

**MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS  
OF  
RAFT RIVER RURAL ELECTRIC CO-OP, INC.**

**October 26, 2022**

**Call to Order:**

The regular board meeting of Raft River Rural Electric Co-op, Inc. was called to order by President Campbell at 9:00 a.m. on October 26, 2022 at the main office of Raft River Rural Electric Co-op, Inc. (RREC) in Malta, ID.

**Roll Call:**

Krinn McCoy conducted a roll call. Board members present in person: John Campbell, Larry Henson, Krinn McCoy, Lindsey Manning and Sherrie Erickson. Board members absent: Jason Harper and Blaine Tanner. The President declared a quorum present. Staff members present in person were: Chad Black, Mandi Hitt, Andrea Scott and Richard Hall.

**NRECA Governance Video:**

Board and staff viewed the NRECA Governance video: Filling Board Vacancies.

**Approval of Agenda:**

A motion was made, seconded and unanimously carried to approve the October 26, 2022 RREC board meeting agenda as outlined.

**Approval of Minutes:**

A motion was made, seconded and unanimously carried to dispense with the reading of the September 12, 2022 regular board meeting minutes and approve as recorded and distributed.

**Approval of Consent Agenda:**

A motion was made, seconded and unanimously carried to accept the consent agenda items.

**Executive Session:**

A motion was made, seconded and unanimously carried that the board enter into executive session at 9:17 a.m., with Chad and all board members present; all other staff members were excused. The purpose of the executive session was to discuss co-op personnel compensation and benefits. A motion was made, seconded and unanimously carried that the regular session of the board be resumed at 10:33 a.m., with all board members and staff present. No vote was taken while the board was in executive session.

**Expenses:**

The board reviewed the General Manager expenses for September 2022 and Director's expenses for August and September 2022. A motion was made, seconded and unanimously carried to accept, ratify and approve the disbursements.

**Approval of Co-op Disbursements:**

A motion was made, seconded and unanimously carried to accept, ratify and approve the co-op disbursements for the month of September 2022.

**Approval of RREC New Memberships:**

A motion was made, seconded and unanimously carried to accept the new RREC memberships.

**Approval of RREC New General Policy #514.0 – (Education Grants):**

As previously requested by the board, staff made the suggested edits to the proposed new General Policy #514.0 (Education Grants) and presented said policy to the board for further review. Said policy was also reviewed by RREC's legal counsel for input and guidance. Discussion ensued. A motion was made, seconded and unanimously carried to adopt policy #514 (Education Grants), effective October 26, 2022.

**Approval of RREC Wildland and Fire Protection Plan (UT) – Annual Review:**

The Wildland and Fire Protection Plan (UT) describes the range of operational protocols that RREC is taking or considering in an effort to mitigate the threat of power-line ignited wildfire. The Plan complies with the requirements outlined under Utah H.B. 66, which requires RREC to provide the UT Public Service Commission with an annual overview of operation and maintenance costs associated with the implementation of the plan for the past year. Discussion ensued. A motion was made, seconded and unanimously carried to accept the second annual cost and protection plan compliance report of the RREC Wildland Fire Protection Plan (UT) as presented and submit said compliance report to the Utah Public Service Commission.

**Financial Report / Investments:**

A comprehensive update of the August and September 2022 financial statements and budget for RREC were presented to the Board. September revenue was reported as +9% above budget (+5% above YTD). The amount of large commercial growth in the Raft division was discussed. The co-op's investment portfolio was reviewed and discussed.

**Key Ratio Trend Analysis (KRTA) Report:**

KRTA's presented to the board for review and discussion included: distribution equity, long term debt, and cumulative patronage capital retired.

**Past Due Accounts:**

The Co-op's receivables and past due graphs were reviewed by the board.

**New Business:**

**RREC 2023 Budget (draft):** Board and staff reviewed the 2023 draft RREC budget in detail. Said budget projected a cash flow of \$3,580,404, a \$1.9 M margin and a TIER of 5.16. Staff will continue work on the proposed budget for final review and approval during the November board meeting.

