

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
FEBRUARY 25, 2016

The meeting of February 25, 2016 was called to order by Robert M. Quintana, Board Chairman, at approximately 11:10 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca, Vice Chairman
 Joseph C de Baca, Director
 Virginia Mondragon, Secretary/Treasurer
 James Ortiz, Director
 Robert Quintana, Chairman

Others LaDonna LaRan, Interim Manager/CFO
Present: Debbie Alexander, Administrator

2. INVOCATION – Prayer was led by Robert Baca, Vice-Chairman.

3. PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was recited.

4. APPROVAL OF AGENDA – The Agenda was presented for review and approval. Three amendments were made to Executive Session. The following were added: f) Remote Metering – Meter Reading; g) Power Factor Meter; and h) Update of Cost of Service Study – Irrigation/Commercial & Large Power. **A motion to approve the Agenda with amendments was made by Virginia Mondragon and seconded by Robert Baca. Motion carried.**

5. SAFETY REPORT – The Safety Report for January 2016 was reviewed. There were no accidents to report in either Mora or Pecos. There were no near misses in Mora, but there was one near miss in Pecos where the lug nuts broke on a vehicle, although the tire did not fall off. No on-the-job injuries were reported. Safety training was held on January 27, 2016 by Roy O'Day on the following topics: 1) Switching Power Lines (Lockout/Tagout); 2) Signs & Tags – Accident Prevention; 3) Public Safety.

Questions were asked concerning the lockout/tagout procedure at MSMEC. Larry Barela, Operations Manager, will be available to answer those questions at our next meeting.

6. RECOGNITION OF GUESTS –

- a. Invited Speakers – (15 minute time limit) - None**
- b. General Public Comment (5 minute time limit) - None**

7. ACTION OF REGULAR MEETING MINUTES HELD ON JANUARY 28, 2016 – The Minutes of the Regular Meeting held on January 28, 2016 were presented for review and approval. After a short discussion, **a motion to approve the Minutes of January 28, 2016 as presented was made by Virginia Mondragon and seconded by Robert Baca . Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 10 – PECOS 21) – A total of 31 new memberships were presented for approval. **Motion to approve 31 new memberships was made by Virginia Mondragon and seconded by James Ortiz . Motion carried unanimously.**

9. MANAGER'S REPORT

a. Delinquent Report – The Delinquent Report for the month of January was reviewed. There were 908 delinquent accounts totaling \$222,643.96. After collections, 86 of those accounts remained unpaid for a total of \$16,775.53.

b. RUS Form 7 – Year-to-date totals were finalized for 2015. TIER = 2.31%; OTIER = 1.59%; DSC = 1.97%; and ODSC = 1.64%. For the month of January 2016, Operating Revenue and Patronage Capital was \$1,196,122, Cost of Purchased Power was \$652,569 and Total Operation & Maintenance Expense was at \$897,824. Patronage Capital or Margins was \$173,658. TIER was 5.06%; OTIER was 4.80%; DSC was 3.39%; and ODSC was 3.27%. MSMEC has 10,839 consumers and 1944 miles of line.

c. Outage Report – Fewer outages were reported during the month of January. On January 3, two different outages were reported in the same basic area. One outage affected 200 consumers for 4.25 hours and the other affected 300 consumers for 3.5 hours.

10. FINANCE REPORT – **A motion to approve the Minutes of the Finance Meeting held earlier today, together with approval of dispensing of the reading of these minutes and the approval of the Manager's Report was made by Virginia Mondragon, seconded by Robert Baca. Motion carried. James Ortiz abstained as he was not in attendance at today's Finance Committee Meeting.**

11. TRI-STATE TRUSTEE REPORT – Virginia Mondragon, Tri-State Trustee, reported on the February Tri-State Meeting. A couple of items covered during this meeting included:

- Clean Power Plan – Pending judicial review – Tri-State is excited and is a victory for Members
- Annual Meeting – April 4th – 7th – Tri-State will be submitting some bylaw changes

12. NMRECA TRUSTEE REPORT – Robert Baca, Statewide Trustee, reported on the February NMRECA Meeting held in Santa Fe. Some items covered included:

- RUS Loans – long-term interest is 2.32% and short-term interest is 0.29%
- House Bill 63 and Senate Bill 47 presented – both Bills passes unanimously and waiting for NM Governor to sign these Bills
- Discussion on sun/solar roof top units – homeowners can't sell their homes because of the contracts they get into installing these units

13. ON-GOING BUSINESS

a. Tri-State's Power Bill & MSM Solar Bill – The Tri-State bill for January 2016 totaled \$628,649.60 and the Solar bill = \$23,919.03.

14. NEW BUSINESS

a. Board Policy No. 101-A – General Trustee Obligations – Revised – The revised Board Policy No. 101-A, General Trustee Obligations, was presented to the Board. After some discussion on the revision, this policy will once again be presented to the Board at next month's meeting for approval.

b. Tri-State Scholarship(s)/MSMEC Scholarships – After some discussion, it was the Board's decision to continue awarding the scholarships in the same manner as per Board Policy No. 301. That is from each of the Cooperative service districts; Mora School; Las Vegas City School; West Las Vegas School, Pecos School, Santa Rosa School and Wagon Mound School.

c. Proclamation of Election Draft – A draft of the Proclamation of Election was reviewed. After some discussion, it was decided that the District 3 Election will be held on May 17, 2016.

d. CoBank Amendment to the Promissory Note and Committed Revolving Credit Supplement/Organizational Document Certification/Incumbency Certificate – After review and a short discussion, **a motion for approval of CoBank Amendment to the Promissory Note and Committed Revolving Credit Supplement was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**

e. Tri-State Annual Meeting – April 5th-7th – Certificate of Election to Tri-State Board & Credentials Sheet – Discussion was held in regards to Tri-State's Annual Meeting. Arrangements will be made for those who will be attending. **A motion to elect Virginia Mondragon to the Tri-State Board was made by James Ortiz and seconded by Joe C de Baca. Motion carried. Virginia Mondragon abstained. Robert Baca will serve as voting delegate and Robert Quintana as alternate as per motion by Virginia Mondragon and James Ortiz. Motion carried.**

15. CORRESPONDENCE

a. None

16. INFORMATION

a. Calendar of Events – Tri-State Meetings will be held on March 1st and 2nd. Statewide Meetings are scheduled for March 3rd and 4th. Union negotiations are scheduled for March 16th. Offices will be closed on Friday, March 25th in observance of the Good Friday holiday. Our next Finance and Regular Board Meetings are scheduled for Tuesday, March 29th starting at 10:00 a.m. Statewide Meetings are also scheduled for March 31st and April 1st.

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

17. EXECUTIVE SESSION

- a. Personnel Matters
- b. Update on Union Matters
- c. Bylaw Update – Conference Call – Bruce Wiggins
- d. Federated Insurance Update
- e. MSM Solar Contract Update
- f. Remote Metering/Meter Reading
- g. Purchase of Power Factor Meter
- h. Update on Cost of Service Study – Irrigation/Commercial & Large Power


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

18. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – No action taken.

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

20. ADJOURNMENT – A motion to adjourn today's meeting was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously. Meeting adjourned at approximately 3:02 p.m.

ATTEST:


Virginia Mondragon
Secretary/Treasurer
Robert M. Quintana
Board Chairman