

MEETING MINUTES
Board of Directors - Regular Meeting
5496 N. U.S. Highway 85
Sedalia, Colorado
August 17, 2023

Call to Order

President Tim White called a regular meeting of the Board of Directors ("the Board") of CORE Electric Cooperative ("CORE") at 9:30 a.m. on August 17, 2023.

The following Directors were present in person: Tim White, Bruff Shea, Jim Anest, Bob Graf, Mike Sperry, Mike Kempe, and Ron Kilgore. A quorum was deemed present. CEO Jeff Baudier and CORE staff were also present.

Agenda Approval

Mr. White requested an amendment of the agenda for the following items: Move the Overland Project and Hunter Solar presentations to executive session and move the Overland Project and Hunter Solar resolutions to after executive session. Add Approval of Proposed Amendments of Board Policies 110 and 115 and Presentation of Mile High Lineman Rodeo before Director Updates. Upon motion by Mr. Graf, seconded by Mr. Kilgore, the Board of Directors unanimously approved the agenda amended as discussed.

Public Comment

There was no public comment, as no member appeared to address the Board.

Executive Session: Great Co-Ops

Mr. White called for an executive session to discuss Great Co-Ops. Upon motion by Mr. Shea, seconded by Mr. Sperry and carried unanimously, the Board of Directors approved an executive session. The Board convened in executive session at 9:32 a.m. with Mr. Baudier, staff members, and Perry Glantz, legal counsel.

The executive session concluded at 10:23 a.m., and the open session resumed.

Approval of Minutes of July 27, 2023, Regular Meeting

Upon motion by Mr. Anest, seconded by Mr. Shea, the Board of Directors unanimously approved the July 27, 2023, meeting minutes, as presented.

Mr. Graf requested an update on Form 990. Discussion followed.

Approval of Write-Offs

Upon motion by Mr. Kempe, seconded by Mr. Kilgore, the Board unanimously approved July write-offs for \$44,623.

Approval of 2024 Regular Board Meeting Date

Upon motion by Mr. Graf seconded by Mr. Anest, the Board approved the following regular board meeting dates for 2024:

January 25, 2024	July 25, 2024
February 15, 2024	August 15, 2024
March 21, 2024	September 26, 2024
April 25, 2024	October 24, 2024
May 16, 2024	November 21, 2024
June 20, 2024	December 19, 2024

Approval of 2024 Annual Meeting Date and Location

Upon motion by Mr. Kilgore, seconded by Mr. Anest, the Board unanimously approved that the 2024 CORE Electric Cooperative Annual Meeting be held on Saturday, April 20, 2024, at the CORE Electric Cooperative headquarters, 5496 N. U.S. Highway 85, Sedalia, Colorado. Registration begins at 9:00 a.m., and the meeting will commence at 10:00 a.m.

Approval of Resolution BR23-25: Parker Substation PCA

Upon motion by Mr. Shea, seconded by Mr. Kilgore, the Board unanimously adopted the following resolution:

Board Resolution BR23-25

WHEREAS,

CORE Electric Cooperative (“CORE”) intends to rebuild the Parker Substation in 2025 for the purpose of serving growing demand in Douglas County, Colorado, and, in connection therewith, will construct a power control assembly (“PCA”), a prefabricated steel structure with arc-resistant breakers to house the switchgear, relay panels, controls, and communications equipment for the substation; and

CORE has utilized Powell Electrical Systems, Inc. (“Powell”) as the primary source for these PCAs because Powell is the only manufacturer that meets CORE’s requirements and specifications. CORE has solicited and received a proposal from Powell for the PCA for the Parker Substation PCA in the amount of three million six hundred fifty-nine thousand, seven hundred thirty-one dollars (\$3,659,731), which is consistent with the pricing for previous PCA’s purchased from Powell, given the modifications to the Parker Substation PCA; and

CORE’s engineering staff and outside consultant have reviewed Powell’s proposal and have determined that the proposal meets all technical requirements as well as the required delivery schedule; and

CORE’s engineering staff recommends that CORE award an Equipment Contract to Powell for the Parker Substation PCA; and

The Board of Directors has determined that such recommendation is in the best interests of CORE and its members.

