

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
December 16, 2021

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 December 16, 2021.

ROLL CALL

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

Leo Brekel	Merlin Prior
Pam Stieb	Mike Bennett
Steve Oestman	Merl Miller
Jim Lueck	Aaron Sprague
David Kinnison	Ted Carter
Brad Stromberger	

Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Jim Jackson, Rance Ferguson, and Tadius Huser were present in person. Alex Astley was present via telephone. Attorney Levi Williamson recorded the minutes of the meeting. Leo Brekel entered the meeting at 9:25 a.m.

AGENDA APPROVED

The agenda was approved as presented.

MINUTES APPROVED

The minutes of the November 18, 2021, meeting were approved 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 November 2021. Herman reported that Tri-State will retire approximately \$550,000.00 in patronage capital to Highline in January.

Herman presented the Ormat Report, which indicated year-to-date savings of \$40,638.98. Herman reported that lead times on new trucks is currently more than one year. Highline will request bids for trucks to be delivered in 2022 and 2023. Herman reported on his discussions with the Town of Haxtun regarding their electric system after Haxtun experienced a significant outage. Highline's insurer, Federated Insurance, is in discussions with CREA and an engineering firm to provide consulting services to distribution co-ops to establish wildfire mitigation plans. Herman reported that DMEA was the victim of a cyber-attack. Herman discussed measures Highline is taking to mitigate the risk of such an attack at Highline. Herman reported on the status of Tri-State regulatory dockets. Highline received an RFP to serve a block chain mining facility. Herman is discussing the opportunity with Tri-State.

OPERATIONS AND SAFETY REPORT

Rance Ferguson presented the Operations and Safety Report. He reported on system damage from the December 15th windstorm and pole testing results.

Ferguson presented the outage report and safety committee report. There were no accidents.

MEMBER SERVICES REPORT

Tadius Huser presented the Member Services Report. He reported on new services, rebates, net-metering, and personnel.

ENGINEERING REPORT

Dennis Herman presented the Engineering Report as drafted by Alex Astley. Highline achieved improved system reliability through discussions with the manufacturer of Highline's reclosers. Herman reported on IT, metering, staking, and communications projects.

CORPORATE SERVICES REPORT

Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of November 30, 2021. Highline paid \$2,297.69 in fees on \$164,541.31 worth of credit card payments in November. Jackson reviewed final figures for Highline's 2021 capital credit retirement. Jackson presented the Form 7, cash flow report, and check register.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-7 Per Diem and Expenses for Board Members
- b. Policy 2-4 Wage and Salary Administration
- c. Policy 6-2 Power and Energy Conservation
- d. Safety Committee Report
- e. New Members and Membership Refunds
- f. Subordination Agreements or Release of Liens
- g. Estate Capital Credit Refunds

The Harold Fritzler Estate Capital Credit refund was removed from the Consent Agenda.

The remaining items on the Consent Agenda were approved by unanimous consent.

DC FAST CHARGING STATION

Manager Herman reported on the status of Highline's DC fast charging station. The estimated net cost to highline is \$28,459.71 after receipt of grant and Tri-State funds.

Herman presented an agreement with Freewire Technologies for the purchase of the DC fast charger equipment. It was properly moved, seconded, and carried to approve the contract as presented.

Herman presented a Charging Station License Agreement between Highline and Lowery and Lowery. It was properly moved, seconded, and carried to approve the license agreement as presented.

HIGHLINE BYLAW AMENDMENTS

Manager Herman reviewed the changes to Highline's Bylaws as discussed at the November meeting. Herman reported that he discovered after the November meeting that there are companies that can run a hybrid election for co-ops, allowing members to vote electronically, by mail, or in-person. Herman recommends amending the Bylaws to allow for electronic voting and attendance by members at Highline's member meetings.

It was properly moved, seconded, and carried to direct staff to draft amendments to the Highline Bylaws authorizing electronic voting in director elections and electronic attendance by members at member meetings.

RLF APPLICATION

Manager Herman presented information regarding an application for a loan from Highline's revolving loan fund. After discussion, it was the consensus of the Board to reject the application.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. United Power delivered its notice of intent to withdraw from Tri-State. Brekel reviewed Tri-State's financials. Tri-State is retiring \$10 million in patronage capital.

CREA

Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. He presented the written board report. He reported on CREA personnel.

WESTERN UNITED

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

President Bennett recessed the meeting at 12:05 p.m. for lunch and reconvened at 1:00 p.m.

Aaron Sprague left the meeting.

NREA

Merlin Prior, Leo Brekel, and Merl Miller reported on their attendance at the NREA Annual Meeting. Prior reported on NREA's financials and the 2022 budget.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to appoint Dennis Herman as Highline's delegate to the NRTC Annual Meeting.

It was properly moved, seconded, and carried to go into executive session for confidential power supply and board matters, with the following in attendance: All directors, except Aaron Sprague, Manager Herman, and Attorney Williamson. Leo Brekel attended for the discussion regarding board matters and left for the discussion

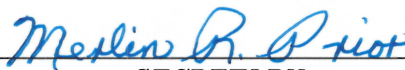
regarding power supply matters. It was properly moved, seconded, and carried to exit executive session.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 2:00 p.m.



SECRETARY



PRESIDENT

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