

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**JULY 20, 2017**

The Regular Board Meeting of July 20, 2017 was called to order at 10:55 a.m. by Robert Baca, Board Vice-Chairman.

**1. ROLL CALL AND DETERMINATION OF QUORUM**

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

**Others**         Les Montoya, General Manager  
**Present:**       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. Agenda was amended by adding under - New Business letter j. Organizational Bylaw Proposal. **A motion was made to approve the agenda with one amendment by Robert Baca, seconded by Joe C de Baca. Motion carried unanimously.**

**5. SAFETY REPORT/MINUTES** – Les Montoya, General Manager, went over the Safety Committee Minutes for July 2017. Some of the items covered included:

- ✓ There were no accidents in either Mora or Pecos
- ✓ No near misses to report in Mora, but there was one near miss to report in Pecos. A line crew was working in Glorieta and the lineman pulled on the elbow and it arched over
- ✓ No on-the-job injuries in either Mora or Pecos
- ✓ There was one incident in Mora – employee reported feet problems for almost a year, was seen by a doctor and released back to work
- ✓ No incidents in Pecos
- ✓ More complaints from Central Dispatch
- ✓ Journeyman had concerns regarding the chain of command when the Operations Manager is out of the office. He was told that as a working foreman, he holds supervisory duties if no one is here
- ✓ Employees are busy installing the AMI system at the substations

- ✓ A meeting was held between MSMEC, the State Forestry Service and Soil and Water Conservation regarding some cost sharing on tree trimming. There is a \$300,000 grant available to do some vegetation clearance
- ✓ Our Annual Meeting was a success. Many compliments were received from the membership and the Board of Directors.
- ✓ The linemen from the Mora and Pecos offices were trained on CDL Fundamentals and Securing Loads.

## **6. RECOGNITION OF GUESTS –**

**a. Invited Speakers – (15 minute time limit) - None.**

**b. General Public Comment (5 minute time limit)**

**1. Luzia Manuel – 2017 Youth Tour Participant – Mora High School – Luzia**

Manuel was unable to attend today's meeting, but her mother, Lorinda Manuel, came in and read a letter from Luzia addressing the Board. In short, the letter stated she wanted to thank MSMEC for allowing her to experience this once in a lifetime trip to Washington, DC and that she was very proud to represent MSMEC.

**c. Introduction of Employees –None.**

**d. Others guests present: Virginia Mondragon**

**7. ACTION OF REGULAR MEETING MINUTES HELD ON JUNE 21, 2017 –** The minutes of the regular meeting held on June 21<sup>st</sup>, 2017 were presented for review and approval. After review, **a motion was made by Joe C de Baca, seconded by Robert Baca, to approve the minutes of the regular meeting held on June 21<sup>st</sup> as presented. Motion carried unanimously.**

**ACTION OF ORGANIZATIONAL MEETING MINUTES HELD ON JUNE 24, 2017 –** The minutes of the Organizational Meeting held on June 24<sup>th</sup>, 2017 were presented for review and approval. **A motion to approve the Organizational Meeting Minutes as presented was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**

**8. APPROVAL OF NEW MEMBERSHIPS (MORA 18 – PECOS 19) –** A total of 37 new memberships were presented for review and approval. After review, **a motion was made by James Ortiz, seconded by Robert Baca, to approval all new memberships as presented. Motion carried unanimously.**

## **9. MANAGER'S REPORT**

**a. Delinquent Report -** The Delinquent Report for the month of June had a total of 893 delinquent accounts totaling \$215,859.73. After collections, 332 of those accounts remained unpaid for a total of \$88,009.30.

**b. RUS Form 7 –** RUS Form 7 was not available for distribution prior to the meeting, but was handed out after this portion of the meeting. There was a quick review of a couple of items - our TIER at the end of June was at 2.06% and OTIER at 2.04%. Percentage of debt is as follows: REA debt is at 33%; CFC debt at 2%; and CoBank debt at 65%.

**c. Outage Report** – The Outage Report for June 2017 was provided for review. There were a total of 53 outages. Forty-two of the outages were in the Mora area and eleven in the Pecos area.

