting at 3:25 p.m.

The next Board of Directors meeting is scheduled for November 18th at 3:00 p.m. at the Administration building in North Bend.