

EMPIRE ELECTRIC ASSOCIATION, INC.  
MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
April 14, 2023

Regular meeting of the board of directors of Empire Electric Association, Inc. was held Friday, April 14, 2023, with the following directors present: David Sitton, Kent Lindsay, Jerry Fetterman, Bob Barry, Larry Archibeque, and Norman Butler. Others present: General Manager Josh Dellinger, Attorney Tyler Denning, Executive Secretary / HR Representative Shawna McLaughlin, Financial Manager Ginny Johnson, Operation and Engineering Manager Ken Tarr, and System Engineer Dalton Randolph. Attending by web conference: Director Corey Robinson and Business Service Manager Chris Snyder.

Others present by web conference: Members Emiko South, Ken Curtis, Elise Goggin and Decoria and Company Auditor Phil Tippetts.

President Sitton called the meeting to order at 8:30 a.m.

Approve Consent Agenda:

**Action Item:** Archibeque moved to approve the consent agenda as presented, seconded by Barry. Motion carried.

Membership Input: No membership input.

Monthly Safety Report: Dellinger stated that there were no property damages or personal injuries reported. Summaries for the Safety meetings were in the packet. Sitton mentioned complacency and the importance of “see something say something”.

Correspondence:

- Federated Member Update – March 2023
- CoBank’s Statement of Qualified Patronage Distribution for 2022
- CRC Report from the Boardroom
- Federated Member Equity Account Statement for 2022
- Tri-State 2022 Patronage Capital Allocations

Thank you from:

- Students Tackling Unhealthy Decisions (STUD) for annual donation.
- Pinon Project for donation from monies earned from the employee auction.
- Southwest Colorado Canyon Alliance for annual donation.
- San Juan Health for the New Years baby donation.
- Farrar Desloge for the scholarship.
- Patti Husted for the Capital Credit Retirement check.
- Bill Mollenkopf sent a letter with interest in purchasing the remaining Totten Lake property but since then has decided against it.

Policy Review/Action:

**Action Item:** Policy 36: Leaves of Absence (03-12-2021): Dellinger stated that staff and legal reviewed the policy and recommend adding language to incorporate Colorado’s new Family and Medical Leave Insurance (FAMLI)

requirements to the policy. An explanation of what the FMLI Act entails was given. Lindsay moved to approve Policy 36: Leaves of Absence as presented, seconded by Butler. Motion carried.

Policy 37: Holidays (04-08-2022): Dellinger stated that staff and legal reviewed the policy and no edits are suggested.

General Manager Report:

**Action Item:** Consider CoBanks Sharing Success Program: Dellinger explained that each year CoBank offers a matching donation opportunity for us to select four organizations to apply for on their behalf. McLaughlin provided a list of last year's recipients, along with a list of all the organizations that EEA will donate to in 2023. Archibeque moved to participate in and apply for the CoBanks Sharing Success Program for Four Corners Child Advocacy, Hospice of Montezuma, Imagination Library and The Salvation Army, seconded by Fetterman. Motion Carried.

Financials: Johnson reported on the financials for February. She explained how our cycles are billed and how the revenue is recognized in the months of January and February. She also mentioned that we are looking at request for information (RFI) for our cash management system from both local and corporate banks. We currently use Vectra with our contract expires this year. CoBank has submitted a proposal and she is also looking at other banks to send the RFI's to. Johnson asked if the Board would like to have in person presentations from the banks or if they would like for her to put the proposals together to bring to the board. Board has asked for in-person presentations to be given during a future board meeting.

Miscellaneous: Dellinger mentioned that the Totten Lake and Rocky Ford solar projects are both online and the Montezuma solar project should be online at the end of April or early May. There are curtailment issues with Rocky Ford. Engineering consultants are working to see why it isn't curtailing properly. Discussion was had on how curtailment works and how it figures into our 5% total with Tri-State. Board would like an article placed into the Colorado Country Life regarding these solar projects. Dellinger said that we can look at the July editions to place this article.

