

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 22, 2022, 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:

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| Kevin Penny | Dave Ritchey | Terry Tagtmeyer |
| Jerry Allen | Wayne Parrish | Eric Poss |
| Bob Bledsoe | Jim Michal | |

Dan Mills participated via teleconference.

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Chief Financial Officer Bo Randolph, Member Services/IT Specialist George Ehlers, attorney Jeff Cure, and CREA CEO Kent Singer.

Approval of Agenda: It was unanimously approved to accept the agenda with the addition of one emergency item to discuss fleet purchases.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on February 22, 2022.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for April 26, 2022, at 4:00 p.m. in Stratton, Colorado.

Public Comments: CREA CEO Kent Singer gave the board an update on CREA, Colorado legislative activities, and CARE activities. Following discussion, President Penny thanked Mr. Singer for attending our board meeting.

Disbursements Report: The Disbursements Report of the Association for February 2022 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. Norris presented information regarding current lead times for fleet vehicles. Mr. Norris addressed board questions, and after discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to order two 2023 half-ton pickups, two 2023 one-ton pickups, and one 2024 bucket truck.”

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.”

2023 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 2023 K.C. Electric Annual Meeting will be held at the Stratton High School.”

Rules and Regulations: Mr. Churchwell presented a revised version of K.C. Electric Association’s Rules and Regulations. After discussion the following resolution was unanimously approved:

“BE IT RESOLVED: That K.C. Electric Association’s Rules and Regulations are approved as presented.”

Expense Deferral Plan Resolution: Mr. Churchwell presented Board Resolution 2022 - #001, Expense Deferral Plan. After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Board Resolution 2022 - #001, Expense Deferral Plan 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 \$67,310.33.”

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

“BE IT RESOLVED: That the Inventory of Work Order #470 in the amount of \$45,372.93 is hereby approved.

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, Tri-State end use member survey results, cybersecurity insurance, supply chain issues, and 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 2022 and discussed the upcoming RUS Loan Fund Audit Review, and Colorado Proposition 118.
- b. Mr. Norris 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 which included CPR and first aid training.
- c. Mr. Norris discussed maintenance and construction projects completed in the past month including construction work plan jobs and system damage due to severe storms. Mr. Norris also discussed the Waanibe substation transformer owned by Tri-State that faulted resulting in outages in the Burlington area.
- 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 continue, and petitions must be returned by April 3.

CREA Report: Mr. Mills referenced his report in the packet and discussed the upcoming CREA board meeting.

WUE Report: Mr. Mills referenced his report in the packet and reported that sales continue to be strong and lead times continue to grow.

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. Allen discussed the NRECA annual meeting he recently attended.

Executive Session: At 6:50 p.m. it was unanimously approved to enter Executive Session to conduct a confidential discussion regarding power supply and FERC activity. Mr. Churchwell, Mr. Randolph, Mr. Norris, Mr. Ehlers, and Mr. Cure were included in the executive session. The Board exited Executive Session at 7:15 p.m.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:20 p.m.

APPROVED:

Kenneth C. Penny

President

Wayne Pauls

Secretary-Treasurer