

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
DECEMBER 22, 2021

The meeting of December 22, 2021 was called to order at 10:50 a.m. by Vice-President, James Ortiz.

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 Montoya**
Present: **Debbie Alexander, Admin. Assistant**

2. INVOCATION – James Ortiz, Vice President, led us in prayer.

3. PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was recited.

4. APPROVAL OF AGENDA – Today’s agenda was presented for review and approval. After review, a motion was made by Virginia Mondragon, seconded by Joe C de Baca, to approve the agenda as presented. 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 – Destiny Sandoval – Mora Cashier – Destiny Sandoval was introduced as the new Cashier at the Mora Office. Destiny is originally from Bernal but now lives in the Rociada area. Welcome to MSMEC Destiny.

6. SAFETY REPORT/MINUTES – The Safety Committee met on December 14, 2021. Those in attendance included: Lazaro Barela, Francisco Caro, Sara Cordova, Pamela Gallegos, Les Montoya, Isaiah Romero, Lawrence Salas and Albert Salazar. Meeting was held via teleconference. Some of the items covered included:

- No accidents, near misses, on-the-job injuries, on-the-job incidents nor other accidents were reported in either Mora or Pecos during the month of November.
- Manager Montoya shared with the committee that MSMEC would be receiving a \$23,000.00 dividend from Statewide based on the past year’s low loss ratio for

worker's comp claims. Employees in the office and out in the field need to be recognized for their safe working habits.

- The committee was informed that the Board of Trustees acknowledged the Certificate of Incorporation and Articles of Incorporation establishing MSMEC's Education Foundation.
- Manager Montoya advised the committee, Darrin Davenport with Federated Insurance completed his observation of both Mora and Pecos offices. A copy of the report was provided to all members and issues identified will be addressed and practiced regularly.
- A **S.A.F.E TALK** article regarding Personal Protective equipment from Federated was shared. Committee was reminded to always have safety on top of their list and to encourage new employees to wear their PPE.
- Safety Training was conducted on November 10, 2021 by Tanner Dunlap with OAEC. Training was held in person at the Mora Office for the linemen and meter technicians. The training covered properly laundered FR clothing, hazard recognition and reporting, seatbelt safety and OSHA 1910.269 updates and review.

7. ACTION OF REGULAR MEETING MINUTES HELD ON NOVEMBER 23, 2021 – The minutes of the meeting held on November 23, 2021 were presented for review and approval. After review, a **motion was made by Virginia Mondragon, seconded by Sam Ramirez, to approve the minutes as presented. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 31 – PECOS 16) – A total of forty-seven new memberships were presented for review and approval. After review, a **motion to approve all new memberships was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.**

9. MANAGER'S REPORT

- a. Delinquent Report** – For the month of November, there were 814 delinquent accounts totaling \$196,124.58. After collections, 564 accounts remained unpaid for a total of \$111,439.88.
- b. RUS Form 7** – RUS Form 7 was not available prior to today's meeting.
- c. Outage Report** – There were 20 outages reported during the month of November 2021. These outages affected 202 consumers for a combined 14.5 total hours without power.
- d. Member Sales Budget Report** – The Member Sales Budget Report for Tri-State for the month of November is as follows: Total Energy (kWh) monthly comparison was 6,961,465 Actual kWh and 6,848,847 Budgeted kWh. The Revenues were \$530,380 Actual and \$555,684 Budgeted.

e. **Fused Cut-Out Report** – There were 5 new cut-outs installed on the MSMEC system during the month of November. Three were installed on the main line North of Las Vegas, one in Dilia and one in Golondrinas.

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 Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.

11. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on their December meeting. A few of the topics covered included the following:

- Tri-State will refund \$10 million in patronage capital to members - no amounts will be refunded to any cooperatives in New Mexico.
- Budget and long-term finances were reviewed and passed.
- Building of gas plant – Colorado is wanting to rid of all coal plants
- Review and discussion of fiduciary duties and wholesale contracts.
- Colorado legislative outlook.
- Review of Tri-State’s operations report.
- Next month’s meeting will be held virtually.

12. NMRECA TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their December 3, 2021 meeting held in Santa Fe, NM. Some of the items covered included:

- RUS long-term loan interest rates are 1.72% and short-term rates are 0.05%.
- Short discussion on evaluation of Statewide CEO.
- Jemez Electric has joined NMRECA as of January 1st, 2022.
- Dates set for Annual Meeting and Annual BBQ.
- Draft budget – dues will be increased.
- Discussion on PRC being underfunded.
- Publication Committee discussion on charges to publish The Enchantment. Advertising policy will be set up to offer guidelines for magazine.
- Impacts of global supply chain disruptions.

