

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
FEBRUARY 19, 2015

The Board of Trustees Meeting of February 19, 2015 was called to order by Board Chairman, Robert M. Quintana at approximately 12:50 p.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca
 Virginia Mondragon
 James Ortiz
 Robert Quintana

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 by all in attendance.

4. APPROVAL OF AGENDA – The Agenda was presented for review and approval. Secretary Virginia Mondragon asked to move #13 c. New Hires – Pecos Meter Readers to # 17 b. Executive Session. **Robert Baca motioned to amend the agenda as requested. James Ortiz seconded the motion. Motion carried unanimously.**

5. SAFETY COMMITTEE UP-DATE – Greg Low, CEO, reported on the Safety Report ending January 31, 2015.

- Hours worked since our last lost time accident = 102,584.94
- Miles driven starting June 2014 = 223,590
- There were no accident or near misses to report in Mora or Pecos
- No on-the-job injuries to report in Mora or Pecos
- Training was held on January 21st on Arc Flash Prevention and Protection, Installing Insulated Protective Equipment and Accident Prevention, Attitudes & Accidents

6. RECOGNITION OF GUESTS –

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

b. General Public Comment (5 minute time limit)

- 1.** J. D. Weathers – Mr. Weathers addressed the Board on behalf of some of the coop's membership. The letter read by Mr. Weathers addressed on going

issues involving their claim of mismanagement and disregard for the betterment of the cooperative.

Others present: George Trujillo, Fidel Trujillo, George Trujillo, Jr., Benjie Trujillo, Herman Lujan, Juan F. Archuleta, Moises Medina, Nestor Casados, Robert Martinez, Richard Olivas, Dwayne Martinez, and James Sandoval.

7. ACTION OF REGULAR MEETING MINUTES HELD ON JANUARY 29, 2015 – The minutes of the meeting held on January 29, 2015 were presented for review and approval. **A motion to approve the minutes of January 29, 2015 was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously.**

ACTION OF SPECIAL MEETING MINUTES HELD ON FEBRUARY 13, 2015 – The minutes of the special meeting held on February 13, 2015 were presented for review and approval. **A motion was made by Robert Baca, seconded by James Ortiz, to approve the minutes of February 13, 2015 as presented. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 16 – PECOS 15) – After review, **a motion to approve 31 new memberships was made by Robert Baca and seconded by James Ortiz. Motion carried unanimously.**

9. MANAGER'S REPORT

a. Delinquent Report – CEO Low reported that due to our meeting being held earlier this month, the Delinquent Report is not complete but will be distributed next month.

b. RUS Form 7 – Operating Revenue and Patronage Capital for the month of January was \$1,206,243 compared to last year at \$1,073,755. Cost of Purchased Power was \$623,450 for the month and was at \$581,044 last year. Patronage Capital & Operating Margins for January was at \$180,615 and Patronage Capital or Margins at \$189,931. TIER was at 5.29% and OTIER at 5.08% for the month. Density was at 5.56 and Line Loss @ (44,559). CEO Low stated that timing is an issue with some of these numbers this early in the year. There was some discussion regarding membership(s) and whether it is an option to become a member or everyone has to pay the \$5 membership fee. It was suggested that some information be included on the back page of the Enchantment for those consumers that do not have a paid membership.

c. Outage Report – The Outage Report was reviewed. There were a total of 20 outages for the month of January – nothing major. Eleven of the outages affected either one or two consumers. Only four of those outages affected more than 15 consumers for short durations of time. Outages lasting a little longer were due to travel time to get to the outage affected area. Questions were asked concerning one of the outages where a tree fell on the primary line. The tree which fell was outside of our 20 foot easement - tree was removed and power was restored.

10. FINANCE REPORT – After a short review of the minutes of the Finance Meeting held earlier today, **a motion was made by Robert Baca and seconded by Virginia Mondragon to approve**

the Finance Meeting Minutes together with the Manager's Report. Motion carried unanimously.

11. TRI-STATE TRUSTEE REPORT – Virginia Mondragon, Tri-State Trustee, reported on the February meeting held in Denver, Colorado. A few of the items covered include:

- Contract Committee – Recommendation that 5% Renewables should not change at this time
- Rate Committee – ongoing discussions
- Tri-State's Annual Meeting will be held in April – recommends that full Board and CEO attend

12. NMRECA TRUSTEE REPORT – Robert Baca, Statewide Trustee, reported on the February Meeting. The following was discussed:

- NMRECA – 3% increase on dues
- Legislative Conference – Washington, DC
- Loan interest – Long Term @ 2.15% - One year loans @ .01%
- NRECA Annual Meeting – CFC & CoBank banquet invite
- Statewide Annual Meeting – Taos, NM in June
- Proposed House Bills

