EMPIRE ELECTRIC ASSOCIATION, INC.
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
July 10, 2026

Regular meeting of the Board of Directors of Empire Electric Association, Inc. was held Friday, July 9, 2026, with the following directors present: David Sitton, Kent Lindsay, Bob Barry, Larry Archibeque, Bill Mollenkopf, and Doug Sparks. Others present: General Manager Josh Dellinger, Attorney Shay Denning, Executive Secretary / HR Representative Shawna McLaughlin, Operations and Engineering Manager Ken Tarr, Financial Manager Ginny Johnson, Member Engagement Manager Andy Carter, and System Engineer Dalton Randolph. Appearing by web conference: Director Corey Robinson and Business Services Manager Chris Snyder.

Others present in person: Washington DC Youth Tour Recipients Leo Griffins and Asher Bennetts, Tri-State Line Maintenance Superintendent Cody Hale and Member Andy Bennetts.

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

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

Approve Consent Agenda:
Action Item: Sparks moved to approve the consent agenda, seconded by Archibeque. Motion carried.

Membership Input: Tri-State Line Maintenance Superintendent Cody Hale spoke about the Ferris Fire and stated that the most damage was done on the Empire to Cahone 115 kV line. There were four structures that were damaged and they should have them repaired today.

Washington DC Leadership Tour Recipient's Presentation by Jestony "Leo" Griffin and Asher Bennetts: Leo Griffin and Asher Bennetts provided a presentation to the Board of Directors on the experiences they had during this tour.

Monthly Safety Report: Dellinger stated that the safety report is in the board packet. There were no personal injuries, and we had one property damage, which was a broken windshield in Truck 8. Dellinger stated that we expect to have bucket truck 112, with the lanyard detection center installed, back soon. We purchased some welding blankets to help mitigate the possibility of starting a fire when we park trucks in tall grass. Archibeque attended the Company Safety and Health Committee meeting on Wednesday and asked about the Safety Incentive Program. Dellinger explained the program and stated that we have had this program in effect for about 20 years.

Correspondence:
1. CRC Report from the Boardroom

Thank you Letters:
1. The Basin High School Rodeo Team for the donation of items for door prizes
2. Lukas Vialpando for the graduation gift
3. Bodie Stiegelmeyer for the scholarship
4. Remy Dillon for the scholarship
5. Trace Hartsoe for the graduation gift

6. Mikayla Eaton for the scholarship
7. Amita Crowley for the scholarship
8. Leo Griffin for being the Washington DC Youth Tour recipient
9. Asher Bennetts for being the Washington DC Youth Tour recipient
10. Taylor Barry for the scholarship

Policy Review/Action:
Action Item: Policy 13: Activities and Conduct of Individual Board Members (06-14-2024): Dellinger stated that staff and legal reviewed Policy 13 and a few minor grammar edits were suggested. Mollenkopf moved to approve Policy 13 as presented, seconded by Sparks. Motion carried.

Action Item: Policy 14: General Legal Counsel (06-14-2024): Dellinger reported that staff and legal reviewed Policy 14, and there was a small typo that needed corrected. Lindsay moved to approve Policy 14 as edited, seconded by Mollenkopf. Motion carried.

General Manager Report:
Action Item: Select Buyers for Montezuma and San Juan County Fair Livestock Auctions: Dellinger stated that our county fairs are coming up and we need to select buyers for the livestock auctions. The Montezuma County Livestock Auction will be held on Saturday, August 1, 2026 at 5:00 p.m. and the San Juan County will be held on Saturday, August 8, 2026 at 10:00 a.m. Archibeque moved to delegate Barry and Archibeque for the San Juan County and Lindsay, Mollenkopf, and Robinson for Montezuma County, seconded by Lindsay. Motion carried.

Action Item: Consider the Updated Rate Tariffs: Dellinger explained that the rate tariff changes reflect what was discussed in the last board meeting, with one exception: we did not discuss the Fee Schedule last time. Staff reviewed the various fees and determined all but the Meter Tampering Fee are currently adequate to recover our costs. We recommend increasing this fee from $250.00 to $350.00. All the other redlines in the tariffs correspond to what was discussed last month. These tariffs will go into effect on January 1, 2027. Mollenkopf moved to approve the rate tariffs as presented, seconded by Lindsay. Motion carried.

Strategic Planning Update: Dellinger stated that the quarterly strategic planning update is in the packet. He highlighted the goals and what progression staff has made on these.

