

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 was held in Stratton, Colorado on Thursday, December 14, 2017 at the hour of 3:00 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	Luanna Naugle	Marvin Thaller
Bob Bledsoe	Jim Michal	

Wayne Parrish arrived at 3:24 p.m.

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Member Services/IT Specialist George Ehlers, 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 November 28, 2017.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for January 23, 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 December 2017 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 #401, Employee Classifications; and Policy #402, Rest Periods. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policy #401, and #402 are approved as presented.”

2018 Operating and Capital Budget Approval: Mr. Churchwell presented the final version of the 2018 Operating and Capital Budget to the Board. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2018 Operating and Capital Budget is hereby approved.”

2018 Office Cleaning Contract: Mr. Churchwell presented contracts for renewal of services from January 2018 through December 2018 for approval. The contracts were for Jody Sharp to clean the Cheyenne Wells office, and Kristy Richie to clean the Stratton office. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the contracts for Jody Sharp, and Kristy Richie are hereby approved for janitorial services to be performed in 2018.”

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 \$ 62,386.18.”

General Manager's Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, CREA Managers meeting, Department of Energy grid resiliency pricing rule, and deferred revenue.

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

- a. Mr. Randolph presented a slideshow of the financial report for November 2017.
- 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 Stratton and Hugo.
- c. Mr. Norris discussed maintenance and construction projects completed in November including the three-phase rebuild north of Burlington.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for November. The scholarship and youth tour application deadlines are quickly approaching. The Board will select the winners at the January Board meeting.

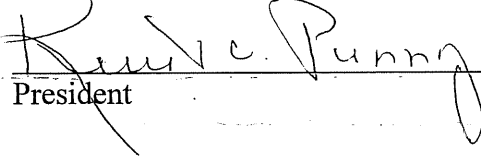
CREA Report: Mr. Mills referenced his report in the packet and reported on potential 2018 legislation. CREA's annual membership meeting will be held in February.

WUE Report: Mr. Mills referenced his report in the packet and reported that sales continue to be strong. WUE recently updated board policy to allow for an increased number of board members.

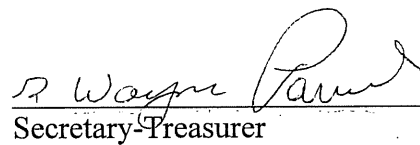
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed an education session called "Crucial Conversations in the Board Room" which was presented during the recent board meeting.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 5:08 p.m.

APPROVED:



President



Secretary-Treasurer