

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

March 30, 2021

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, March 30, 2021 at 9:09 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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<i>Bob Bresnahan</i>	<i>Virtual</i>	<i>Present</i>
<i>Russ Coyle</i>	<i>Virtual</i>	
<i>Cristobal Duran</i>	<i>In Person</i>	
<i>Bruce Jassmann</i>	<i>In Person</i>	
<i>Manuel Medina</i>	<i>In Person</i>	
<i>Bobby Ortega</i>	<i>In Person</i>	
<i>Arthur Rodarte</i>	<i>Virtual</i>	
<i>Michael Romero</i>	<i>In Person</i>	
<i>Bernie Torres</i>	<i>In Person</i>	
<i>David Torres</i>	<i>In Person</i>	
<i>Luisa Valerio-Mylet</i>	<i>Virtual</i>	

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

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. Mr. B. Torres asked for a moment of silence for the KCEC members & families that had passed during the pandemic.

Prayer

It was declared a quorum was present.

Quorum

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

Agenda

The minutes for the Board of Trustees regular Board Meeting held February 23, 2021 were presented. It was moved by Mr. Rodarte, seconded by Mr. Medina, and unanimously approved, that the minutes be approved as presented.

*Minutes
February 23,
2021, Regular
Meeting*

Mr. Reyes presented the CEO report. Financials were reviewed. Mr. Reyes reported that KCEC was still in settlement with Tri-State for transmission costs. He reported that usage is still at a low, ski areas, hotels and

CEO Report

restaurants are all operating at different levels compared to February 2020; however, the cost of doing business continues to increase. Discussion was held on coincident peak and non-coincident peak, density, and impact of solar projects. He reported internally KCEC continues to control expenses. The Balance Sheet was reviewed. Mr. Reyes reported, Year to Date TIER was 1.58, DSC was 1.73 and OTIER was 1.54. Mr. Reyes reported on the outage that occurred the day before, he reported that high winds took down a three-phase line and melted the fiber. Discussion was held on increase in insurance premiums to cover forest fires and decrease in coverage per occurrence. KCEC has an aggressive maintenance and tree trimming program; however, all maintenance must be documented. Mr. Rodarte asked if KCEC had a system inspection on electric lines in forest service property. Mr. Reyes stated that a Fire Mitigation Plan was approved by the Forest Service. The President asked what the plan was if there was to be a fire. Mr. Reyes reported that maintenance is performed daily, . KCEC has a 50' Right of Way (ROW) on transmission lines and a 20' ROW on distribution lines. If tree is leaning at a 45-degree angle KCEC would be allowed to cut the tree. Mr. Martinez reported in the outage the day before, the tree was 30' from the distribution line, KCEC has 20' ROW the tree broke in half and fell online, . He reported there are two full time tree trimming crews and other crews also perform tree trimming. Discussion was held on importance of documenting areas that are patrolled and maintained and prioritizing high risk areas. KCEC works with Fire Wise Groups who chip and KCEC picks up the area. Mr. Reyes recommended that the Board consider a policy on rolling black outs. . Discussion was held on continued decrease of electric usage due to closures, line loss, inventory and the two solar projects scheduled to begin in April. Mr. D. Torres reported the Safety Committee met March 10, 2021. He reported there had been no lost time accidents since July. Following discussion, it was moved by Mr. Duran, seconded, by Mr. Medina and unanimously approved, that the CEO report for February 2021 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 \$14,220.36. It was moved by Mr. Jassmann, seconded by Mr. Romero, and unanimously approved, that payments be made to these Estates.

Capital Credits
to Estates

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 March 10, 2021. Mr. Jassmann recommended approval. It was moved by Mr. Medina, seconded by Mr. D. Torres, and unanimously approved.

*Payables
Committee*

Mr. Reyes reported the Broadband Committee met March 25, 2021. He reported that discussion was held at the previous day's Board Work Session.

*Broadband
Committee*

Mr. Rodarte reported the Solar Committee met March 11, 2021. He reported a Transportation Plan was being drafted and would be presented to the Solar Committee.

*Solar
Committee*

Mr. D. Torres reported the Bylaw & Policy Committee met March 17, 2021 and reviewed sections of bylaws. There were no proposed changes recommended to bylaws. He reported the Committee reviewed KCEC Policy No. 2.22 Trustee Donations – Being reviewed. Also reviewed was KCEC Policy No. 3.18 Military Leave – No Changes Recommended. Mr. Reyes reported that Policy No. 2.22 Trustee Donations would be reviewed at the next Board Work Session. Guzman Energy would be providing a \$100,000 donation to KCEC for scholarships and community projects.

*Bylaw & Policy
Committee*

Mr. Reyes reported the Legislative Special Session would start today.

*Legislative
Information*

Mr. Medina reported that any correspondence sent to KCEC that was not signed should be disregarded and considered trash.

Other Business

Mr. Rodarte reported KCEC was approached to expand Broadband services toward Espanola and Cimmaron; this would be discussed at the next Board Work Session. Mr. Reyes reported that KCEC had been contacted by Santa Clara and Pojoaque to serve them. Mr. B. Torres suggested Easter lilies be sent to hospital employees and patient rooms. Mr. Reyes reported Taos County was almost 40% vaccinated. Crews helping today in Questa. The President recommended photographs be taken for public relation purposes.

*Board Member
Concerns*

There being no further business to come before the Board, it was moved by Mr. Jassmann, seconded by Mr. B. Torres, and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until April 27, 2021 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 10:29 a.m.

*Meeting
Adjourned*

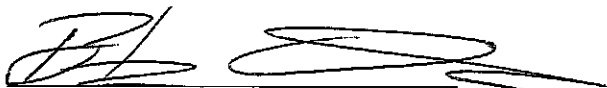
The following Trustees were present at the end of the meeting:

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



Secretary

Approved this 27th day of April 2021



President