

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

February 27, 2020

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 Thursday, February 27, 2020 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>Arthur Rodarte</i>	<i>Michael Romero</i>	
<i>Bernie Torres</i>	<i>Luisa Valerio-Mylet</i>	

Also, present were Carmella Suazo, Assistant Manager, Richard Martinez, Chief Operating Officer, John Shafto, Chief Financial Officer, Mr. Larry McGraw, RUS General Field Representative, 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*

Ms. B. Torres led the Board in a word of Prayer. *Prayer*

The agenda was presented. It was moved by Mr. Rodarte, 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 January 28, 2020 were presented. It was moved by Mr. Jassmann, seconded by Mr. Romero, and unanimously approved, that the minutes be approved as presented. *Minutes January 28, 2020, Regular Meeting*

Mr. Reyes presented the CEO report. The Form 7 and Balance Sheet were reviewed. Mr. Reyes reported crews are doing a good job in maintaining the system. Transmission expense is no longer included in Cost of Power since line 4, Transmission Expense, was added which includes transmission expense and maintenance on transmission lines. Mrs. Valerio-Mylet joined the meeting at 9:16 a.m. Mr. Reyes reported the Taos Pueblo property tax decreased. Discussion was held on the *CEO Report*

purchase of the 345kV transmission line from Tri-State G&T. If Tri-State doesn't sell the transmission line KCEC will provide a term notice to Tri-State and self-build a 115k V transmission line instead of a 345kV transmission line. Kit Carson Internet and Kit Carson Propane financials were discussed. Mr. Reyes reported the Safety Committee met February 10, 2020. Mr. Reyes reviewed memo from Safety Committee to Management, he then reviewed response from Management to Safety Committee. He also reported on the importance of working on the safety culture. Discussion was held on the importance of employees reporting near misses and having tailgate meeting prior to each job. Following discussion, it was moved by Mr. Duran, seconded, by Mr. Romero and unanimously approved, that the CEO report for January 2020 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.

The President reported requests have been received from Estates in the amount of \$9,447.00. It was moved by Mr. Jassmann, seconded by Mr. Rodarte, and unanimously approved, that payments be made to these Estates. Discussion was held on capital credits owed to Chevron Mining.

*Capital Credits
to Estates*

Mr. Reyes reported Record Date is the date for determining the total membership of the Cooperative and the Members entitled to; (1) sign a petition or similar document; (2) receive a notice of a Member meeting or similar document; or (3) vote at a Member meeting. If a member is suspended after the Record Date, then the Member may not sign a Petition, receive a notice or vote. The Board shall fix the Record Date, but the Record Date must not be less than thirty (30) days before the date: (1) a Member signs a Petition or similar document; (2) receives a notice of a Member meeting, or similar document; or (3) votes at a Member meeting. Fixed Record Date for District 1 Election – April 13, 2020. Fixed Record Date for District 3 Election – April 20, 2020. Fixed Date for District 4 – April 21, 2020. Fixed Date for District 5 Election – April 16, 2020. It was moved by Mr. Bresnahan seconded by Mr. B. Torres and unanimously approved that the Fixed Record Dates for District Elections be approved as presented. Discussion was held, Mr. Reyes reported the fixed record date would be the last date a person can become a member to vote.

*Fix Record Date
for District 1,
District 3,
District 4 &
District 5
Elections*

The President welcomed Mr. Larry McGraw, Rural Utility Service (RUS) Field Representative. He stated the Board of Trustees must approve a Four-Year Work Plan, he congratulated KCEC on completed renewable energy projects, he also reported on changes and updates within

*Mr. Larry
McGraw, RUS
Field
Representative*

RUS. Discussion was held on KCEC's financial status and the importance of KCEC requesting an increase on fixed prices since it guarantees revenue.

Mr. Reyes requested approval of KCEC Resolution No. 1-2-20 and the 2020 through 2023 Four-Year Construction Work Plan. It was moved by Mr. Duran, seconded by Mr. B. Torres to approve KCEC Resolution No. 1-2-20 and 2020 through 2023 Four-Year Work Plan as presented. Discussion was held. The motion was acted upon and approved.

Approve RUS Resolution

Discussion was held on the date for the 2020 KCEC Annual Meeting. The President recommended approval of Saturday, June 20, 2020 for the 2020 KCEC Annual Meeting. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved, that the 2020 KCEC Annual Meeting be held on Saturday, June 20, 2020.

Set 2020 Annual Meeting Date

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 February 10, 2020. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Medina, and unanimously approved.

Payables

Mr. Reyes reported the Broadband Committee met on February 20, 2020. He reported that discussion on Broadband was covered in previous day Board Work Session.

Broadband Committee

Mr. Rodarte reported the Solar Committee met February 14, 2020. He updated the Board on Solar Projects. Discussion was held.

Solar Committee

Mr. Reyes reported the Bylaw & Policy Committee met on February 21, 2020. He reported the following policies were reviewed: Board Policy No. 1.7 – Cooperative Elections, Board Policy No. 1.8 – Nominating Petitions for Trustee Elections, Board Policy No. 1.9 – Qualifications for Eligibility to be Elected to the Board of Trustees and Board Policy No. 3.24 – Activities in Membership Elections – Political Activities. No changes were recommended. Board Policy No.1.13 Access to Membership List was still being reviewed by KCEC's attorney. It was moved by Mr. Duran, seconded by Mr. Medina and unanimously approved that Board Policy No. 1.7 – Cooperative Elections, Board Policy No. 1.8 – Nominating Petitions for Trustee Elections, Board Policy No. 1.9 – Qualifications for Eligibility to be Elected to the

Bylaw & Policy Committee

Board of Trustees, Board Policy No.3.24 – Activities in Membership Elections - Political Activities be approved as presented.

Mr. Reyes reported discussion on Legislative Update was held at the Board Work Session.

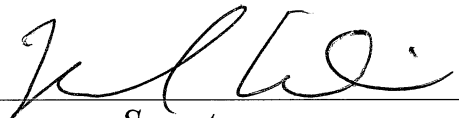
Legislative Information

There being no further business to come before the Board, it was moved by Mr. Jassmann, seconded by Mr. Coyle and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until March 31, 2020 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 10:36 a.m.

Meeting Adjourned

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

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


Secretary

Approved this 31 day of March 2020


President