**10. FINANCE REPORT** – A motion was made by Robert Baca, seconded by James Ortiz, to approve the Manager's Report, the Finance Report, including approval of donations for Las Vegas Little League All-Star Team, Los Amigos Del Valle De Mora, Pecos Valley Cowboy Church, and Pecos High & Middle School 4<sup>th</sup> Annual Pecos Panther XC 5K Run/Walk, and dispensing of the reading of the Finance Report. Motion carried unanimously.

**11. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on their July meeting: A few of the items covered included:

- Cyber Risks
- Stand-By Rates renewed – rates will be a little higher
- Newly elected Tri-State Board of Directors Vice-President – Leo Brekel from Fleming, CO
- Robert Quintana, Tri-State Contract Committee, reported on their final meeting in this session. There was a unanimous vote for Coops to stay with the 5% green energy instead of going to 10%. There was also some discussion on Coops, their contracts and capital credits from Tri-State. Capital credits are unrealized at this point and will not be received by members for many years.

**12. NMRECA TRUSTEE REPORT** – Robert M. Quintana, NMRECA Trustee, reported that he was not in attendance at their last meeting but followed up at a later date on what was covered during the meeting which included the following:

- NMRECA Bylaws were altered in May of 2017
- Sponsors were thanked for the Annual Meeting held in Ruidoso
- Informational Survey was taken on the 2017 Annual Meeting and all ratings were good to excellent
- Director classes will be offered in August
- Legislative Summary

**13. ON-GOING BUSINESS**

**a. MSMEC – GIS Mapping Progress** – Larry Rose, GIS Analyst, presented his GIS status report. A handout was passed out and a power point presented related to the handout. Larry is getting everyone acquainted with what GIS can do to make their jobs easier here at the Coop. He is collecting data from MSMEC contractors, such as PPI-Sundance and T & D, and adding information through discussions with internal resource people. Larry is also familiarizing himself with all aspects of MSMEC needs, including customer information, field operations, regulatory concerns, managerial needs and asset accountability. Larry provided a percentage of targeted areas of effort and progress toward completion. Maps were reviewed showing such areas as where outages are occurring most often, board districts, property taxes and vegetation management.

**b. Resolution – Amendment and Restatement of the Retirement Security and/or 401(K) Plan** – The Resolution for Amendment & Restatement of the Retirement Security and/or 401(K) Plan was presented for review and approval. After review and discussion, **a motion for approval was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**

**c. Cost of Service Study & Rate Design Contract** – General Manager Montoya presented to the Board, a copy of the Independent Contractor Agreement for the Cost of Service Study & Rate Design Contract. Study will be provided by Ms. Cathy Cobb. After review, **a motion to approve this agreement and contract was made by Robert Baca, seconded by James Ortiz. Motion carried unanimously.**

**d. Audit Agreement for year ending December 2017 – Board Approval** – The audit agreement with Bolinger, Segar's, Gilberts and Moss L.L.P. for the year ending December 2017, was presented to the Board for review and approval. After review and discussion, **a motion to approve was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.**

**e. Advice Notice 60 – Notice to Ratepayers** – Manager Montoya informed the Board that MSMEC will file a proposed change with NMPRC to Revised Rate 12, under Advice Notice 60, on September 29, 2017. This filing will not result in any rate increase to any customer class. This change will directly affect net metering customers. Notice will be published in the August edition of The Enchantment.

**f. Tri-State's Power Bill & MSM Solar Bill** – The power bill for the month of June was \$460,634.93. MSM Solar bill was \$30,119.60 minus the credit from Tri-State of \$18,040.69.

#### **14. NEW BUSINESS**

**a. NMRECA Training Courses** – After review of the courses offered, Board Members needing one of the courses to complete their certification will be registered. Manager Montoya will also be registered for this course for his review of the director duties and liabilities.

**b. NMRECA Annual BBQ- August 31, 2017** – Board Members and Manager will be in attendance at the Annual BBQ on Thursday afternoon, August 31<sup>st</sup>.

