

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
November 18, 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 November 18, 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. Attorney Levi Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was approved as presented.

MINUTES APPROVED

The minutes of the October 21, 2021, meeting were revised and approved as revised.

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 October 2021. Herman also presented the Ormat Report, which indicated year-to-date savings of \$38,642.82.

Aaron Sprague reported on matters at the Republican River Water Conservation District. The District increased its fee to \$30.00 per acre.

Herman reported on the status of various Tri-State FERC and Colorado PUC dockets. Herman reported on the results of the pay equity analysis. There were no recommended changes to wages. Herman reported on federal Covid-19 vaccine mandates for federal contractors. Herman is investigating a program for offering discounted retirement of capital credits to members leaving Highline. He is also investigating changing Highline's billing dates now that AMI is fully deployed. Herman requested authority to order windows to be installed at the headquarters building in 2022.

It was properly moved, seconded, and carried to authorize General Manager Herman to order windows up to \$30,000.00.

OPERATIONS AND SAFETY REPORT

Rance Ferguson presented the Operations and Safety Report. He reported on substation maintenance, delays in fall underground projects, and line crew activity.

Ferguson presented the outage report and safety committee report. There was one accident. There were no injuries.

MEMBER SERVICES REPORT

Tadius Huser presented the Member Services Report. He reported on new services, rebates, RLF activity, and the status of the Charge Ahead EV Grant.

ENGINEERING REPORT

Dennis Herman presented the Engineering Report as drafted by Alex Astley. Herman reported on the resolution of a heating issue with the Haxtun Substation transformer.

CORPORATE SERVICES REPORT

Jim Jackson presented the Corporate Services Report. Jackson presented interest rates and CFC Commercial Paper Investments as of October 30, 2021. Highline paid \$2,662.76 in fees on \$201,275.28 worth of credit card payments in October. Jackson reviewed the HEA Cares employee fund and reported on the results of the 2021 inventory count. Jackson presented the Form 7, cash flow report, and check register.

It was properly moved, seconded, and carried to pay full-time employees a \$200.00 bonus, net of taxes, and part-time employees a \$50.00 bonus, net of taxes.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Revised Policy 3-4 Prepayment and Deposit Requirements for Certain Irrigation Services
- b. Policy 4-3 Reserves for Depreciation
- c. Revised Policy 7-1 Accounting Records
- d. Safety Committee Report
- e. New Members and Membership Refunds
- f. Subordination Agreements or Release of Liens
- g. Estate Capital Credit Refunds

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

POLICY 2-1 EMPLOYMENT

Manager Herman presented revised Policy 2-1. It was properly moved, seconded, and carried to approve the policy as presented.

POLICY 2-10 DISCIPLINE AND DISCHARGE

Manager Herman presented revised Policy 2-10. It was properly moved, seconded, and carried to approve the policy as presented.

HB21-1131

Manager Herman presented proposed amendments to the bylaws to comply with Colorado HB21-1131. It was properly moved, seconded, and carried to authorize staff to publish notice of the proposed

bylaw amendments plus amending the bylaws to make the language gender neutral.

POLICY 1-3 QUALIFICATIONS FOR DIRECTORSHIP AND DISCLOSURE OF CONFLICTS

Manager Herman presented revised Policy 1-3. It was properly moved, seconded, and carried to approve the policy as presented.

POLICY 1-7 PER DIEM AND EXPENSES FOR BOARD MEMBERS

Manager Herman presented revised Policy 1-7. It was properly moved, seconded, and carried to approve the policy as presented.

POLICY 1-21 VOTING AND ELECTIONS

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

DONATION REQUESTS

Manager Herman asked if the board would like to donate to CARE and Nebraska ACRE. It was properly moved, seconded, and carried to donate \$2,500.00 each to CARE and Nebraska ACRE and a cornhole set to the Nebraska ACRE auction.

Manager Herman asked if the board would like to join CHS, PCTelcom, and the Holyoke Community Federal Credit Union in purchasing a table for the MMH Foundation fundraising event. It was properly moved, seconded, and carried to donate \$300 for a table.

President Bennett recessed the meeting at 12:04 p.m. for lunch and reconvened at 12:59 p.m.

2022 HEA REBATE PROGRAM

Tadius Huser presented recommended changes to the HEA rebate program. It was properly moved, seconded, and carried to approve the recommended changes, effective January 1, 2022.

REDL&G

Manager Herman reported on the status of the REDL&G application.

President Bennett left the meeting at 1:25 p.m. Vice President Lueck presided over the remainder of the meeting.

CAPITAL CREDIT RETIREMENT

Jim Jackson presented analysis and recommendations for the 2021 general retirement of capital credits. It was properly moved, seconded, and carried to retire capital credits as follows:

1. The remainder of 1999 and 2000 Tri-State capital credits.
2. 12.87% of 2001 Tri-State capital credits.
3. The remainder of 2005 HEA capital credits.
4. 22.2% of 2006 HEA capital credits.

2022 BUDGET

Manager Herman presented the proposed 2022 budget.

It was properly moved, seconded, and carried to go into executive session for confidential personnel matters, with the following in attendance: All directors, except President Bennett, Manager Herman, Jim Jackson, Tadius Huser, Rance Ferguson, and Attorney Williamson. It was properly moved, seconded, and carried to exit executive session.

It was properly moved, seconded, and carried to revise the 2022 budget to reflect the \$30,000.00 to be paid for windows in 2021 and to approve the budget as revised.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. He reviewed Tri-State's financials.

BASIN ELECTRIC ANNUAL MEETING

Leo Brekel reported on his attendance at the Basin Electric Annual Meeting. Basin is considering selling its Dakota Gas assets to be used as a hydrogen plant.

CREA

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

WESTERN UNITED

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

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to go into executive session for confidential power supply matters, with the following in attendance: All directors, except President Bennett and Leo Brekel, Manager Herman, and Attorney Williamson. 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 3:12 p.m.



SECRETARY



PRESIDENT