**Board-Employee Committee Meeting Report:** John, on Jason's behalf, and Sherrie reported on the board-employee committee meeting that was held prior to the October 26 board meeting at 8:00 am in the RREC small conference room.

**RREC Christmas Party:** Staff is proposing the date of December 2 for the RREC company Christmas party. Details of the event are still TBD.

**Continuing Business:**

**PNGC:** Chad and those board members who attended, reported on the PNGC Annual Meeting, which was held in-person on October 4, in Portland, OR. Discussions held during said meeting included: Post-2028 contracts, PNGC's Post-2028 vision and value proposition, and a look-ahead on major policy and legislative issues. John Hairston, BPA Administrator, was also a guest speaker during said meeting. Chad noted that Michael Jung, VP of Government Affairs, resigned from PNGC and that Connor Reiten has been named as the new VP of Government Affairs. The PNGC Board is in the beginning stages of the succession plan for Roger Gray, PNGC President & CEO, as he is set to retire in the near future.

**Albion City Agreements:** RREC received the finalized Service Area Agreement from RREC's legal counsel. Said agreement was submitted to the City of Albion mayor for the City's review and approval in August 2022. To date,

RREC has not received said agreement back, nor has there been any correspondence regarding it from the city. The Electrical Operation Agreement is still in the revision and negotiation process and has not been finalized by either party.

**RREC Annual Meeting (2023):** RREC's annual meeting of the members will be held in-person on Wednesday, April 12, 2023, at the Raft River High School. Director seats up for the 2023 election include: Blaine Tanner; District 3; Lindsey Manning; District 5; Larry Henson; At-Large. Application deadline is February 11, 2023.

**RREC Strategic Planning Summary Review (2022):** The RREC Strategic Planning Session held on September 13-14, 2022 in Jackpot, NV and facilitated by CFC was discussed. The summary of the enterprise risk management session which helped to identify, prioritize and develop mitigation action items, specifically for RREC, was reviewed.

**Other Business:** Lindsey discussed with staff and the board a possible contribution request for a lighting project at the Owyhee High School football field. A formal contribution request was to be sent to RREC from the Sho-Pai Tribes; RREC has not received said request to date.

**RREC Board Travel/General Information:** The next RREC board meeting is scheduled for Wednesday, November 16, 2022 beginning at 9:00 a.m. in the Raft River Electric boardroom. Upcoming board travel was reviewed and confirmed.

**Reports:**

**Conservation:** The current conservation report and projects in progress or in the que were reviewed. RREC's remaining FY21-23 budget to date is \$238,183.


**Operations:** The operations report and jobs the line crews and electricians are working on were discussed as well as near misses and outages that occurred. The October safety meeting was conducted by ESCI. (Topic(s) covered included: two-man rule and EPZ grounding) Safety meeting assignments were confirmed: November – Jason, December - Jason. Richard reported on the Jackpot Advisory Board Meeting held in October, which Mike C. attended.

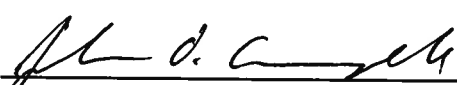
In early October, RREC received the final OSHA inspection report on Casey Durfee's accident, which occurred on May 3, 2022. RREC received no citations, violations or pending charges. OSHA made a recommendation for RREC to review its lockout/tagout procedures, to help mitigate future accidents from happening. Reviews to said procedures have been completed.

**Water District:** John reported on the recent water district meeting, on Jason's behalf. It was discussed that any water curtailment that may be imposed is likely to be several years out (possibly 4-6), but could be a drastic amount if and when that does happen.

**RREC Power Bill Review:** The board reviewed and discussed RREC's PNGC power bill for September 2022.

There being no further business, President Campbell adjourned the meeting at 2:30 p.m.

  
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Jason Harper  
Secretary of the Board  
Raft River Rural Electric Co-op, Inc.

  
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John Campbell  
President of the Board  
Raft River Rural Electric Co-op, Inc.