

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**AUGUST 24, 2021**

Robert Baca, Board President, called the meeting to order at 11:05 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 Present:** Les Montoya, CEO/General Manager  
Debbie Alexander, Admin. Assistant

**2. INVOCATION** – Robert Baca, Board 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. After review, a motion to approve the agenda as presented was made by James Ortiz and seconded by Joe C de Baca. 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 Meeting was held on August 12, 2021. The Meeting was held via teleconference with the following attending: Lazaro Barela, Francisco Caro, Pamela Gallegos, Les Montoya and Vidal Barela. Some of the items covered included the following:

- There were no accidents to report in Mora for the month of July.
- There was one accident in the Pecos area reported on July 1, 2021.
- There were no near misses, no on-the-job injuries, nor on-the-job incidents to report in either Mora or Pecos.
- There were two other incidents to report for the month of July. 1) An account which had been disconnected for non-payment in Dilia was noticed to have flagged four blinks in the AMI system. A line crew went to investigate if tampering was occurring and did in fact find that someone had installed jumpers

in the meter socket to divert power to the house. Meter was removed and wires were cut. A \$200.00 tampering fee was assessed to this account. 2) A meter was disconnected for non-payment via AMI remote disconnect switch. After monitoring the blink reports for disconnects, a meter located in Sheridan showed eight blinks. A service order was created and technician found a seal was cut and noticed the light in a shed was on. Upon the removal of the meter, the light turned off. Consumer found a way to override or bypass the AMI remote disconnect switch. A \$200.00 tampering fee was assessed to this account.

- A new Apprentice Lineman has been hired – Jacob Jaramillo from the Las Vegas area.
- New net meters have arrived to be used for the new solar accounts.
- Manager Montoya let the committee know that it will be required for all employees and consumers to wear masks indoors due to the rise of Covid-19 cases. This also includes employees riding together in Coop vehicles.
- There was no safety training for the month of July as it was a bye month.

**7. ACTION OF REGULAR MEETING MINUTES HELD ON JULY 29, 2021** – The Board Meeting Minutes of July 29, 2021 were presented for review and approval. After review, a **motion to approve the Minutes of July 29, 2021 as presented was made by James Ortiz and seconded by Sam Ramirez. Motion carried unanimously.**

**8. APPROVAL OF NEW MEMBERSHIPS (MORA 36 – PECOS 14)** – A total of 50 new memberships were presented for review and approval. After review, a **motion to approve all new memberships as presented was made by Sam Ramirez, seconded by Joe C de Baca. Motion carried unanimously.**

**9. MANAGER’S REPORT**

**a. Delinquent Report** - The Delinquent Report for July 2021 was reviewed. There were a total of 960 delinquent accounts totaling \$295,597.50. After collections, 583 of those accounts remained unpaid for a total of \$99,714.00.

**b. RUS Form 7** – Operating Revenue and Patronage Capital for the period ending July 31, 2021 was \$961,898 and \$7,598,130 year-to-date. Cost of Purchased Power for the month was \$478,872 and \$4,007,293 YTD. Total Operation and Maintenance Expense for the month was \$768,354 and \$5,928,602 YTD. Total Cost of Electric Service was \$907,524; Patronage Capital and Operating Margins at \$54,374; with Patronage Capital or Margins at \$54,807. TIER for the month was 2.70% and 2.85% YTD.

**c. Outage Report** – The Outage Report was reviewed by General Manager Montoya. There was a total of 75 outages reported during the month of July. Three hundred and fifty-four consumers were affected by these outages for a combined 755.25 total hours. Board President, Robert Baca, emphasized the need for more cut-outs in

the Mora area to isolate areas and cut down on the number of consumers affected by outages.

- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for July is as follows: Total Energy (kWh) monthly comparison was 6,038,046 kWh Actual and 6,082,922 kWh Budgeted. July's Revenues were \$446,906 Actual and \$464,557 Budgeted.
- e. **Fused Cut-Out Report** – There were no new cut-outs installed in the MSMEC system during the month of July.

**10. FINANCE REPORT** – The Finance Report of the meeting held earlier today, together with the Manager's Report, were approved with a motion by Virginia Mondragon and second by Joe C de Baca. Motion carried unanimously.

**11. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on their August 2021 meeting. Some of the items covered included:

- Tri-State Generation & Transmission held their 69<sup>th</sup> Annual Meeting of the membership August 4-6, 2021. Trustees Robert Baca, Virginia Mondragon, James Ortiz and Sam Ramirez attended.
- Board of Directors has elected Tim Rabon as Chairman and Don Keairns as Vice-Chairman. Tim Rabon is a Trustee from Otero County Electric Cooperative in Cloudcroft, New Mexico.
- Rick Gordon did not seek re-election as Chair but remain on the Board.
- Coal fleet generation was 75% availability and 40% of total power supply.
- Gas and oil fleet generation was below budget and 8% of total power supply.
- Renewable generation accounted for 29% of total power supply.
- Other purchased power was 23% of the total power supply.
- Financial performance is stable.

