

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
March 21, 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 March 21, 2024.

ROLL CALL

President Mike Bennett presided at the meeting. Directors present in person were:

Mike Bennett	Leo Brekel
Ted Carter	David Carlson
Merlin Prior	Lisa Schilke
Aaron Sprague	Brad Stromberger

Directors Pam Stieb, Steve Oestman, and Jim Lueck 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 February 15, 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 February 2024. Herman reported that the Ormat distributed generation project will be shutting down.

Directors Sprague and Stromberger reported on water issues.

Herman recommends phasing in increases to the residential facilities charge to bring it in line with the cost-of-service study. Herman reported that Tri-State's proposed rate has not been accepted by the FERC. Tri-State CEO, Duane Highley, will attend the April Board meeting.

Herman reported that he has a scheduling conflict with the April Highline Board meeting. It was properly moved, seconded, and carried to hold the April Board of Directors meeting on April 17, 2024 at 9:00 a.m.

Herman reported that he took delivery of the Manager's vehicle, which was different than the vehicle ordered. Due to delivery issues and an available rebate, Highline received a vehicle with

additional equipment at a lower price than the original vehicle ordered.

OPERATIONS AND SAFETY REPORT

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

Ferguson presented the Safety Report. There was one accident. The extent of the injury is unknown. He also presented the outage report and reported on safety training.

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, the Lamar 69 kV Substation upgrades, and the Trailblazer substation.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of February 29, 2024. Highline paid \$3,271 in fees on \$258,633 worth of credit card payments in February. Jackson reported on member response to the new bill design and rate increase.

Jackson presented the balance sheet, Form 7, cash flow report, and check register. Jackson presented a three-year summary of the load control program. Jackson reported on Highline's year-end financials.

POLICY 5-1 CONTRIBUTIONS

Manager Herman presented Policy 5-1. The policy was revised to delete paragraph four. It was properly moved, seconded, and carried to approve Policy 5-1 as revised.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-8 Safety(no recommended changes)
- b. Policy 1-10 Use of Association Owned Vehicles (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.

2024 CHARITABLE DONATIONS

Manager Herman presented a summary of past donations and a proposal for 2024 donations. It was properly moved, seconded, and carried to approve the donations as presented.

DEFERRED REVENUE

Manager Herman recommended amending Highline's deferred revenue plan to recognize \$1.9 million in 2023. He presented a resolution amending the plan. It was properly moved, seconded, and carried to approve the resolution as presented.

VEHICLE PURCHASE

Herman presented three bids to replace unit 36. It was properly moved, seconded, and carried to accept the low bid from Korf.

UPDATE ON GRANT APPLICATIONS

Herman reported that Highline is in final negotiations with the first GRIP funding application with the NRECA consortium. The consortium, led by San Luis Valley REC, for second round GRIP funding has been invited to submit a full application and staff is working to supply data for this application. Herman reported that Highline has been invited to submit full applications for RMUC funds and Nebraska Department of Environment and Energy's Grid Resiliency funds.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. He reported on 2023 financials. Tri-State is considering moving its headquarters to a smaller building to avoid a new Colorado law that requires converting the current building to all electric.

CREA

Manager Herman reported on his attendance at the regular meeting of the CREA Board of Directors. He reported on proposed legislation that would impact electric utilities.

NREA

Merlin Prior reported on proposed legislation that would impact public power districts in Nebraska.

WESTERN UNITED

Ted Carter reported that sales are strong at Western United.

TRI-STATE CONTRACT COMMITTEE

Manager Herman reported on his attendance at the Tri-State contract committee meeting. The committee will consider whether to recommend that members sign contract extensions. Herman reviewed the committee priorities.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

PUBLIC COMMENT

There was no Public Comment.

EMERGENCY BUSINESS

There was no Emergency business.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 12:20 p.m.


SECRETARY


PRESIDENT