

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**JANUARY 29, 2015**

The Board of Trustees Meeting of January 29, 2015 was called to order by Robert M. Quintana, Chairman, at approximately 1:09 p.m.

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

**Present:**        Robert Baca, Vice-Chairman  
                  Virginia Mondragon, Secretary/Treasurer  
                  James Ortiz, Member  
                  Robert M. Quintana, Board Chairman

**Others**         Greg Low, CEO  
**Present:**       Debbie H. Alexander, Administrator

**Absent:**         Diego Quintana, Member

**2. INVOCATION** – The invocation 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 approval. After discussion following a request from a consumer present at today's meeting, **a motion was made by Robert Baca, seconded by Virginia Mondragon, to amend the Agenda by moving #7 – Recognition of Guests – General Public Comment up to # 5 on the Agenda. Motion carried unanimously to approve agenda as amended.**

**5. RECOGNITION OF GUESTS –**

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

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

**1. Bridget Maloney** – Ms. Maloney addressed the Board/CEO regarding the censure letter, challenging personalities, differences of opinions and possibly disenfranchising voters.

**2. Joseph Weathers** – Mr. Weathers asked that MSMEC bargain in good faith during union negotiations.

**6. RE-AFFIRM VOTE OF CENSURE LETTER DATED JANUARY 16, 2015 AND APPROVAL TO POST CENSURE LETTER AND SUMMARY OF FINDINGS ON COOP WEBSITE – ACTION ITEM** – After a short discussion, **a motion was made by Virginia Mondragon to post the Summary of Findings on our website. Robert Baca seconded that motion. A vote was taken – Virginia Mondragon**

**and Robert voted in favor of motion; James Ortiz voted against motion. Motion carried.** The Board discussed the issue of the censure letter and how long it will be in place. The censure will be in effect until the Board releases that censure. There was also some discussion concerning corrective measures such as anger management classes and second chances. CEO Low stated that although Diego Quintana cannot attend or participate in any portion of Executive Session, he is able to call in and participate over the phone during the regular session of the meeting. **A motion to re-affirm the censure letter dated January 16, 2015 and post it to the website was made by Robert Baca and seconded by Virginia Mondragon. A vote was taken – Virginia Mondragon and Robert Baca were in favor of motion, James Ortiz opposed. Motion carried.**

**7. SAFETY COMMITTEE UP-DATE** – CEO Greg Low reported on the Safety Report for December 2014 and stated that Larry Barela, Operations Manager, is overseeing our safety program at this time. The following items were discussed:

- Hours worked since our last lost time accident equal 98,997.84. Our last lost time accident was reported in December of 2013.
- Miles driven from June 2014 through December 31, 2014 was 202,208.50.
- There were no accidents or near misses to report in either Mora or Pecos.
- No on-the-job injuries were reported in either Mora or Pecos.
- Employees were trained on Regulators on December 15<sup>th</sup>.

**8. ACTION OF REGULAR MEETING MINUTES HELD ON DECEMBER 23, 2014** – The minutes of the meeting held on December 23, 2014 were presented for approval. **A motion to approve the minutes of December 23, 2014 as presented was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously.**

**9. APPROVAL OF NEW MEMBERSHIPS (MORA 14 – PECOS 18)** – A total of 32 new memberships were presented for review and approval. **A motion was made by James Ortiz, seconded by Robert Baca, to approve 32 new memberships. Motion carried unanimously.**

#### **10. MANAGER'S REPORT**

**a. Delinquent Report** – The Delinquent Report for December 2014 was reviewed by CEO Low. There were a total of 737 delinquent accounts totaling \$174,699.55. After collections in January 2015, 111 of those delinquent accounts remained unpaid totaling \$27,870.67. CEO Low reported that staff is working hard to improve on the number of delinquent accounts each month.

**b. RUS Form 7** – CEO Low reviewed the RUS Form 7 for December 2014. Operating Revenue and Patronage Capital for the month was at \$989,256; Cost of Purchased Power at \$661,110; and Total Operation & Maintenance Expense was at \$1,047,295. Total Cost of Electric Service was \$1,190,127. Patronage Capital & Operating Margins at a negative \$200,871 for the month – positive \$59, 879 YTD, and a negative \$212,050 for last year. CEO reported that the last three months of the year are historically not good for this utility. Patronage Capital or Margins for the month were \$251,266 and \$529,389 YTD. Total services in place for this year equal 12,998 in comparison to last year, 12,902

– the Cooperative has had some growth. Year-to-date TIER = 1.93%, OTIER = 1.11%, DSC = 1.74%; and ODSC = 1.36%. MSMEC employs 34 employees.

