

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, October 24<sup>th</sup>, 2023, 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	Wayne Parrish
Eric Poss	Bob Bledsoe	

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 September 25, 2023.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for November 28, 2023, 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 September 2023 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. Fox presented quotes from Digitcom Electronics to replace K.C.'s business radio antennas at the Burlington Generating Station and the Flagler office, and to reprogram all mobile and handheld radios. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That staff is hereby authorized to contract with Digitcom Electronics to replace and install new business radio antennas at the Burlington Generating Station and the Flager office, and to reprogram all mobile and handheld radios for \$26,267.07 plus applicable fees and taxes.”

Operational Policies: Up for review were Policy #101, Membership in Associated Organizations; Policy #102, Depositories; Policy #103, Receipts of Cash and Cash Equivalents; Policy #111, Investments and Loans; and Policy #502, Disclosure of K.C. Electric and Member Information. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #101, #102, #103, #111, and #502 are approved as presented.”

2023 Capital Credit Retirement: Mr. Churchwell presented a recommended 2023 capital credit general retirement from K.C. allocations in 2001, 2002, and 2003, and Tri-State allocations from 2004. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That \$1,243,158 from the Capital Credit balance be distributed in December 2023 as a general retirement in addition to 2023 estate retirements.”

Unit #29 Replacement: Mr. Churchwell and Mr. Fox presented a quote for a new Terex TC 55 bucket truck mounted on a Freightliner chassis with a Cummins 300 HP engine to replace the existing bucket truck in Cheyenne Wells. Mr. Fox discussed additional equipment that will need to be installed on the unit after purchase such as spot lights and equipment boxes. After

discussion and questions regarding the aerial configuration, the following resolution was unanimously approved:

“BE IT RESOLVED: That staff is hereby authorized to purchase a Terex TC 55 bucket truck with a freightliner chassis and Cummins 300 HP engine from Custom Truck One Source for \$222,853 plus applicable fees and taxes.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #486 in the amount of \$6,435.46 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, Tri-State CEO meeting, NRECA Region 7&9 meeting, gave a FERC update, discussed 2024 retail electric rates and personnel changes.

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

- a. Mr. Randolph presented a slideshow of the financial report for September 2023 and presented the draft 2024 capital and operating budget.
- 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. Federated conducted an inspection of our facilities and reviewed our pole replacement program.
- c. Mr. Fox discussed maintenance and construction projects completed in September including reject pole replacements and poles damaged by vehicle accidents.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for September. Scholarship information has been updated and sent to school counselors and put on our website.

CREA Report: Mr. Parrish invited everyone to attend the CREA fall meeting and energy innovation summit which will be held October 28-31. The CREA board will meet on October 28 and will be reviewing the CREA 2024 budget.

WUE Report: Mr. Parrish reported that sales continue to be strong but are below last year’s sales. WUE hosted an open house at their Brighton facility and more than 200 attendees participated in the event.

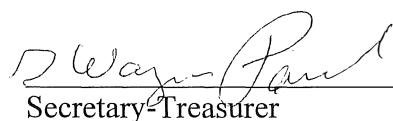
Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the upcoming Tri-State board meeting.

Other Business: Mr. Penny discussed a phone call and email he received from a representative of ARY corporation regarding Tri-State water rights on the Arkansas River. Mr. Poss asked the board if they would consider selling or donating a small piece of property K.C. owns in Hugo to the Hugo Volunteer Fire department if they decide to build a new fire shed in the future. Mr. Bledsoe disclosed that he has leased some of his property to a developer for a future utility scale solar project.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 8:02 p.m.

APPROVED:

  
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President

  
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Secretary-Treasurer