

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
JANUARY 26, 2023

The meeting of Thursday, January 26th, 2023 was called to order at 10:49 a.m. by Robert Baca, Board President.

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, General Manager
Debbie Alexander, Administrative Assistant

- 2. INVOCATION** – President Robert Baca 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 to accept the Agenda as presented was made by James Ortiz, 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) – Mr. Ambrosio E. Castellano, Jr. Esq.** was present at today’s meeting as an observer.
 - c. **Introduction of Employees – None.**
- 6. SAFETY REPORT/MINUTES** – The Safety Committee Meeting was held on January 10th, 2023. Those in attendance included the following: Les Montoya, Larry Barela, Sonya Vasquez, Vidal Barela, Martin Teran, Tristan Trujillo, Sandra Garcia and George Valdez. Some of the topics covered included the following:
- There were no accidents, no near misses, and no on-the-job injuries to report in either Mora or Pecos
 - No incidents to report in Mora

- One incident to report in Pecos – A primary line broke and landed on a car causing a tire to blow causing small fires in the yard. It by-passed the electronic recloser and opened up at the sub-station. Lineman spliced and re-sagged line to restore power.
- FEMA update – Mr. Montoya informed the committee that an individual assisting MSMEC in submitting proper paperwork to FEMA will be checking on the status of damage claims. One is for \$2 million plus and the total damage estimated at \$20 million. Anticipating FEMA approval soon. Then MSMEC will need to request the funds from the State.
- MSMEC is looking into hiring a law firm to assist in applying for the Federal Hermits Peak Act that was approved in Congress to help businesses and residents affected by the wildfires. This would be in terms for reimbursement for loss of electric sales during and after the fire, lost wages for employees and burned tree removal program.
- Safety Committee Member Elections were held. New officers are: Vidal Barela, Chairperson; Tristan Trujillo, Vice-Chairperson; and Sandra Garcia, Secretary.
- Larry Barela informed the Committee that contractors are back in the field working and making progress quickly after taking a few weeks off for the holidays.

7. ACTION OF REGULAR MEETING MINUTES HELD ON DECEMBER 28, 2022 – The Minutes of the Board Meeting held on December 28, 2022, previously emailed to all Trustees, were presented to the Board for review and approval. After review, **a motion to approve the Minutes as presented was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 23 – PECOS - 7) – A total of 30 new memberships were presented to the Board for their review and approval. After review, **a motion was made by Sam Ramirez, seconded by James Ortiz, to approve all new memberships as presented today. Motion carried unanimously.**

9. MANAGER’S REPORT

- a. **Delinquent Report** – Manager Montoya presented the Delinquent Report for December 2022. There were 854 delinquent accounts totaling \$195,082.04. After corrections, 539 of those delinquent accounts remained unpaid for a total of \$114,999.96.
- b. **RUS Form 7 – For Period Ending December 31, 2022** – Due to closing inventory for 2022, RUS Form 7 was not available prior to meeting.
- c. **Outage Report** – There were 23 reported outages during the month of December. These outages affected 1178 consumers for a combined total of 10.25 hours.

- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of December 2022 was as follows: Total energy monthly comparison was 9,970,496 Actual kWh and 8,734,798 Budgeted kWh. Revenues were \$752,861 Actual and \$650,198 Budgeted.
- e. **Fused Cut-Out Report** – Report not available prior to meeting.

10. FINANCE REPORT – A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to approve the Minutes of the Finance Meeting held earlier today together with the Manager’s Report. Motion carried unanimously.

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

- Meeting was held virtually – short meeting
- Media and what to expect at Colorado Legislature Session as well as other States
- FERC filings
- Strategic Planning Session next month
- Rate Committee and expected rate increase
- Excess power

12. NMRECA TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their January meeting. Items covered included the following:

- Board Educational Meeting was held on January 5th
- RUS interest rates are 4.55% long-term and 3.81% short-term
- Monies available for Restoration Plans
- Hiring a supplemental lobbyist for the legislative session
- Legislation – Interconnection, pole attachments, cyber security, fire mitigation & broadband
- Protecting Sub-stations
- Youth Tour increase

13. ON-GOING BUSINESS

- a. **MSMEC 2023 Operating Budget Proposal** – MSMEC Operating Budget proposal for 2023 was presented by Julie Pacheco, Finance Manager. The proposal included projected revenue and expenses for calendar year 2023. Operating budget consists of a three-year comparison from 2021, 2022 and projected 2023. The calendar year operating budget included projected revenue from kWh sales and expenditures compiled of historical history for the past 12 months with essential departmental requests for 2023. After review and discussion, a motion to approve the 2023 MSMEC Operating Budget proposal was made by Virginia Mondragon, seconded by James Ortiz. Motion carried unanimously.