**c. Outage Report** – The Outage Report was reviewed. CEO Low reported that the largest outage we had in December affected about 650 consumers for  $\frac{3}{4}$  of an hour. Other outages were small in the number of consumers affected. Maintenance needs to continue, especially in some of our old system areas. **A motion to approve the Manager's Report as presented was made by Robert Baca, seconded by James Ortiz. Motion carried unanimously.**

**11. FINANCE REPORT** – The Minutes of the Finance Committee Meeting held earlier today were presented for review and approval. There was a short discussion concerning the dates on the credit card payments discussed earlier. CEO Low advised the Board that this was just a software issue with Daffron – payments were not being made twice. **A motion to approve these minutes was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously.**

**12. TRI-STATE TRUSTEE REPORT** – Virginia Mondragon, Tri-State Trustee, reported on some of the items covered at their January 2015 meeting:

- By-Law changes
- Change in position titles
- Strategic Planning
- Financials – Learning Session on how things run at Tri-State
- Meetings for different committees
- Capital Credits

Robert M. Quintana, Contract Committee, reported on their final meeting. Discussion continued on the 5% renewables issue and coops opting out of their contracts and going out to commercial suppliers.

**13. NMRECA TRUSTEE REPORT** – Robert Baca, Statewide Trustee, reported on their January meeting held in Santa Fe. A few of the items covered included:

- RUS Loans – Long-term @ 2.26% and 1 year loans @ 0.36%
- Refund from Self-Insurers Group
- Upcoming Legislation – Six Bills will be introduced

#### **14. ON-GOING BUSINESS**

**a. RUS Letter – Corrective Plan Update** – CEO Low reported on the RUS letter accepting MSMEC's Corrective Plan on how we will meet our requirements. There was some discussion concerning the previous letters sent by RUS and MSMEC's response including the Board Resolution. A consumer requested and the full Board agreed that these letters and resolution be posted on our website.

**b. Cost of Service Update** – Greg Low, CEO, reported that he had a phone visit with a Guernsey representative in regards to the cost structure. Cost of Service Study is being

worked on. A work session will be scheduled sometime in February. CEO Low also reported that the 2013 audit had been released earlier today.

**c. Tri-State's Power Bill & MSM Solar Bill** – There was a short discussion concerning last month's solar bill which equaled \$17,620.38. Some metering issues are being looked at.

## **15. NEW BUSINESS**

**a. Youth Tour Essays** – The Board was advised that we had received only two essays from students interested in applying to win a trip to Washington, DC. After continued discussion, the full Board was in agreement that we ask three community members to judge these essays. A few names were suggested from the Mora, Las Vegas and Pecos areas. In all fairness, student's names will be removed from essays before they are sent to judges.

**b. CFC Delegate Registration – 2015 Annual Meeting** – After a short discussion, a motion was made by Robert Baca, seconded by Virginia Mondragon, to have Greg Low, CEO, serve as voting delegate and Robert Quintana serve as alternate. Motion carried unanimously.

**c. 2014 District 5 Election Cost** – After some discussion concerning the information being requested on the 2014 District 5 Election Cost, James Ortiz, Member, stated that consumers have asked him for information in regards to the investigation costs of the District 5 Election. CEO Low was asked to bring a detailed summary of the investigation/attorney fees to present to the Board at our next meeting.

**d. MSMEC "Frank R. Rodriguez, Jr. Memorial Scholarship" - 6 @ \$500** – The full Board was in agreement to send out the information to the schools in our service area regarding the MSMEC "Frank R. Rodriguez, Jr. Memorial Scholarships".

**e. Tri-State Scholarships** – There was a short discussion on the scholarships provided by Tri-State. Tri-State has offered MSMEC area student's two \$500 scholarships.

## **16. CORRESPONDENCE**

**a. Notice of CoBank 2015 Director Election – Request for Director Candidates** – For information only.

## **17. INFORMATION**

**a. Calendar of Events** – Tri-State will meet on February 3<sup>rd</sup> and 4<sup>th</sup> in Denver. Statewide Meetings will be held in Santa Fe on February 5<sup>th</sup> and 6<sup>th</sup>. MSMEC Finance and Regular Board Meetings will be held in Mora on Thursday, February 19<sup>th</sup>. Finance Committee will meet at noon and Regular Board Meeting will begin at 12:45. NRECA Annual Meeting in Orlando, FL is scheduled for February 23<sup>rd</sup> – 25<sup>th</sup>, 2015.

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

## **18. EXECUTIVE SESSION**

**a. Aaron Viets & Agnes Padilla, Attorneys – Litigation Update (Via Phone)**

**b. Personnel Updates**

- c. Union Negotiations - Update
- d. Re-Districting Update (Via Phone)

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

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

**20. OTHER BUSINESS TO COME BEFORE THE BOARD** – A short discussion was held concerning payment of a hotel stay for the Cost of Service Training held in Albuquerque in November 2014. A motion was made by Robert Baca, seconded by Virginia Mondragon, to reimburse James Ortiz for his hotel charges. Motion carried. James Ortiz abstained.

**21. ADJOURNMENT** – A motion to adjourn today's meeting was made by Robert Baca and seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at approximately 5:25 p.m.

**ATTEST:**



Virginia Mondragon  
Secretary/Treasurer



Robert M. Quintana  
Board Chairman