

HIGHLINE ELECTRIC ASSOCIATION  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
July 19, 2018

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 July 19, 2018.

ROLL CALL

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

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

Manager Farnsworth and attorney Williamson were also present. Attorney Williamson recorded the minutes of the meeting. Director Ted Carter was absent.

AGENDA

The Agenda was revised and approved as revised.

MINUTES APPROVED

The minutes of the June 21, 2018 meeting were reviewed and approved as revised.

MANAGER'S REPORT

Manager Farnsworth presented graphs of kWh Purchased and kWh Sold for June 2018. Farnsworth presented and reviewed the Ormat summary for June 2018. Highline saved \$7,439.98 in June and \$61,665.32 Y-T-D. Farnsworth presented Highline's OSHA 300H report. Aaron Sprague reported on Republican River Water Conservation District matters. Highline closed its Tri-State BP-109 asset transfer. Manager Farnsworth is investigating whether Highline can use RESP funds for a different project. Highline, along with Y-WEA, will donate a Ballyneal golf package to the CREA auction.

OPERATIONS REPORT

Rance Ferguson presented the July Operations Report. Highline received a plaque from CREA for no lost-time accidents in 2017. Ferguson reported on voltage issues in the Wages substation, substation weed spraying, the results of dielectric testing on truck booms, and line crew projects.

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

ENGINEERING REPORT

Trent Loutensock presented his July Engineering Report. He reported on upcoming construction projects, the status of the IP communications network in the Fairfield area, May/June load control, status of contract negotiations with a cyber-security

consultant, substation transformer oil testing, the status of the AMI project, and the status of communications tower projects.

MEMBER AND CORPORATE SERVICES REPORT

Dennis Herman presented the July Member and Corporate Services Report. The Cushion of Credit balance was \$3,050,444.85 as of 6/30/18. HEA had \$7 million in CFC investments as of 7/13/18. HEA paid \$1,503.76 in fees on \$116,430.17 worth of credit card payments in June. Herman reported on rebates. He reported that the initial vendor selected for extension cords for Highline's Annual Meeting did not deliver the cords. Herman presented the Form 7, check register and cash flow.

POLICY 1-6

Manager Farnsworth presented Policy 1-6. It was properly moved, seconded, and carried that Policy 1-6 be approved as presented.

POLICY 1-13

Manager Farnsworth presented Policy 1-13. It was properly moved, seconded, and carried that Policy 1-13 be approved as presented.

SAFETY COMMITTEE REPORT

It was properly moved, seconded, and carried that the Safety Committee Report be approved as presented.

APPROVE NEW MEMBERS

It was properly moved, seconded, and carried that the list of new members listed below be accepted as members of Highline.

Bornhoft, Austin	Esteve, Jorge
Fleck, David	Gibbs, Curtis
Gilmer, Kathy	Guenzi, Logan
Mayhugh, Josh	
3 Corners Oil Field Service, LLC	Pennington, Robert L.
Simon	Schneider, Brandon
VTM Farms, LLC	Wilber, Robert

ESTATE CAPITAL CREDIT REFUNDS

It was properly moved, seconded, and carried that the following capital credit refunds be approved:

Linda Koester (Dynamite IV, LLC) \$1,061.76

POLICY 1-22

Manager Farnsworth presented Policy 1-22. The Board discussed the policy. Staff will revise the policy consistent with the discussion and bring back for approval.

SOLAR PROJECT

Manager Farnsworth reported on the status of the Riverview solar project.

KRTA

Manager Farnsworth presented the executive summary of Highline's 2-17 KRTA and reviewed several specific ratios.

#### RULES AND REGULATIONS

Manager Farnsworth reported that a member is investigating adding net metered solar at their facility. The member has several meters that it would like to consolidate into one "master meter." Several of the meters are residential. Highline's current rules & regulations require one meter for each residence.

President Bennett recessed the meeting at 12:07 p.m. for lunch and reconvened at 12:57 p.m.

The Board continued discussion of rules and regulations. Manager Farnsworth recommends revising the rules and regulations to allow small power and large power services to have more than one residence on one meter. It was properly moved, seconded and carried to direct Manager Farnsworth to revise the rules and regulations as recommended for review at the August board meeting.

Manager Farnsworth reported that another member is interested in adding a net metered solar generator above 25kW. The member will have to obtain Board approval for anything over 25kW.

#### TRI-STATE

Leo Brekel reported that he was not able to attend the regular meeting of the Tri-State Board of Directors. Brekel reviewed Tri-State's financials. He asked for input regarding Tri-State Policy 115 and whether Tri-State should subsidize renewable generation through Policy 115.

Brekel reported on his attendance at the meeting of the Basin Electric Board of Directors. Basin is offering a voluntary separation plan to employees.

Manager Farnsworth reported on DMEA's Tri-State Policy 316 complaint hearing.

#### CREA

Director Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. Lueck presented the meeting notes and reported on the issues surrounding the upcoming election.

#### NRECA LEGAL SEMINAR

Attorney Williamson reported on his attendance at the NRECA legal seminar.

#### MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

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EXECUTIVE SESSION

It was properly moved, seconded and carried to go into executive session for confidential discussion regarding personnel matters with the following in attendance: All directors present at the meeting, Manager Farnsworth and Attorney Williamson.

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.

  
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SECRETARY

  
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PRESIDENT