

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

September 29, 2020

A virtual 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 29, 2020 at 9:06 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

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*Bob Bresnahan – Virtual
Russ Coyle - Virtual Present
Cristobal Duran – In Person
Bruce Jassmann – In Person
Manuel Medina – In Person
Bobby Ortega – In Person
Arthur Rodarte – Virtual
Michael Romero – In Person
Bernie Torres – In Person
David Torres – In Person
Luisa Valerio-Mylet - Virtual*

Also, present were Luis A. Reyes, Jr., Chief Executive Officer, Richard Martinez, Chief Operating Officer, Carmella Suazo, Assistant Manager, and Joyce Archuleta, Executive Secretary (Virtual) who recorded the day's proceedings.

It was declared a quorum was present. Quorum

Mr. D. Torres led the Board in reciting the Pledge of Allegiance. Pledge of Allegiance

Mr. B. Torres led the Board in a word of Prayer. Prayer

The agenda was presented. The President requested that the agenda be amended to move the 2019 Audit Report after Approval of Minutes. It was moved by Mr. Jassmann, seconded, by Mr. D. Torres, and unanimously approved, that the agenda be approved as amended. Agenda

The minutes for the Board of Trustees regular Board Meeting held August 25, 2020 were presented. It was moved by Mr. Rodarte, seconded by Mr. B. Torres, and unanimously approved, that the minutes be approved as presented. Minutes August 25, 2020, Regular Meeting

The President introduced Mr. Andy Spillum, Eide Bailly. Mr. Spillum presented the 2019 Audit (virtual). Lengthy discussion was held. Mr. Manuel Medina joined the meeting at 9:22 a.m. Mr. Reyes recommended the Eide Bailly 2019 Audit Presentation (Virtual)

acceptance of the 2019 Audit and also the acceptance of Audit Resolution No. 7-9-20.

It was moved by Mr. Duran, seconded by Mr. Romero, and unanimously approved, that the 2019 Audit and Resolution No. 7-9-20 be approved as follows:

BE IT RESOLVED that the Audit Report for December 31, 2019 as prepared by Eide Bailly, Certified Public Accountants, be accepted in the form presented.

The President called for a roll call vote.

Bob Bresnahan – Yes	David Torres – Yes
Luisa Valerio Mylet – Yes	Michael Romero – Yes
Arthur Rodarte – Yes	Manuel Medina – Yes
Russ Coyle – Yes	Cristobal Duran – Yes
Bobby Ortega – Yes	Bruce Jassmann – Yes
Bernie Torres - Yes	

Mr. Reyes presented the CEO report. The KCEC Form 7 was reviewed. Mr. Reyes reported on the cost of power. He reported there are two crews tree trimming every day. With the drought there is a high risk of fires, KCEC is working with US Forest Service and Bureau of Land Management. Taos Canyon and US Hill are the toughest for tree trimming since it is sometimes very hard to get to the trees due to access and the terrain. Taos and Penasco schools will remain closed until January 2021. Governor Grisham must approve Opening Plans for ski areas. The Balance Sheet was reviewed. Mr. Reyes reported even though usage has decreased KCEC still operates 2,917 miles of line and continues to pay bills. He reported KCEC has 29,593 members. He reported crews continue to complete tree trimming and maintenance. Mr. D. Torres reported the Safety Committee met September 10, 2020. Discussion was held on Governor Michell Lujan Grisham's plans for COVID 19 and the effects it had on KCEC. Following discussion, it was moved by Mr. Duran, seconded, by Mr. Medina and unanimously approved, that the CEO report for August 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.

CEO Report

The President reported requests have been received from Estates in the amount of \$9,986.26. It was moved by Mr. Jassmann, seconded by Mr. Duran, and unanimously approved, that payments be made to these Estates.

Capital Credits
to Estates

Mr. Reyes reported that the CFC (Virtual) Annual Meeting was going to be held October 16, 2020. A Voting Delegate and Alternate would need to be appointed. Discussion was held on the Region 10 Meeting. The

CFC Voting
Delegate &
Alternate
Region 10

President appointed Mr. Reyes as the Voting Delegate for the CFC Meeting. (Virtual) Meeting

The President reported donation totals and correspondence were in the packet to be reviewed at leisure. Donations & Correspondence

Mr. Jassmann reported the Payables Committee met on September 10, 2020. Mr. Jassmann recommended approval. It was moved by Mr. Medina, seconded by Mr. Romero, and unanimously approved. Payables Committee

Mr. Reyes reported the Broadband Committee met September 23, 2020. He reported Kit Carson Internet currently has 8,200 customers. KCI focusing on student connects, he stated 250 students had been connected. He reported that many student applications are being received since schools continue to be closed. KCI continues to work with School Superintendents on installing additional hot spots. He reported Kit Carson Internet had three contractors assisting with internet drops. Broadband Committee

Mr. Rodarte reported the Solar Committee met September 9, 2020. He reported the Taos Mesa Solar Project financing should be complete by the end of October. Mr. Reyes working with Tesla on battery storage. Discussion was held. Next Solar Committee meeting was scheduled for October 9, 2020 at 3:00 p.m. Solar Committee

Mr. D. Torres reported the Bylaw & Policy Committee met on September 18, 2020. He reported the following policies had been reviewed: Bylaw & Policy Committee

KCEC Policy No. 2.16 – Contractor’s Insurance – No Changes Recommended. Discussion was held, after discussion Mr. Torres recommended added language, to include periodic internal audit requirements.

KCEC Policy No. 2.21 – Use of Credit Cards by Members – Changes recommended. Language changes were made to include the following. In the future KCEC may begin charging a credit card or electronic check transaction for payment of bill for Residential consumers only. Proper Board of Trustee approval and approval from appropriate regulatory agency(s) are required prior to implementing a fee.

KCEC Policy No. 3.17 – Underground Excavations – Changes Recommended. Language change to include Water & Gas and cost to bill for line cuts. \$100.00 for 1st line cut. \$1,000.00 2nd line cut, \$2,000.00 3rd line cut and \$3,000.00 4th line cut. Also, to include language on collecting deposits equal to penalty, reporting cuts to NMPRC and enforcement procedures.

It was moved by Mr. Jassmann, seconded, by Mr. Medina

and unanimously approved to approve KCEC Policy No 2.16 Contractor's Insurance, KCEC Policy No. 2.21 Use of Credit Cards by Members and KCEC Policy No. 3.17 Underground Excavations with changes. Discussion was held, Mr. D. Torres suggested a meeting with contractors take place informing them of the policy. Mr. D. Torres left meeting at 10:28 a.m.

Mr. B Torres reported that he had received a call from Garcia, Colorado inquiring on hotspot across the state line for students who attend Questa Schools.

Board Member
Concern

There being no further business to come before the Board, it was moved by Mr. Medina, seconded by Mr. Jassmann and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until October 27, 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 10:31 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 27th day of October 2020



President