

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
February 20, 2025

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 February 20, 2025.

ROLL CALL

Secretary Merlin Prior presided at the meeting. Directors present in person:

Leo Brekel	David Carlson
Steve Oestman	Merlin Prior
Aaron Sprague	Pam Stieb
Brad Stromberger	

Directors absent from the meeting:

Mike Bennett	Ted Carter
Lisa Schilke	Jim Lueck

General Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Jim Jackson, Elise Pocock, and Kris Camblin were present in person or via video conference. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was adopted as presented.

MINUTES APPROVED

The minutes of the January 16, 2025, 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 reported on kWh Purchased, kWh Sold, Operating Revenue, Billing Summary, Expenses, Operating Margins, and Cash & Investments through January 2025.

Brad Stromberger reported on correspondence from the State of Nebraska to Sedgwick County landowners regarding the Perkins Canal project. Nebraska is threatening to condemn the necessary land rights for the project.

Aaron Sprague reported on his attendance at the RRWCD Board of Directors meeting.

Herman reported on the status of the eagle protection grant. He also reported on potential NRECA resolutions. Highline will contribute to CARE and Nebraska ACRE in the same amounts as in the past.

Herman led a discussion on the progressive cash prize at the Highline annual meeting. After discussion, it was the consensus of the Board to award \$500 to a member present at the meeting if the progressive cash prize is not awarded.

Herman presented a summary report of Highline's legal spending on the FERC Tri-State rate proceeding.

Herman reported that several eastern Colorado co-ops are discussing the possibility of using a shared dispatch solution. Herman will participate in discussions with the other co-ops and report back to the Board.

Herman reported that CREA will no longer provide salary surveys to its members after the outgoing FTC and DOJ released antitrust guidelines that depart from prior guidance.

Merlin Prior reported that the NREA hired Rick Nelson as its permanent executive director. Nelson plans to attend Highline's May Board of Directors meeting.

Herman presented an analysis of Highline's 2024 load control program.

OPERATIONS AND SAFETY REPORT

Operations Manager Kris Camblin presented the Operations and Safety Report. He reported on substation projects, vehicle repairs, and line-crew activity.

Camblin presented the Safety Report. There were no accidents. He also presented the outage report.

MEMBER SERVICES REPORT

The Board reviewed the Member Services Report as prepared by Manager Tadius Huser.

ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on project work in engineering, information technology, metering, staking, and communications. He reported on the status of large projects, including the Chase transformer upgrade.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of January 31, 2025. Highline paid \$3,511.20 in fees on \$267,064.50 worth of credit card payments in January. Highline's auditors began their work on the 2024 audit. They will present the audit in April via video conference.

Jackson presented the balance sheet, Form 7, cash flow report, and check register. He presented the Highline Services, LLC income statement and balance sheet.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-22 IT Cyber Security (no recommended changes)
- b. Policy 4-2 Depositories (no recommended changes)
- c. Policy 6-6 AMI Opt-Out (no recommended changes)
- d. New Members and Membership Refunds
- e. Subordination Agreements and Release of Liens

f. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent.

POLICY 1-19 ARTIFICIAL INTELLIGENCE USAGE

Herman presented new Policy 1-19 Artificial Intelligence Usage. It was properly moved, seconded, and carried to approve the policy as presented.

GRANT APPLICATIONS

Herman presented an update on pending Highline grants and applications. Funds for the federal grants have been put on hold due to President Trump's executive orders.

SOLAR PROJECTS

Dennis Herman presented two resolutions approving solar projects. It was properly moved, seconded, and carried to approve the resolutions as presented.

FERC UPDATE

Dennis Herman reported on the status of the Tri-State FERC dockets. It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding the Tri-State FERC dockets with the following in attendance: All directors, except Leo Brekel, present at the meeting, all staff present at the meeting, and General Manager Herman. Attorney Williamson and Leo Brekel left the meeting for the entirety of the executive session.

It was properly moved, seconded, and carried to exit executive session. Brekel and Williamson re-entered the meeting.

REVENUE DEFERRAL

Dennis Herman reviewed 2024 financials and recommended making no changes to the revenue deferral plan. Discussion followed.

RLF

General Manager Herman reported that the Town of Ovid expressed interest in a bridge loan from the RLF as part of a \$12M water project. Staff will continue to discuss the project with the Town.

Herman reported that a RLF borrower requested a two-month payment moratorium. It was properly moved, seconded, and carried to approve two months of interest only payments for the requesting borrower.

TRI-STATE

Director Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors and the strategic planning session of the Board. He reviewed Tri-State's 2024 financials. Tri-State ended the year with a \$20M margin after using \$220,752,000 in rate stabilization funds. NRPPD returned its representative to the Tri-State Board.

It was properly moved, seconded, and carried to go into executive session to discuss confidential contract negotiations with Tri-State, with the following in attendance: All directors and staff present at the meeting, Dennis Herman, and Attorney Williamson. It was properly moved, seconded, and carried to exit executive session.

CREA

Dennis Herman reported on proposed legislation in Colorado that would impact Highline.

NREA

Merlin Prior reported on his attendance at the NREA legislative session and the regular meeting of the NREA Board of Directors.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

GENERAL MANAGER GOALS

Dennis Herman presented a list of goals for 2025 based on his performance review.

EMERGENCY BUSINESS

There was no emergency business.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 11:46 a.m.



SECRETARY



PRESIDENT