

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, July 26, 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
Robert Bledsoe	Dan Mills	Wayne Parrish
Dave Ritchey	Luanna Naugle	Jim Michal

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Chief Financial Officer Bo Randolph, Member Services Manager/IT Specialist George Ehlers, Tri-State CEO Mike McInnes, Tri-State Vice President of Member Relations Jennifer Goss, and Katherine Liptrap.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on June 28, 2016.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for August 23, 2016 at 4:00 p.m. in Stratton, Colorado.

Public Comments: Ms. Katherine Liptrap thanked the Board for selecting her to participate in the Washington D.C. Youth Tour and discussed how this experience has positively affected her life. Mr. Mike McInnes and Ms. Jennifer Goss gave an update on Tri-State Generation and Transmission. The Board thanked Mr. McInnes and Ms. Goss for the update and for attending our meeting.

Disbursements Report: The Disbursements Report of the Association for June 2016 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:

Bank Signature Authorizations:

Mr. Penny presented a resolution from Colorado East Bank and Trust of Stratton, Colorado authorizing Mr. Churchwell, Mr. Randolph, Ms. Dutro, Mr. Penny, Mr. Parrish and Mr. Ritchey authority to conduct business on behalf of K.C. Electric. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: Mr. Churchwell, Mr. Randolph, Ms. Dutro, Mr. Penny, Mr. Parrish and Mr. Ritchey are authorized to conduct business on behalf of K.C. Electric with Colorado East Bank and Trust of Stratton, Colorado.”

Mr. Penny presented a resolution from Eastern Colorado Bank of Cheyenne Wells, Colorado authorizing Mr. Churchwell, Mr. Randolph, Ms. Dutro, Mr. Penny, Mr. Parrish and Mr. Ritchey authority to conduct business on behalf of K.C. Electric. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: Mr. Churchwell, Mr. Randolph, Ms. Dutro, Mr. Penny, Mr. Parrish and Mr. Ritchey are authorized to conduct business on behalf of K.C. Electric with Eastern Colorado Bank of Cheyenne Wells, Colorado.”

Operational Policies: Up for review were Policy #415, Sick Leave; Policy #416, Jury Duty; Policy #417, Hours of Work and Overtime; Policy #418, Cessation of Benefits Upon Termination of Employment; Policy #419, Medical Insurance for Employees Qualifying for Long Term Disability Insurance; and Policy #420, Apprentice Training Program. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #415, #416, #417, #418, #419 and #420 are approved as presented.”

Form 990 Approval:

Mr. Churchwell presented the Association’s IRS form 990 which was prepared by our auditor Kevin Kelso. After discussion, the following resolution was unanimously approved:

“BE IF RESOLVED: That the 2015 IRS form 990 prepared by Kevin S. Kelso, CPA, P.C., P.A., is approved as presented.”

2016 NRECA Voting Delegate and Alternate Delegate:

Mr. Penny called for nominations to fill the position of voting delegate for NRECA. Mr. Churchwell was nominated as the voting delegate. No further nominations were made and the following resolution was unanimously approved:

“BE IT RESOLVED: That David Churchwell is elected to serve as the Association’s voting delegate for NRECA for a term of one year.”

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 \$ 2,488.72.”

General Manager’s Report: Mr. Churchwell reported on the following: The most recent Tri-State Board meeting, Rush Creek Wind Farm, CFC investment opportunities and discussed upcoming CREA and NRECA meetings.

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

- a. Mr. Randolph presented a slideshow of the financial report for June 2016.
- b. Mr. Norris reported there were no First Reports of Injury or Near Misses. A recap was given of the safety meetings held in Hugo and Stratton. The safety committee met and has developed a Safety Improvement Plan to compliment the RESAP inspection that was conducted earlier this year.
- c. Mr. Norris reported on recent system damage incurred due to summer storms and gave an update on the progression of the Saddle Horn project and the line rebuild east of Kit Carson.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and Information Technologies for June 2016.

CREA Report: Mr. Mills reported on the recent CREA board meeting which included a presentation on their 2015 audit. Mr. Mills also discussed the upcoming CREA fall meeting and energy innovations summit.

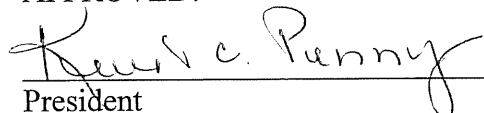
WUE Report: Mr. Mills noted that WUE conducted Board officer elections and sales are lower due to the downturn in the oil and gas industry.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and noted that he will be serving on the contract committee which will convene in August.

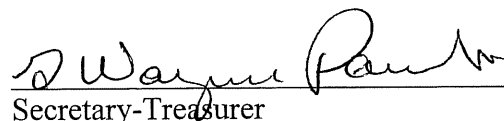
Miscellaneous Business: None.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 8:30 p.m.

APPROVED:



President



Secretary-Treasurer