

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, February 27^h, 2018 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	Dave Ritchey	Jim Michal
Wayne Parrish	Luanna Naugle	Bob Bledsoe

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Chief Financial Officer Bo Randolph, and Attorney Jeff Cure.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on January 23, 2018.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for March 27, 2018 at 4:00 p.m. in Hugo, Colorado.

Public Comments: There were no public comments at this time.

Disbursements Report: The Disbursements Report of the Association for January 2018 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: None

Operational Policies: Up for review were Policy #110, Depreciation of Plant; Policy #111, Investments and Loans; Policy #113, Budget and Commitment of Funds, and Policy #114, Document Retention. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #110, #111, #113, and #114 are approved as presented.”

2018 Capital Credit Discount Rate: Mr. Churchwell and Mr. Randolph presented the 2018 capital credit discount rate which was calculated by utilizing the Goodwin formula. After discussion, the following resolution was unanimously approved:

“BE IS RESOLVED: That the 2018 capital credit discount rate will be 5.17%.”

Tri-State Annual Meeting Voting Delegate: The Board reviewed the Credential Sheet for the Tri-State Annual Meeting. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Marvin Thaller will be the voting delegate and Wayne Parrish will be the alternate voting delegate for the 2018 Tri-State Annual Meeting.”

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 \$13,192.91.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #435 in the amount of \$83,317.21, and #436 in the amount of \$155,882.22 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, CREA Managers meeting, Construction Work Plan, and electric vehicle charging stations.

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

- a. Mr. Randolph presented a slideshow of the financial report for January 2018.
- b. Mr. Norris reported there were no First Report of Injury and no Near Misses in the past month. A recap was given of the safety meetings held in Stratton and Hugo.
- c. Mr. Norris discussed maintenance and construction projects completed in January and the Cheyenne Wells voltage conversion project.
- d. Mr. Churchwell referenced reports in the Board packet which summarized activities of Member Services and IT for January.

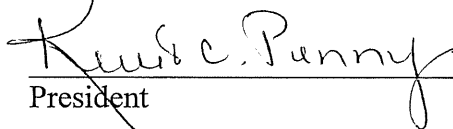
CREA Report: Mr. Mills referenced his report in the packet and gave an update on legislative activity.

WUE Report: Mr. Mills referenced his report in the packet and reported that sales continue to be strong.

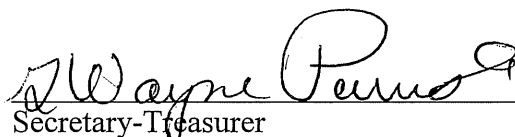
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and invited everyone to attend Tri-State’s annual meeting which will be held in April.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 6:53 p.m.

APPROVED:



President



Secretary-Treasurer