



**MINUTES OF THE REGULAR MEETING OF THE
DELTA-MONTROSE ELECTRIC ASSOCIATION
BOARD OF DIRECTORS
May 27, 2025**

Regular Board Session. On May 27, 2025, the Board of Directors of Delta-Montrose Electric Association (DMEA) met for a Regular Meeting at the cooperative's headquarters located at 11925 6300 Rd. Montrose, CO 81401.

During its regular meeting, the DMEA Board:

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| 1. | Approved the April 2025 membership/meter report and adopted the April 2025 Regular Meeting minutes with one minor grammatical amendment. |
| 2. | Addressed Board Committees & received committee meeting reports. |
| 3. | Received a CEO report. |
| 4. | Received Board representative reports from WUES and the CREA as well as reports from other Directors on attendances at conferences, webinars, and meetings. |
| 5. | Approved resolution 2025-3 regarding readoption of a non-qualified deferred compensation plan. |
| 6. | Approved to allocate to the membership the 2024 operating margins, otherwise known as capital credits, in the amount of \$6,319,057.00, using a revenue allocation methodology. |
| 7. | Reviewed future meetings. |
| 8. | Entered Executive Session to receive a confidential corporate, litigation, and regulatory updates; review proposed updates to Board |

	Polices 104 (Board Relationship to CEO & CEO Authority), 114 (Equal Opportunity Employer & Non-Discrimination) and 115 (Whistleblower); review proposed updates to the Bylaws; and discuss confidential board governance matters.
9.	Approved updates to Board Policies 114 (Equal Opportunity Employer & Non-Discrimination) and 115 (Whistleblower).

Regular Board Session

I. Call Meeting to Order. President Cannon called the meeting to order at 3:06 p.m.

- **Directors present:** Stacia Cannon (President), Jock Fleming (Vice-President), Kevin Williams (Secretary/Treasurer), Jacob Gray (Assistant Secretary/Treasurer) (in during VI-General Business, 1-Consent Items), Enno Heuscher, Ryan Sedgeley (via Team's), Steve Metheny, Damon Lockhart, Emily Sanchez
- **Directors absent:** None
- **DMEA staff present:** Jack Johnston (CEO), Bob Farmer (CFO), Mateusz Pena (Chief Engineering & Energy Resources Officer), Kent Blackwell (CAO), Sarah Abbott (General Counsel & Chief Compliance Officer), Cody Carver (COO), Jay Suckey (CIO), Kevin Martins (Digital Communications & Marketing Specialist), Katie Yergensen (Marketing & Communication Director), Amy Taylor (CoS), Chad Stickler (Safety Director), Rhyan Neary (Marketing Intern)
**All staff sans Johnston, Abbott, Taylor, Stickler, Carver, Farmer, Suckey, Blackwell, and Pena left prior to XI-Executive Session.*
- **Others present:** Gail Marvel (reporter for *The Montrose Mirror*) (left prior to XI-Executive Session), Shelley Kelley (member) (left prior to XI-Executive Session), Joseph McGill (member) (via Team's), (left prior

to XI-Executive Session), Sean Ryan (member) (in during VI-General Business, 3-CEO Report) (via Team's) (left prior to XI-Executive Session)

II. Pledge of Allegiance. The Board of Directors, staff, and guests present said the Pledge of Allegiance.

III. Determination of a Quorum. President Cannon confirmed the presence of a quorum to conduct business.

IV. Approval of the Agenda. Upon motion from Director Sanchez, seconded by Director Metheny, the Board unanimously accepted the agenda posted on May 15, 2025.

V. Introductions. Board Directors, staff, and guests introduced themselves.

VI. General Business.

1. Consent Agenda. Upon motion from Director Gray, seconded by Director Metheny, the Board approved the April 2025 membership/meter report and adopted the April 2025 Regular Meeting minutes with one minor grammatical amendment.

2. Committee Chair Reports.

a. Finance, Audit & Rates. Chair Lockhart reported the committee had not met since the last Regular Board Meeting.

