

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, September 27, 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	Luanna Naugle	Robert Bledsoe
Dave Ritchey	Wayne Parrish	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 and Attorney Jeff Cure.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on August 23, 2016.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for October 25, 2016 at 4:00 p.m. in Stratton, Colorado.

Public Comments: None.

Disbursements Report: The Disbursements Report of the Association for August 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: None.

Operational Policies: Up for review were Policy #203, Director Participation in Insurance Plans after Termination from Office; Policy #425, Reimbursement for Continuing Education; and Policy #426, Tool Replacement. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #203, #425 and #426 are approved as presented.”

Service Truck Replacement: Mr. Norris presented bids for the replacement of a service truck and service body. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a service truck from Vince’s GM Center for \$ 27,964.50 and a service body with installation from Auto Truck Group for \$ 13,351.

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 \$ 37,137.18

General Manager’s Report: Mr. Churchwell reported on the following: The most recent Tri-State Board meeting, CAMU survey results, Hutton Foundation Lawsuit, Republican River Compact, Board survey and potential consumer solar installations.

Staff Reports: K.C. staff made the following reports and answered Board questions:

- a. Mr. Randolph presented a slideshow of the financial report for August 2016.

- b. Mr. Norris reported there were no First Reports of Injury or Near Miss's in August. A recap was given of the safety meetings held in Hugo and Stratton.
- c. Mr. Norris reported on the completion of the Stratton conversion 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 August 2016. K.C. participated in the recent Farm Safety program held in Hugo by conducting high voltage demonstrations for the participants.

CREA Report: Mr. Mills reported on the recent CREA board meeting and discussed ballot measures that will be voted on in the upcoming statewide election.

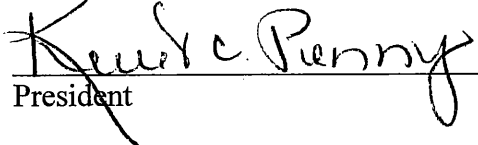
WUE Report: Mr. Mills referenced his report in the packet and noted that a few cooperatives in the state are experiencing substantial residential growth which are helping sales.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and noted that the contract and rate committee's continue to meet.

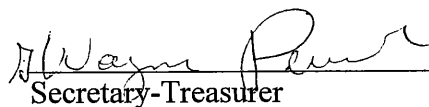
Miscellaneous Business: None.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 8:23 p.m.

APPROVED:



President



Secretary-Treasurer