

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
JUNE 21, 2018

The Meeting of June 21st, 2018 was called to order by Mr. Robert M. Quintana, Board Chairman, at 10:48 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 Alexander, Admin. 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 was presented for review and approval. The following was added to the Agenda: #14. New Business – b. NMRECA Training Course – August 15, 2018. **A motion to approve the 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 Minutes of the meeting held on June 12, 2018 were reviewed. Some of the items covered included:
- There was one accident to report in Mora. An apprentice lineman was running a new service at service pole. He placed the hand drill on top of bucket and when he moved the boom, the drill fell and shattered the windshield.
 - There was one accident in Pecos. An employee with a local drilling company called and reported that while he was leaving a customer's yard, he had caught the phone line with the boom of his driller. He pulled the telephone line across the road causing the wires to hit the tree which then caused an electrical arc. No injuries were reported and a crew made repairs. The telephone company was

contacted for repair on their lines. Invoice for damages was sent to drilling company.

- There were no near misses to report in Mora or Pecos.
- There were no on-the-job injuries to report in either Mora or Pecos.
- A Safety Review Committee will be added to the Safety Committee to begin reviewing the facts involved in accidents and/or incidents so as to conclude if the accident/incident was preventable or non-preventable.
- The Board of Directors approved the use of half of the money awarded after MSMEC was awarded the Carl M. Turner award to recognize employees for their excellent safety performance. A luncheon will be planned and a lantern will be given to each employee.
- Concrete barriers are being placed along the west side of the building for safety reasons.
- Back fill will be placed along the fences in the Pecos yard. Employees at MSMEC will have the back fill delivered and rent a Bobcat and do the work themselves.
- Manager Montoya talked about developing a Vegetation Management Plan at MSMEC. These plans are now required of Coops and serve to limit and or eliminate liability on claims involving fires caused by powerlines and/or systems.
- Linemen were trained on reclosers and regulators. Linemen, Meter Readers and inside staff were all trained on reporting accidents and near misses, and office/home electrical safety.

7. ACTION OF REGULAR MEETING MINUTES HELD ON MAY 31, 2018 – The Minutes of the Meeting held on May 31, 2018 were presented for review and approval. After review, a **motion to approve the Minutes as presented was made by Robert Baca and seconded by James Ortiz. Motion carried. Joe C de Baca abstained as he was not in attendance on the meeting of May 31, 2018.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 33 – PECOS 22) – Fifty-five new memberships were presented for review and approval. After review, a **motion to approve all new memberships was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**

9. MANAGER'S REPORT

- a. **Delinquent Report** - The Delinquent Report for the month of May 2018 was reviewed. There were 1011 delinquent accounts totaling \$261,634.66. After collections, 726 accounts remained unpaid for a total of \$101,584.76.
- b. **RUS Form 7** – Operating Revenue and Patronage Capital for the month of May was \$866,942 and Cost of Purchased Power was \$445,455 with Total Operation & Maintenance Expense at \$828,712. Total Cost of Electric Service was \$959,454, Patronage Capital & Operating Margins was at a negative \$92,511 and Patronage Capital or Margins for the month was a negative \$90,455. Last year's Patronage

Capital or Margins was \$467,748 and YTD \$423,191. TIER was -1.52% for the month and 2.79% YTD.

- c. **Outage Report** – The Outage Report for May 2018 was reviewed. An outage on May 2nd affected a total of 500 consumers for about 5 hours. Outage was caused due to a cut jumper. An outage which occurred on May 21st was caused due to a fault at the Solar Plant north of Las Vegas, which opened the Sub Station. A total of approximately 3000 consumers were affected for over 7 hours. CEO Montoya reported to the Board that the line crews are installing cut-outs in the Mora area to help isolate some areas when outages occur.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report was presented for review. The total energy monthly comparison was less than what Tri-State expected MSMEC to be. There was a 3 – 4% difference in the monthly comparison from budgeted to actual.

10. FINANCE REPORT – A motion was made by Virginia Mondragon to approve the Finance Meeting Minutes of the meeting held earlier today, together with approval of the Manager’s Report. There was a second to that motion by Joe C de Baca. Motion carried unanimously.

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

- Renewable generation
- Strategic planning – discussion about raising renewable from 5% to 10%
- Tri-State Policy 115 discussion
- Delta Montrose and discussion on buy out of contract of another Coop
- Cyber security and tips to avoid phishing scams

12. NMRECA TRUSTEE REPORT – There was no NMRECA Meeting held in June, therefore, no report this month.

13. ON-GOING BUSINESS

- a. **CoBank Energy and Water Executive Forum – August 8 – 10, 2018** – The Agenda for the 2018 CoBank Energy and Water Executive Forum was presented for review. Attendance to attend forum is free of charge. After review and some discussion, staff will make arrangements for those attending.
- b. **Finance Specialist – Job Description** – The job description for a Finance Specialist was presented to the Board. The Finance Specialist will report to the Finance Manager and will provide support on the day-to-day accounting activities of the Cooperative, its month-end processes, year-end audit process and various special projects that may arise. After review of the various responsibilities and duties of the Finance Specialist, a motion to approve the Finance Specialist Job Description, and

to advertise for this position, was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.

- c. **Amendment to Human Resource Administrative Assistant Job Description** – An amendment to the Human Resource Administrative Assistant Job Description was provided for review and approval. The HR Administrative Assistant will now be under the general supervision of the CEO/General Manager and perform a variety of administrative duties relating to personnel functions and programs. After review, a **motion to approve the amendment to this job description was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.**
- d. **Annual Meeting – June 23rd, 2018 – Agenda** – A draft of the agenda for the MSMEC 77th Annual Meeting to be held on Saturday, June 23, 2018 was presented. After review and some discussion, the agenda will be presented to the membership as presented today.
- e. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of May was a total of \$413,846.80. The MSM Solar bill was \$31,607.82 with a credit from Tri-State of \$19,038.80.

14. NEW BUSINESS

- a. **Request to Open Money Market Account at Community First – Mora Branch** – CEO Montoya requested to open a money market account at Community First Bank in Mora in the amount of \$900,000. After a short discussion, a **motion was made by Robert Baca, seconded by Virginia Mondragon, to authorize CEO Montoya to open the money market account as requested. Motion carried unanimously.**
- b. **NMRECA Training Course – August 15, 2018** – After some discussion about the 900-level course being offered in August, decision was made that no board members would be registered for this particular course.

15. CORRESPONDENCE – None.

16. INFORMATION

- a. **Calendar of Events** – Offices will be closed on July 4th in observance of the Independence Day holiday. Tri-State will hold their meetings on July 10th and 11th. Tri-State Member Manager's Meeting will be held in Santa Fe on July 26th and 27th. MSMEC will hold its Finance and Regular Board Meetings on Tuesday, July 31st, 2018 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 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 Robert Baca. Motion carried unanimously. Meeting adjourned at approximately 1:35 p.m.

ATTEST:



Virginia Mondragon
Secretary/Treasurer



Robert M. Quintana
Chairman