

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MINUTES
HELD ON
MARCH 19, 2015

The Board of Trustees Meeting of March 19, 2015 was called to order by Board Chairman, Robert M. Quintana, at approximately 10:45 A.M.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present:	Robert Baca Virginia Mondragon – via phone for first portion of meeting James Ortiz Diego Quintana Robert Quintana
Others	Greg Low, CEO
Present:	Debbie Alexander, Administrator

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. James Ortiz asked to add to Executive Session – 5b -Re-districting Issue. Diego Quintana asked why the re-districting issue which is public information was being covered in executive session and not in regular session. After a lengthy discussion, **a motion to approve the agenda as presented was made by Virginia Mondragon and seconded by Robert Baca. A vote was taken – Robert Baca and Virginia Mondragon were in favor of motion, Diego Quintana and James Ortiz opposed. Chairman Quintana voted in favor of the motion – breaking the tie. Motion carried.**

A motion to move into Executive Session was made by Virginia Mondragon and seconded by Robert Baca. A vote was taken. Virginia Mondragon, James Ortiz and Robert Baca were in favor of the motion. Diego Quintana opposed stating it was an illegal motion. Motion carried.

5. EXECUTIVE SESSION

a. Cost of Service Study – David Hedrick & Justin Proctor

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

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

7. SAFETY COMMITTEE UP-DATE – Greg Low, CEO, reported on the Safety Committee Report for February 2015.

- Hours worked since last lost-time accident is 109,823.34
- Miles driven from June 2014 through February 27, 2015 = 247,610
- There were no accidents or near misses to report in Mora or Pecos
- No on-the-job injuries to report in Mora or Pecos
- Training on APPA Safety Manual Application, Lockout/Tag out Review and Injured Employees was held on February 25th by Roy O'Day of Statewide.
- Employees were recognized with a luncheon and award for working 17 months without a lost time accident

8. RECOGNITION OF GUESTS –

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

b. General Public Comment (5 minute time limit) – The following members/consumers were in attendance of today's meeting: Ernesto Rodriguez, Abe Lujan, Louis Clayton, Jerome Lucero, Paul Duran, Dennis Romero, Dr. Fidel Trujillo, Jr., Fidel Trujillo, Sr., George Trujillo, Herman Lujan, Ernie Olivas, Gabe Estrada and Levi Alcon.

Mr. Jerome Lucero addressed the Board and asked about the findings of the investigation of the District 5 Election and what has MSMEC done about it.

Mr. Gabe Estrada addressed the Board concerning a tree(s) that have reseeded and grown on his property where there previously was a pole. He asked for help in the removal of these tree(s). Mr. Estrada was advised that staff would go look at the area.

9. ACTION OF REGULAR MEETING MINUTES HELD ON FEBRUARY 19, 2015 – The Minutes of the meeting held on February 19, 2015 were presented for review and approval. **A motion to approve the Minutes as presented was made by Virginia Mondragon and seconded by Robert Baca. A vote was taken – Virginia Mondragon, Robert Baca and James Ortiz were in favor of motion. Diego Quintana abstained. Motion carried.**

10. APPROVAL OF NEW MEMBERSHIPS (MORA 18 – PECOS 16) – A total of 34 new memberships were presented for approval. **A motion was made by Diego Quintana, seconded by James Ortiz, to approve 34 new memberships as presented. Motion carried unanimously.**

11. MANAGER'S REPORT

a. Delinquent Report – Greg Low, CEO, reviewed the Delinquent Report for the month of January 2015 which was not available for the February meeting. February's Delinquent Report was not available for today's meeting due to cancellation of disconnects because of inclement weather. There were a total of 751 delinquent

accounts totaling \$191,810. After collections, 123 of those accounts remained unpaid leaving a balance of \$23,132.

b. RUS Form 7 – CEO Low reported on the RUS Form 7. Operating Revenue and Patronage Capital was \$975,213, Cost of Purchased Power was \$522,080 and Total Operation & Maintenance Expense equaled \$809,449. Patronage Capital & Operating Margins were at \$31,474 and Patronage Capital or Margins at \$33,864. TIER for the month was 1.77% and 3.54% YTD. OTIER was at 1.72% for the month and 3.41% YTD. MSMEC has a total of 34 employees.

c. Outage Report – Mr. Low reported on the Outage Report for February 2015. There was one large outage which affected 500 consumers for 1.75 hours in the Sapello area. The outage was due to ice on power lines. All other outages were fairly small in the number of consumers affected, although some of these outages took a few hours to get power restored due to the nature of the outage. In next month's Outage Report, there will be a number of larger outages due to the snow storms. In the Pecos area, there were some bad underground lines which also caused some problems.

