

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
FEBRUARY 24, 2022

The meeting of Thursday, February 24, 2022, was called to order by Robert Baca, Board President, at 10:49 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: **Robert Baca, President**
 James Ortiz, Vice President
 Virginia Mondragon, Secretary/Treasurer
 Joe C de Baca, Trustee
 Samuel Ramirez, Trustee

Others **Les Montoya, General Manager**
Present: **Debbie Alexander, Admin. Assistant**

- 2. INVOCATION** – Robert Baca, President, 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. The following amendment was made to the agenda – 14. New Business – h. Paperless Board Packets. **A motion to approve the agenda with one amendment was made by James Ortiz 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 held their meeting on February 17, 2002. Those in attendance included Francisco Caro, Jacob Jaramillo, Les Montoya, Isaiah Romero and Vidal Barela. Areas covered included the following:
- There were no accidents, no near misses, no on-the-job injuries and no on-the job incidents to report in either Mora or Pecos.

- There were no other incidents/accidents to report.
- Manager Montoya informed the Safety Committee of the Covid status with MSMEC staff. A couple of employees were out of work due to testing positive.
- Election of Officers took place – Gwen Mascarenas was elected as Chairperson; Isaiah Romero as Vice-Chairperson; and Francisco Caro as Secretary.
- Two Apprentice Linemen were hired at the Pecos Office.
- Underground and overhead line inspections will commence with direction from Larry Barela and Isaiah Romero. Policy and forms will call for documentation of inspection findings and repairs completed.
- Safety training was conducted on January 27, 2022 by Tanner Dunlap with OAEC. The training consisted of Attitudes and Accidents, Working on Energized Lines, and Equipment and Arch Flash Prevention and Protection. The training was held for linemen and meter technicians.

7. ACTION OF REGULAR MEETING MINUTES HELD ON JANUARY 27, 2022 – The Minutes of the meeting held on January 27, 2022 were presented for review and approval. After review, a **motion to approve said Minutes was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 23 – PECOS 10) – Thirty-three new memberships were presented for review and approval. After review, a **motion was made by James Ortiz, seconded by Sam Ramirez, to approve all new memberships as presented. Motion carried unanimously.**

9. MANAGER’S REPORT

a. Delinquent Report – Report was not available prior to meeting.

b. RUS Form 7 – 1) Report ending December 31, 2021 – The RUS Form 7 for the month ending December 31, 2021 was reviewed. Operating Revenue and Patronage Capital was \$1,146,521 – amount budgeted was \$12,807,231 and actual YTD was \$12,661,566. Cost of Purchased power was \$637,497 – amount budgeted was \$6,598,746 and actual YTD was \$6,603,931. Total Operation & Maintenance Expense was \$932,813 – amount budgeted was \$10,251,361 and actual YTD was \$9,981,494. Total Cost of Electric Service was \$1,127,223 – amount budgeted was \$12,177,789 and actual YTD was \$11,855,320. Patronage Capital or Margins was \$207,619 – amount budgeted was \$714,682 and actual YTD was \$1,026,457. **2) Report ending January 31, 2022** – Report ending January 31, 2022 was not available before start of Board Meeting.

- c. **Outage Report** – There were 35 outages reported during the month of January. Due to unforeseen circumstances, only limited information on these outages was made available prior to meeting.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of January 2022 is as follows: Total Energy monthly comparison was 9,158,229 Actual kWh and 8,850,440 Budgeted kWh. The Revenues were \$671,483 Actual and \$673,526 Budgeted.
- e. **Fused Cut-Out Report** – The Cut-Out Report for the month of December was presented. There was one new cut-out placed North of Las Vegas and one replaced cut-out at Storrie Project. The report for January was not available prior to today's meeting.

10. FINANCE REPORT – A motion to approve the Finance Report of the meeting held earlier today, together with the Manager's Report, was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.

