

MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS  
OF  
FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

September 26, 2022

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, September 26, 2022, at Ashton, Idaho. Having determined a quorum was present, President Behrens called the meeting to order at 10:05 a.m. Executive Assistant Angie Haws recorded the minutes. The invocation was given by Vice President Crowther. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Georg Behrens, Vice President Brent "Husk" Crowther, Secretary/Treasurer Jodi Stiehl

DIRECTORS PRESENT

Past President Dede Draper, Jay Hanson, Anna Lindstedt, Brent Robson, Doug Schmier, and Jeff Keay

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, CFO Linden Barney, Engineering Manager Dave Peterson, Operations Manager Brent Gamett, IT Manager Shannon Hill, Member Services Manager Sheena Lankford, HR Manager Clint Washburn, Guests Jeff Fullmer, Anna Berg, and Greg Labbe with TEA (The Energy Authority), and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

**Director Secretary Stiehl made a motion to approve the agenda as amended. Director Robson seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

APPROVAL OF MINUTES

**Director Schmier made a motion to approve the August 22, 2022, Board Meeting Minutes as presented. Director Hanson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

MEMBER COMMENTS

CEO Case stated the member comments were included in the packet for the board members to review.

FACEBOOK APPRECIATION FOR CREWS- NEILSON

THANK YOU FOR WEST YELLOWSTONE MEMBER APPRECIATION-SHEARING

THANK YOU - FOR WEST YELLOWSTONE MEMBER APPRECIATION

Included in the board packet.

## FINANCIAL & STATISTICAL REPORT

### AUGUST 31, 2022, FINANCIAL REPORTS

CFO Barney reported on the financials for August stating the net margins YTD were \$1.7M better than budgeted. The major driver for increased margins is revenue net of power cost. The biggest reason for the variance is growth in new services. The budget was based on 2% to 3% growth, and our annual growth rate is at 3.6%. Other budget variances are mainly due to the timing of actual expenses versus when they were budgeted. We have received \$8.9M in loan proceeds received in May and \$2.5M has been paid on principle payments on long-term debt. There has been \$5.4M generated from operations YTD, and we have invested \$4.8M in plant including materials. We have spent 64% of the capital budget which includes items carried over from the previous year. The Cooperative's equity ratio is just over 48%.

### CFC \$10M POWER VISION LOAN UPDATE

CFO Linden Barney reviewed current processing of documentation and requirements for final paperwork and that will be run through Attorney Rigby.

### 2023 BOARD BUDGET FOR REVIEW

Included in the board packet.

## COOPERATIVE BUSINESS

### INTEGRATED RESOURCE PLAN – JEFF FULLER AND TEA TEAM

The Energy Authority – TEA is a public power-owned nonprofit corporation. As a national portfolio management company, they evaluate challenges, manage risk, and execute solutions to help clients maximize the value of their assets and meet their goals in a cost-effective manner. Jeff Fuller reviewed Fall River's Integrated Resource Plan (IRP) and provided recommendations for the Cooperative to consider through the current PNGC and BPA contracts as well as provided information contained in IRP which will help with power and transmission decisions for post 2028 PNGC and BPA contracts.

### BOARD SELF EVALUATION

#### NRECA DIRECTOR SURVEY

Included in the board packet.

### FALL RIVER POLICY, BYLAWS, AND GUIDELINES

### 2023 PROPOSED BOARD MEETING DATES

Included in the board packet.

**Director Robson made a motion to approve the proposed 2023 Board Meeting Dates as presented. Director Keay seconded the motion.** A voice vote was taken; **THE MOTION CARRIED BY UNANIMOUS VOTE.**

### FALL RIVER MEMBER BOARD COMPENSATION COMMITTEE

CEO Case reviewed the Ad Hoc Board Compensation Committee meeting agenda items. The committee reviewed the compensation for FR's board and reviewed survey data comparing board

compensation nationally. The committee discussed requirements for the FR board, inflation, term limits, trends, bylaws, and training. The Committee submitted a recommendation to increase the daily board meeting fee by \$50.00 from \$150.00 to \$200.00 per meeting day while leaving all other Fall River Electric board compensation as is currently in place. Case also passed along the Committee's sincere gratitude to the Board for the wonderful job they are doing and expressed appreciation for their hard work on behalf of the Cooperative. The board reviewed the Ad Hoc Meeting Minutes and discussed the committee's recommendation.

**Vice-President Crowther made a motion to approve the Ad Hoc Board Compensation Committee's recommendation to increase the meeting fee amount by \$50 per meeting leaving all other compensation as is currently in place, effective immediately (meaning for any event after September 26, 2022). Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### NRECA 401K ADOPTION AND RESOLUTION

**Director Schmier made a motion to approve the 401k adoption and resolution as presented. Director Hanson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### PROPOSAL FOR FALL RIVER EV CHARGERS IN IP, ASHTON & DRIGGS – CLINT WASHBURN

Clint Washburn presented the FR EV Charging station plan noting three locations are planned, in Island Park, ID, Driggs, ID, and Ashton ID. These chargers would be level 3 Fast Chargers (175 kW) which would charge most vehicles to 80% in under 20 minutes. Grants have been secured for the project with final numbers pending and Washburn anticipates almost all of the project expense to be paid for by the awarded Grants. Currently the project is estimated to cost \$902,799.12 with \$884,942,75 awarded in Grants.

