

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, February 25, 2025, at the hour of 4:45 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

Also present were General Manager David Churchwell, Operations Manager Darren Fox, Chief Financial Officer Bo Randolph, and Member Services/IT Specialist George Ehlers.

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 January 28, 2025.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for March 26, 2025, at 3:00 p.m. in Hugo, Colorado.

Public Comments: There were no public comments at this time.

Disbursements Report: The Disbursements Report of the Association for January 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: Mr. Parrish initiated a discussion on consumer power shut offs, the issue was tabled, and further discussions will be conducted during a future meeting.

Operational Policies: Up for review were Policy #117, Service Releases, Policy #300, Delegation of Authority from Board to General Manager, and Policy #301, General Manager’s Attendance at Meetings. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #117, #300, and #301 are approved as presented.”

Approval of Scholarship Winners as Recommended by the Scholarship Committee: The Board Scholarship Committee presented a list of proposed students to receive scholarships. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the following students shall be awarded the specified scholarships; Cutler McArthur of Eaton High School shall be awarded the \$1,000 Basin Consumer Scholarship; Jaylyn Kechter of Idalia High School and Thomas Schaal of Burlington High School shall each be awarded a K.C. Electric Association Scholarship in the amount of \$2,000; Hailey Loutzenhiser of Arriba-Flagler High School, Gage Levin of Stratton High School, Daphne Hartman of High Plains High School, and Caitlyn Pimental of Burlington High School shall each be awarded a K.C. Electric Association Scholarship in the amount of \$1,000; Maddie Powell of Bethune High School and Brady Simmons of Genoa-Hugo High School shall each be awarded a Tri-State Scholarship in the amount of \$500; and Bryson Hyle was selected as a Basin Employee Scholarship Nominee.”

2025 Capital Credit Discount Rate: Mr. Churchwell presented the 2025 capital credit discount rate which was calculated by utilizing the Goodwin formula. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2025 capital credit discount rate will be 5.515%.”

2025 Estate Capital Credit Retirement Cap: Mr. Churchwell discussed past estate capital credit retirements and K.C. policy #514 which relates to the retirement of capital credits of a deceased member. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2025 estate capital credit retirement cap will be \$150,000.”

Transmission Planning Study: Mr. Churchwell discussed a proposal from our consultant Atwell to conduct a transmission planning study for K.C.’s 69 kV transmission system. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to contract with Atwell to complete a transmission planning study for our 69 kV transmission system with the cost not to exceed \$59,700.”

Dodge 5500: Mr. Fox presented quotes for a 2024 Dodge 5500 crew cab chassis with an 11’ CM TM flatbed installed on it. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a 2024 Dodge 5500 crew cab with a 11’ CM TM flatbed installed on it from TransWest for \$92,111.50 plus applicable taxes.”

Dump Trailer: Mr. Fox presented quotes for a 2025 14’ dump trailer to be utilized by the line crews. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a 2025 PJ 14’ dump trailer from Hitchcock Inc. of Goodland for \$11,453.44 plus applicable taxes.”

Gooseneck Trailer: Mr. Fox presented quotes for a 2025 32’ gooseneck trailer to be used to haul our skid loader and associated attachments, and transmission poles. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a 2025 32’ PJ gooseneck trailer from Hitchcock Inc. of Goodland for \$17,803.68 plus applicable taxes.”

Multi-factor Authentication: Mr. Ehlers presented a quote to purchase the appropriate software and hardware to implement multi-factor authentication at all of our offices. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to contract with NISC and High Point Networks to purchase required software and hardware to implement multi-factor authentication at K.C. for \$18,741.”

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 \$11,756.38.”

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

“BE IT RESOLVED: That the Inventory of Work Order #498 in the amount of \$168,058.75 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board and contract committee meetings, gave an update on Tri-State FERC dockets, gave an update on upcoming personnel changes, Colorado legislative issues, 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 January 2025, discussed the 2024 RUS form 7 and gave the board an update on personnel changes at the Hugo office.
- b. Mr. Fox reported there were no First Report of Injury and no Near Misses in the past month. A recap was given of the safety meetings held in Stratton and Hugo in the past month.
- c. Mr. Fox discussed maintenance and construction projects completed in the past month including the Hugo voltage conversion and inspection pole replacements. We have received the new one-man bucket which replaces the one that was damaged during a rain storm last summer.
- d. Mr. Ehlers referenced his reports in the Board packet which summarized activities of Member Services and IT for the past month. Annual meeting preparations are underway, and petitions can be issued beginning March 7.

CREA Report: Mr. Parrish referenced his report in the packet and discussed legislative issues, the recent CREA annual meeting, CREA headquarters search, and reported the CREA board has approved a new associate membership policy. CREA has hired a new job training and safety instructor and will have the same slate of officers for 2025.

WUE Report: Mr. Parrish referenced his report in the packet and reported that member sales are at record levels year-to-date.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the recent Tri-State board strategic planning session and their upcoming March board meeting. Mr. Bledsoe invited everyone to attend Tri-State's April annual meeting.

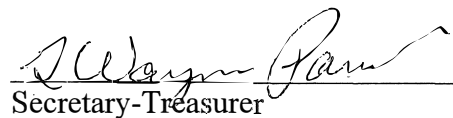
Other Business: Mr. Penny discussed a Board Operation and Process class he and other directors attended during CREA's annual meeting and brought up the topic of board self-evaluations. After discussion and questions, the decision was made to continue thinking about this topic for further discussion at a future meeting.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:27 p.m.

APPROVED:



President



Secretary-Treasurer