

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
NOVEMBER 30, 2022

The meeting of Wednesday, November 30, 2022, was called to order by Robert Baca, Board President, at 10:45 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, Administrative Assistant**

2. INVOCATION – President Baca 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 was made by Virginia Mondragon, seconded by James Ortiz, 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 – Irinea Valdez, Cashier -

6. SAFETY REPORT/MINUTES – The Safety Committee at MSMEC met on November 8, 2022. The meeting was attended by employees Les Montoya, Francisco Caro, Jacob Jaramillo, Isaiah Romero, Gwen Mascarenas, Sonya Vasquez and Gerald Trujillo. Some of the items covered are as follows:

- There were no accidents, no near misses, nor on-the-job injuries to report in Mora or Pecos
- There was an incident in Mora during the month of October. After account was disconnected for non-payment, consumer called and paid the bill on the IVR System during non-working hours. As the office was not open, consumer’s power was not restored. After investigation of the meter, there was evidence of meter

tampering thru the AMI System. Consumer was to pay \$55 reconnect fee plus a \$200 tampering fee.

- There was an incident where Meter Tech could not complete his Line Locate due to gate being locked. Multiple attempts to get land owners to unlock the gate went unsuccessful. MSMEC received a warning on the locate not being completed. The meter Tech created an incident report because it is against policy and unsafe to go over fences.
- General Manager Montoya gave an update from FEMA. The first drawn down was submitted for roughly 2 million dollars of expenses that were incurred during the initial response to the fires, contractor work and the engineering work completed on the Damage Assessment. A meeting was held with Supervisors/Managers to stress the importance of documenting work being performed in the field on timesheets and work orders to include GPS markings on staking sheets.
- Numerous employees have recently attended various trainings such as in CDL Trainings, Underground and Climbing School and HR Leadership Training. Manager Montoya reminded the committee that employee conduct while attending trainings is important as they are a direct representation of MSMEC.

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

8. APPROVAL OF NEW MEMBERSHIPS (MORA 19 – PECOS 15) – A total of 34 new memberships were presented for review. After review, **a motion was made by James Ortiz, seconded by Sam Ramirez, to accept all new memberships as presented. Motion carried unanimously.**

9. MANAGER'S REPORT

- a. Delinquent Report** – The Delinquent Report was presented to the Board by Manager Montoya. A total of 969 accounts were delinquent for a total of \$233,237.43. After collections, 624 of those accounts remained unpaid totaling \$122,536.98.
- b. RUS Form 7 – For Period Ending October 31, 2022** – RUS Form 7 was presented for review. Operating Revenue and Patronage Capital for the month ending October 31, 2022 was at \$995,276, Cost of Purchased Power was \$506,113, Administrative and General Expense at \$125,612, with a Total Operation & Maintenance Expense at \$840,839. Total Cost of Electric Service was at \$988,640, Patronage Capital & Operating Margins was \$6,636, Non-Operating Margins – Interest at \$899 with Patronage Capital or Margins at \$7,535. TIER for the month was 1.29% with 2.19%

YTD. OTIER was at 1.25% for the month and 1.94% YTD. Line Loss was at 16.9% for the month and 4.8% YTD. MSMEC serves 11,178 consumers.

- c. **Outage Report** – There were 42 outages reported during the month of October. One hundred and fifty-eight consumers were affected for a combined total of 117 hours of consumers being without power.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of October is as follows: Total energy monthly comparison was 6,538,915 Actual kWh and 5,952,375 Budgeted kWh. Revenues were \$506,113 Actual and \$452,513 Budgeted.
- e. **Fused Cut-Out Report** – There were no new cut-outs installed or replaced during the month of October 2022.

10. FINANCE REPORT – A motion to approve the minutes of the Finance Meeting held earlier today, together with the Manager’s Report, was made by Sam Ramirez and seconded by Joe C de Baca. Motion carried unanimously.