13. ON-GOING BUSINESS

a. Youth Tour Essays – Selection – As per the full Board's recommendation, a number of judges were selected to review the two essays received from students interested in applying for a chance to win an all-expense paid trip to Washington, DC. The essay topic was "Describe how electric cooperatives operated based on the seven cooperative principles – and which of the seven cooperative principles do you think is the most important and why?" The judges selected from Mora, Las Vegas and Pecos areas are known and admired community leaders. Copies of the essays were given to the judges, which did not include names on them, for their review and selection of a winner. The student selected to win the Youth Trip to Washington, DC is Phoebe DeVos-Cole from Cleveland, NM. Although she does not attend any of the schools in our service area, Phoebe lives with her parents who are MSMEC consumers. Phoebe attends school in Angel Fire, NM. Derrick M. Vigil, also from Cleveland, NM, will receive a \$100 from MSMEC for his interest and great job. Derrick attends Mora High School. We thank both students for applying and encourage more students to do so next year.

b. 2014 District 5 Election Investigation Cost – Board Members were given a handout with the information requested during our last meeting. For better clarification, more information will be gathered for our next meeting.

c. Union Negotiations – Update – CEO Low handed out copies of the existing union contract that we now operate under. Also handed out, were copies of the last proposal MSMEC gave to the Union in December of 2014 plus some of the Union's proposals. CEO Low advised the Board that he believes it is important that they are aware of what is going on and don't hear just one side of the story. He wants them to have a summary

of what is being done and what has actually been accomplished since negotiations started in September. Some of the proposed items were reviewed and discussed. Employee wages were compared between our Coop and a much larger Coop –MSMEC pays their employees higher wages in many job positions. The Cooperative is offering small % increases for some classifications and a lump sum payment for classifications not receiving the % increase. CEO Low reported that MSMEC is the most grievous utility in NM and wants all to know what is really transpiring.

d. Operations – Larry Barela – Mr. Barela, Operations Manager, addressed questions concerning outages. There were some questions on one in particular outage in the Pecos Canyon where a tree fell on the power lines. Mr. Barela stated that clear cutting of our 20-foot easement needs to continue, but there is no way to prevent this from happening when a tree is beyond our easement. There was also some discussion about the numerous outages in the Trujillo, Watrous and Wagon Mound areas. Mr. Barela reported that the system in those areas is 30 years old and in bad shape. Spans are long, some lines are copper and poles are in bad shape. Poles in these areas are in line to be tested next.

e. Tri-State's Power Bill & MSM Solar Bill – The power and solar bills were reviewed. The amount being billed by Standard Solar and numbers off the Tri-State meter are way off. MSMEC is working on a letter to send to Standard Solar asking for a credit on the difference.

14. NEW BUSINESS

a. Proclamation of Election – A draft of the 2015 Proclamation of Election was presented to the Board. There was a consensus of the Board that the District 2 Election

take from being on call more often. In years past when more linemen were

a pro

Proclamation of Election will be mailed to all

be scheduled for Tuesday, May 19, 2015. From members.

presented for Board approval. After was made by Virginia Mondragon and imously.

b. 2013 Audit – Approval – The 2013 Audit was review, a motion to approve the 2013 Audit was seconded by James Ortiz. Motion carried unan

the posting of the 990 Forms to our ed by James Ortiz. Motion carried approved by the Board in October 2014. Annual Meeting Schedule was reviewed. Arrangements will be made for those

c. Approval of Forms 990 – A motion to approve website was made by Robert Baca and seconded unanimously. These forms had previously been **d. Tri-State 2015 Annual Meeting Schedule** – A Tri-State's Annual Meeting will be held in April. members attending.

Credentials Sheet – After review, a d by James Ortiz to certify election of tion carried unanimously. A motion Mondragon, to have CEO Greg Low Quintana as alternate during the 2015 imously.

e. Certification of Election to Tri-State Board & motion was made by Robert Baca and seconded Virginia Mondragon to the Tri-State Board. Mo followed by Robert Baca, seconded by Virginia serve as voting delegate and Chairman Robert Tri-State Annual Meeting. Motion carried unan

w advised the Board that all Coops will f the year. Tri-State will no longer be in

f. MSMEC Website Design Committee – CEO Low need to design their own websites by the end o

charge of websites for the 44 Cooperatives. A committee has been set up to get our website designed and up before the end of the year.

15. CORRESPONDENCE – None.

16. INFORMATION

a. Calendar of Events – Tri-State will meet on March 3rd and 4th in Denver, Colorado. Statewide Meeting is scheduled for March 5th and 6th in Santa Fe. The Safety Luncheon is scheduled for March 17th in Las Vegas. The Finance and Regular Board Meeting are scheduled for March 19th starting at 10:00 a.m.

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

17. EXECUTIVE SESSION

- a. Litigation Update**
- b. New Hires – Pecos Meter Readers**


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

18. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – No action was taken in Executive Session.

19. OTHER BUSINESS TO COME BEFORE THE BOARD – Chairman Quintana asked CEO Low to look into the broadband issue by contacting Matt Collins at CNMEC.

20. ADJOURNMENT – A motion to adjourn today's meeting was made by Robert Baca and seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at 4:17 p.m.

ATTEST:



Virginia Mondragon
Secretary/Treasurer



Robert M. Quintana
Board Chairman