

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, August 28, 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	Dan Mills	Dave Ritchey
Terry Tagtmeyer	Wayne Parrish	Marvin Thaller
Bob Bledsoe		

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Chief Financial Officer Bo Randolph, Member Services Manager/IT Specialist George Ehlers, Attorney Jeff Cure, Tri-State Generation and Transmission CEO Mike McInnes, and Tri-State Generation and Transmission SVP/Member Relations Jennifer Goss.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on July 24, 2018.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for September 25, 2018 at 4:00 p.m. in Hugo, Colorado.

Public Comments: 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 attending our meeting.

Disbursements Report: The Disbursements Report of the Association for July 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:

Capital Credit Estate Retirements: Mr. Churchwell presented financial information relating to 2018 capital credit estate retirements. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the cap for 2018 capital credit estate retirements will be \$225,000.”

Operational Policies: Up for review were Policy #421, Leave of Absence - Medical; Policy #422, Inclement Weather; Policy #423, Travel; and Policy #424, Employee Attendance at Meetings. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #421, #422, #423, and #424 are approved as presented.”

Approval to Renew NRECA Insurance Programs for 2019: Mr. Churchwell presented the NRECA insurance renewal rates for 2019. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the proposed NRECA insurance plans are hereby renewed with the same coverage currently in place at the proposed rated provided by NRECA.”

Service Release to YW Electric Association: Mr. Norris presented a temporary service release requested by YW Electric Association to serve a new load in K.C.’s certificated service territory that is in proximity to existing YW three-phase facilities. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That K.C. staff is authorized to grant YW Electric Association a temporary release to serve a member located in the NE quarter, Section 5, Township 6S, Range 48W in K.C. Electric’s certificated service territory.”

2017 IRS Form 990 Approval: Mr. Churchwell reviewed the 2017 IRS form 990 which was completed by Kevin S. Kelso, CPA, P.C., P.A. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2017 IRS form 990 is 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 \$54,668.38.”

General Manager’s Report: Mr. Churchwell reported on the following: The most recent Tri-State Board meeting, NRECA RS plan 2019 billing, Basin Electric, solar installations, and Kevin S. Kelso merger with Jackson Thornton & Co.

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

- a. Mr. Randolph presented a slideshow of the financial report for July 2018.
- b. Mr. Norris reported there were no First Reports of Injury and no Near Misses in the past month. A recap was given of the safety meetings held in Hugo and Stratton. K.C. conducted a high voltage demonstration in conjunction with the National Night Out held in Stratton. K.C. field employees have committed to NRECA’s Quest for Zero Contacts program.
- c. Mr. Norris reported on recent system damage incurred due to summer storms and gave an update on current construction projects.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for July 2018.

CREA Report: Mr. Mills referenced his report in the packet and reported on the upcoming Summer Social CREA will be hosting at the Alliance Center in Denver.

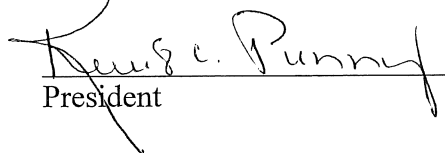
WUE Report: Mr. Mills referenced his report in the packet and noted that WUE sales continue to be strong. The WUE Board will name their new CEO soon.

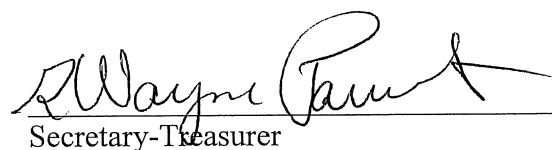
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the Tri-State member assessment survey. The Board completed the member assessment survey.

Other Business: Mr. Thaller discussed the Tri-State Board Policy 115 committee meeting that he attended.

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

APPROVED:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary-Treasurer