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

- 2023 Budget updates
- October margin estimate
- Measures to cut costs
- Media coverage
- Government Relations Report
- Review of Manager’s meeting
- Rate Committee will meet and put numbers to work

12. NMRECA TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their November’s meeting. A few of the items covered include the following:

- Larry McGraw with RUS announced the interest rate for future loans will increase from 4% to 6%. The Long-term interest rates are now at 4.28% and short-term rates are 4.55%.
- Budget and Finance report
- Review of NMPRC Cases
- NRECA Education Course to be held December 15, 2022
- Introduction of new CEO of NMRECA, Charise Swanson
- Review and discussion on the increased cost of the Enchantment Magazine
- NMRECA Annual 2023 proposed dues
- NMRECA’s 2023 Annual Meeting/Vendor Expo will be held on May 30th thru June 1st

13. ON-GOING BUSINESS

- a. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of October totaled \$506,112.70. MSM Solar Bill was \$28,197.92 with a credit from Tri-State of \$16,067.65.

14. NEW BUSINESS

- a. **Bill Miller, Bolinger, Segars, Gilbert & Moss L.L.P. – Virtual Presentation on 990 Form** – The final copy of Form 990, Return of Organization Exempt for 2021, was presented to the Board by Mr. Bill Miller with Bolinger, Segars, Gilbert and Moss, LLP via Zoom.
- b. **Sean Black, Director, Transmission & Business Development with Ameren Transmission** – Mr. Sean Black, Director with Transmission and Business Development with Ameren Transmission updated the Board of Trustees and Manager Montoya on the planning and development of the Mora Transmission Project. Ameren Transmission has been planning the alignment and design of the proposed Mora Transmission Line which will serve to provide renewable energy generated in the Clayton area, South to Las Vegas. Ameren has met with MSMEC several times regarding this project and will continue to keep the Board of Trustees updated on the status of the continuing development of this project. A Mora Transmission Project Collaboration Agreement proposed between Lucky Corridor, LLC and MSMEC will be presented for the Board’s consideration at a future date. Engineers with T&D Engineering were present to take in the information from the presentation.
- c. **MSMEC Right-of-Way Easement – Wording Revisions** – A copy of MSMEC’s existing Right-of-Way Easement was presented to the Board together with a copy of the same with some revisions made and approved by the Coop’s attorney. The revision will include the following: Grantor shall not be liable to Grantee’s employees, agents, or invitees for an injury to person or damage to property on or about the easement premises caused by any act or omission of Grantee, its agents, or employees. Grantee agrees to indemnify and hold harmless Grantor of and from any loss, attorney’s fees, expenses or claims arising out of any such damage or injury.
- d. **Board Policy No. 226, Retirement Recognition and Years of Service Recognition, Revision and Replacement of Board Policy No. 217, Retirement Recognition** – Board Policies 226 – Years of Recognition – and Board Policy No 217 – Retirement Recognition, conflicted in procedures regarding retirement so policies were revised and combined. Board Policy No. 226 will now serve as Retirement Recognition and Years of Service Recognition. This change in policies will be brought back to the Board during the December meeting for final review and approval.
- e. **2022 Milestone Anniversaries** – The Board was asked to review and approve the Milestone Anniversaries recognition to be done at the 2022 Christmas Celebration Meal as per Policy No. 226 – Years of Recognition Program. The Milestone Anniversaries are as follows: Les W.J. Montoya, 5 Years; Larry Barela, 30 Years; April Gonzalez, 25 Years; and Pauline Olivas, 15 Years. **A motion was**

made by Virginia Mondragon, seconded by James Ortiz, to approve the recognition of the employees with 2022 Milestone Anniversaries at MSMEC. Motion carried unanimously.

15. MSMEC EDUCATIONAL FOUNDATION

a. None

16. CORRESPONDENCE

a. None

17. INFORMATION

- a. **Calendar of Events** – NMRECA meetings will be held on December 1st and 2nd in Santa Fe. Tri-State meetings will be held on December 5th, 6th and 7th. MSMEC Offices will be closed on the following days in observance of the Christmas Holiday – Thursday, December 22nd and Monday, December 26th. The Board of Directors have scheduled their next Finance and Regular Board Meetings on Wednesday, December 28th, 2022. Our Offices will also be closed on Monday, January 2, 2023 in observance of the New Year's Day Holiday.

A motion to move into Executive Session was made by Virginia Mondragon, seconded by Joe C de Baca. 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 Sam Ramirez. Motion carried unanimously.

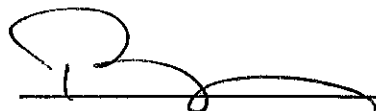
19. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None.

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 Joe C de Baca. Motion carried unanimously. Meeting adjourned at approximately 4:40 p.m.

ATTEST:





Virginia Mondragon, Secretary/Treasurer

Robert Baca, President