

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 25th, 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:

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

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Member Service/IT Specialist George Ehlers, Chief Financial Officer Bo Randolph, Attorney Jeff Cure, and Republican River Water Conservation District General Manager Deb Daniel.

Approval of Agenda: It was unanimously approved to accept the agenda as amended, adding an Executive Session to discuss wages and benefits.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on September 27, 2022.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for November 22, 2022, at 3:00 p.m. in Hugo, Colorado.

Public Comments: Deb Daniel, RRWCD General Manager gave the Board an update on the irrigation well retirements that will occur in the south fork focus zone. After discussion, the Board thanked Deb for attending our meeting.

Disbursements Report: The Disbursements Report of the Association for September 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: None.

Operational Policies: Up for review were Policy #114, Document Retention and Destruction; Policy #206, Director Compensation; Policy #207, Director Issued Electronic Devices; Policy #428, Equal Employment Opportunity; and Policy #429, Sexual Harassment. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #114, #206, #207, #428, and #429 are approved as presented.”

2002 Capital Credit Retirement: Mr. Churchwell presented a recommended capital credit general retirement for 2022. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That \$1,210,824 from the Capital Credit balance be distributed in December 2022 as a general retirement in addition to 2022 estate retirements.”

December Bill Credit: Mr. Churchwell presented information to the board regarding utilizing the savings from the March 1, 2021, and March 1, 2022, Tri-State Generation and Transmission wholesale power rate reduction as a 4% one-time bill credit on K.C. members bills in December. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That staff is authorized to utilize the savings from the March 1, 2021, and March 1, 2022, Tri-State Generation and Transmission wholesale rate reduction as a 4% one-time bill credit on K.C. members December bill.

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

“BE IT RESOLVED: That the Inventory of Work Orders #475 in the amount of \$18,952.86 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, Tri-State CEO meeting, Tri-State rate committee meeting, resource adequacy legislation and gave a FERC update.

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

- a. Mr. Randolph presented a slideshow of the financial report for September 2022 and presented the draft 2023 capital and operating budget.
- 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 our annual tabletop exercise which is required to be in compliance with RUS guidelines. K.C. conducted a high voltage demonstration for 120 elementary students and teachers during the Farm Safety Just 4 Kids program held at the Lincoln County fairgrounds.
- c. Mr. Norris discussed maintenance and construction projects completed in September and gave the board an update on the three-phase overhead line rebuild project near Cheyenne Wells, and the voltage conversion project in Hugo.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for September.

CREA Report: Mr. Mills invited everyone to attend the CREA fall meeting and energy innovation summit which will be held November 5-8. The CREA board will meet on November 5 and will be reviewing the CREA 2023 budget.

WUE Report: Mr. Mills reported that sales continue to be strong, and an open house will be held at WUE’s new warehouse facility in St. George Utah on November 1.

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

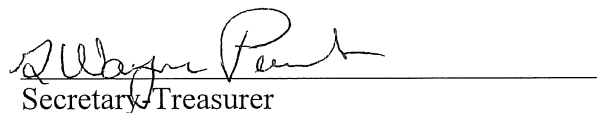
Executive Session: At 7:36 p.m. it was unanimously approved to enter Executive Session to discuss 2023 wages and benefits. Mr. Churchwell and Mr. Cure were included in the Executive Session. The Board exited Executive Session at 7:47 p.m.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:49 p.m.

APPROVED:



President



Secretary/Treasurer