

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, April 23, 2024, 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	Terry Tagtmeyer
Jerry Allen	Wayne Parrish	Eric Poss
Bob Bledsoe	Jim Michal	

Also present were General Manager David Churchwell, Operations Manager Darren Fox, 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 March 26, 2024.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for May 28, 2024, 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 March 2024 was reviewed, and questions were answered about pole testing costs and technologies, after further discussion, President Penny declared the Disbursements Report as an informational item requiring no Board action.

Emergency Items: Mr. Churchwell and Mr. Fox presented a quote for a 2024 3500HD Chevrolet Silverado chassis with a 2024 Scelzi service body installed on it to replace a service truck located at the Stratton office. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a 2024 3500HD Chevrolet chassis with a 2024 Scelzi service body installed on it from Johnson Auto Plaza for \$54,656.00 plus applicable taxes and fees.”

Operational Policies: Up for review were Policy #119, Financial Goals; Policy #205, Wellness for Directors, Policy #409, Wellness Program; Policy #411, Temporary Assignment, and Policy #517, Acceptance of Credit Card Payments. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #119, #411, and #517 are approved as presented, and Policies #205, and #409 are no longer pertinent and will be terminated .”

Estate Capital Credit Retirement Cap: Mr. Churchwell discussed current estate capital credit retirement amounts, and impending estate capital credit retirements that may elapse the retirement cap that was set by the board in February. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2024 estate capital credit retirement cap will be increased to \$200,000.”

Flagler Digger Derrick: Mr. Churchwell and Mr. Fox discussed selling the 1996 digger derrick located at the Flager office after our new 2024 digger derrick is delivered. After discussion and questions, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to sell the 1996 Flagler digger derrick as is with no warranties to Western Nebraska Community College for \$5,000.”

Sand Creek Transformer: Mr. Churchwell and Mr. Fox presented a quote to purchase a rebuilt three-phase substation transformer from Sunbelt Solomon for the Sand Creek substation. The existing three single-phase phase transformers located at the Sand Creek substation will be relocated to the Huppert Shutte substation. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a rebuilt 7.5 MVA three-phase substation transformer from Sunbelt Solomon for \$330,870.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #491 in the amount of \$14,479.61 is hereby approved.

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, Tri-State contract committee, Tri-State FERC proceedings, NEM committee meetings, line extension procedures, annual meeting planning, and discussed “BYOR.”

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

- a. Mr. Randolph presented a slideshow of the financial report for March 2024 and discussed the annual irrigation facility charge, NRECA benefits audit, and current economic conditions.
- 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.
- c. Mr. Fox discussed maintenance and construction projects completed in the past month including the three-phase line rebuild south of Stratton, and overhead tie wire replacements due to system damage during the recent ice and wind storm.
- d. Mr. Ehlers referenced his reports in the Board packet which summarized activities of Member Services and IT for the past month. Nomination petitions were turned in and we have one incumbent running in Cheyenne County and four candidates (two incumbents) running for two positions in Kit Carson County.

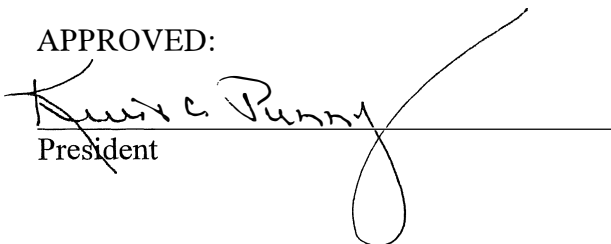
CREA Report: Mr. Parrish referenced his report in the packet and discussed legislative activities and IRA funding including tax credits.

WUE Report: Mr. Parrish referenced his report in the packet and reported that sales are down a small amount, and backlog continues to remain high due to supply chain issues with transformers.

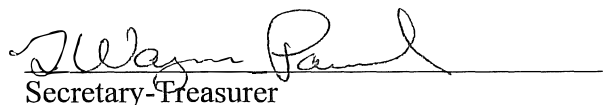
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed Tri-State’s recent annual membership meeting. The Tri-State board conducted officer elections following their annual meeting and all officers and executive committee members were re-elected.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 6:50 p.m.

APPROVED:



President



Secretary-Treasurer