12. FINANCE REPORT – CEO Low read the Minutes of the Finance Meeting held earlier. Everything was found to be in order. No donations were given at this time. **A motion to approve the Finance Report together with the Manager's Report was made by Robert Baca and seconded by Virginia Mondragon. Motion carried.**

13. TRI-STATE TRUSTEE REPORT – Virginia Mondragon, Tri-State Trustee, reported on Tri-State's March meeting. The following are a few of the items covered:

- Annual Meeting – April 7th, 8th and 9th
- Election of Tri-State Board
- Policy change – more discussion on capital credits policy
- Review of Rate Structure

14. NMRECA TRUSTEE REPORT – Robert Baca, NMRECA Trustee, reported on the March meeting in Santa Fe. Some of the items discussed included:

- Annual Meeting and what can be done to make it better this year – Annual Meeting will be held in Taos the first week of June
- RUS Loan interest rates – Long-term @ 2.46% and 1 year loans @ 0.37%
- CoBank Dividends – good year for New Mexico – \$1.3 million paid out
- NM House Bill 330 – Indian affairs and electric cooperatives. The bill died in the Senate.

15. ON-GOING BUSINESS

a. Larry Barela - Operations – Call Rotation – Larry Barela, Operations Manager, addressed the Board regarding questions about the linemen crew rotation. Currently, one linemen is on call every 3rd week. Having the rotation set this way gives the linemen a break from being on call more often. In years past when more linemen were

employed, there were two linemen on call. We now have two apprentice linemen in Mora and one in Pecos that will in time become part of that rotation.

b. Tri-State's Power Bill & MSM Solar Bill – For information only. There was a short discuss concerning the solar bill and the over charge. Also discussed was an article published on MSMEC's solar project and the energy savings to us over the span of the agreement. This article was published in the RE Magazine by the solar company without our permission.

16. NEW BUSINESS

a. Board Policy 101-A – General Trustee Obligations – Consideration of and action on new board policy regarding obligations of trustees and conditions for trustees –

The new Board Policy 101-A was presented for review and approval. There was some discussion concerning Board Policy 125 and it not being followed. Board Policy 125 addresses the amendment or rescinding of a policy and does not address a new policy; it has nothing to do with this new policy. After continued discussion, **a motion to approve new Board Policy 101-A – General Trustee Obligations, was made by Virginia Mondragon and seconded by Robert Baca. A vote was taken – Virginia Mondragon and Robert Baca voted in favor of motion, Diego Quintana opposed the motion and James Ortiz abstained. Motion carried.**

17. CORRESPONDENCE – United Power – Copy of Letter to Tri-State Generation & Transmission on Retiring of Capital Credits – For information only.

18. INFORMATION

a. Calendar of Events – Statewide Meeting is scheduled in Santa Fe for April 1st and 2nd. MSMEC Offices are closed on Friday, April 3rd in observance of the Good Friday holiday. Tri-State Annual Meeting will be held on April 7th, 8th and 9th. Finance and Regular Board Meetings are scheduled for Thursday, April 16th starting at noon. Tri-State Managers' Meeting will be held on April 22nd and 23rd, and 24th.

19. OTHER BUSINESS TO COME BEFORE THE BOARD – A motion was made by Robert Baca, seconded by Virginia Mondragon, to approve and use of the \$1000 given by Tri-State for high school senior scholarships as has been done in the past. The \$1000 will be divided into four \$250 scholarships. Motion carried unanimously.

Robert Baca advised the full Board and CEO Low that Randy Varela, 2014 District 5 election candidate, was to have attended today's meeting but did not make it. Mr. Varela wants to know what has happened with the District 5 election investigation. Diego Quintana stated that it should be taken to court.


A motion to go into Executive Session to cover a few items not previously discussed was made by Virginia Mondragon, seconded by James Ortiz. Motion carried unanimously.

A 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. No action was taken.

20. ADJOURNMENT – A motion to adjourn was made by Robert Baca, seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at approximately 3:22 p.m. Diego Quintana got up and left at 3:02 p.m. without excusing himself.

ATTEST:


Virginia Mondragon
Secretary/Treasurer


Robert M. Quintana
Board Chairman