**c. NRECA Regional Meeting – October 31 – November 2, 2017 – Scottsdale, AZ** – Staff will make arrangements for Board Members and Manager to attend the Region 10 Meeting.

**d. NRECA Regional Meeting – Voting Delegate & Alternate Delegate Certification** – After a short discussion, **a motion was made by Joe C de Baca, seconded by James Ortiz, to keep Robert Baca as Voting Delegate and Robert Quintana as Alternate Delegate. Motion carried unanimously.**

**e. Letter to Board of Trustees - 2018 Wildland Urban Interface Grant Application** – Les Montoya, General Manager, reviewed information of the 2018 Wildland Urban Interface Grant Application. NM State Forestry and Tierra Y Montes Soil and Water Conservation are requesting MSMEC to partner with them and other property owners in the Gallinas Canyon area to apply for funding to complete vegetation clearing within the area where Coop power lines are located. The application as the scope of work will include clearing

of vegetation from the power line located in this area and create a 40-foot wide fire break along the alignment of the existing power lines located on properties. The estimated cost for the clearing project is \$300,000. MSMEC is being asked to make a commitment of \$15,000.00 to match the project. Tierra Y Montes Soil and Water Conservation District shall administer the project and work with NM State Forestry to lay out the work to be completed. The actual clearing would be completed in a year and a half to two year time frame should a grant be obtained.

**f. 2018 Wildland Urban Interface Grant Application – Letter of Approval** – After review of the grant application of the 2018 Wildland Urban Interface, **a motion was made by Robert Baca, seconded by James Ortiz, to send a letter of approval to Tierra Y Montes letting them know that MSMEC is willing to partner with them on this application and commits to \$15,000.00 to match grant funds. Motion carried unanimously.**

**g. Board Policy No. 209 – Employment Benefits for MSMEC Non Exempt and Exempt Employees** – After a short discussion, item was tabled.

**h. Request for Proposal – New Mexico Licensed Electrical Contractors** – Manager Montoya presented the Board with a copy of the Request for Proposal to obtain (3) NM Licensed Electrical Contractors. MSMEC is soliciting requests from licensed electrical contractors to perform electrical service on an as needed basis in connection with the Advanced Metering Infrastructure Project. The successful contractors will perform electrical work and supply necessary materials to replace previously identified meter bases to allow for installation of the new AMI meters. After continued discussion, **a motion to approve this request for proposal and to advertise the RFP was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**

**i. Basin Electric Power Cooperative Annual Meeting – Designation of Authorized Representative – November 8 – 9, 2017** – After review, decision was made that no one would be attending the Basin Electric Power Annual Meeting in Wyoming.

**j. Organizational Bylaw Proposal** – The issue of setting term limits for trustees belonging to certain committees/boards, such as NMRECA and Tri-State, was addressed. After a short discussion, it was recommended to table this until such time as it is closer to the annual meeting and organizational meeting.

## **15. CORRESPONDENCE**

**a. None**

## **16. INFORMATION**

**a. Calendar of Events** – Tri-State Meeting will be held on August 1<sup>st</sup> and 2<sup>nd</sup>. Statewide Meeting will be held on August 3<sup>rd</sup> and 4<sup>th</sup>. The Tres Lagunas Fire mediation will be held on August 14<sup>th</sup>. NMRECA Director Class will be held in Albuquerque on August 22<sup>nd</sup>. District 1 Special Election will be held in Mora on Wednesday, August 23<sup>rd</sup>. Our regular Board & Finance Meetings will be held on Tuesday, August 29<sup>th</sup>. Statewide's Meeting and Annual BBQ will be held in Santa Fe on August 31<sup>st</sup>.

**A motion to move into Executive Session was made by Robert Baca 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 Joe C de Baca and seconded by James Ortiz. 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 to adjourn today's meeting was made by Joe C de Baca and seconded by James Ortiz . Motion carried unanimously. Meeting adjourned at 4:00 p.m.

**ATTEST:**



James Ortiz  
Secretary/Treasurer



Robert M. Quintana  
Board Chairman