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

- Strategic planning session – looking ahead to the future and the changes facing Tri-State with the closing of coal plants
- Hydrogen Power Bill did not pass
- Discussion on other Colorado Legislative Bills
- Discussion on United Power
- FERC moving forward
- 2022 Annual Meeting set for April 5th & 6th

12. NMRECA TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their February meeting held in Santa Fe. The following was covered during the meeting:

- RUS long-term interest rates are at 2.10% and 0.20% for short term loans. RUS is still on business travel restrictions.
- CoBank will distribute patronage funds in mid-March.
- NMRECA expenditures for January were as follows: Association \$65,438.16; Communications/Enchantment \$72,151.47; NM Rural Electric Self-Insurers Fund \$16,303.56 for a total of \$153,893.19.
- The Board was briefed on the Infrastructure Bill which included funding for broad band and electric vehicle charging stations.
- NMRECA's Annual Meeting will be held on May 31st – June 2nd, 2022 at the Santa Ana Star Casino and Hotel in Bernalillo, NM.

- Board was provided with information on NMPRC Docket, NMPRC Case, and Hydrogen Hub Development Act and Clean Future Act.

13. ON-GOING BUSINESS

- Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of January 2022 was \$671,482.72; MSM solar bill was \$28,269.36 with a credit from Tri-State of \$18,154.02.

14. NEW BUSINESS

- Duane Highley, Tri-State CEO – Presentation on Tri-State’s Status** – Chief Executive Officer of Tri-State, Duane Highley, provided the MSMEC Board of Trustees and staff a virtual presentation as to Tri-State’s status at present. The Board heard directly from Tri-State’s CEO regarding issues being dealt with by Tri-State at this time and what Tri-State is doing to represent the interests of all of its members as we move forward.
- Tri-State Partial Requirements Open Season Notice** – Tri-State provided a 90-day notice on a Partial Requirements Open Season. During this period, Member Systems may request an allocation of the system limit to serve a portion of their load requirement thereby increasing their potential load of renewables from 5% to an increased percentage. After some discussion, it was decided that this is not in the best interest of MSMEC at this point in time.
- 2022 Tri-State Annual Meeting – April 5 – 6, 2022** – The official notice of the 2022 Tri-State Annual Meeting was received. The Annual Meeting will be held on April 5th and 6th in Westminster, Colorado. Arrangements to attend will be made for MSMEC Board Trustees and General Manager.
- Tri-State Member Voting Delegate Credentials** – After review, a motion was made by Sam Ramirez, seconded by Joe C de Baca, to retain Robert Baca as Voting Delegate and Virginia Mondragon as Alternate. Motion carried unanimously.
- Presentation of NRECA Certificate of Achievement and Pins for completion of Credentialed Cooperative Director Program – Robert R. Baca and Joseph A. C de Baca** – Director Education Certificates and pins were presented to Robert Baca and Joe C de Baca for completion of the Credentialed Cooperative Director (CCD) training courses offered through NRECA. Directors obtain knowledge through NRECA’s education and training courses which will benefit our Cooperative in the years ahead.
- USDA Santa Fe National Forest – Notification on Forest Service Permit** – MSMEC received notice from the Santa Fe National Forest that our Forest Service permit had expired on December 31, 2015 and was identified for re-issue. MSMEC has approximately 116.9 miles of power distribution lines across the Santa Fe National Forest designated property within our service territory. Trustees were informed of what will be required to apply for renewal of its permit to construct, operate and maintain the 116.9 miles of distribution lines within the Santa Fe National Forest boundaries. Tierra, a private company out of Albuquerque who performs this type of

work, has been contacted and will provide us a cost estimate proposal to assist in completing the extensive application for re-permitting.

