

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 26, 2025, 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	Jerry Allen	Justin Rueb
Eric Poss	Bob Bledsoe	

Wayne Parrish participated via teleconference.

Also present were General Manager David Churchwell, Operations Manager Darren Fox, Member Service/IT Specialist George Ehlers, Chief Financial Officer Bo Randolph, 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 July 22, 2025.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board has been confirmed for September 23, 2025, at 3:00 p.m. in Hugo, Colorado.

Public Comments: None at this time.

Disbursements Report: The Disbursements Report of the Association for July 2025 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 #201, Board of Directors’ Standards of Conduct; Policy #204, Board Elections; Policy #405, Vacations; Policy #436, Workers’ Compensation Insurance; and Policy #513, Scholarships. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #201, #204, #405, #436, and #513 are approved as presented.”

Capital Credit Policies #500, and #514: Mr. Cure discussed changes to policies #500 (Capital Credits), and #514 (Retirement of Capital Credits of a Deceased Member), to align with recent discussions we’ve had regarding trusts. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That policies #500, and #514 are approved as presented.”

Bylaw Article VIII: Mr. Cure discussed changes to Bylaw Article VIII (Patronage Capital in Connection with Furnishing Electric Energy), to align with recent discussions we’ve had regarding trusts. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That changes to Bylaw Article VIII are approved as presented.”

2024 IRS Form 990: Mr. Churchwell reviewed the 2024 IRS form 990 which was completed by Kelso Lynch, P.C., P.A. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2024 IRS form 990 is hereby approved as presented.”

Renew NRECA Insurance Programs for 2026: Mr. Churchwell presented the NRECA insurance renewal rates for 2026. 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 rates provided by NRECA.”

Sensus Base Station Replacement: Mr. Churchwell presented quotes for the replacement of the S100 base stations located in Flagler and Bethune which are used for our AMI system. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That staff is authorized to purchase from Sensus one M420DS for \$24,746.51 to be installed at Flagler, and one M420B for \$40,281.30 to be installed at Bethune.”

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 \$139,085.96.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #504 in the amount of \$102,503.95 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State board meeting, FERC activity, CREA Fall meeting and Energy Innovations Summit, transmission line study, NRECA pension costs, and CREA’s CARE auction.

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

- a. Mr. Randolph presented a slideshow of the financial report for July 2025, discussed CFC select notes, and recent FOMC activities.
- b. Mr. Fox 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. Mr. Fox and two linemen attended the CREA Loss Control Seminar where K.C. received two safety awards. The Stratton crew entered the board meeting and were congratulated by the board for their commitment to safety and their service to the K.C. membership.
- c. Mr. Fox discussed maintenance and construction projects completed in July and gave the board an update on wind farm activity.
- d. Mr. Ehlers referenced his report in the packet which summarized activities of Member Services and IT for July. The Stratton office recently suffered some damage to electrical equipment when the building was struck by lightning.

CREA Report: Mr. Parrish stated that the CREA board did not have a meeting in July but would be meeting next week at CREA’s new headquarters in Lakewood. The CREA board will be interviewing two finalists for the CREA Executive Director position.

WUE Report: Mr. Parrish referenced his report in the packet and reported that sales continue to be strong. The WUE board will meet later this week in Brighton.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the upcoming Tri-State board meeting. Mr. Bledsoe updated the board on TS’s Bring Your Own Resource program.

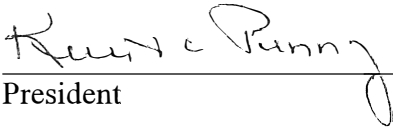
Executive Session: At 7:08 p.m. it was unanimously approved to enter Executive Session to discuss Tri-States August 13, 2025, settlement offer for ER24-2171 A-41 rate case proceeding. All staff and Mr. Cure were included in the Executive Session. The board exited Executive Session at 7:37 p.m.

Following the Executive Session, the following resolution was unanimously approved:

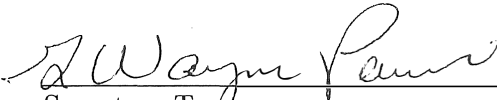
“BE IT RESOLVED: That The K.C. Board of Directors approves Tri-State’s August 13, 2025, settlement offer for ER24-2171 A-41 rate case proceeding.”

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:38 p.m.

APPROVED:



President



Secretary-Treasurer