

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

July 31, 2018

A meeting of the Board of Trustees of Kit Carson Electric Cooperative, Inc. (KCEC) was called to order by the President, Mr. Bobby Ortega, on Tuesday, July 31, 2018 at 9:01 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

Present

<i>Bob Bresnahan</i>	<i>Cristobal Duran</i>
<i>Bruce Jassmann</i>	<i>Ambrose Macarenas</i>
<i>Manuel Medina</i>	<i>Bobby Ortega</i>
<i>Arthur Rodarte</i>	<i>Bernie Torres</i>
<i>Luisa Valerio-Mylet</i>	

Also, present were: Johnny Valerio, Chief Financial Officer; Richard Martinez, Chief Operations Officer, Carmella Suazo, Administrative Assistant; and Joyce Archuleta, Executive Secretary, who recorded the day's proceedings.

It was declared a quorum was present.

Quorum

Mr. Rodarte led the Board in reciting the Pledge of Allegiance.

Pledge of Allegiance

Mrs. Valerio-Mylet led the Board in a word of prayer.

Prayer

The agenda was presented. The President reported that Kit Carson Energy Inc. (KCEI) requested to be added to the agenda to discuss an item under Executive Session. The President recommended KCEI be added to the agenda after the CEO Report. It was moved by Mr. Mascarenas, seconded by Mr. Bresnahan, and unanimously approved, that the agenda be approved as amended. Mr. Medina joined the meeting at 9:10 a.m.

Agenda

The minutes for the Board of Trustees Re-organization meeting held June 9, 2018 were presented. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved, that the minutes be approved as presented.

Minutes for June 9, 2018, Re-organization Meeting

The minutes for the Board of Trustees regular Board Meeting held June 26, 2018 were presented. It was moved by Mr. Medina, seconded by Mrs. Valerio-Mylet, and unanimously approved that the minutes be approved as presented.

Minutes for June 26, 2018, Regular Board Meeting

Mr. Reyes presented the CEO report. Discussion was held on the inclining block rate ordered by NMPRC, request for organization development and operational efficiencies update at the next Board meeting, operations maintenance update, 85/15 rule, outages due to lightning, the number of consumers per employee for KCEC and KCI. Mrs. Valerio-Mylet reported the Safety Committee met July 9, 2018. Following discussion, it was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved, that the CEO report for June 2018 be approved as presented. A copy of the CEO report is included in the Transfer of Documents and is hereby made a part of the minutes of this meeting.

CEO Report

The President called for a recess at 10:00 a.m.

Recess

Meeting was reconvened by the order of the President at 10:13 a.m. Mr. Jassmann joined the meeting at 10:14 a.m. The President reported the selection of a District Five Trustee would be on the August Board meeting agenda. He recommended Mr. Medina, Mr. B. Torres and Mr. D. Torres interview candidates prior to the August Board meeting.

*Meeting
Reconvened*

It was moved by Mr. Duran, Seconded by Mr. Rodarte, and unanimously approved that the Board go into Executive Session at 10:15 a.m. for discussion with Kit Carson Energy, Inc.

*Kit Carson
Energy Inc.
Executive
Session*

Meeting was reconvened at 11:14 a.m. No action was taken.

*Meeting
Reconvened*

The President reported requests have been received from Estates. It was moved by Mr. Duran, seconded by Mr. Medina, and unanimously approved, that payments be made to these Estates.

*Capital Credits
to Estates*

The President reported Committee appointments for 2018/2019 would remain the same.

*Committee
Appointments*

The President reported donation totals and correspondence were in the packet and may be reviewed at leisure.

*Donations &
Correspondence*

Mr. Jassmann reported the Payables Committee met on July 10, 2018. Mr. Jassmann recommended approval. It was moved by Mr. Medina, seconded by Mrs. Valerio-Mylet, and unanimously approved.

Payables

Mr. Duran reported he attended the NMRECA Meetings held June 28 & 29, 2018. Discussion was held.

*NMRECA
Board Meeting*

Mr. Reyes reported the Broadband Committee met July 26, 2018. Discussion was held. *Broadband Committee*

Mr. Mascarenas reported the Solar Committee met on July 24, 2018. Discussion was held *Solar Committee*

Mr. Reyes reported the Bylaw & Policy Committee met on July 11, 2018. He reported the Committee reviewed Board Policy No. 1.8 – Nominating Petitions for Trustee Election, Board Policy No. 1.10 – Indemnification of Trustees, Board Policy No. 1.11 – Request from Members for Cooperative Information and Board Policy No. 1.14 – Acquisition of Real Estate. No changes were recommended. Mr. Reyes reported that the Committee had also reviewed Board Policy No. 1.9 – Qualifications for Eligibility to be Elected to the Board of Trustees and Board Policy No. 1.12 – Requests from Members or other Persons to Address Meetings of the Board of trustees. Changes were recommended. It was moved by Mr. Duran, seconded by Mr. Medina, and unanimously approved that the Bylaws & Policies be approved with recommended changes. *Bylaw & Policy Committee*

The President reported the Employee Relations Committee met on July 16, 2018 and July 30, 2018. He reported discussion would be held in Executive Session. *Employee Relations*

It was moved by Mr. B. Torres, seconded by Mr. Mascarenas, and unanimously approved that the Board go into Executive Session at 11:30 a.m. to discuss the CEO evaluation. *Executive Session*

Meeting was reconvened by the order of the President at 12:20 p.m. No action taken. *Meeting Reconvened*

There being no further business to come before the Board, it was moved by Mr. B. Torres seconded by Mr. Bresnahan and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. meeting be adjourned until August 28, 2018 at 9:00 a.m. the date and time of the next Board meeting. Unless changed and, thereupon, the President declared the meeting adjourned at 12:21 p.m. *Meeting Adjourned*

The following Trustees were present at the end of the meeting:


Bob Bresnahan, Cristobal Duran, Bruce Jassmann, Ambrose Mascarenas, Manuel Medina, Bobby Ortega, Arthur Rodarte, Bernie Torres, and Luisa Valerio-Mylet.

July 31, 2018 Regular Board Meeting



Secretary

Approved this 28 day of August 2018



President