13. ON-GOING BUSINESS

a. **Request for Proposals for Auditing Services for 2021-2024** – MSMEC solicited professional auditing services through an RFP earlier in the year. During our November 24th, 2021 Board Meeting, the Board of Trustees rejected the two proposals and authorized the General Manager to re-advertise. A proposal was received prior to the December 21, 2021 deadline. MSMEC staff reviewed the proposal received the second time and requests the Board to approve the recommendation to consider negotiating an auditing contract with Bolinger, Segars, Gilbert and Moss LLP. **A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve MSMEC staff’s recommendation and authorize to enter**

into an Auditing Contract with Bolinger, Segars, Gilbert and Moss LLP. Motion carried unanimously.

- b. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of November was \$530,379.50. The MSM Solar bill was \$29,409.65, with a credit from Tri-State of \$17,619.66.

14. NEW BUSINESS

- a. **MSMEC 2022 Budget** – Julie Pacheco, Finance Manager, review the proposed 2022 budget was with the full Board. The final numbers will be worked and brought back for final review and approval at our January meeting.
- b. **Resolution No. 12-22-2021-004 – Declaring as Disaster within MSMEC Service - Territory resulting from and isolated Wind Event on December 14, 2021** – Manager Montoya presented Resolution No. 12-22-2021-004, Declaring a Disaster within MSMEC Service Territory based on the extensive structural damage to poles and conductors caused by winds reaching up to 88 mph on December 14, 2021. The winds caused poles to break, trees to be toppled and conductors and transformers to be broken and fall to the ground. The damage the wind caused to MSMEC's distribution system and costs to be incurred in responding to outages and rebuilding sections of our distribution lines will exceed \$75,000.00. **A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve Resolution No. 12-22-2021-004, Declaring a Disaster within MSMEC Service Territory, authorizing Manager Montoya to file the disaster declaration with the New Mexico Office of Emergency Management Division requesting funding to offset expenses incurred due to the damage caused by the wind event of December 14th, 2021. Motion carried unanimously.**
- c. **Years of Employee Service Acknowledgement and Awards** – Three MSMEC employees were acknowledged and awarded with a cashier's check for their years of service with MSMEC. Tami Hernandez, Member Service Representative, completed 5 years of service. Isaiah Romero, Pecos Operations Superintendent, and Debbie Alexander, Administrative Assistant, each completed 15 years of service.
- d. **Federated Insurance – 2021 Loss Control Analysis** – A Federated Insurance representative visited with Larry Barela, Operations Manager, and Les Montoya, General Manager, at MSMEC on December 8, 2021 to complete a loss control analysis of MSMEC's operations in Mora and Pecos. A loss control analysis report was presented covering December 5, 2018 through December 5, 2021. A safety report identified 16 minor issues. The report was presented to the Board of Trustees to inform them of the losses experienced by MSMEC over the past 4 years and to share the safety issues identified while on site in Mora and Pecos in 2021.
- e. **Discussion regarding Broadband Service** – There was a short discussion concerning broadband service and why our Coop does pursue installing broad band service. It was agreed after talking to others on this issue that it is not conducive for our Cooperative as there are many private companies who are in the business of installing/selling broadband in our service territory.

15. MSMEC EDUCATIONAL FOUNDATION

- a. **2022 Basin Electric and Tri-State Education Scholarship Programs** – Information on the 2022 Basin Electric Scholarship will be distributed to our area high schools and posted on our website and The Enchantment. This scholarship is for \$1000.00 and deadline to submit applications to MSMEC is February 18th, 2022. Information on the Tri-State and MSMEC scholarships will be announced in the coming weeks.

16. CORRESPONDENCE

- a. **NRECA – Certify System’s Voting Delegate and Alternate Delegate** – After discussion, a motion was made by Virginia Mondragon, seconded by James Ortiz, to allow Les Montoya, General Manager, to continue serving as voting delegate. Motion carried unanimously.
- b. **Planning 2022 Director Training** – For information only.
- c. **Updated NMRECA Board Meeting Schedule** – For information only.

17. INFORMATION

- a. **Calendar of Events** – Tri-State will meet virtually on January 3rd & 4th, 2022. Statewide meetings will be held in Santa Fe on January 6th and 7th. MSMEC Offices will be closed on Monday, January 17th in observance of the Martin Luther King, Jr. Holiday. MSMEC’s Finance and Regular Board Meetings will be held on Thursday, January 27th, 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 –**

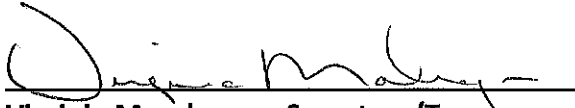
A motion to move out of Executive Session and back into Regular Session was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.

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

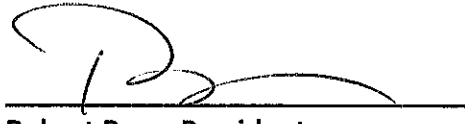
20. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

21. ADJOURNMENT – A motion to adjourn today’s meeting was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at 2:40 a.m.

ATTEST:

A handwritten signature in black ink, appearing to read "Virginia Mondragon", written over a horizontal line.

Virginia Mondragon, Secretary/Treasurer

A handwritten signature in black ink, appearing to read "Robert Baca", written over a horizontal line.

Robert Baca, President