**Director Hanson made a motion to approve proceeding with the proposed EV charging stations and the proposed Fall River funding of up to \$50,000.00 to complete the project. Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### BOARD EXPENSE REPORTS – MEALS ACTUAL WITH RECEIPT OR PER DIEM

**Vice President Crowther made a motion to approve the \$50 daily meal per diem effective immediately as presented. The motion was seconded.** A voice vote was taken; THE MOTION CARRIED.

#### POST 2028 CONTRACTS FOR POWER AND TRANSMISSION TOPICS

GDS – GARY SALEBA CONTRACT TO ASSIST WITH RFP PROCESS FOR POWER AND TRANSMISSION OPTIONS

#### 2022 ANNUAL MEETING EXPENSE SUMMARY

Included in the board packet.

## WEST YELLOWSTONE MEMBER APPRECIATION EVENT

CEO Case stated the West Yellowstone Member Appreciation Event took place on September 9<sup>th</sup> from 11 a.m. to 1 p.m. The event was held at the West Yellowstone district office and was well attended. Lunch was provided at the event and 400 meals were served. Conservation kits were available one per membership for those attending, 204 kits were given out.

## COOPERATIVE REPORTS

Director Lindstedt attended an INL event and reported on its significance.

Director Hanson reported on CFC meetings and will attend NRECA District 7&9 meetings.

President Behrens reported on the ICUA meeting he attended.

Director Keay reported on a Cooperative Fundamentals class he attended through NRECA.

## CONSENT AGENDA

**Director Hanson made a motion to approve the consent agenda. Director Robson seconded the motion which included expense vouchers, new memberships, purchase of power agreements, check register, safety report, and discounted patronage capital refunds report.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE

## EXECUTIVE SESSION

**Director Robson made a motion to go into Executive Session at 1:48 a.m. Director Hanson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Hanson made a motion to go out of Executive Session at 1:57 a.m. and Director Robson seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

## MANAGEMENT DISCUSSION ITEMS

REVIEW OF THE IT MANAGEMENT SECTION – SHANNON HILL

REVIEW TRAFFIC ON FALL RIVER’S WEBSITE IN MEMBER SERVICES  
MANAGEMENT SECTION – SHEENA LANKFORD

UPDATE ON EMPLOYEE HOUSING – CLINT WASHBURN

**Director Hanson made a motion to approve the recommendation to have management and staff look at purchasing property adjacent to existing Fall River property up to \$90K as presented. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

PNGC HIGHLIGHTS – PNGC 2023 BUDGET AND TIER 2 COSTS  
Included in the board packet.

BPA PROPOSAL RATE CASE AND RDC AND PUBLIC POWER'S COUNTER OFFER  
PPC COUNTER PROPOSAL WITH SOME ADDITIONAL COUNTER PROPOSALS  
Included in the board packet.

FALL RIVER CONSERVATION PROGRAM  
SUMMARY FOR CURRENT RATE PERIOD  
Included in the board packet.

HISTORY OF FALL RIVER ENERGY EFFICIENCY  
Included in the board packet.

CFC PATRONAGE CAPITAL ALLOCATION AND RETIREMENT STATEMENT  
Included in the board packet.

FALL RIVER RENEWABLE ENERGY CREDITS (RECS) BALANCE  
Included in the board packet.

ICUA PEER SAFETY REVIEW & INSPECTION  
Included in the board packet.

#### HYDRO FACILITIES UPDATE

Island Park and Buffalo and Chester hydros generated a total of 2,545,363 kWh in August. This amounts to 8.2% of all the kWh billed by PNGC in August, and 9.0% of all kWh sold and used by Fall River in August.

Felt hydro produced 1,664,000 kWh in August. When this is included with Island Park, Buffalo, and Chester it amounts to 13.6% of all the kWh billed by PNGC in August, and 14.8% of all kWh sold and used by Fall River in August.

#### ISLAND PARK

Island Park hydro produced 1,816,411 kWh during the month of August.

#### BUFFALO

Buffalo hydro produced 11,339 kWh during the month of August. The plant was off line most of the month due to a high volume of moss coming into the intake.

#### FELT

Felt hydro produced 1,664,000 kWh during the month of August.

#### CHESTER

Chester hydro produced 717,613 kWh in August.

CHESTER SECTION 242 AWARD AND DISCUSSION  
Included in the board packet.

## DONATIONS

Included in the board packet.

## FALL RIVER'S MANAGEMENT REPORT

Included in the board packet.

## REPORTS

### EXECUTIVE COMMITTEE

Nothing to report.

### ADMINISTRATIVE COMMITTEE

Nothing to report.

### ENGINEERING & OPERATIONS COMMITTEE

Nothing to report.

### FINANCE COMMITTEE

Chairman Lindstedt reported the pre-audit conf call coming up in October and the budget meeting in October.

### POLICY COMMITTEE

Chairman Schmier reported that the Policy Committee met today and reviewed policies that will be forwarded to the board at the October board meeting. Schmier stated the Committee discussed efficiencies regarding management policies and that policies pertaining to management could be reviewed by management to streamline the process.

**Director Schmier made a motion to approve management reviewing and approving management policies, general policies 300 through 699, while continuing to have the Board review and approve governance policies which include general policies 100 through 299, noting that any significant management policy changes made would be presented to the full board for review. Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

### ATTORNEY REPORT

Nothing to report.

## ADJOURNMENT

There being no further business, **Director Hanson made a motion to adjourn. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE. The meeting was adjourned at 3:14: p.m.

DATE APPROVED: October 24, 2022

  
Secretary Jodi Stiehl