Now, therefore, be it resolved that the Board of Directors authorizes CORE to award an Equipment Contract to Powell Electrical Systems, Inc. for the Parker Substation PCA in the amount of three million six hundred fifty-nine thousand, seven hundred thirty-one dollars (\$3,659,731) and such additional amounts as may be reasonably necessary, if any, not to exceed fifteen percent (15%) of the authorized amount, to facilitate such purchase and installation of that facility, and authorizes the Chief Executive Officer or his designee to execute such contracts as may be necessary in connection therewith.

Presentation: Capital Credits Retirements

Ms. Leshner and Ms. Jones presented to the Board an overview of capital credits retirements. Discussion followed.

Approval of Resolution BR23-27: Capital Credits Retirements

Upon motion by Mr. Sperry, seconded by Mr. Kilgore, six of seven Board members approved the following resolution. Mr. Kempe voted no.

Board Resolution BR23-27

WHEREAS,

The CORE Electric Cooperative ("CORE") Board of Directors wishes to retire patronage capital credits to its members while not impairing the financial condition of the Cooperative; and

CORE Staff recommended, and the Board of Directors finds that the Cooperative can retire \$5,000,000 of patronage capital; and

The Board of Directors wishes to retire capital credits in full for patronage year 2002 (totaling \$2,651,114) prior to calculating further capital credit retirements; and

The Board of Directors wishes to retire the remaining capital credits after deducting the year 2002 patronage capital (totaling \$2,348,886) as follows:

fifty percent (50%) to members according to the year 2022's allocation and fifty percent (50%) according to the years' 2003-2021 allocations; and

The Board of Directors wishes to apply capital credit retirements as bill credits to member accounts to the extent practicable; and

The Board of Directors has determined that such recommendation is in the best interest of CORE and its members.

Now, therefore, be it resolved that the Board of Directors hereby authorizes the retirement of \$5,000,000 of patronage capital, to be distributed as follows: all allocated capital credits for patronage year 2002 to be retired in full; fifty percent (50%) of the balance to be paid to members based on the 2022 allocation; and the remaining fifty percent (50%) to be paid to members based on the 2003-2021 allocations. Additionally, the Board of Directors authorizes capital credit retirements to be applied as bill credits to the full extent deemed practicable by CORE staff.

Presentation: Pine Junction and Woodland Park Project Updates

Kristine Wille-Matney, CORE's Owners Representative, presented an update of the Pine Junction and Woodland Park projects to the Board. Discussion followed.

Approval of Resolution BR23-28: Pine Junction GMP Contract

Upon motion by Mr. Graf, seconded by Mr. Kempe, the Board unanimously adopted the following resolution:

Board Resolution BR23-28

WHEREAS,

CORE purchased property in Pine Junction (see Board Resolution BR22-6, March 2022) upon which to construct a new district office building, warehouse, storage yard, training facility, and related facilities and the infrastructure for the

future Pine Junction Substation (collectively referred to as “the Pine Junction Operations Facility Project” or “the Project”) and;

CORE proposed and received approval for the Project budget through the 2023 CORE budget (December 2022); and

CORE contracted with LKA Partners, Inc. to provide architectural design and related services for the Project (see Board Resolution BR23-6, February 2023) and;

CORE has awarded Saunders Construction, LLC., a Construction Management and General Contracting (CMGC) contract for \$329,644.00 to provide preconstruction services, including scheduling, pricing, constructability, material analysis, cost estimation, budgeting, value engineering, design assist for long lead item procurement and the early procurement of Generator and Electrical Switchgear; and

CORE has been authorized to execute a site civil and infrastructure package with Saunders Construction, LLC. for \$9,195,781.00 (see Board Resolution BR19-23, June 2023); and

The cost of work will be inclusive of the current CMGC contract of \$329,644.00, and previously approved \$9,195,781.00, for a total of \$28,343,288.00 which shall establish the Guaranteed Maximum Price (GMP) with Saunders Construction, LLC. for the hard costs for the Project; and

WHEREAS,

The Chief Executive Officer and CORE staff, in coordination with LKA Partners, Inc., have reviewed the proposal and recommends CORE award Saunders Construction, LLC., a contract amendment establishing the GMP for the Project.

