

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
October 19, 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 October 19, 2023.

ROLL CALL

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

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

Director Ted Carter was 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 revised and adopted as revised.

EMPLOYEE WAGE COMMITTEE

Employees Mendi Lutze, Jace Rhodes, and Landon Schaffer, entered the meeting. The employees presented employee requests regarding wages and benefits. The employees left the meeting.

MINUTES APPROVED

The minutes of the September 21, 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 September 2023. Herman reported on his conversations with a company promoting solar projects on cropland. Herman reported on the status of Highline's grant applications. Highline's grant application for electronic reclosers was accepted. Herman reported on Highline's planned substation modifications to accommodate an existing member's new load requirements. Herman reported on Highline's conversation with the Colorado Parks & Wildlife regarding dove hunters in Sedgwick County placing decoys on Highline's electric lines. CPW told Highline that there is nothing they can do because there is no crime to charge them with. Herman will follow up with CPW regarding potential charges. Herman reported on Highline's policy requiring service disconnects on certain types of services.

OPERATIONS AND SAFETY REPORT

Operations Manager Rance Ferguson presented the Operations and Safety Report. He reported on copper thefts from Highline facilities, windstorm damage, and substation switching and planned outages.

Ferguson presented the Safety Report. There were no accidents in September. 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. He reported on his attendance at a Tri-State G&T conference.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of September 30, 2023. Highline paid \$3,116.84 in fees on \$224,501.48 worth of credit card payments in September. Jackson presented the Form 7, cash flow report, and check register.

ENGINEERING REPORT

Dennis Herman reviewed Alex Astley's written Engineering Report.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 2-10 Discipline and Discharge
- b. Policy 2-12 EEO Harassment
- c. New Members and Membership Refunds
- d. Subordination Agreements or Release of Liens
- e. Estate Capital Credit Refunds

An estate refund request was pulled from the consent agenda on Attorney Williamson's recommendation.

The Consent Agenda was approved by unanimous consent.

Attorney Williamson presented information regarding a conflict of interest regarding an estate refund request. It was properly moved, seconded, and carried to approve a consent to conflict of interest as presented by Attorney Williamson.

2024 BUDGET

Dennis Herman presented a preliminary operating budget for 2024. The budget includes an overall retail rate increase of 3.2%.

Attorney Williamson left the meeting for Herman to report on United Power's proposed agreement for withdrawal from Tri-State. Attorney Williamson re-entered the meeting.

Herman continued presenting the 2024 preliminary budget.

President Bennett recessed the meeting at 11:58 a.m. and reconvened at 12:56 p.m.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding personnel and FERC matters, with all directors present at the meeting, Dennis Herman, and Attorney Williamson attending. Williamson did not attend the portion of executive session regarding FERC matters. Jim Lueck left the meeting at 1:45 p.m. It was properly moved, seconded, and carried to exit executive session.

It was properly moved, seconded, and carried to increase wages in 2024 as discussed in executive session.

Rance Ferguson and Tadius Huser re-entered the meeting.

DISTRIBUTION LINE CONSTRUCTION CONTRACT

Dennis Herman presented bids for multiple distribution line projects. It was properly moved, seconded, and carried to accept the low bid from Ward Electric.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State G&T Board of Directors. Construction has begun on the solar project at the site of the retired Escalante Power Plant. Tri-State changed its auditor. Brekel reviewed Tri-State's August financials.

CHASE SUBSTATION TRANSFORMER

Dennis Herman presented bids for replacing the transformer at the Chase substation. Highline received two qualifying bids. Staff asked questions to the low bidder and is awaiting responses. Herman recommended accepting the low bid, contingent on staff's satisfaction with the bidder's responses, and, if staff does not accept the answers, to accept the next low bid. It was properly moved, seconded, and carried to accept the low bid, contingent on staff's satisfaction with the bidder's responses, and, if staff does not accept the answers, to accept the next low bid.

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 3:10 p.m.



SECRETARY



PRESIDENT