

Colorado 39 – Kit Carson
K.C. Electric Association, Inc.

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

A regular meeting of the Board of Directors of K.C. Electric Association, Inc. was held in Hugo, Colorado on Tuesday, November 24, 2015 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	Robert Bledsoe	Jim Michal
Dave Ritchey	Wayne Parrish	Luanna Naugle

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Member Service Specialist Ben Orrell, Chief Financial Officer Bo Randolph, Attorney Jeff Cure, Accountant Sue Dutro and Journeyman Lineman J.C. Ely.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on October 27, 2015.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for December 17, 2015 at 2:00 p.m. in Stratton, Colorado.

Public Comments: Mr. Norris introduced Mr. Ely, the Association's newest lineman, after introductions Mr. Ely returned to work.

Disbursements Report: The Disbursements Report of the Association for October 2015 was reviewed and, after the Board had an opportunity to review and ask questions, President Penny declared the Disbursements Report as an informational item requiring no Board action.

Emergency Items: Mr. Churchwell discussed operational problems with the Hugo office copier. After discussion, it was decided to have staff obtain lease and purchase pricing from various vendors and present the information at the next Board meeting.

Operational Policies: Up for review were Policy #100, Policy Origin and Approval; Policy #101, Membership in Associated Organizations; Policy #102, Depositories; Policy #103, Receipts of Cash and Cash Equivalents; Policy #104, Check Signing; and Policy #437, Drug-Free Workplace. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policy #100, #101, #102, #103, #104 and #437 are approved as presented.”

Uncollectable Account Write-Offs: Mr. Randolph presented the uncollectable account write-offs. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the uncollectable account write-offs in the amount of \$ 1,533.10 are approved as presented.”

2015 Capital Credit Retirements: Mr. Randolph presented a recommended capital credit general retirement amount for 2015. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That \$ 1,377,045 from the Capital Credit balance be distributed in December 2015 as a general retirement.”

Bylaw Revision: Mr. Cure presented draft bylaw changes that must be made if the Board decides to change the Board Election Policy.

Board Election Policy: Mr. Cure presented a draft Board Election Policy for the Board to consider. After extensive discussion, the Board directed Mr. Cure to finalize the Board Election Policy and present it at the next Board of Directors meeting.

Notice of Acceptance of Franchise: Mr. Cure told the Board that the Franchise Agreement with the town of Arriba has been completed.

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 \$ 22,496.10.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #606 in the amount of \$ 217,654.44, #607 in the amount of \$7,646.16 and #610 in the amount of \$ 3,308.59 is hereby approved.”

General Manager’s Report: Mr. Churchwell presented the draft 2016 budget and reported on the following: Tri-State Board of Directors meeting, Kyle railroad, Arcadia Power, Hutton Lawsuit, Cost of Service Study and rate design workshop.

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

- a. Mr. Randolph presented a slideshow of the financial report for October 2015.
- b. Mr. Norris reported there were no First Reports of Injury or Near Misses in the past month. A recap was given of the safety meeting held in Stratton.
- c. Mr. Norris discussed maintenance and construction projects completed in October as well as outages that occurred in October.
- d. Mr. Orrell referenced his report in the Board packet which summarized activities of Member Services for October. Youth tour application deadlines are quickly approaching and the Board will select the winners at the next Board meeting.

CREA Report: Mr. Mills reported on activities at CREA and reported that he participated in a Bylaws committee conference call.

WUE Report: Mr. Mills referenced his report in the packet and reported that sales continue to be steady and WUE is moving forward on facility expansions in New Mexico.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed Tri-State joining the Southwest Power Pool with their Eastern grid loads.

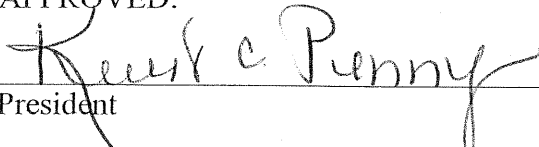
Executive Session: At 8:20 p.m. it was unanimously approved to enter Executive Session to discuss 2016 Salaries and Wages and to conduct Mr. Churchwell’s annual performance review. Mr. Churchwell and Mr. Cure were included in the Executive Session. The Board exited Executive Session at 9:17 p.m.

2016 Salaries and Wages: After Executive Session, the following resolution was unanimously approved:


“BE IT RESOLVED: That the salary and wage increases presented by the General Manager are hereby approved.”

Adjournment: Mr. Penny declared the meeting adjourned at approximately 9:25 p.m.

APPROVED:



President



Secretary-Treasurer