

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

September 24, 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, September 24, 2018 at 9:10 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>Manuel Medina</i>
<i>Bobby Ortega</i>	<i>Arthur Rodarte</i>
<i>David Torres</i>	<i>Luis 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. Duran led the Board in reciting the Pledge of Allegiance.

Pledge of Allegiance

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

Prayer

The agenda was presented. It was moved by Mr. Jassmann, seconded by Mr. Medina, and unanimously approved, that the agenda be approved as presented.

Agenda

The minutes for the Board of Trustees regular Meeting held August 28, 2018 were presented. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved that the minutes be approved as presented.

Minutes for August 28, 2018, Regular Board Meeting

Mr. Reyes presented the CEO report. The form 7, KPA's and Balance Sheet were reviewed. Discussion was held. Mr. D. Torres reported the Safety Committee met September 10, 2018. Active Shooter Training was provided. Mr. D. Torres reported he attended the training. Following discussion, it was moved by Mr. Bresnahan, seconded by Mr. Rodarte, and unanimously approved, that the CEO report for August 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 reported requests have been received from Estates. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved, that payments be made to these Estates.

*Capital Credits
to Estates*

The President reported that Mr. Erich Balzer and Mr. Russ Coyle were interviewed for the vacant District Five Trustee position. Trustees voted by paper ballot. The ballots were tallied. Mr. Coyle received a majority of the votes; therefore, Mr. Coyle was appointed to vacant District Five position until 2020. KCEC Trustees expressed thanks to Erich Balzer for interviewing and thanked him for his interest in serving as Trustee. Ballots are hereby made a part of the Transfer of Documents.

*Appoint District
Five Trustee*

KCEC would not be represented at the NRECA Region 10 Meeting; therefore, a Voting Delegate to CFC was not appointed.

*Appoint CFC
Voting Delegate*

KCEC would not be represented at the NRECA Region 10 Meeting; therefore, a Voting Delegate to NRECA was not appointed.

*Appoint NRECA
Voting*

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 September 10, 2018. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved.

Payables

The President reported he attended the NMRECA Meetings held August 30 & 31, 2018. Discussion was held. He reported that a Strategic Planning Session was scheduled for October 4, 2018. KCEC already submitted KCEC's position on certain items. The next NMRECA Meetings are scheduled for October 4 & 5, 2018.

*NMRECA
Board Meeting*

Mr. Reyes reported the Broadband Committee did not meet. Discussion was held. He reported that Andrew Gonzales, Manager would be resigning as of October 5, 2018. Interviews for Manager position will be scheduled.

*Broadband
Committee*

Mr. Mascarenas reported the Solar Committee met September 21, 2018. Discussion was held. 2019 Solar Projects will include storage.

*Solar
Committee*

Mr. D. Torres reported the Bylaw & Policy Committee met on September 12, 2018. He reported the Committee reviewed Board Policy No. 2.2 – Privacy and Confidentiality – Changes were recommended. Board

*Bylaw & Policy
Committee*

Policy No. 2.3 – Control of Cooperative Funds – Changes were recommended. Board Policy No 2.4 – General and Reserve Funds - Changes were recommended. It was moved by Mr. Medina, seconded by Mrs. Valerio-Mylet, and unanimously approved that the Policies be approved with recommended changes. Copies of the policies are hereby made part of the minutes of this meeting.

The President reported Employee Relations Committee met and would be discussed in Executive Session. Employee Relations

Mr. Rodarte recommended the Board of Trustees meet to discuss methods of increasing growth and how to build load. A Strategic Planning meeting was scheduled for October 22, 2018. Other Business

It was moved by Mr. D. Torres, seconded by Mr. Duran, and unanimously approved that the Board go into Executive Session at 10:30 a.m. for discussion of Employee Relation Committee meeting and evaluation of CEO. Executive Session

Meeting was reconvened by the order of the President at 11:53 a.m. It was moved and seconded that the CEO salary increase to \$238,689 annual salary. Meeting Reconvened

There being no further business to come before the Board, it was moved by Mr. Medina seconded by Mrs. Valerio-Mylet and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. meeting be adjourned until October 30, 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 11:54 a.m. Meeting Adjourned

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

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


Secretary Vice President

Approved this 30 day of October 2018


President