

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
August 22, 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 August 22, 2024.

ROLL CALL

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

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

Director Brad Stromberger was absent. General Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Tadius Huser, Jim Jackson, Elise Pocock, Kris Camblin, 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 July 18, 2024, Regular Meeting of the Board of Directors were revised. It was properly moved, seconded, and carried to adopt the minutes as revised.

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 July 2024.

Aaron Sprague reported on his attendance at the regular meeting of the RRWCD Board of Directors. The District is increasing its fee. The District has retired approximately 17,000 acres of irrigation.

Herman reported on Highline's efforts to obtain grant funds for eagle protection. He reported on the status of discussions with Julesburg and Fleming regarding operations and maintenance of their systems. The western states statewide association group is proposing resolutions to NRECA to pursue wildfire legislation. Herman and Tad Huser reported on the status of O&M on the Freewire EV charging station. FERC accepted Tri-State's proposed formulary rate, subject to refund. Herman reported on the status of Highline's grant applications. Highline's medical insurance benefit plan premium will increase approximately 5%.

OPERATIONS AND SAFETY REPORT

Operations Manager Rance Ferguson presented the Operations and Safety Report. He reported on system damage caused by recent storms. He reported on a power supplier outage at the Wages and Red Willow substations.

Ferguson presented the Safety Report. He also presented the outage report and reported on personnel matters.

MEMBER SERVICES REPORT

Tadius Huser presented the Member Services Report. He reported on new services, rebates, RLF activity, and renewable energy DG systems.

ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on project work in engineering, information technology, metering, staking, and communications. A new engineer will start in September.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of July 31, 2024. Highline paid \$2,995.69 in fees on \$206,627.72 worth of credit card payments in July.

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

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-16 Medical Insurance (no recommended changes)
- b. New Members
- c. Subordination Agreements or Release of Liens

The Consent Agenda was approved by unanimous consent.

POLICY 1-15

General Manager Herman presented revised Policy 1-15. It was properly moved, seconded, and carried to approve Policy 1-15 as presented.

POLICY 1-21

General Manager Herman presented revised Policy 1-21. It was properly moved, seconded, and carried to approve Policy 1-21 as presented.

AUDIT AGREEMENT

General Manager Herman presented an engagement letter from Decoria & Company, P.C. for audit services. It was properly moved, seconded, and carried to approve the engagement letter as presented.

RLF LOAN REQUEST

General Manager Herman presented a RLF loan request. Discussion followed.

It was properly moved, seconded, and carried to authorize the loan as requested, contingent on receiving personal guarantees from the homeowner members of the applicant HOA, and contingent on the HOA applicant receiving the remaining funds for the temporary solution.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. He reported on workforce reductions at Tri-State. Tri-State's new formulary rate and Bring Your Own Resource Policy were accepted, subject to refund, by the FERC. Standard & Poor changed Tri-State's rating to stable. Tri-State completed its 2024 Electric Resource Adequacy Annual Report. NRPPD agreed to pay Tri-State's power bills. Tri-State's June margins were better than budgeted, due mostly to recognition of deferred revenue.

CREA

Jim Lueck reported that there was no meeting of the CREA Board of Directors.

WUE

Ted Carter reported that there was no meeting of the Western United Board of Directors.

NREA

Merlin Prior reported on his attendance at the quarterly meeting of the NREA Board of Directors. NREA admitted a new member, Southern Power. The NREA received its audit report.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

President Bennett recessed the meeting at 12:01 p.m. and reconvened at 12:50 p.m.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to enter executive session for confidential discussion regarding legal and regulatory matters and Tri-State's BYOR Policy, with all Directors present at the meeting, Manager Herman, staff present at the meeting, and Attorney Williamson present. It was properly moved, seconded, and carried to exit executive session.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 1:05 p.m.

Merlin B. Priest

SECRETARY

M. B. Priest

PRESIDENT