Johnson, Snyder, and Carter will be presenting at the EUCI Rate Innovation Conference on July 13 and 14, 2023. They will be discussing our rate structure and the implementation of it. This will be an online conference. Dellinger stated that he has had conversations with a member that owns property up the river. He doesn't want EEA's equipment on his property anymore. Staff will meet with him on this property when the snow melts to try to rectify this situation.

Dellinger has sent the Board the new buyout numbers from Tri-State.

Dellinger reminded the Board that CREA will be holding a Town Hall meeting with staff and the board on Monday, April 24, 2023 beginning at 11:30 a.m. for lunch with meetings starting at 12:30 p.m.

Director Roundtable: Archibeque asked Tarr if the response time for the engineering tech's work orders is starting to improve. Tarr explained that this continues to improve all the time. He explained that some of this wait time is waiting for transformers due to supply issues. Archibeque stated that he thinks more communication regarding the wait times and why we are having them needs to be done so that our members are aware of the issues. Barry asked what we do with transformers that aren't being utilized. Tarr explained that we have equipment to test those transformers and put them back into our inventory. We also have an idle service policy that Tarr and Dellinger explained.

Sitton mentioned that his company Aspen Wall Wood is now making pellets and he would like to extend an invitation to the Board and Staff to tour the plant. The Board would be interested in doing this and would like to go ahead and schedule a tour.

Attorney: Denning provided a written report. He mentioned that he updated the easement template to make it easier to use.

Tri-State: Fetterman reported on the Tri-State meeting. The Annual Meeting and the Regular Meeting were both held last week. Fetterman discussed the events of the annual meeting and some of the presentations that were given. Dellinger reported on the Tri-State Rate Committee meeting.

CREA: Archibeque reported on the CREA meeting. The format for the meetings has changed drastically. The first day of the meeting is based on cooperative needs. A presentation was given on cyber security that he found very interesting and shared some of the cyber security issues with the board.

Western United: Barry reported on the Western United meeting. He discussed the financials and inventory. They continue to be a solid company. Tarr mentioned that there are concerns with the testing of their rubber products in their laboratory regarding items being tested then failing shortly afterwards. Barry will bring this concern up with them.

Utah Rural Electric Cooperatives Association: Barry reported on the URECA meeting. He discussed some legislative bills that could affect cooperatives. The Annual Meeting will be held next week, and he is planning on attending. The new CEO of URECA, Nathaniel Johnson has expressed that he would like to attend one of EEA's board meetings and Barry asked that staff work with him to schedule that.

FastTrack: Report will be in executive session.

Committees: Dellinger recommended that with changes likely coming to our Tri-State rate, the EEA Rate Committee get together to discuss these rate changes and look at our current rates to see if they need updated. Board set the meeting for April 24, 2023 at 9:30 a.m. Dellinger will send out an outlook invite. Fetterman also stated that they need to have a scholarship committee meeting. They will meet after the board meeting on May 12, 2023.

Audit Report Presentation by Phil Tippetts, Senior Staff Auditor with Decoria & Company, PC: Mr. Tippetts appeared by Zoom to present the audit report to the Directors. He was very complimentary on the workings of the cooperative, Finance Manager Ginny Johnson, and the EEA staff that he worked with.

Executive Session: Lindsay moved to go into executive session for discussion of the Audit Report, seconded by Butler. Motion carried. Phil Tibbetts was invited to stay, and all staff left the meeting. Went into executive session at 11:02 a.m. Came out of executive session at 11:08 a.m.

**Action Item:** Archibeque moved to accept the audit report as presented, seconded by Lindsay. Motion carried.

Executive Session: Lindsay moved to go into executive session for the FastTrack report, seconded by Butler. Motion carried. Went into executive session at 11:12 a.m. Came out of executive session at 11:37 a.m.

**Adjournment:** Meeting adjourned at 11:37 a.m.

  
Jerry Fetterman, Secretary/Treasurer

  
Kent Lindsay, Vice President