

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
June 18, 2020

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 June 18, 2020.

ROLL CALL

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

Mike Bennett	Merlin Prior
Steve Oestman	Aaron Sprague
Ted Carter	Leo Brekel
Pam Stieb	

Directors present via video conference were:

Jim Lueck	Merl Miller
David Kinnison	

Director Brad Stromberger was absent. Manager Dennis Herman was present in person and Attorney Levi Williamson was present via video conference. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The Agenda was approved as presented.

MINUTES APPROVED

The minutes of the May 21, 2020 meeting were approved as presented.

MANAGER'S REPORT

Manager Herman presented graphs of cumulative kWh purchased and kWh sold through May 2020. Herman also presented graphs of operating revenue, expenses, operating margins, and cash & investments through May. Herman reported on the status of the LPEA/United Power v. Tri-State PUC matter. He reported on discussions between General Managers of the "Group of 8" regarding PUC's denial of their motions to intervene in the matter. Herman anticipates a decision from the PUC that would give LPEA and United Power CTP methodologies that would increase costs to the remaining Tri-State members. He proposes sending a direct mailing to Highline members if such an Order is entered asking members to send a letter to the PUC supporting Tri-State's position. Herman estimates the cost of the mailing to be \$3,000.00, plus the cost of pre-paid postage for the members' letters, which could add \$8,000.00 if all members send a letter.

It was properly moved, seconded and carried to authorize Herman to send letters as he recommended.

Herman reported on personnel matters, including Covid-19 related operations matters. He reported on storm damage from the derecho. Highline lost approximately 260 poles. Herman plans to spend

approximately \$40.00 per employee to buy shirts as recognition for the employees' work during the storm. Logan County granted a permit for the NIYOL wind farm. Herman reported on inverter issues at the Riverview solar array. Herman presented the final IRS 990. Congress is considering legislation that would allow RUS borrowers to refinance RUS loans to current rates. Herman reported on a conflict with the July board meeting.

It was properly moved, seconded and carried to hold the July board meeting on July 23, 2020.

OPERATIONS AND SAFETY REPORT

Rance Ferguson presented the Operations Report. He reported on system damage from the storm. He reported on the status of new truck deliveries. Ferguson updated the board on the activities of the Holyoke, Sterling, and Ovid crews.

Ferguson presented the Outage Report and Safety Report. There were no lost-time accidents.

MEMBER SERVICES REPORT

Tad Huser presented the Member Services Report. He reported on new services and energy efficiency rebates.

Huser reported that Highline submitted a grant application for EV charger funds. Tri-State is renting electric vehicles to members for employees, directors, and members to drive. Huser reported on the status of RLF activity.

ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on various engineering and IT projects. He reported on the status of the AMI communications systems.

CORPORATE SERVICES REPORT

Jim Jackson presented the Corporate Services Report. Jackson reported on interest rates, CFC investments, and credit card fees. He presented the May Form 7, cash flow, and check register. Highline received PPP loan funds.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. HEA Policy Review
 - i. Policy 1-12 Insurance and Bonds
 - ii. Policy 1-14 Financial Instruments
- b. Safety Committee Report Approval
- c. New Members and Membership Refunds
- d. Subordination Agreements or Release of Liens
- e. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent contingent on legal review of the lien release.

COVID-19 DONATIONS

Dennis Herman reported on options for donations to help citizens and businesses affected by the Covid-19 pandemic. Herman identified an organization or relief fund in each county in HEA's territory that could receive funds from Highline. It was properly moved, seconded and carried to donate \$2,000.00 to each fund/organization recommended by Herman.

TRI-STATE

Director Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. Sales are down. The 2020 Tri-State Annual Meeting will be in Cheyenne, WY. Tri-State's proposed bill in the Colorado legislature was defeated. Dennis Herman reported that Tri-State has convened a cost-saving committee because Tri-State's costs are 3.5% higher than similarly situated companies according to a benchmark study.

CREA

Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors. He reported on the statewide financial impacts of the Covid-19 pandemic.

WESTERN UNITED

Ted Carter reported that Western United purchased property in St. George, UT.

NREA

Merlin Prior reported that there was no meeting of the NREA Board of Directors. He reported on the status of the search for a new GM.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

COMMUNITY SOLAR

Dennis Herman reported on the potential for a community solar project. He will issue a request for proposals.

EXECUTIVE SESSION

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

It was properly moved, seconded and carried to revise Policy 2-4 as discussed 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 12:10 p.m.

Maxlin R. Prior

SECRETARY

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PRESIDENT

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