

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 Hugo, Colorado on Tuesday, March 24, 2026, 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	Jerry Allen	Justin Rueb
Eric Poss	Wayne Parrish	

Bob Bledsoe arrived at 3:30 p.m.

Also present were General Manager David Churchwell, Chief Financial Officer Bo Randolph, Member Services/IT Specialist George Ehlers, and attorney Jeff Cure.

Approval of Agenda: It was unanimously approved to accept the agenda as presented.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on February 24, 2026.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for April 28, 2026, at 4:00 p.m. in Stratton, Colorado.

Public Comments: Colorado Rural Electric Association Executive Director Tom Walsh joined the meeting to discuss his vision for CREA, legislative activities, CCL, and the CREA safety program. After discussion and questions, President Penny thanked Mr. Walsh for attending our board meeting, Mr. Walsh left the meeting at 4:09 p.m.

Disbursements Report: The Disbursements Report of the Association for February 2026 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: Mr. Churchwell and Mr. Ehlers presented a quote to migrate our domain servers from VMware to Hyper-V due to a drastic cost increase for VMware support. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That staff is hereby authorized to contract with High Point Networks to migrate our domain servers to Hyper-V for \$8,820.00.”

Operational Policies: Up for review were Policy #116, Disposition of General Plant Assets; Policy #407, Confidentiality of Personnel Files and Employee Rights; Policy #408, Military Leave of Absence; Policy #434, Drug & Alcohol Testing for CDL Employees; and Policy #516, Line Extensions. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #116, #407, #408, #434, and #516 are approved as presented.”

2027 Annual Meeting Location: Mr. Churchwell presented a document indicating the date and location of previous annual meetings. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2027 K.C. Electric Annual Meeting will be held at the Stratton High School.”

AI Policy: Mr. Churchwell presented a draft Artificial Intelligence Use policy which enables employees and contractors to use AI technologies responsibly and consistent with the Association’s mission and objectives. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That policy #409, Artificial Intelligence Use, is approved as presented.”

Special Equipment Purchases: 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 \$10,563.99.”

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

“BE IT RESOLVED: That the Inventory of Work Order #511 in the amount of \$13,526.56 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, BYOR opportunities, Tri-State FERC activity, Colorado legislative activity, wind farm and BESS activity, COSS survey results, and discussed annual meeting preparations.

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

- a. Mr. Randolph presented a slideshow of the financial report for February 2026, discussed the Federal Reserve and stock market, and gave an update on 2025 capital credit allocations.
- b. Mr. Churchwell reported there were no First Report of Injury and no Near Misses in the past month. A recap was given for the safety meetings held in Stratton and Hugo. Annual fire extinguisher testing has been completed.
- c. Mr. Churchwell discussed maintenance and construction projects completed in the past month including work being done at the Sand Creek and Huppert Shutte substations.
- d. Mr. Ehlers referenced his reports in the Board packet which summarized the activities of Member Services and IT for the past month. Annual meeting preparations continue, nomination petitions must be returned by April 5, and the election committee will meet on April 8.

CREA Report: Mr. Parrish referenced his report in the packet and discussed CREA’s upcoming board meeting, the CREA CARE task force, and discussed legislative activities. CREA’s new headquarters is working out well for board meetings as well as board and employee training.

WUE Report: Mr. Parrish referenced his report in the packet and reported that sales and margins continue to be slightly below budget but are still strong overall.

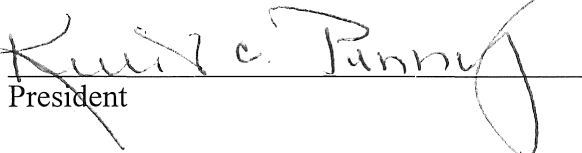
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed Tri-State’s April annual membership meeting.

Other Business: Mr. Ehlers discussed giving a bill credit to each Association member that attends our annual meeting in June. After discussion, the following resolution was unanimously approved:

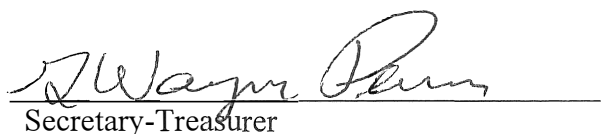
“BE IT RESOLVED: That a \$50 bill credit will be given to each Association member that attends our June annual meeting.”

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

APPROVED:



President



Secretary-Treasurer