- g. MSMEC Proclamation of Election** – The 2022 Proclamation of Election will be mailed out to District 3 members advising them of a trustee election to be held in that district in May 2022. After discussion, **a motion was made by Virginia Mondragon, seconded by Joe C de Baca, that the District 3 Election be held on Tuesday, May 17th, 2022. Motion carried unanimously.**
- h. Paperless Board Packets** – James Ortiz, Vice-President, presented to the Board and General Manager the idea of paperless board packets. He suggested the board packets be presented virtually for their review during the board meetings. This in turn would save a lot of work for staff and save from using so much paper on packets. After further discussion, **James Ortiz made a motion to go to using paperless board packets. Sam Ramirez seconded that motion. Motion carried unanimously.**

15. MSMEC EDUCATIONAL FOUNDATION

- a. MSMEC Education Scholarship – Board Policy 301** – MSMEC Board Policy 301 was adopted prior to the formation of the MSMEC Education Foundation, Inc. The Education Foundation shall now develop policies for proper and fair administration of the education scholarship funds. General Manager Montoya requested the Board of Trustees to dissolve Board Policy 301 and differ the responsibility of administering the education funds to the Board of Directors of the Mora-San Miguel Education Foundation, Inc. After discussion, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to dissolve Board Policy 301 – MSMEC Education Scholarship Program, and refer to the MSMEC Education Foundation, Inc. Policies which will now be developed and put in place. Motion carried unanimously.**
- b. Mora-San Miguel Electric Cooperative Education Foundation, Inc. – Policy 2-24-2022-001** – Manager Montoya presented the Board with the Education Foundation Scholarship, Inc. Program – Board Policy 2-24-2022-001. This policy identifies scholarships available, scholarship values, eligibility of applicants, procedures for review and selection, award of scholarships, terms of scholarships and other scholarship requirements. The Board of Trustees was asked to review the draft policy and entertain discussion on the policy as presented. After review and discussion, **a motion was made by Vice-President James Ortiz to approve Education Foundation, Inc. Policy 2-24-2022-001 as presented today. Virginia Mondragon seconded that motion. Motion carried unanimously.**

- c. **2022 MSMEC Education Foundation, Inc. – Scholarship Program – With a motion from James Ortiz, second from Sam Ramirez, the 2022 MSMEC Education Foundation, Inc. Scholarship Program will start to be advertised on our website, Facebook page, area high schools and The Enchantment. We will inform students/parents of scholarships available. Motion carried unanimously.** Applications will be accepted at our offices in Mora and Pecos and the Board will determine which students will be awarded these scholarships.
- d. **Basin Electric Scholarship Applications – Seven high school students whose parents are members of our Cooperative applied for the Basin Electric Scholarship. Applications and essays were reviewed and rated. After further review and discussion, a motion was made by James Ortiz, seconded by Joe de Baca, to award the Basin Electric Scholarship to Kaitlyn Vigil from the Holman, NM area. Motion carried unanimously.** Ms. Vigil plans to go into the Engineering/Medical field.

16. CORRESPONDENCE

- a. **Save the Date – NMRECA 2022 Annual Meeting and Vendor Expo – May 31st to June 2nd 2022 – For information only.**
- b. **NEEDO-NM – North East Economic Development Organization, Inc. – Application for Membership – A motion to join NEEDO – NM, (North East Economic Development Organization, Inc.) was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried unanimously.** Application for membership is \$100.00.

17. INFORMATION

- a. **Calendar of Events – Tri-State Meetings will be on February 28th, March 1st and 2nd. Statewide Meetings will be held on March 3rd and 4th. NRECA Annual Meeting – PowerXchange,S will be held March 7th, 8th and 9th. MSMEC will hold their next Finance and regular Board Meetings on Thursday, March 24th, 2022 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.

18. 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 James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.

19. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None.

20. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

21. ADJOURNMENT - A motion to adjourn today's meeting was made by James Ortiz and seconded by Sam Ramirez. Motion carried unanimously. Meeting adjourned at 2:07 p.m.

ATTEST:



Virginia Mondragon, Secretary/Treasurer



Robert Baca, President