Financials: Johnson reported on the May financial reports. She stated that we continue to be on trend for 2026. She explained some of the budget variances. Currently, it looks like we will not need to recognize any deferred revenue in 2026. Johnson explained our current ratio and noted that it has fallen below 1.0, which indicates that we need to withdrawal funds from our loan facilities in the future to ensure our cash position remains adequate.

Miscellaneous: Dellinger stated that the Basin Electric Annual Meeting is coming up August 12th and 13th in Bismark ND. None of the board members are planning on attending this meeting.
NRECA Regional 7 and 9 meetings are scheduled for October 5th – 7th in Salt Lake City UT. Archibeque is planning on attending for CREA.
Johnson put in a summary of our grant projects in the board packet. She explained how much we have been reimbursed to date.
An impact study of a 25% load growth on EEA's service territory was completed by System Engineer Dalton Randolph. Randolph explained this study. Overall, EEA's system is well-positioned to handle 25% across the board load growth without needing significant system upgrades.

Dellinger mentioned that our engineering call back time has decreased a little since last month. Staff looked at options and did an evaluation of business needs, and it was determined that it is time to hire a third engineering technician. We will be posting for this position soon.

Director Roundtable: Archibeque thanked the scholarship committee for the work that they did on the continuing education scholarships.
Barry mentioned the Babylon fire that is threatening Abajo Peak. He also asked about possible hazards that solar arrays could introduce during a fire and why a fire department would be hesitant to engage a fire that involves solar panels.
Mollenkopf stated that he attended the CFC Forum, and he stated that it was an excellent forum and he thanked the board for allowing him to attend.

Attorney: Attorney Shay Denning stated that her written report is in the board packet and answered questions.

Tri-State: Robinson reported that there was a virtual meeting this month that he was unable to attend. He gave an update on the SPP RTO, the high impact load tariff, the latest DOE order to keep the Craig Station operational, and Tri-State's equity plan.

Colorado Rural Electric Association: Archibeque reported on CREA's meeting. They had a virtual meeting at the end of June, and their next meeting will be in August. He stated that in August there will be a parametric insurance presentation for the managers. They hired an additional person to help Taylor Ward with legislative efforts.

Western United: Barry reported on the Western United meeting. He stated that the financials are in the packet.

Utah Rural Electric Cooperatives Association: Barry reported that he didn't attend the URECA meeting.

Committees:

- ***Action Item:*** Consider the Continuing Education Scholarship Award Recipients: Sparks moved to approve the 2026 Continuing Education Scholarship Award Recipients, seconded by Barry. Motion carried. Below is a list of those recipients.
  - In total we had 27 Continuing Education applications (15 scholarships available). Below are the winning applicants chosen by the Scholarship Committee.
    1. Samantha Abate
    2. Jessica Alexander
    3. Trista Barnett
    4. Cambree Chamberlain
    5. Sophie Eschallier
    6. Lilly Bell Fiqueroa
    7. Sheldon Gardner
    8. Atticus Keel
    9. Sarah Knezek
    10. Keira LaRose
    11. Brooklyn Lee
    12. Quinn Maness
    13. Leopold Morey
    14. Madilynn Ritter
    15. Avery Stiegelmeyer

- ***Action Item:*** Consider the Scholarship Deferral Requests: Archibeque moved to approve the request for scholarship deferral by Remy Dillion, seconded by Mollenkopf. Motion carried.

Executive Session: Mollenkopf moved to go into executive session to receive legal advice and discuss Tri-State, CREA, the Bi-Annual Key-Staff Executive Summary, and the GM Evaluation Process, seconded by Archibeque. Motion carried. Went into executive session at 11:23 a.m. Key Staff were asked to leave executive session for the Bi-Annual Key-Staff Executive Summary at 11:54 a.m. Came out of executive session at 12:19 p.m.

Election of Officers:
Action Item: The election of officers is as follows.

- President: Sitton was elected as President by acclamation.
- Vice President: Lindsay was elected as Vice President by acclamation.
- Secretary/Treasurer: Nominees were Bob Barry and Doug Sparks. Barry was elected as Secretary / Treasurer with a 6 to 1 vote.

Election of Board Representatives:
Action Item: The Board elected their Representatives for affiliated boards as follows:

- Tri-State: Robinson was elected as the Tri-State Representative by acclamation.
- CREA: Archibeque was elected as the CREA Representative by acclamation.
- Western United: Nominees were Bob Barry and Doug Sparks. Barry was elected as the Western United Representative by a 6 – 1 vote.
- URECA: Barry was elected as the URECA Representative by acclamation.

Adjournment: Meeting adjourned at 12:30 p.m.

Kent Lindsay, Vice-President

Bob Barry

Bob Barry, Secretary / Treasurer