The Board of Directors has determined that such recommendation is in the best interest of CORE and its members.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes CORE to amend Saunders Construction, LLC.'s contract to include a not to exceed amount of twenty-eight million, three hundred forty-three thousand, two hundred eighty-eight dollars (\$28,343,288.00) for the Project hard costs.

Approval of Resolution BR23-29: Woodland Park GMP Contract

Upon motion by Mr. Kempe, seconded by Mr. Sperry, the Board unanimously approved the following resolution:

Board Resolution BR23-29

WHEREAS,

CORE proposed and received approval to remodel and expand the Woodland Park district office building, warehouse, storage yard, training facility, and related facilities through the 2023 CORE Project (collectively referred to as the "Woodland Park Operations Facilities Project" or "the Project") budget (December 2022), and

CORE contracted with LKA Partners, Inc. to provide architectural design and related services for the Project (see Board Resolution BR23-5, February 2023) and;

CORE has awarded Saunders Norwood Construction, LLC., a Construction Management and General Contracting (CMGC) contract for \$377,448.00 to provide preconstruction services, including scheduling, pricing, constructability, material analysis, cost estimation, budgeting, value engineering, design assist for long lead item procurement and the early procurement of Generator and Electrical Switchgear; and

The cost of work will be inclusive of the current CGMC contract of \$377,448.00, for a total of \$18,218,403.00, which shall establish the Guaranteed Maximum Price (GMP) with Saunders Norwood Construction, LLC. for the hard costs of the Project; and

WHEREAS,

The Chief Executive Officer and CORE staff, in coordination with LKA Partners, Inc., have reviewed the proposal and recommends CORE award Saunders Norwood Construction, LLC., a contract amendment establishing the GMP for the Project.

The Board of Directors has determined that such recommendation is in the best interest of CORE and its members.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes CORE to amend Saunders Construction, LLC.'s contract to include a not to exceed amount of eighteen million, two hundred eighteen thousand, four hundred and three dollars (\$18,218,403.00) for the Project hard costs.

Approval of Proposed Amendments of Board Policy 110

Upon motion by Mr. Graf, seconded by Mr. Kilgore, the Board unanimously approved the proposed amendments to Board Policy 110, as presented.

Approval of Proposed Amendments of Board Policy 115

After a brief discussion, Mr. Anest requested to defer Board Policy 115 to the September 21 Board meeting to allow more time for discussion on the proposed amendments.

Mile High Lineman Rodeo

Mr. Alex Mendez, Director of Distribution Operations, reported that CORE co-hosted the 2023 Mile High Lineman's Rodeo with PSCo. Teams from five Colorado electric utilities

competed in the event on August 12. CORE's teams did very well, placing in the top three in all categories.

Director Updates

Mr. White discussed the recent news story featuring CORE regarding wildfire mitigation. Discussion followed.

Ms. Leshner reported that the Director Senior Luncheons are being restructured to include more groups to show more area appreciation.

Mr. Baudier reviewed the agenda for the upcoming strategic planning session.

Executive Session: Confidential Matters

Mr. White called for an executive session to discuss confidential matters. Upon motion by Mr. Kilgore, seconded by Mr. Kempe, and carried unanimously, the Board of Directors approved an executive session. The Board convened in executive session at 11:35 a.m. with Mr. Baudier, staff members, and Perry Glantz, legal counsel.

The executive session concluded at 1:15 p.m., and the open session resumed.

Approval of Resolution BR23-26: Overland East Wind Project

After discussion and upon motion by Mr. Kilgore, seconded by Mr. Kempe, six of seven Board members approved the following resolution. Mr. Graf voted no.

