

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
December 20, 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 December 20, 2018.

ROLL CALL

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

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

Manager Farnsworth and Attorney Levi Williamson were also present. Attorney Williamson recorded the minutes of the meeting. Aaron Sprague entered the meeting at 1:00 p.m.

AGENDA APPROVED

The Agenda was revised and approved as revised.

MINUTES APPROVED

The minutes of the November 15, 2018 meeting were approved as presented.

MANAGER'S REPORT

Manager Farnsworth presented graphs of kWh Purchased and kWh Sold for November 2018. Farnsworth presented the Ormat report for November. Highline recognized savings of \$7,122.33 in November and \$132,431.26 Y-T-D. Farnsworth reported on the status of the Zero Contacts safety program. Farnsworth is in discussions with Highline's rate consultant regarding an EV charging rate. Farnsworth reported on the status of the solar project. PCS is merging with Central Service Association and will become Professional Computer Solutions. Farnsworth reported on the status of preparations for the annual meeting and his discussions with PC Telcom regarding broadband.

MEMBER SERVICES

Tad Huser presented the December Member Services Report. He reported on new services and energy efficiency rebates. He reported on community involvement. He reported on the Youth Camp/Youth Tour. He reported on potential member solar generation projects. He reported on the status of the RESP loan project and a new RLF request.

ENGINEERING REPORT

Trent Loutensock presented the December Engineering Report. He reported on the status of the AMI project. Highline has installed

1165 AMI meters. Loutensock expects installation to accelerate as the project progresses.

OPERATIONS AND SAFETY REPORT

Rance Ferguson presented the December Operations Report. He reported on the status of the Trailblazer transmission line, Fairfield single phase, and Crook three phase projects. Ferguson reported on the December 1 storm outages. Ferguson reported on construction crew projects. He presented the Safety Report. There were no accidents. Ferguson presented the outage report.

Line superintendents Jeff Blochowicz, Kris Camblin, and Darrin Manuello reported regarding their crews. They presented information regarding area projects and personnel.

CORPORATE SERVICES REPORT

Dennis Herman presented the December Member and Corporate Services Report. The Cushion of Credit balance was \$2,977,439.19 as of 11/30/18. Highline had \$5.5 million in CFC investments as of 12/14/18. HEA paid \$1,541.90 in fees on \$116,419.31 worth of credit card payments in November. Herman reported on the potential affects of the farm bill on the cushion of credit. Herman presented the Form 7, check register, and cash flow.

POLICY 1-18

Manager Farnsworth presented revised Policy 1-18. It was moved, seconded, and carried that the policy be approved as presented.

POLICY 1-20

Manager Farnsworth presented revised Policy 1-20. It was moved, seconded, and carried that the policy be approved as presented.

POLICY 2-14

Manager Farnsworth presented Policy 2-14. It was moved, seconded, and carried that the policy be approved as presented.

POLICY 3-5

Manager Farnsworth presented Policy 3-5. It was moved, seconded, and carried that the policy be approved as presented.

POLICY 3-6

Manager Farnsworth presented Policy 3-6. It was moved, seconded, and carried that the policy 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.

ARMSTRONG, HAILEE
GONZALES, ANTHONY ROLAND
HAUFF, DELMAR

Farnsworth, Trent Loutensock, Dennis Herman, Rance Ferguson, and attorney Williamson. It was properly moved, seconded and carried to exit executive session.

President Bennett recessed the meeting at 12:20 p.m. for lunch and reconvened the meeting at 12:55 p.m.

MEMBER REQUEST

David Schramm addressed the Board on behalf of member Steve Hofmeister. He requested that the Board accept Hofmeister's motor and VFD rebate application even though it was submitted after the deadline. Discussion followed. Schramm left the meeting.

TRI-STATE

Director Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors meeting. Margins are \$9.5 million better than budget. Tri-State will pay \$30 million in patronage refunds. Highline will receive approximately \$1.7 million.

Aaron Sprague entered the meeting.

Tri-State is considering whether to change from 100% FIFO to a FIFO/LIFO combination in paying patronage refunds. DMEA petitioned the PUC regarding DMEA's buyout of Tri-State. United Power sent a letter to Highline, and all other Tri-State members, regarding United Power's proposed amendment to the Tri-State Bylaws to allow partial requirements membership. Manager Farnsworth will schedule a time for United Power to present information to the Highline Board.

CREA

Director Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. He reported on the Colorado political climate in light of the 2018 election. CREA staff is recommending that CREA rebrand itself and remove "Rural" from its name.

WESTERN UNITED

Ted Carter reported on financials of Western United. Sales are up.

NREA BOARD MEETING AND ANNUAL MEETING

Director Prior reported on his attendance at the NREA meeting. He reported on personnel matters. Prior, Farnsworth and Brekel reported on their attendance at the NREA annual meeting.

Merl Miller left the meeting.

MIDWEST ELECTRIC ANNUAL MEETING

Directors Lueck, Carter, Brekel, Stromberger, and Oestman reported on their attendance at the Midwest Electric annual meeting. Lueck was elected to the Midwest Board of Directors.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings. Pam Stieb will be Highline's delegate and Ted Carter the alternate to the CREA annual meeting. Merlin Prior will be Highline's delegate and Pam Stieb the alternate to the WUE annual meeting.

EXECUTIVE SESSION

It was properly moved, seconded and carried to go into executive session to discuss confidential personnel matters, contract negotiations, and member information with the following in attendance: Directors present at the meeting, Manager Farnsworth, and attorney Williamson. It was properly moved, seconded and carried to exit executive session.

It was properly moved, seconded and carried to authorize Manager Farnsworth to revise Policy 2-4 as presented in 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 3:47 p.m.



SECRETARY



PRESIDENT