

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
JUNE 26, 2019

The meeting of June 26, 2019 was called to order by Robert M. Quintana, Board Chairman, at 11:00 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca, Vice-Chairman
Joseph C de Baca, Member
Virginia Mondragon, Secretary/Treasurer
James Ortiz, Member
Robert M. Quintana, Chairman

Others Present: Les Montoya, CEO/General Manager
Debbie H. Alexander, Administrative Assistant

- 2. INVOCATION** – Robert Baca, Vice Chairman, led us in prayer.
- 3. PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was recited.
- 4. APPROVAL OF AGENDA** – The Agenda for today’s meeting was presented for review and approval. The following was added to the Agenda: #13 – On-Going Business – c. Board Resolution – Adopting Policy per CFR 1730, Subpart C-Interconnection of Distributed Resources. **A motion to approve today’s Agenda as amended was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**
- 5. RECOGNITION OF GUESTS**
- a. Invited Speakers – (15 minute time limit) – None.
 - b. General Public Comment (5 minute time limit) – None.
 - c. Introduction of Employees – None.
- 6. SAFETY REPORT/MINUTES** – The Safety Committee met on June 13, 2019. The following was part of the minutes of that meeting:
- There were no accidents or near misses to report in Mora or Pecos during the month of May
 - There was one on-the-job injury to report in Mora. An employee responded to several outages due to a snow storm from the night before. While responding to an outage at Pendaries and placing the fuse with the extendo stick, snow fell on his face causing him to release the extendo for a few seconds. As the extendo started to fall, he reached for it with his right arm and felt a hard pull to his arm.

His arm hurt and was sore for the rest of the day. The following day, he noticed inflammation to his upper arm. He reported it to the HR Department first thing Monday morning. All necessary paperwork was filled out and a workman's comp claim was filed.

- There were no on-the-job injuries to report in Pecos.
- There was one on-the-job incident to report in Mora.
- No on-the-job incidents to report in Pecos.
- A Journeyman had concerns about the fuel cards stating there have been times when cards do not work and the transaction is declined. Employee said he was made aware that they are allowed only three transactions per day. The General Manager told the employee he would look into this.
- The General Manager advised the committee that MSMEC received an application for a Journeyman Lineman. The applicant is a 4th year apprentice through the Merchants Program and only 4 tests away from topping out and becoming a Journeyman. Applicant has been scheduled for an interview.
- Manager Montoya is working with Tri-State to create a new logo for our Cooperative. Examples were shared with employees for their input.
- MSMEC has created a Facebook page. Posts will be for information purposes only. For now, only planned and unplanned outages will be posted. Utilizing this page is an attempt to minimize the number of telephone calls made during outages.
- A Two-Way Radio Communications Policy has been created. Manager Montoya will share the policy with the RESAP Committee. The policy is to ensure the whereabouts, safety and wellbeing of all cooperative employees using a 10 code to report to headquarters.
- The Linemen from both offices were trained on Pole Top Rescue, reviewed Fall Restraint Requirements, inspect and reviewed PPE. The field training exercise was held at the Pecos Office by Mr. Roy O'Day, OAEC NM Safety and Loss Control Director.

7. **ACTION OF REGULAR MEETING MINUTES HELD ON MAY 22, 2019** – The Board Minutes of the Meeting held on May 22, 2019 were presented for review and approval. After review, a **motion was made by Virginia Mondragon and seconded by Robert Baca to approve the Board Minutes of May 22, 2019 as presented. Motion carried unanimously.**
8. **APPROVAL OF NEW MEMBERSHIPS (MORA 22 – PECOS 18)** – A total of 40 new memberships were presented for review and approval. After review, a **motion for approval of all 40 new memberships was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.**

9. MANAGER'S REPORT

- a. **Delinquent Report** – The Delinquent Report of the month of May was presented by General Manager Montoya. There were a total of 897 delinquent accounts totaling \$257,672.29. After collections, 606 of those accounts remained unpaid for a total of \$134,832.94.
- b. **RUS Form 7** – Operating Revenue and Patronage Capital for the month was \$964,009, Cost of Purchased Power was at \$486,695 and Total Operation & Maintenance Expense at \$854,498. Total Cost of Electric Service was \$1,001,925 with Patronage Capital & Operating Margins at (\$37,916) and Patronage Capital or Margins at (\$36,777) for the month. TIER for the month was at -0.02% and 1.91% YTD.
- c. **Outage Report** – There were a total of 44 outages reported for the month of May 2019. A total of 1275 consumers were affected by these outages for a total of 23.50 consumer hours without power.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of May was reviewed. The total Energy (kWh) Monthly Comparison was 5,729,977 actual and 5,656,543 budgeted. The Revenues were \$454,989 actual and \$443,819 budgeted.
- e. **Fused Cut-Out Report** – There was one fused Cut-Out installed in the Cow Creek main line during the month of May.

10. FINANCE REPORT – A motion to approve the Finance Report of the meeting held earlier today, together with the Manager's Report, was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously.

11. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on the Tri-State Meeting held earlier this month. A some of the highlights of this month's meeting included:

- Strategic planning focusing on resource opportunities
- Responsible Energy Plan including goal to lower rates
- Renewable energy request for proposals to be issued
- Strategic solar alliance opportunity to be explored
- Board directs no further negotiations with Guzman Energy at this time
- Contract Committee begins work following bylaw change
- Operations and financial results

12. NMRECA TRUSTEE REPORT – Robert M. Quintana, NMRECA Trustee, reported on their May 2019 meeting. Some of the items covered included:

- Nominations were taken for the re-organization of the NMRECA Board. Officers for 2019-2020 are: Mr. Charles Pinson, President; Mr. Tim Morrow, Vice President; and Mr. Duane Frost, Secretary-Treasurer.
- The Board discussed the realignment of the current standing committees. Voting on the committees assignments will take place at the next board meeting.
- A motion was made to combine the current Resolutions Committee with the Policy & Bylaws Review Committee. The motion was seconded and carried.
- A motion was made to eliminate the Evaluation Committee. Discussion continued and the Board was reminded that it was stated at the Policy & Bylaws Meeting that there was some concern on eliminating the Evaluation Committee, and instead the committee would remain with one member from each Co-op serving on this committee. The Board then agreed and the motion was withdrawn.
- The NMRECA Building Committee was eliminated.
- The Renewable Energy Committee was renamed and will now be the Emerging Technologies Committee.

13. ON-GOING BUSINESS

- Annual Meeting – June 29th, 2019** – A draft of the Annual Meeting Agenda, as well as the Organizational Meeting of the Board of Trustees, were reviewed. There was also some discussion regarding the prizes that will be given as door prizes during the Annual Meeting. Certificates were signed for students receiving scholarships, Youth Tour to Washington, D.C. participants and coloring contest winners.
- Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for May 2019 was \$454,989.49. The MSM Solar bill was \$31,705.06 with a credit from Tri-State of \$19,062.52.
- Board Resolution – Adopting Policy per CFR 1730, Subpart C-Interconnection of Distributed Resources** – Manager Montoya presented a Board Resolution Adopting Policy per CFR 1730, Subpart C-Interconnection of Distributed Resources for approval. This requires the establishing and maintaining of a written standard policy relating to the interconnection of distributed resources having an installed capacity of not more than 10 megavolt amperes at the point of common coupling. After further discussion and recommendation for approval, **a motion to approve the Board Resolution presented, was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**

14. NEW BUSINESS

- MSMEC Operations Two-Way Radio Communications Policy Draft** – Manager Montoya presented the Board with a draft policy setting standards for use of two-way radio communication in conducting Coop business in the field and allowing the reporting of emergency type situations. The policy will require company employees

to inform dispatch when the employee (unit) go into service, provide their location and report where they go out of service. Dispatch is then required to record the location when the employee reports his status. Use of the two-way radio with this reporting will aid the Cooperative in accounting the whereabouts of its employees and allows the employee to report emergency situation(s) should they come up. A listing of MSMEC 10-Code(s) for radio communication was identified and attached to this policy as Attachment A. **A motion to approve the draft of the Two-Way Radio Dispatch Operations Policy was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.** Completed Policy with assigned number will be presented for final approval at our July meeting.

- b. **Approval for Out-of-State Travel for Larry Rose, GIS Analyst, to attend the ESERI User Conference in San Diego, CA** – After review and discussion, **a motion to approve out-of-state travel for Larry Rose was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**
- c. **CoBank – List of Candidates for 2019 Director Elections** – For information only.
- d. **Corrective Action Plan to Rural Utility Service** – A Resolution approving MSMEC’s Corrective Action Plan for 2017 and 2018 was presented to the Board for review and approval. Upon review of the Resolution, the Board of Directors approved said action plan and advised the General Manager to submit the action plan to USDA/RUS in accordance with CFR 1710.114. **A motion for approval of Resolution of MSMEC’s Corrective Action Plan for 2017 and 2018 was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.** A copy of the letter prepared to USDA/RUS submitting the Corrective Action Plan was also provided to the Board for their review. The letter states it is in accordance with CFR 1710.114 and hereby submits its Corrective Action Plan based on Operating TIER not achieving the required 1.1 for years 2017 and 2018.

15. CORRESPONDENCE

- a. **Save The Date – NMRECA BBQ – August 29, 2019** – For information only.
- b. **New Mexico Rural Electric Self-Insurer’s Fund** – For information only.

16. INFORMATION

- a. **Calendar of Events** – Offices will be closed on Thursday, July 4th, in observance of the Independence Day Holiday. Tri-State will meet on July 9th and 10th, 2019. Tri-State Member CEO Committee Meeting will be held in Westminster on July 22nd and 23rd. MSMEC’s next Finance and Regular Board Meetings will be held on Thursday, July 25th, 2019 starting at 10:00 a.m.

A motion to move into Executive Session was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.

17. EXECUTIVE SESSION

- a. **Personnel Matters**

- b. Update on Union Matters
- c. Litigation Matters

A motion to move out of Executive Session and back into Regular Session was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.

18. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None.

19. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

20. ADJOURNMENT – A motion was made by Robert Baca, Vice Chairman to adjourn today's meeting. Motion carried unanimously. Meeting adjourned at approximately 2:55 p.m.

ATTEST:



Virginia Mondragon
Secretary/Treasurer



Robert M. Quintana
Board Chairman