

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
May 16, 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 May 16, 2024.

ROLL CALL

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

Mike Bennett	Leo Brekel
Ted Carter	Steve Oestman
Jim Lueck	Pam Stieb
Merlin Prior	Lisa Schilke
Aaron Sprague	

Directors Brad Stromberger and David Carlson attended via video conference. Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Jim Jackson, Tadius Huser, and Rance Ferguson 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 April 17, 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 April 2024. Herman reported on the status of the cultural survey for Highline's Amitie solar project. Herman asked the directors if they would like to appoint an audit committee for the next audit. After discussion, it was the consensus of the Board to have the auditor present the audit to the Board next year. Staff will review the current audit process and bring any recommended changes to the Board. Herman reported on the impacts of Tri-State's failure to obtain the FERC's approval of Tri-State's most recent rate filing. Tri-State will be filing another rate filing at the FERC soon. Herman recommends participating in the FERC proceeding along with other similarly situated Tri-State member co-ops. He estimates Highline's cost to participate to be approximately \$200,000 if three or more co-ops join Highline.

It was properly moved, seconded, and carried to participate in the FERC proceeding related to Tri-State's yet to be filed rate, sharing legal counsel with other similarly situated Tri-State members. Leo Brekel abstained from the vote.

OPERATIONS AND SAFETY REPORT

Operations Manager Rance Ferguson presented the Operations and Safety Report. He reported on transmission outages. He reported on Highline crew work and personnel matters.

Ferguson presented the Safety Report. There were no accidents. He also presented the outage report.

MEMBER SERVICES REPORT

Member Services Manager Tadius Huser presented the Member Services Report. He reported on new services, rebates, RLF loan activity, renewable systems, and EV charging station activity.

ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on project work in engineering, information technology, metering, staking, and communications. He reported on issues with Highline's meters not reporting. He provided status updates on the following large projects: Sterling-West Plains Transmission Line, Atwood Substation Construction, 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 April 31, 2024. Highline paid \$3,325.60 in fees on \$253,384.39 worth of credit card payments in April.

Jackson presented the balance sheet, Form 7, cash flow report, and check register.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-11 Purchases (no recommended changes)
- b. Policy 3-3 Privacy and Confidentiality for Members and Information Requests (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 4-1 EQUITY AND CAPITAL CREDIT MANAGEMENT

General Manager Herman presented Policy 4-1 with the capital credit discounting methodology attached as an appendix. It was properly moved, seconded, and carried to approve the Policy as presented.

COBANK AND CFC LINES OF CREDIT INCREASE

General Manager Herman presented:

1. Incumbency certificates for CoBank;
2. CFC Resolution approving line of credit and incumbency certificate; and
3. CFC Line of Credit Agreement.

It was properly moved, seconded, and carried to approve the resolution as presented.

UPDATE ON GRANT APPLICATIONS

Herman reported on the status of Highline's grant applications. He presented a resolution in support of Highline's RMUC Grant application. It was properly moved, seconded, and carried to approve the resolution as presented.

BAD DEBT WRITE-OFF

General Manager Herman presented the list of bad debts for write-off. It was properly moved, seconded, and carried to approve the list of bad debts for write-off as presented.

EV DC FAST CHARGING STATION RATE

Tadius Huser presented a summary of DC fast charging station rates in neighboring areas. It was properly moved, seconded, and carried to increase Highline's EV DC fast charging station rate to \$.45/kWh.

CONSTRUCTION CONTRACT CLOSEOUT

Alex Astley presented information regarding close-out of the 2023 distribution construction contract. He presented information regarding change orders. He presented the Certificate of Completion and related closeout documents. It was properly moved, seconded, and carried to approve the Certificate of Completion and related closeout documents.

Alex Astley presented information regarding close-out of the Atwood substation contract. He presented information regarding change orders. He presented the Certificate of Completion and related closeout documents. It was properly moved, seconded, and carried to approve the Certificate of Completion and related closeout documents.

Alex Astley presented information regarding close-out of the Sterling-West Plains transmission line construction contract. He presented information regarding change orders. He presented the Certificate of Completion and related closeout documents. It was properly moved, seconded, and carried to approve the Certificate of Completion and related closeout documents.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. United Power completed its withdrawal as a member of Tri-State by paying the FERC approved contract termination payment. NRPPD did not pay the CTP but insists that it has satisfied the requirements to withdraw. The Tri-State Board approved the new Bring Your Own Resource Policy. Brekel reviewed Tri-State's financials through March.

President Bennett recessed the meeting at 12:05 p.m. and reconvened at 1:01 p.m.

CREA

Jim Lueck reported that he was not able to attend the regular meeting of the CREA Board of Directors. General Manager Herman reported on his attendance at the CREA Board meeting, the joint

meeting of the CREA Board of Directors and General Managers, and the CREA General Managers' meeting.

NREA

Merlin Prior reported on his attendance at the regular meeting of the NREA Board of Directors. He reported on personnel matters. The NREA Board voted to participate in the Navajo Nation electrification program instead of the program in Central America. The NREA Board voted to propose a NRECA resolution opposing wind, solar, and other renewable energy legislation. The Nebraska Governor spoke to the NREA Board.

WESTERN UNITED

Ted Carter reported on his attendance at the regular meeting of the Western United Board of Directors. Sales are better than last year. Western United is retiring \$3.5 million in patronage to its members.

NRECA LEGISLATIVE CONFERENCE

General Manager Herman reported on his attendance at the NRECA Legislative Conference.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to appoint Jim Jackson as Highline's delegate to the CFC Forum.

PUBLIC COMMENT

There was no Public Comment.

EMERGENCY BUSINESS

It was properly moved, seconded, and carried to authorize General Manager Herman to support Tri-State's upcoming FERC rate filing at his discretion.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 1:50 p.m.



SECRETARY



PRESIDENT