

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
September 21, 2023

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 September 21, 2023.

ROLL CALL

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

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

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

AGENDA APPROVED

The agenda was adopted as presented.

MINUTES APPROVED

The minutes of the August 17, 2023, 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 presented graphs of kWh Purchased, kWh Sold, Operating Revenue, Expenses, Operating Margins, and Cash & Investments through August 2023. Herman estimates that Highline will finish 2023 with a negative \$2 million margin. He presented a summary of projected rate increases and the deferred revenue plan through 2026. Highline will donate a golf package at Sky Ranch Golf Club in Sterling to the CARE auction. Highline's medical benefits premium will increase by 8% in 2024. Highline is providing data to Tri-State as part of Tri-State's consideration of a demand response program in the eastern interconnect. Herman reported on the results of Highline's security audit. Herman asked the Board to consider turning four services over to Morgan County Rural Electric Association that Highline currently serves with MCREA lines.

Herman reported that a delegate needs to be appointed to the upcoming Touchstone Energy member meeting.

It was properly moved, seconded, and carried to appoint Dennis Herman as Highline's delegate to the Touchstone Energy member meeting.

OPERATIONS AND SAFETY REPORT

Operations Manager Rance Ferguson presented the Operations and Safety Report. Highline received pickups originally ordered in 2022. The contractor is working on corrections for the Sterling-West Plains transmission line project. Ferguson reported on the results of infrared inspections and crew activity.

Ferguson presented the Safety Report. There were no accidents in August. 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, and EV charging station activity.

ENGINEERING REPORT

Engineering Manager Alex Astley presented the Engineering Report. He reported on projects in the engineering, IT, metering, staking, and communications departments. Astley reported on the Sterling-West Plains Transmission Line project corrections. Astley reported on Highline irrigation load control activity in August.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of August 30, 2023. Highline paid \$3,010.50 in fees on \$202,966.64 worth of credit card payments in August. Highline will start accepting credit card payments at third-party retail establishments in 2024. Jackson presented the Form 7, cash flow report, and check register.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-20 Records Management
- b. Policy 2-3 Volunteer Service
- 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.

COLORADO NRECA MEMBER MEETING VOTING DELEGATE

It was properly moved, seconded, and carried to appoint Pam Stieb as Highline's voting delegate and Lisa Schilke the alternate to the Colorado NRECA member meeting.

CHARGE AHEAD COLORADO GRANT

The Colorado Energy Office awarded Highline a grant for a level 2 EV charger at Highline's headquarters building. The net cost to Highline is estimated to be \$3,000.00. Highline would install the charger with Highline employees.

It was properly moved, seconded, and carried to accept the grant.

BUCKET TRUCK BIDS

Dennis Herman presented two bids for 1-man bucket trucks. Herman recommended accepting the Altec bid for four units, to fill the 2023 and 2024 budgeted units.

It was properly moved, seconded, and carried to accept the Altec bid for four units.

FAMLI INSURANCE

Manager Herman presented two proposals from private insurance companies to satisfy Highline's obligation under the Colorado FAMLI Act. Both proposals are less than the cost through the state run plan. The Principle bid would save Highline at least \$15,000 per year.

It was properly moved, seconded, and carried to accept the bid from Principle, including vision insurance, with Highline paying up to the cost of employee plus child premium for vision, and including dental as an employee elective benefit.

GRANT FUNDING OPPORTUNITIES

Manager Herman reported on the status of the IRA and IIJA grant applications. Highline submitted an application for New Era funding of four solar projects for \$23,373,803.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. The Tri-State Board approved two contracts with Western States Power Corporation. WAPA and Basin are moving forward with a western expansion of SPP. The Tri-State Board has met in executive session to consider New Era funding opportunities. Brekel reviewed Tri-State's financials through July. Tri-State issued a reverse RFP for power sales.

Dennis Herman reported on Highline's FERC legal fees. He reported on the recent trial court decision in the Adams County lawsuit between Tri-State and United Power.

CREA

Director Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. The CREA Board received presentations from Holy Cross Energy GM Bryan Hannegan and from a CAMU representative.

WESTERN UNITED ELECTRIC

Ted Carter reported on his attendance at the regular meeting of the Western United Electric Board of Directors. Western's member sales have been down year over year for three straight months.

EXECUTIVE SESSION

It was properly moved, seconded, and carried, to go into executive session for confidential discussion regarding personnel, legal,

and regulatory matters. It was properly moved, seconded, and carried to exit executive session.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 12:08 p.m.



SECRETARY



PRESIDENT

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