

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

September 28, 2021

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 28, 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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*Bob Bresnahan
Russ Coyle (Virtual)
Cristobal Duran
Bruce Jassmann
Bobby Ortega
Arthur Rodarte
Michael Romero
David Torres
Luisa Valerio-Mylet*

Present

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

Mr. Bresnahan led the Board in reciting the Pledge of Allegiance.

Pledge of Allegiance

Mr. Romero 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 August 27, 2021, were presented. It was moved by Mr. Jassmann, seconded, by Mr. Romero, and unanimously approved, that the minutes be approved as presented.

*Minutes August
27, 2021,
Regular
Meeting*

Daniel Pritchard, Renewable Taos gave an update on the EV Expo. He reported that 300 people attended and there were 30 electric vehicles at the location. KCEC was the most prominent sponsor, Renewable Taos and KCEC installed a dual EV charging station at the Town of Taos Library and a ribbon cutting ceremony was held. Luisa Valerio-Mylet joined the meeting at 9:19 a.m.

Mr. Reyes presented the CEO report. The Financials were reviewed. Mr. Reyes reported that the Cost of Power was the biggest driver in the transmission expense. He reported Tri-State has a formulary rate which includes expenses; therefore, transmission expenses will continue to increase. Transmission cost was almost as much as the cost of power. Discussion was held on the construction of 115 kV vs 345 kV line. The KCEC Tree Trimming Program was discussed, Mr. Reyes reported that KCEC was assisting with fire awareness and chipping fire wise areas. Mr. Martinez reported that KCEC has two full tree trimming crews and other crews also trim trees. Mr. Reyes reported that crews continue to perform tree trimming and maintenance on the system. Margins for the month for KCEC, KCI and KCP were discussed. He reported that Taos Ski Valley is scheduled to open for Thanksgiving and have purchased hotels for workforce housing. Mr. D. Torres reported the Safety Committee met September 10, 2021. He reported there were no lost time accidents. Mr. D. Torres stated discussion was held on the lack of communications or timely response from command center personnel when standby crews are seeking assistance or verifying information. Discussion was held on Safety Incentive Program. Following discussion, it was moved by Mr. Duran, seconded, by Mrs. Valerio-Mylet and unanimously approved, that the CEO report for August 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.

CEO Report

The President reported requests have been received from Estates in the amount of \$8,155.92. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved, that payments be made to these Estates.

Capital Credits
to Estates

Discussion was held on CoBank Refinancing. It was moved by Mr. Rodarte, seconded by Mr. Romero, and unanimously approved that KCEC move forward with CoBank refinancing and prepayment of RUS Qualified Notes and that Resolution No. 3-9-21 be approved.

Approve
CoBank
Refinancing
Resolution No.
3-9-21

The President appointed Mr. Romero as Voting Delegate and Mr. Reyes as Alternate for Cooperative Finance Corporation (CFC)

Appoint CFC
Voting Delegate
& Alternate

The President appointed Mr. Romero as National Rural Electric Cooperative Association (NRECA) Voting Delegate and Mr. Reyes as Alternate for the NRECA Regional Meeting to be held October 19 – 21, 2021, in Dallas, TX.

Appoint NRECA
Voting Delegate
& Alternate

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, 2021. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved that Payables be approved as presented.

Payables Committee

Mr. Reyes reported the Broadband Committee met September 23, 2021. He reported discussion was held at yesterday's Board Work Session. Mr. Reyes reported Kit Carson Internet (KCI) had 9,500 subscribers. He reported that KCI should have 10,066 customers by the end of 2021. He stated the only impediment is the supply chain. Mr. Reyes reported KCI was pursuing servicing Pojoaque Pueblo, the was a preliminary acceptance of proposal; therefore, a meeting would be scheduled to respond to questions. Mr. Reyes stated KCI serves approximately 40% of KCEC's members with internet services.

Broadband Committee

Mr. Rodarte reported the Solar Committee met September 8, 2021. He reported the Solar Committee traveled to the Taos Mesa Solar site for a tour of the Solar facility. He stated the property would need to be cleaned since there was a lot of trash in the solar array property. Mr. Reyes reported that the Town of Taos is the fiscal agent and that the Landfill Board was under the Town of Taos. A tall fence would need to be installed to keep trash away from solar array property. The Angel Fire Solar project has been delayed due to the long delivery of required materials. He reported that a fence and concrete pad for the Angel Fire property need to be completed before batteries can be moved to Angel Fire. Mr. Reyes reported that KCEC has been scheduling tours of the Taos Mesa Solar facility with Taos County Commissioners and Town of Taos Councilors.

Solar Committee

Mr. D. Torres reported the Bylaw & Policy Committee met September 15, 2021. He reported that the Committee had reviewed and discussed KCEC Policy No. 3.9 Leave of Absence. Changes were recommended. Also reviewed was KCEC Policy No. 3.19 Employee Disabilities Policy. No changes were recommended. Mr. D. Torres recommended approval of KCEC Policy No. 3.9 Leave of Absence. It was moved by Mr. Rodarte, seconded by Mrs. Valerio-Mylet, and unanimously approved to approve KCEC Policy No. 3.9 Leave of Absence with changes.

Bylaw & Policy Committee

Mr. Rodarte suggested that a video of completed KCEC projects be displayed on a television in the lobby so

Board Member

customers can view the video while waiting. Mr. Santistevan reported that he is researching more interactive applications. Mr. Reyes reported that KCEC has collected almost \$121,000 from Department of Finance (DFA) Rental Assistance Program and also KCEC received \$16,000 from Taos Pueblo for utility assistance for Taos Pueblo tribal members. KCEC continues to help members thru the internal Members Helping Members Program. The President reported the next Foundation Meeting would be held Wednesday, October 27, 2021, at 11:00 am. He also requested that Robert Romero present a Legislative Update on Legislative Interim Committee Meetings at the next Board Meeting.

Concerns

There being no further business to come before the Board, it was moved by Mr. Duran, seconded by Mr. Romero, and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until October 26, 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 10:38 a.m.

Meeting
Adjourned

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

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


Secretary

Approved this 26 day of Oct. 2021


President