- b. Engineering, Construction & Energy Services.** Chair Heuscher reported the committee had not met since the last Regular Board Meeting.
 - c. Member Relations Committee.** Chair Williams reported the committee had met on May 12, 2025 to address: member advisory boards; the member survey; Operation Round Up; and the upcoming Annual Meeting of Members and Board election.
 - d. Executive Committee.** Chair Cannon reported that the committee had met on May 8, 2025, to address proposed bylaw updates and on May 12, 2025, to address Board evaluations.
- 3. CEO Report.** Johnston presented the CEO report. Safety and cyber-security training was addressed along with system reliability. New construction lead time was highlighted with it noted the current timeframe of 4-weeks is the standard.

Garnet Mesa Solar progress was addressed along with net metering capacity and hydro generation. There was a discussion on the lineman apprenticeship program and lineman appreciation was highlighted. Community events, including CEO Johnston presenting in Montrose at The Forum, were reviewed. An election update was provided.

Recent copper thefts were addressed, and discussion ensued about how to prevent it in the future. The TDS acquisition was discussed with it noted it is reaching finalization.

Financials were reviewed. There was a discussion on purchased power and the net metering payout. Recent staff presentations at the National

Rural Electric Cooperative Association (NRECA) Power Xchange annual meeting and the NRECA Safety Summit were addressed.

4. Director Reports/Recognition.

- a. Western United Electric Supply (WUES) Report.** Director Fleming noted the last meeting was at the end of April 2025. The next meeting will be in August 2025.
- b. Colorado Rural Electric Association (CREA) Report.** Director Lockhart will be attending the next meeting at the end of this week in Holyoak, hosted by Highline Electric Association. Major discussion items will be the CEO candidate search and the future CREA building purchase.
- c. Conference, Webinars, & Meetings.** President Cannon attended a CoBank webinar at the beginning of May addressing the first 100 days of the 119th Congress and the second Trump Administration.

5. Other Items.

- a. Resolution 2025-3 regarding Readoption of a Non-qualified Deferred Compensation Plan.** General Counsel & Chief Compliance Officer Abbott presented the plan answering inquiries from the Board.

It was noted this plan was previously adopted in 2015, but had since lapsed, so this is plan readoption proposal.

Upon motion from Director Williams, seconded by Director Fleming, the Board unanimously approved resolution 2025-3 as presented.

b. Capital Credit Allocation. CFO Farmer presented information on the 2024 operating margins and possible methodologies for allocating these margins to the membership. It was stated written notification of the allocation will be done with the June 2025 billing.

Upon motion from Director Metheny, seconded by Director Williams, the Board unanimously approved to allocate to the membership the 2024 operating margins, otherwise known as capital credits, in the amount of \$6,319,057.00, using a revenue allocation methodology.

VII. Future Meetings. The Board reviewed future meetings.

VIII. Recess/Form Reconciliation. The Board took a brief recess at 4:30 p.m. The meeting resumed at 4:48 p.m.

IX. Member Comments. There were no member comments.

X. Dinner. The Board broke for dinner at the conclusion of the meeting.

XI. Executive Session. At 4:49 p.m., upon motion from Director Fleming, seconded by Director Gray, the Board unanimously entered Executive Session to: receive confidential corporate, litigation, and regulatory updates; review proposed updates to Board Policies 104 (Board Relationship to CEO & CEO Authority), 114 (Equal Opportunity Employer & Non-Discrimination) and 115

(Whistleblower); review proposed updates to the Bylaws; and discuss confidential board governance matters. At 7:43 p.m., upon motion from Director Fleming, seconded by Director Sanchez, the Board unanimously exited Executive Session.

XII. Reconvened Regular Meeting.

1. Board Policy Updates.

a. 114: Equal Opportunity Employer & Non-Discrimination. Upon motion from Director Williams, seconded by Director Gray, the Board unanimously approved the updates to Board Policy 114.

b. Board Policy 115: Whistleblower. Upon motion from Director Metheny, seconded by Director Heuscher, the Board unanimously approved the updates to Board Policy 115.

2. Other Executive Session Items (if required). There were no additional items to address.

XIII. Adjournment. Having no further business to conduct, the Board adjourned its Regular Meeting at 7:44 p.m.



Jacob Gray, Secretary/Treasurer