

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

ROLL CALL

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

Mike Bennett	David Carlson
Ted Carter	Brad Stomberger
Lisa Schilke	Leo Brekel
Merlin Prior	Pam Stieb
Steve Oestman	

Director Jim Lueck attended via telephone conference. Director Aaron Sprague was absent.

General Manager Dennis Herman and attorney Williamson were present in person. Staff members Alex Astley, Kris Camblin, Jim Jackson, Tadius Huser, and Elise Pocock 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 October 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 October 2025.

Herman updated the board on the status of the eagle protection project and the status of the Tri-State FERC rate docket. There will be a planning meeting on January 5, 2026, to prepare for the strategic planning session. Herman updated the board on the ACSI survey. Herman was re-elected to the NRECA Board of Directors.

Herman requested approval of a Christmas bonus for Highline employees. It was properly moved, seconded, and carried to authorize Herman to pay Christmas bonuses as requested.

Herman reviewed the cost to Highline to send employees to participate in the Navajo Nation project. Highline applied to the Colorado Energy Office for a grant to fund installation of reclosers in Highline's substations. Herman will purchase a retirement gift for CREA's Kent Singer.

Herman reported on discussions about a data center in Highline's service territory in Logan County. Tri-State is considering a new tariff for similar loads.

Herman presented a ballot for CoBank's proposed bylaw amendment to allow CoBank to increase its issuance of preferred stock. It was properly moved, seconded, and carried to vote yes.

Herman reported that the current telephone system solution has limitations due to the integration between PC Telcom and Microsoft Teams.

OPERATIONS AND SAFETY REPORT

Operations Manager Kris Camblin presented the Operations and Safety Report. He reported on substation maintenance, employee training, the Y-WEA pole replacement project, fire mitigation, and area crew activities. He presented the Safety Committee Report. There were no accidents. Camblin presented the outage report.

MEMBER SERVICES REPORT

Member Services Manager Tadius Huser presented the Member Services Report. He reported on new services, rebates, RLF activity, the on-bill repayment program, and renewable distributed generation. Highline will launch the prepay program December 1. The December board meeting will start at 1:00 p.m. to accommodate the Highline employee Christmas party.

ENGINEERING REPORT

The board reviewed Alex Astley's written Engineering Report.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of October 30, 2025. Highline paid \$3,484.30 in fees on \$273,573.38 worth of credit card payments in October.

Jackson presented the balance sheet, Form 7, cash flow report, and check register.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 3-4 Prepayment and Deposit Requirements for Certain Irrigation Services (no recommended changes)
- b. Policy 4-3 Reserves for Depreciation (no recommended changes)
- c. Policy 7-1 Account Records (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 with approval of one estate capital credit application contingent on the applicant's completion of a personal representative's affidavit.

POLICY 2-4 WAGE & SALARY ADMINISTRATION

General Manager Herman and staff presented revised Policy 2-4. It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding personnel, with the following in attendance: all directors and staff present at the

meeting, General Manager Herman, and attorney Williamson. It was properly moved, seconded, and carried to exit executive session. During executive session Director Leo Brekel reported on confidential matters regarding Tri-State and Basin. Brekel left the meeting during executive session while General Manager Herman reported on the confidential settlement between Basin and McKenzie Electric Cooperative.

It was properly moved, seconded, and carried to approve Policy 2-4 as presented.

2026 BUDGET

General Manager Herman presented the proposed 2026 budget. General Manager Herman asked if the board opposes purchasing a Toyota 4Runner in 2026 due to Toyota's reliability and cost savings over similar American made vehicles. The board does not oppose looking at a 4Runner.

2026 RATES

General Manager Herman presented proposed rates for 2026 from Highline's rate consultant. After discussion, it was properly moved, seconded, and carried to approve the rates as presented for publication.

President Bennett recessed the meeting at 11:55 a.m. and reconvened at 12:46 p.m.

2026 BUDGET

It was properly moved, seconded, and carried to approve the 2026 budget as presented.

CAPITAL CREDIT RETIREMENT

Jim Jackson presented a summary of the financial requirements for Highline to retire capital credits. Highline satisfies all the requirements. Jackson presented two options for retiring capital credits on Highline's current fifteen-year retirement cycle. Option one includes estate refunds in the calculation, and the second option excludes estate refunds from the calculation. It was properly moved, seconded, and carried to approve the option with estate refunds included in the calculation.

RLF REQUEST

General Manager Herman reported that the potential RLF applicant did not apply for a loan before the board meeting.

TRI-STATE

Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. Tri-State will not retire capital credits this year. Tri-State is anticipating an order from the Department of Energy to keep Craig Station Unit 1 available. Tri-State's first two owned solar generation facilities are online. Brekel reviewed Tri-State's financials. General Manager Herman reported that Tri-State closed on the purchase of property for the new administration headquarters.

CREA

Director Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. The 2026 preliminary budget includes a 5% dues increase. Lueck reported on potential legislation in 2026.

WUE

Director Ted Carter reported on his attendance at the regular meeting of the Western United Board of Directors. October sales are up over last year. The Western United Board approved retirement of \$5 million in capital credits. Western United admitted five new members.

NREA

Director Merlin Prior reported that NREA will hold its annual meeting in December. NREA's CEO will be full-time at NREA in 2026.

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 1:38 p.m.



SECRETARY



PRESIDENT