

HIGHLINE ELECTRIC ASSOCIATION  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
February 15, 2024

A regular meeting of the Board of Directors of Highline Electric Association was held at the office of the Association in Holyoke, Colorado at 9:00 A.M. on February 15, 2024.

ROLL CALL

Vice President Jim Lueck presided at the meeting. Directors present in person were:

Leo Brekel	Pam Stieb
David Carlson	Jim Lueck
Steve Oestman	Merlin Prior
Lisa Schilke	Aaron Sprague

Directors present via video conference were:

Ted Carter

Directors Mike Bennett and Brad Stromberger were absent.

Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Jim Jackson, Rance Ferguson, Elise Pocock, and Tadius Huser were present in person or via video conference. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was revised and adopted as revised.

MINUTES APPROVED

The minutes of the January 25, 2024, Regular Meeting of the Board of Directors were presented. It was properly moved, seconded, and carried to adopt the minutes as presented.

MANAGER'S REPORT

Manager Herman presented the Manager's Report. He reported on kWh Purchased, kWh Sold, Operating Revenue, Billing Summary, Expenses, Operating Margins, and Cash & Investments through January 2024. Herman discussed the possibility of participating in Tri-State's new partial requirements program. Preliminary analysis shows that Highline could save \$500,000 per year.

Herman was elected to the NRECA Board of Directors, representing Colorado. Herman discussed how to handle the per diem and PTO for attending meetings. It was properly moved, seconded, and carried to authorize Herman to keep the per diem paid by NRECA and to require Herman to use his PTO for attendance at events in his capacity as NRECA director, except for the NRECA Annual Meeting, the NRECA Region 7 meeting, and the NRECA Legislative Rally.

Herman asked the directors if they would like a Tri-State representative to speak at the Highline Annual Meeting. The consensus of the Board is for Dennis to speak about Tri-State issues. Herman reported that he accepted a one-year fuel contract that provides Highline a \$.15 per gallon discount at the pump.

## OPERATIONS AND SAFETY REPORT

Operations Manager Rance Ferguson presented the Operations and Safety Report. He reported on contractor work and copper thefts. He reported on Highline crew work.

Ferguson presented the Safety Report. There was one accident, which did not result in any lost time. He also presented the outage report.

## MEMBER SERVICES REPORT

Member Services Manager Tadius Huser presented the Member Services Report. He discussed new services, rebates, RLF loan activity, renewable systems, EV charging station activity, and annual meeting preparations.

## ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on project work in engineering, information technology, metering, staking, and communications. He provided status updates on the following large projects: Sterling-West Plains Transmission Line, Atwood Substation Construction, and the Lamar 69 kV Substation upgrades. He reported on cyber security and transformer testing at the Atwood Substation.

## CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of January 31, 2024. Highline paid \$3,183.51 in fees on \$234,573.45 worth of credit card payments in January. Jackson reported that Highline will be processing automatic payment drafts on a different date going forward. Highline bills will be sent in the new format this month. Jackson presented the balance sheet, Form 7, cash flow report, and check register. Jackson presented year-end financials for Highline Services, LLC.

## CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-2 Board of Directors (no recommended changes)
- b. Policy 6-5 Net-Metering (no recommended changes)
- c. New Members and Membership Refunds
- d. Subordination Agreements or Release of Liens
- e. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent.

## POLICY 1-4 BOARD OF DIRECTOR-MANAGER RELATIONSHIP

Manager Herman presented revised Policy 1-4. It was properly moved, seconded, and carried to approve Policy 1-4 as presented.

## UPDATE ON GRANT APPLICATIONS-ENVIRONMENTAL STUDY

Herman reported that Highline must complete a full environmental assessment at a cost of approximately \$30,000.00 to move forward

with its REAP grant application. The Board discussed whether to pay for the assessment.

It was properly moved, seconded, and carried to authorize Herman to move forward with the environmental assessment.

#### VEHICLE PURCHASE

Herman presented two bids for a track equipped side-by-side to replace Highline's snow cat. Herman recommended accepting the Honda bid. It was properly moved, seconded, and carried to accept the Honda bid.

#### TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. He reported on his attendance at the strategic planning session. Tri-State expects to end 2023 with positive margins.

#### CREA

Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. Lueck reported that SB24-159 would ban new oil & gas permits after January 1, 2030. Directors Schilke, Prior, Brekel, and Manager Herman reported on their attendance at the CREA Annual Meeting.

#### WESTERN UNITED

Ted Carter reported that he did not attend the last meeting of the Western United Board of Directors because it was on the same day as the Highline Board of Directors meeting.

#### NREA

Merlin Prior reported on his attendance at the NREA Legislative Special Session. Proposed legislation would require any utility in Nebraska retiring a dispatchable resource to replace it with another dispatchable resource.

#### MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

Merlin Prior will be Highline's delegate to the Tri-State Annual Meeting and Pam Stieb will be the alternate.

It was properly moved, seconded, and carried to appoint Leo Brekel as Highline's delegate to the NRECA Annual Meeting (Power Xchange) and Dennis Herman as the alternate.

#### GM EVALUATION

Dennis Herman presented his proposed goals for 2024. It was properly moved, seconded, and carried to approve the goals as presented.

#### PUBLIC COMMENT

There was no Public Comment.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding personnel, with all directors present at the meeting, Attorney Williamson, Dennis Herman, and Alex Astley attending. Astley left the meeting during executive session. It was properly moved, seconded, and carried to exit executive session.

EMERGENCY BUSINESS

There was no Emergency business.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 11:46 a.m.

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SECRETARY

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PRESIDENT