- b. **Tri-State Bill/MSM Solar Bill** – Tri-State’s power bill for the month o December 2022 was \$752,860.94. MSM Solar bill was \$26,584.61 with a credit from Tri-State of \$16,328.64.

14. NEW BUSINESS

- a. **IRS Standard Mileage Rate for 2023** – The IRS standard mileage rate for 2023 was presented to the Board. The new rate is 65.5 cents per business mile. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to approve the new IRS Standard Mileage rate of 65.5 cents per business mile. Motion carried unanimously.**
- b. **Proposed Board Policy – Employee Performance Evaluation and Development Policy** – MSMEC is in need of a policy with procedures for employee evaluations and development as annual evaluations are now a part of all job descriptions following the new CBA (collective bargaining agreement). This proposed board policy will be included in next month’s agenda for further review, discussion or any amendments before its approval.
- c. **2022 Safety Committee Certificates** – Certificates were presented to the Board for their acknowledgement of the 2022 Safety Committee Members who served from January 2022 through December 2022. Certificates will be presented to members Lazaro Barela, Isaiah Romero, Francisco Caro, Gwen Mascarenas, Gerald Trujillo and Jacob Jaramillo. **A motion to present certificates to the 2022 Safety Committee Members was made by James Ortiz, seconded by Virginia Mondragon. Motion carried unanimously.**
- d. **2023 Material Bids** – Vendors were given the opportunity to submit bids on materials that MSMEC uses in their construction and maintenance of our infrastructure. These material bids are for a 12-month period. MSMEC will base awards off of the lowest price first and then availability. The Board was asked for their approval to award bid to vendors for 2023. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to approve the award of 2023 material bids to vendors submitting bids with the lowest price first and then availability. Motion carried unanimously.**
- e. **Competitive Seal Bids for Purchase of Tires** – Competitive sealed bids for the purchase of tires were solicited via the Las Vegas Optic during December 2022. Bid packets were delivered to vendors who requested them. The bid submittal deadline was January 12, 2023 and only one bid was received. General Manager Montoya recommended to award the bid for the purchase of tires to the one bidder, Platinum Performance, LLC. **A motion to approve the award bid for the purchase of tires as recommended by General Manager Montoya was made by Virginia Mondragon, seconded by Sam Ramirez. Motion carried unanimously.**
- f. **Rental of Buena Vista Property in 2023** – Manager Montoya asked the Board to consider leasing the Buena Vista property owned by the Cooperative to the same individual that leased the land in 2022 and under the same terms. The property will be used for grazing his livestock during the months of April and May of 2023. **James Ortiz made a motion agreeing with the lease agreement on the Buena**

Vista property for the months of April and May of 2023. Sam Ramirez seconded that motion. Motion carried unanimously.

- g. Request for Proposals for Legal Services** – A Request for Proposals for Legal Services was advertised in the Las Vegas Optic in December 2022 and January 2023. Legal services are being requested to represent MSMEC for funding due to losses experienced during and after the Hermits Peak/Calf Canyon Fire in 2022. Three proposals were received prior to the deadline. A committee of six will participate in reading, scoring and interviewing each of the three firms submitting a proposal and will make a selection on hiring a legal firm to represent MSMEC.

15. MSMEC EDUCATIONAL FOUNDATION

- a. None**

16. CORRESPONDENCE

- a. Thank you letter to MSMEC Staff and Crew** – For information only.

17. INFORMATION

- a. Calendar of Events** – Tri-State Meetings will be held on February 1st and 2nd, 2023. NMRECA Meetings will be held on February 2nd and 3rd. NM Co-op Day at the NM Legislature will be held on February 3rd starting at noon. MSMEC Finance and Regular Board Meetings are scheduled for Thursday, February 23, 2023.

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

18. EXECUTIVE SESSION

- a. Personnel Matters**
- b. Update on Union Matters**
- c. Litigation Matters**

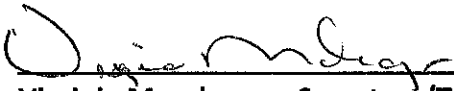
A motion to move out of Executive Session and back into Regular Session was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.

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

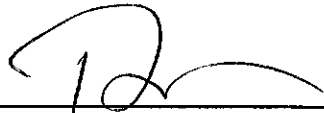
20. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

21. ADJOURNMENT – A motion adjourn today's meeting was made by James Ortiz, seconded by Joe C de Baca. Motion carried unanimously. Meeting adjourned at 1:46 p.m.

ATTEST:



Virginia Mondragon, Secretary/Treasurer



Robert Baca, President