

Colorado 39 – Kit Carson
K.C. Electric Association, Inc.

MINUTES OF REGULAR MONTHLY MEETING
OF
THE BOARD OF DIRECTORS OF K.C. ELECTRIC ASSOCIATION, INC.

A regular meeting of the Board of Directors of K.C. Electric Association, Inc. was held in Stratton, Colorado on Tuesday, February 24 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	Luanna Naugle	Wayne Parrish
Robert Bledsoe	Marvin Thaller	Jim Michal
Dave Ritchey	Terry Tagtmeyer	Dan Mills

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Member Service Specialist Ben Orrell, Accountant Sue Dutro, Apprentice Lineman Ethan Miner, Apprentice Lineman Jason Brandon and Attorney Jeff Cure.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on January 27, 2015.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for March 24, 2015 at 4:00 p.m. in Hugo, Colorado.

Public Comments: None.

Check Register Review: The Check Register of the Association for January 2015 was reviewed and, after the Board had an opportunity to review and ask questions, President Penny declared the Check Register as an informational item requiring no Board action.

Emergency Items: The Board reviewed the Certification of Election form and Credential Sheet for the Tri-State Annual meeting.

IVUE Server: Mr. Churchwell discussed the bid for the replacement IVUE servers. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase system hardware and software from NISC for \$ 44,509.”

2015 Capital Credit Discount Rate: Mr. Churchwell discussed the 2015 capital credit discount rate. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2015 capital credit discount rate will be 6.12%”

Digger Derrick Bids: Mr. Norris discussed the bids for a new digger derrick. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase a new Versalift digger derrick from Custom Truck and Equipment for \$ 202,431.”

Operational Policies: Up for review was Policy 430, Safety Glass and Eye Exams. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policy 430 is hereby approved as presented.”

Automated Inventory Process: Mr. Norris discussed the bids for the automated inventory process. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to purchase an Automated Inventory Process from Irby for \$ 3,780.”

General Managers Report: Mr. Churchwell reported on the following: Tri-State rate committee, CFO replacement search, RUS work plan and loan update, personnel safety and Flagler personnel realignment.

Staff Reports:

- a. Mr. Churchwell provided a 2014 year-end financial summary and a financial report for January.
- b. Mr. Norris reported that there were two First Reports of Injury and no Near Misses in January. The safety manual sub-committee met in Stratton. An update was given on the safety meeting held in Stratton.
- c. For the Operations report Mr. Norris reported on a few outages and ongoing maintenance that is being completed.
- d. Mr. Borrell referenced his report in the Board packet which summarized activities of Member Services for January.

CREA Report: Mr. Mills reported on the CREA annual meeting and that CREA is monitoring a number of bills that are working their way through the legislature.

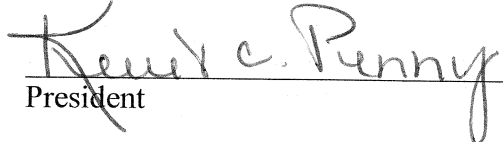
WUE Report: Mr. Mills referenced the WUE Report in the Board packet and discussed strong sales for WUE this fiscal year.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed, among other things, the upcoming annual meeting where the members can vote on a possible bylaw change.

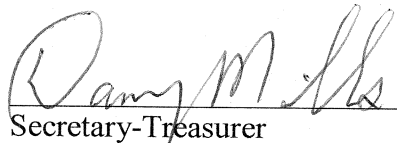
Executive Session: A motion was made and unanimously approved to enter Executive Session at 7:20 p.m. to discuss board compensation. The Board exited Executive Session at 7:49 p.m.

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

APPROVED:



President



Secretary-Treasurer