

EMPIRE ELECTRIC ASSOCIATION, INC.  
MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
August 08, 2025

Regular meeting of the Board of Directors of Empire Electric Association, Inc. was held Friday, August 08, 2025, with the following directors present: David Sitton, Kent Lindsay, Bob Barry, Larry Archibeque, Corey Robinson, Bill Mollenkopf, and Doug Sparks. Others present: General Manager Josh Dellinger, Executive Secretary / HR Representative Shawna McLaughlin, Financial Manager Ginny Johnson, Operations and Engineering Manager Ken Tarr, Business Services Manager Chris Snyder, Member Engagement Manager Andy Carter, and System Engineer Dalton Randolph. Appearing by web conference: Attorney Shay Denning.

Others present by web conference: Members Greg and Emiko South and Ken Curtis.

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

Approve Consent Agenda:

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

Membership Input: None.

Monthly Safety Report: Dellinger stated that there were no personal injuries. There was one property damage. Truck #8 was hit by another vehicle on Main Street. Minor damage, no repairs are needed and there were no injuries. We continue to work on consolidating our HQ and E&O emergency action plans in preparation for the move to a combined campus. The annual safety luncheon will be held on September 11<sup>th</sup>. We are meeting at the HQ at 11:30 for a company picture and then will go to the E&O center for lunch at noon followed by the meeting. Sitton spoke about an incident that happened at his business in Mancos when a fault occurred while EEA technicians were testing the metering.

Correspondence:

1. Federated Member Update
2. Federated CREA WC Group Retention Update
3. Western United Fish Fry Invitation

Thank you letters:

4. Imagination Library for annual donation
5. Lilly Figueroa for the scholarship
6. Andres Moreno for the scholarship
7. Brooklyn Lee for the scholarship
8. Lexie Burton for the scholarship

Policy Review/Action:

**Action Item:** Policy 47: Anti-Nepotism (08-08-2023): Dellinger stated staff and legal reviewed and a few minor edits are suggested. Robinson moved to approve Policy 47 as presented, seconded by Sparks. Motion carried.

**Action Item:** Policy 48: Equal Employment Opportunity and Unlawful Harassment (08-08-2023): Dellinger stated that staff and legal reviewed and a few minor edits are suggested. A discussion was had on why Attorney Denning

wanted to add the word “non-binary” to this policy. The board stated that EEA will take harassment seriously no matter who is being harassed and the word non-binary fails to address sufficient inclusivity for this policy. Therefore, the limiting sentence should be stricken and does not need to be included. Archibeque moved to approve Policy 48 with the amended changes, seconded by Sparks . Motion carried.

General Manager Report:

**Consider 2026 Ongoing Donation Budget:** Dellinger explained that each year the board reviews the ongoing donation list. McLaughlin and Johnson have put this together for the board to see who we currently have on the list. The board would like to add Dove Creek Ambulance, Dolores Operation Graduation, Graces Kitchen, and Southwest Colorado Canyons Alliance to the ongoing donation list. Sitton recommended pulling the discretionary funds out to be added to the general donation budget. The ongoing donation list will be presented for final approval when the entire budget is approved.

**Action Item:** CoBank Nominating Committee Election Form: Dellinger mentioned that CoBank is in the middle of its annual director election. There are no seats in our region that are up this year, but they are asking us to vote on the 2026-2027 Nominating Committee. The Nominating Committee evaluates potential director candidates and makes recommendations to the membership. The proposed Nominating Committee for the 2026 – 2027 election cycle is in the packet for the board’s review. Consensus of the board is to have Dellinger complete the ballot and nominate Debbie Rose and leave the rest blank. Robinson moved to approve this nomination, seconded by Mollenkopf. Motion carried.

**Financials:** Johnson reported on June’s financials. She spoke about the timing of the report and how that affects the revenue. Purchase power is over budget because we had high demand in January and in March. She spoke about our variances and the three options that we have in correcting these. EEA can continue to monitor the variance and determine which option is best closer to the end of the year.

- **KRTA –** Johnson explained that CFC puts together a Key Ration Trend Analysis (KRTA) for all cooperations. She explained these ratio’s and how the averages compare to EEA.

**Miscellaneous:** Dellinger stated that the contract for the purchase of the HQ building with the City of Cortez has been signed by both parties.

Dellinger congratulated Corey Robinson for completing his director’s courses for his NRECA Credentialed Director’s Certificate.

Dellinger stated that we received some of plaques from Tri-State for the signing of the WESC and anyone that would like to take one can.

