

*KIT CARSON ELECTRIC COOPERATIVE, INC.*

*MEETING OF THE BOARD OF TRUSTEES*

*April 27, 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, April 27, 2021 at 9:08 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:*

*Index*

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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>In Person</i> |                |
| <i>Michael Romero</i>      | <i>In Person</i> |                |
| <i>Bernie Torres</i>       | <i>In Person</i> |                |
| <i>David Torres</i>        | <i>Virtual</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. Rodarte led the Board in reciting the Pledge of Allegiance.*

*Pledge of Allegiance*

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

*Prayer*

*It was declared a quorum was present.*

*Quorum*

*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 Board Meeting held March 30, 2021 were presented. It was moved by Mr. Jassmann, seconded by Mr. B. Torres, and unanimously approved, that the minutes be approved as presented.*

*Minutes March 30, 2021, Regular Meeting*

*Mr. Reyes thanked Daniel Prichard, Renewable Taos for joining the meeting. Mr. Reyes presented the CEO report. Financials were reviewed. He reported the cost of purchase was higher this year compared to last year and that KCEC is still working on a FERC Settlement. Mr. Shafto reported the Paycheck Protection Program (PPP)*

*CEO Report*

conversion from a loan to a grant was pending. Discussion was held on whether other cooperatives have filed rate increases with NMPRC and average system charge for NM. Discussion was held on exit balance and proposed rate designs. The Balance Sheet was reviewed. Mr. Reyes reported there were 36 new customers this year. People are moving to rural areas where property is inexpensive, and population is less. He reported there would be expansion of the Angel Fire Airport runway and Taos Airport is adding another terminal which would enable tourism. Mr. Reyes reported total assets were at \$144,076,017. Discussion was held on continued decrease of electric usage due to closures, line loss, and inventory. Discussion was held on EV charging stations and the EV Beneficial Electrification Program Zoom Meeting scheduled for April 28<sup>th</sup> and the Wildfire Risk Reduction Zoom Meeting scheduled for May 12, 2021. Mr. D. Torres reported the Safety Committee met April 9, 2021. He reported there had been two minor accidents due to snow and ice. He reported we were at 277 days with no lost time accidents and there was one workman's comp claim for a reaction to the COVID 19 vaccine. Following discussion, it was moved by Mr. Duran, seconded, by Mr. Medina and unanimously approved, that the CEO report for March 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 \$8,572.26. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved, that payments be made to these Estates.

Capital Credits  
to Estates

Mr. Reyes reported that KCEC would reconstitute governance structure of the Kit Carson Electric Education Foundation (KCEEF). He reported that the KCEC Board senior member of each District would be on the KCEEF Board and there may be an Advisory Committee to help with community events. Mr. Reyes reported that Guzman Energy would be making a \$100,000 donation annually to the Kit Carson Electric Education Foundation (KCEEF). This donation would be used for scholarships and community-based functions. Mr. Reyes reported that KCEC Board of Trustees would be the governing body of the KCEEF, and bylaws of the foundation would be revised. Changes would then be recommended to the KCEC Bylaw Committee. Mr. Coyle asked if this would be in addition to the current donations of \$2,000 per Trustee. The President reported it would be in addition to the current Trustee donations. It was moved by Mr. Duran, seconded by Mr. Romero, and unanimously approved that KCEEF structure be

New Education  
Foundation  
Structure



*approved as discussed. The President requested a Roll call vote.*

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

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| <i>The President reported donation totals and correspondence were in the packet to be reviewed at leisure.</i> | <i>Donations &amp; Correspondence</i> |
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| <i>Mr. Jassmann reported the Payables Committee reviewed payables for March 2021. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Medina, and unanimously approved.</i> | <i>Payables Committee</i> |
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| <i>Mr. Reyes reported the Broadband Committee met April 23, 2021. He reported that Kit Carson Internet (KCI) currently has 9,031 customers and the goal is 10,000. There would be a proposal presented to engage more connections. Mr. Reyes reported that on May 26, 2021 the New Mexico Public Regulation Committee would be meeting to start using funds, construction would start in June. He reported that monthly reports and financials would be sent to the Board.</i> | <i>Broadband Committee</i> |
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| <i>Mr. Rodarte reported the Solar Committee met April 6, 2021. Mr. Reyes stated yesterday a Transportation Plan was being drafted and was submitted to participants listed on EV Beneficial Electric Vehicle (EV) Zoom Meeting list. He reported there were grant opportunities available if Villages and Municipalities were involved. He stated NRECA was also invited to assist with funding opportunities for an EV Transportation Plan. Mr. Rodarte asked if KCEC would attempt to get information from municipalities and counties on fleet conversion to electric vehicles. Mr. Reyes stated that KCEC would attempt to obtain information on EV's and also plans for EV charging stations.</i> | <i>Solar Committee</i> |
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| <i>Mr. D. Torres reported the Bylaw &amp; Policy Committee met April 14, 2021 and reviewed sections of bylaws. He reported there was nothing new to report.</i> | <i>Bylaw &amp; Policy Committee</i> |
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| <i>The President reported that the Employee Relations Committee met April 21, 2021. He requested that all evaluation forms be returned to Carmella Suazo no later than May 7, 2021. He stated the Employee Relations Committee would meet on May 13, 2021, and Carmella</i> | <i>Employee Relations</i> |
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would provide self-assessment to the Board and the goal would be to finalize the CEO Employment Agreement at May Board meeting.

Daniel Prichard thanked the Board for allowing him to attend the Board meeting. He reported that Renewable Taos Executive Committee is interested in the Transportation Plan and supporting KCEC. He reported the Taos Center for the Arts (TCA) EV charging stations are being used and usage has increased in the last three months. He reported that each charging session on average is 14 kWh for about 1.5 hours.

Mr. B. Torres reported that the late Senator Carlos Cisneros served the KCEC Board twice for a term each time and 34 years in the New Mexico Legislature, he suggested that KCEC donate a brick for Memorial in Questa. He suggested KCEC make a \$1,000 donation. Mr. Bresnahan recommended holding elections in July or August, large gatherings now being allowed. Mr. Reyes stated the target date would probably be sometime in the September time frame for elections and Annual Meeting.

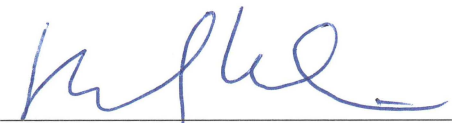
Board Member  
Concerns

There being no further business to come before the Board, it was moved by Mr. Jassmann, seconded by Mr. Medina, and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until May 25, 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 10:49 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 25<sup>th</sup> day of May 2021



President