

MINUTES OF REGULAR MONTHLY MEETING
OF
THE BOARD OF DIRECTORS OF K.C. ELECTRIC ASSOCIATION

A regular meeting of the Board of Directors of K.C. Electric Association was held in Stratton, Colorado on Tuesday, October 25, 2016 at the hour of 4:00 p.m. The meeting was called to order by President Kevin Penny. The following Members were present and constituted a quorum:

Kevin Penny	Terry Tagtmeyer	Marvin Thaller
Dan Mills	Wayne Parrish	Luanna Naugle
Dave Ritchey	Jim Michal	Bob Bledsoe

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Chief Financial Officer Bo Randolph, Member Service/IT Specialist George Ehlers, Kristen Lee Veliz and Attorney Jeff Cure.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on September 27, 2016.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for November 22, 2016 at 4:00 p.m. in Hugo, Colorado.

Public Comments: Ms. Kristen Lee Veliz thanked the Board for selecting her to participate in the Glen Eden camp and discussed how this experience has positively affected her life.

Disbursements Report: The Disbursements Report of the Association for September 2016 was reviewed and, after the Board had an opportunity to review and ask questions, Mr. Penny declared the Disbursements Report an informational item requiring no Board action.

Emergency Items: None.

Operational Policies: Up for review were Policy #427, Paydays; Policy #428, Equal Employment Opportunity; and Policy #429, Sexual Harassment. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #427, #428, and #429 are hereby approved as presented.”

Special Equipment Summary: After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the Special Equipment Summary is hereby approved in the amount of \$ 56,275.61.”

Inventory of Work Orders: After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the inventory of work orders #424, in the amount of \$ 226,546.69, is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting; NRECA’s Region VII Meeting; Board survey, Tri-State Managers meeting, Rush Creek wind farm, and the Stratton front office remodel.

Staff Reports: The staff made the following reports and answered Board questions:

- a. Mr. Randolph handed out group benefit open enrollment forms to the Board. Mr. Randolph also presented a slideshow of the financial report for September and discussed the 2017 budget.

- b. Mr. Norris reported there were no First Reports of Injury or Near Misses in the past month. There were no Safety Committee activities in September. A recap was given of the safety meetings held in Stratton and Hugo and a high voltage demonstration given to 85 students in Hugo.
- c. For the Operations report, Mr. Norris reported on several projects that the line crews have been working on including Cheyenne Wells substation modifications and transmission line maintenance. Mr. Norris also reviewed outages that occurred in September.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for September. Mr. Ehlers announced that application deadlines for the Glen Eden camp, Washington D.C. youth trip, and scholarships are quickly approaching. Mr. Ehlers discussed the Cyber Security workshop that he recently attended at Tri-State.

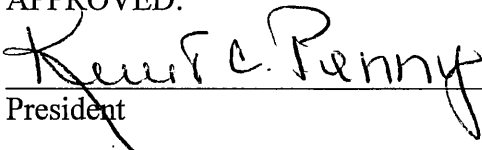
CREA Report: Mr. Mills reported on recent CREA Board meetings.

WUE Report: Mr. Mills referenced his report in the packet and noted that WUE sales continue to remain stable.

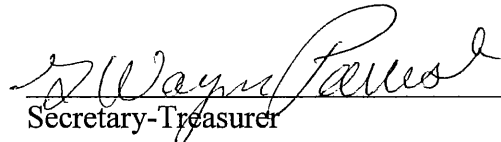
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet including Tri-State's decision to close the Nucla station, New Horizon mine and unit 1 at the Craig station.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:59 p.m.

APPROVED:



President



Secretary-Treasurer