Board Resolution BR23-26

WHEREAS,

CORE desires to manage the long-term costs for the use of energy in its operations to serve its members' load by entering into an agreement to purchase power from the Overland East Wind Project ("Power Purchase Agreement"); and

Through an RFP process, CORE solicited and carefully reviewed and considered a number of proposed Power Purchase Agreements, which process informed CORE of current prevailing market pricing for the supply of energy and energy storage; and

Following the conclusion of CORE's RFP process, CORE contacted several additional power suppliers who had not participated in the RFP process to request their proposals for Power Purchase Agreements ("Additional Proposals"); and

After considering the Additional Proposals, CORE selected a preferred proposal for wind power that best fits CORE's energy source portfolio because its pricing falls below current prevailing market rates; and

It is proposed that CORE execute a Power Purchase Agreement, consistent with the terms presented to the Board, to provide for the electric capacity and associated energy produced by the Overland East Wind Project, to commence on or after January 1, 2026 (the "Proposed Transaction").

NOW, THEREFORE, BE IT RESOLVED, consistent with the Power Purchase Agreement terms presented to the Board at this meeting and upon such other matters as were deemed relevant by the Board, the Board (a) finds that the Proposed Transaction is in the best interest of CORE, its members, as well as its other constituencies, and (b) hereby approves the Proposed Transaction; and

BE IT RESOLVED FURTHER, that the Chief Executive Officer of CORE ("Authorized Officer") is authorized, for and on behalf of CORE, to (a) negotiate and enter into the Proposed Transaction and execute the Power Purchase Agreement with the preferred vendor and/or its affiliates in furtherance of the Proposed Transaction in such form as deemed necessary or advisable by the Authorized Officer, and (b) take all such other actions as the Authorized Officer may deem necessary or advisable in connection with the Proposed Transaction and the transactions contemplated thereby, and the taking of any such action to be deemed conclusive evidence that each of the Board and CORE has authorized such action.

Approval of Resolution BR23-30: Hunter Solar PPA

Upon motion by Mr. Shea, seconded by Mr. Kempe, the Board unanimously approved the following resolution:

Board Resolution BR23-30

WHEREAS,

CORE is legally required to interconnect small power production facilities that have the capacity of 80 MW or less ("Qualifying Facilities"), purchase energy made available from Qualifying Facilities, and sell energy to Qualifying Facilities under and according to the requirements of the Public Utility Regulatory Policies Act of 1978 ("PURPA"); and

In February 2019 the Board of Directors approved a power purchase agreement with Hunter Solar, LLC for the Hunter 75 MW solar photovoltaic project to be constructed near the Town of Bennett in Arapahoe County, Colorado (see Board Resolution BR19-5); and

Supply chain issues have resulted in serious delays to the project; and

It is proposed that CORE execute an amendment to the Hunter Solar, LLC Power Purchase Agreement, consistent with the terms presented to the Board, to provide for the electric capacity and associated energy produced by the Hunter Solar Project, to commence on or after December 31, 2023 (the "Proposed Transaction"); and

NOW, THEREFORE, BE IT RESOLVED, consistent with the Power Purchase Agreement terms presented to the Board at this meeting and upon such other matters as were deemed relevant by the Board, the Board (a) finds that the Proposed Transaction is in the best interest of CORE, its members, as well as its other constituencies, and (b) hereby approves the Proposed Transaction; and

BE IT RESOLVED FURTHER, that the Chief Executive Officer of CORE ("Authorized Officer") is authorized, for and on behalf of CORE, to (a) negotiate and enter into the Proposed Transaction and execute the Amended Power Purchase Agreement with Hunter Solar, LLC in furtherance of the Proposed Transaction in such form as deemed necessary or advisable by the Authorized Officer, and (b) take all such other actions as the Authorized Officer may deem necessary or advisable in connection with the Proposed Transaction and the transactions contemplated thereby, and the taking of any such action to be deemed conclusive evidence that each of the Board and CORE has authorized such action.

Mr. White called for an executive session to discuss confidential legal matters. Upon motion by Mr. Anest, seconded by Mr. Kempe, and carried unanimously, the Board of Directors approved an executive session. The Board convened in executive session at 1:36 p.m. with Mr. Baudier, staff members, and Perry Glantz, legal counsel.

There being no further business to discuss, President Tim White adjourned the meeting.

The next regular meeting will be held on September 21, 2023.