

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

September 24, 2019

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, 2019 at 9:05 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

<i>Bob Bresnahan</i>	<i>Russ Coyle</i>	<i>Present</i>
<i>Cristobal Duran</i>	<i>Bruce Jassmann</i>	
<i>Manuel Medina</i>	<i>Bobby Ortega</i>	
<i>Michael Romero</i>	<i>Bernie Torres</i>	
<i>David Torres</i>	<i>Luisa Valerio-Mylet</i>	

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

It was declared a quorum was present. *Quorum*

Mr. Romero led the Board in reciting the Pledge of Allegiance. *Pledge of Allegiance*

Mr. B. Torres asked for a moment of silence for the passing of NM Senator Carlos Cisneros and local Community Activist Arsenio Cordova, he then led the Board in a word of Prayer. *Prayer*

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

The minutes for the Board of Trustees regular Meeting held August 27, 2019 were presented. It was moved by Mr. Medina, seconded by Mr. B. Torres, and unanimously approved, that the minutes be approved as presented. *Minutes August 27, 2019, Regular Meeting*

The President introduced Mr. Ray Vallejos, who was representing a group of Amalia property owners who are requesting to extend the power line in the Box Canyon area. Mr. Vallejos reported that they are requesting information on how to proceed with getting the powerline installed in the area. He stated that in 2014 information regarding a USDA application was submitted to KCEC and the group never received a response from KCEC *Mr. Ray Vallejos Representative for Amalia Property Owners*

representatives. He stated there are 17 property owners in the area and 16 property owners seem to be interested in getting the powerline installed. Mr. Reyes stated the application was for economic development and KCEC would become the bank. Right of way easements would be required, and line extension allowances would have to be reviewed for the overall cost/expense and contribution in aid from the group. Discussion was held. The President ask Mr. Reyes to work with Mr. Vallejos in acquiring the information.

Mr. Reyes presented the CEO report. The Form 7 and Balance Sheet were reviewed. Mr. Reyes reported on the reclassifying of accounts, KCEC will be contacting the Town of Taos and Taos County to acquire information on the Airbnb rentals listed with them so that they can be reclassified with KCEC as small commercial accounts. Mr. Reyes reported on the internet outage that occurred on September 20th he stated a contractor cut a fiber line between Santa Fe and Las Vegas. Discussion was held on information received from Enervision stating residential customer charge is not adequate. The Balance sheet was reviewed. Discussion was held on Solar Deployment Plan: KCEC on track to be 100% daytime solar by 2022. Mr. D. Torres reported the Safety Committee met September 10, 2019. He reported that there were two lost time accidents. Following discussion, it was moved by Mr. Bresnahan, seconded, by Mr. Medina, and unanimously approved, that the CEO report for August 2019 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. Jassmann, seconded by Mrs. Valerio-Mylet, and unanimously approved, that payments be made to these Estates. Discussion was held on the process of the Capital Credit allocations.

Capital Credits to Estates

Mr. Reyes requested approval of Revolving Line of Credit for Kit Carson Internet and renewal of line of credit for KCEC. He reported that the \$2 million revolving line of credit for KCI purposes does not require lien accommodations from RUS. He reported that 2,000 to 2,500 drops could be completed with the revolving line of credit. It was moved by Mr. Duran, seconded by Mr. Coyle, and unanimously approved the CoBank Renewal of the Revolving Line of Credit for KCEC and the approval of Revolving Line of Credit for KCI purposes.

CoBank Revolving Line of Credit

The President appointed Mr. Medina as CFC Voting Delegate and Mr. B. Torres as Alternate for the NRECA Regional Meeting to be held October 23 – 25, 2019 in San Antonio, TX.

CFC Voting Delegate & Alternate

The President appointed Mrs. Valerio-Mylet as NRECA Voting Delegate and Mr. Romero as Alternate for the NRECA Regional Meeting to be held October 23-25, 2019 in San Antonio, TX.

NRECA Voting Delegate & Alternate

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

Donations & Correspondence

The President shared a letter of appreciation for KCEC employees on their professionalism when performing their duties. He requested the letter be shared with the employees involved.

Mr. Jassmann reported the Payables Committee met on September 10, 2019. Mr. Jassmann recommended approval. It was moved by Mr. Duran, seconded by Mr. Romero, and unanimously approved.

Payables

Mr. Reyes reported the Broadband Committee met September 19, 2019. He reported that Broadband was discussed in the Work Session the previous day. Mr. Reyes reported the number of Kit Carson Internet customers continues to increase.

Broadband Committee

Mr. Reyes reported the Solar Committee met September 10, 2019. He updated the Board on Solar Project completion dates. Questa Solar Project, mid to end of December, El Rito (north) Solar Project, should be operational mid-December and Taos May 2020 ensuring no punitive action. Discussion was held.

Solar Committee

Mr. D. Torres reported the Bylaw & Policy Committee met on September 16, 2019. He reported discussion was held on term limits since it was proposed at the 2019 Annual Meeting. Mr. Reyes reported that the Bylaw & Policy Committee would be proposing to the Board a change in the dates of the KCEC Annual Meeting, dependent on when Trustee Elections are scheduled.

Bylaw & Policy Committee

Mr. Reyes reported on the passing of Senator Carlos Cisneros and the appointment would change the dynamics of business. There would be concern on who will represent KCEC on issues. Discussion was held on medicinal marijuana in the workplace, KCEC is currently zero tolerance.

Legislative Information

Mr. Coyle requested information on current Merchant

Other Business

Services with Southeastern Data Cooperative (SEDC). He would like to set a meeting to discuss alternatives for merchant services that may save KCEC fees.

Mr. B. Torres reported that the Solar Array groundbreaking ceremony in El Rito was very positive recognition for KCEC. He also stated he had seen the article in the Rio Grande Sun regarding KCEC and was very pleased with the positive article.

There being no further business to come before the Board, it was moved by Ms. Duran seconded by Mr. Bresnahan, and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. meeting be adjourned until October 29, 2019 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 10:50 a.m.

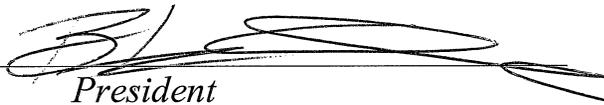
The following Trustees were present at the end of the meeting:

Bob Bresnahan, Russ Coyle, Cristobal Duran, Bruce Jassmann, Manuel Medina, Bobby Ortega, Michael H. Romero, Bernie Torres, David Torres and Luisa Valerio-Mylet.



Secretary Treasurer

Approved this 29th day of October 2019



President