

HIGHLINE ELECTRIC ASSOCIATION  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
April 21, 2022

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 April 21, 2022.

ROLL CALL

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

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

Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Jim Jackson, Rance Ferguson, and Tadius Huser were present in person. Staff members Elise Pocock and Alex Astley attended via video conference. Attorney Levi Williamson recorded the minutes of the meeting. Director Aaron Sprague was absent. Sprague testified at the State Capitol regarding SB22-028.

AGENDA APPROVED

The agenda was revised and approved as revised.

OFFICER ELECTION

The Board elected officers by secret ballot as follows:

President: Mike Bennett  
Vice President: Jim Lueck  
Secretary: Merlin Prior  
Treasurer: Pam Stieb

MINUTES APPROVED

The minutes of the March 18, 2022, and March 29, 2022, regular meetings of the board of directors were presented. The minutes 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 March 2022. Herman presented the Ormat Report. Highline recognized savings of \$1,624.52 through March.

Herman reported that a local bank is donating to the RRWCD to assist with efforts to retire irrigation acres in the district's focus zone. Herman presented information on Highline revenue derived from irrigation accounts in the Republican River Basin. Herman asked the Board to consider whether Highline should donate to the RRWCD. Director Brad Stromberger reported on the South Platte River Basin.

Herman reported on applications received for the vacant position on the Board of Directors. President Bennett appointed himself and Directors Stieb, Oestman, Lueck, and Carter to a committee with the authority to review applications and narrow the applicants to five or fewer for the full Board to interview in May.

Manager Herman reported that he will attend the FERC CTP hearing in Washington D.C., beginning May 3. Tri-State staff indicated that they might retract the special rate for Highline's potential load. Herman denied an RLF loan application since the proposed project did not qualify under the state's cash collateral program. Herman reported that Highline will donate 5% of its CFC patronage to the CFC Integrity Fund.

#### OPERATIONS AND SAFETY REPORT

Rance Ferguson presented the Operations and Safety Report. He reported on system damage caused by wind, substation testing, and training.

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, and Revolving Loan Fund activity.

#### ENGINEERING REPORT

Alex Astley presented the Engineering Report. Astley reported on engineering, IT, metering, staking, and communications projects. He reported on the status of the Sterling-West Plains transmission line and the Summit Springs communications tower.

#### CORPORATE SERVICES REPORT

Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of March 31, 2022. Highline paid \$3,126.70 in fees on \$252,035.05 worth of credit card payments in March. Jackson presented the Form 7, cash flow report, and check register.

#### CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-3 Qualifications for Directorship (no recommended revisions)
- b. Policy 1-9 Annual Meeting (no recommended revisions)
- c. Policy 1-17 Storm Restoration Procedures Plan (no recommended revisions)
- d. Safety Committee Report
- e. New Members and Membership Refunds
- f. Subordination Agreements or Release of Liens
- g. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent.

## POLICY 2-2 EMPLOYEE BENEFITS

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

## BYLAW AMENDMENT

General Manager Herman presented proposed amendments to Article II, Section 3 of the HEA Bylaws. It was properly moved, seconded, and carried to publish the proposed amendments prior to consideration by the Board at a future meeting.

## 2021 AUDIT

Jim Jackson presented the 2021 audit report. Highline received an unqualified opinion. It was properly moved, seconded, and carried to accept the 2021 audit.

## 2021 CAPITAL CREDIT ALLOCATION

Jackson presented the proposed allocation of capital credits for 2021. It was properly moved, seconded, and carried to approve the allocation of capital credits as presented.

## 2023 ANNUAL MEETING

It was properly moved, seconded, and carried to hold the 2023 Highline Electric Association Annual Meeting on March 28, 2023, and to set the record date for the meeting as February 27, 2023.

## MEMBER ORGANIZATION DELEGATE ELECTIONS

It was properly moved, seconded, and carried to appoint Leo Brekel as Highline's representative to the Tri-State Generation and Transmission Association Board of Directors.

It was properly moved, seconded, and carried to appoint Ted Carter as Highline's representative and Jim Lueck as the alternate to the Western United Electric Board of Directors.

It was properly, moved, seconded, and carried to appoint Jim Lueck as Highline's representative and Ted Carter as the alternate to the CREA Board of Directors.

It was properly, moved, seconded, and carried to appoint Merlin Prior as Highline's representative and Merl Miller as the alternate to the NREA Board of Directors.

## TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors and the Tri-State Annual Meeting. Brekel reviewed Tri-State's Financials.

Directors Bennett, Prior, Stieb, and Lueck reported on their attendance at the Tri-State Annual Meeting.

## CREA

Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. He reported on pending legislation that would affect electric co-ops.

NREA

Merlin Prior reported on Nebraska legislation that would affect utilities.

TRI-STATE RATE COMMITTEE

Dennis Herman reported on his attendance at the Tri-State Rate Committee meeting. He reviewed preliminary numbers discussed at the meeting.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding a confidential business opportunity and FERC, with all staff and directors present at the meeting present. Leo Brekel left the meeting for the FERC discussion. It was properly moved, seconded, and carried to exit executive session.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

PUBLIC COMMENT

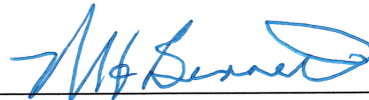
There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting adjourned at 1:56 p.m.

  
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SECRETARY

  
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PRESIDENT