**Director Roundtable:** Mollenkopf stated that he would like to re-explore a pumped storage project involving McPhee and Narraguinnep Reservoirs as a BYOR project. He noted there was discussion about this many years ago. Dolores Water Conservation District manager Ken Curtis stated that he would be willing to discuss this with the board. Montezuma Valley Irrigation would need to be invited into this conversation as well.

Sitton mentioned that he witnessed a guy riding in the bucket while the truck was moving. It was a telecom company. He was very concerned about this, and he wanted to verify that our employees are not doing this. Tarr stated that we do not do this.

Sitton also stated that he was going into Pippo’s the other day and while he was trying to find parking, he drove back in the alley and saw a telecom line that had drooped to the ground and went back up the pole. He stated that he knows this isn’t us, but it looks bad especially since it is a joint use on our poles. He asked who he should contact when he sees things like this. Tarr stated that this is an example of some of the issues we have with joint use. Tarr stated the best way to handle this is to send him a text so that he can address it with the company that

owns those lines. Dellinger also noted that Sitton could call main line after hours and create a CRC ticket so that it can be tracked.

Sitton also mentioned that his company Aspen Wall Wood had a meeting with a gentleman that stated that there was a video of high winds causing the power lines to arc which may have started fires in California. Tarr mentioned that this can happen and is more common when there are large spans between poles. Reclosures in the high fire danger areas are currently set to fire settings. We've also installed spacers between the lines in some areas to reduce the likelihood of them slapping together.

Attorney: Attorney Shay Denning stated that her report is in the packet. She mentioned that she reviewed the campaign contribution reporting policy as she was asked to by the directors in last month's meeting. She reviewed the bylaws, and she gave a summary of what the by-laws and the policy state. She noted that the policy aligns with the bylaws and does not recommend making any changes to the policy at this time. If we wanted to change the policy in this regard, we would likely need to make changes to the bylaws, which would have to be approved by the membership. Board consensus is that this topic be discussed by the bylaw committee. Shay noted that she would be happy to participate in a bylaw committee meeting

Tri-State: Robinson reported on the Tri-State Board meeting. They reviewed the first draft of the 2026 budget, which includes an overall 8.8% rate increase. This includes the proposed 19% increase from Basin. They are continuing CFO interviews and hoping to get that position filled by next month. The Colorado PUC approved Tri-State's latest ERP preferred portfolio last Friday. They submitted a revised BYOR tariff and a new High Impact Load Tariff to FERC. The Basin 19% rate increase cannot be contested through FERC. It would have to be contested through lawsuits. Basin also protested the WESC contracts and have scheduled a settlement meeting to discuss the concerns they have. They reapproved transformer orders with tariff adjustments, which added about 20% to their costs. Tri-State has 40 megawatts enrolled in Colorado with demand response. There is a little bit of momentum on the legislative side concerning wildfire liability that would put caps on damages. They approved their first grid scale battery project, which will be in Montrose County. They have continued to look for a new building for their headquarters. A building has come on the market that would possibly fit their needs, which could possibly get for less than thought. They are considering purchasing this building but will need to do their due diligence. The Tri-State board authorized its staff looking into this building more. He stated that the incumbent Basin representative was reelected.

CREA: Archibeque reported on the CREA meeting. There was no CREA meeting in July or August. Archibeque shared that Jack Snyder's wife passed away. The next meeting is September 3<sup>rd</sup> and 4<sup>th</sup>, where they will be doing interviews for the executive director position. The executive committee has been meeting to put together a compensation package for their new executive director. The governor has called a special legislative session to discuss budget shortfalls, AI, health insurance premiums, and monies being spent on school financing. This could affect several things.

Western United: Barry reported on the Western United meeting. Sales are up from last year. Oil and gas are on the way up. Their margin is also up about 2.5%. Cash is good and they are looking at possibly moving into Kansas. Barry stated that he will be attending the Fish Fry.

Utah Rural Electric Cooperatives Association: Barry stated that there was no meeting in July. There is one that is coming up in August that he will be attending.

Committees: Review Board Committee Assignments. President Sitton re-assigned the directors to the Board Committees. Lindsay and Robinson will be switching committees. Robinson will be on the rate design committee and Lindsay will be on the bylaw committee.

Executive Session: Robinson moved to go into executive session to discuss the Tri-State FERC Rate Case Settlement, Tri-State, and receive legal advice, seconded by Sparks. Motion carried. Went into executive session at 12:09 p.m. Came out of executive session at 12:36 p.m.

Adjournment: Meeting adjourned at 12:36 p.m.



Kent Lindsay, Vice President



Bob Barry, Secretary / Treasurer