**12. NMRECA TRUSTEE REPORT** – NMRECA Board Meeting for the month of August will not be held until August 26<sup>th</sup> in conjunction with the Annual Meeting. Mr. Ortiz will report on this meeting next month.

**13. ON-GOING BUSINESS**

- a. **Board Policy No. 101 – MSMEC Board Member Qualifications and Eligibility and Board Policy No. 103 – Affirmation** – The Board was again presented with Board Policy No. 101 and Board Policy No. 103 for any final comments, additions/corrections and/or final approval. After a short discussion, a motion was made by James Ortiz, seconded by Sam Ramirez, to approve both board policies as presented today and at the July 29<sup>th</sup> meeting. Motion carried unanimously.
- b. **Articles of Incorporation of Mora-San Miguel Electric Education Foundation, Inc.** – The Articles of Incorporation of Mora-San Miguel Electric Education Foundation, Inc.

were presented to the Board. These Articles of Incorporation are to formulate an Education Foundation to oversee the receipt and distribution of funds for educational and charitable purposes in the form of educational scholarships to qualified students who reside in a household receiving electrical service from MSMEC. Manager Montoya asked the Board of Trustees to consider approving the proposed Articles , thereby formulating an Education Foundation that would act on behalf of the Cooperative Board of Directors to administer education funds on an annual basis and to include appointing the Board of Trustees to serve as Directors of the Education Foundation. After review and discussion, **Virginia Mondragon, seconded by Sam Ramirez, motioned to approve the Articles of Incorporation of the Mora-San Miguel Electric Education Foundation, Inc. as presented. Motion carried unanimously.**

- c. **MSMEC Education Foundation Bylaws** - The MSMEC Board of Trustees are considering the approval of Articles of Incorporation to form an Education Foundation. A set of Bylaws are being proposed that outline the purpose of and the restrictions on the Foundation as administered by the Board of Directors. The bylaws presented are to govern the conduct and business of the Education Foundation as carried out by the Board of Directors. After review, **a motion was made by James Ortiz, seconded by Joe C de Baca, to approve the Bylaws of the Mora-San Miguel Electric Education Foundation, Inc. as presented. Motion carried unanimously.**
- d. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of July was \$446,906.29; MSM Solar bill was \$31,965.61 with a credit from Tri-State of \$26,380.86.

#### **14. NEW BUSINESS**

- a. **Request for Proposals for Professional Auditing Services for 2021-2023** – Manager Montoya reported to the Board that professional auditing services will be required by MSMEC to complete our annual financial audits for the years 2021, 2022 and 2023. The existing contract with Bolinger, Segars, Gilbert & Moss L.L.P. expired in 2020. Manager Montoya requested authorization from the Board to begin publishing the Request for Proposal for Professional Auditing Services for the calendar years, 2021-2023. **A motion was made by Sam Ramirez, seconded by James Ortiz, to direct Mr. Montoya to start advertising for a professional auditing firm to complete the financial audits for MSMEC for the years 2021-2023. Motion carried unanimously.**
- b. **Proposal Award Recommendation to Perform Diesel and Gasoline Diagnostics, Repairs and Maintenance on Vehicles and Equipment owned and operated by MSMEC** – Request for Proposals (RFP) for vehicle and equipment repairs and maintenance was advertised in the local paper. Only one proposal was received from Platinum Performance, LLC. **Virginia Mondragon made a motion, seconded by Sam Ramirez, to award the RFP to Platinum Performance, LLC . Motion carried unanimously.**

#### **15. CORRESPONDENCE – None.**

**16. INFORMATION**

- a. **Calendar of Events** – Offices will be closed on Monday, September 6th in observance of Labor Day. Tri-State meetings will be held in Westminster, Colorado on September 8<sup>th</sup> and 9<sup>th</sup>. MSMEC's Finance and Regular Board Meetings are scheduled for Thursday, September 23<sup>rd</sup> starting at 10:00 a.m.

**A motion to move into Executive Session was made by James Ortiz and seconded by Virginia Mondragon. 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 by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimous.**


**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 James Ortiz and seconded by Sam Ramirez. Motion carried unanimously. The meeting adjourned at 12:16 p.m.**

**ATTEST:**

  
Virginia Mondragon, Secretary/Treasurer

  
Robert Baca, Board President