

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**FEBRUARY 23, 2023**

The meeting of February 23, 2023 was called to order by Robert Baca, Board President, at 10:54 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** – Today’s meeting agenda was presented for review and approval. After review, James Ortiz, Vice-President, asked that Executive Session be held after the approval of Agenda instead of at the end of the meeting. **A motion to approve the agenda with one amendment to move Executive Session to be held earlier was made by Virginia Mondragon. Sam Ramirez seconded that motion. Motion carried unanimously.**

**A motion to move into Executive Session was made by James Ortiz and seconded by Sam Ramirez. Motion carried unanimously**

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

**6. RECOGNITION OF GUESTS**

- a. **Invited Speakers – (15-minute time limit) – Adam Roybal, T&D Engineering –** Mr. Adam Roybal with T&D Engineering presented information on the progress made on the effort to rebuild MSMEC's power lines that were damaged by the Hermits Peak/Calf Canyon Fire. Also shared was information on the status of FEMA/NM State's processing of claims for reimbursement of expenses already incurred by MSMEC on the rebuilding project and issues involved in attempting to obtain FEMA reimbursement for expenses invested to date.
- b. **General Public Comment (5-minute time limit) -** None
- c. **Introduction of Employees –** None

**7. SAFETY REPORT/MINUTES –** Safety Meeting was not held in February.

**8. ACTION OF REGULAR MEETING MINUTES HELD ON JANUARY 26, 2023 –** The Minutes of the meeting held on January 26, 2023 were presented to the Board for final review and approval. **A motion was made by Virginia Mondragon and seconded by James Ortiz to approve the Minutes of January 26, 2023 as presented. Motion carried unanimously.**

**9. APPROVAL OF NEW MEMBERSHIPS (MORA 14 – PECOS 8) –** Twenty-two new memberships were presented for review and approval. After review, **a motion was made by James Ortiz, seconded by Virginia Mondragon, to approve all new memberships as presented. Motion carried unanimously.**

**10. MANAGER'S REPORT**

- a. **Delinquent Report –** There were 941 delinquent reports for January 2023 totaling \$240,362.97. After collections, 597 of those accounts remained unpaid for a total of \$259,227.80. Due to illness, staff was unable to generate list on time which made the delinquent list larger and balances higher than if they had been run on time.
- b. **RUS Form 7 – For Period Ending December 31, 2022 –** The RUS Form 7 for the period ending December 31, 2022 was presented. Patronage Capital or Margins for this month was 100,983. Year-to-date was 672,763 and budgeted was 447,113. Last year's total was 1,032,939. TIER for the month was 1.89% and 2.16% YTD. OTIER was 1.21% for the month and 1.83% YTD.
- c. **Outage Report –** There were 32 outages reported throughout our distribution system for the month of January 2023. The Outage Report was not completed in its entirety due to some information being unavailable before our scheduled meeting.
- d. **Member Sales Budget Report -** The Tri-State Member Sales Budget Report for the month of January 2023 was as follows: Total energy monthly comparison was 10,127,165 Actual kWh and 8,956,008 Budgeted kWh. Revenues were \$735,812 Actual and \$661,314 Budgeted.

e. **Fused Cut-Out Report** – Report was not available before meeting.

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

**12. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on their February meeting. A few of the items covered included the following:

- Strategic Planning – outlook for future years
- Highlights for upcoming Annual Meeting – April 4<sup>th</sup> & 5<sup>th</sup>, 2023
- Finances
- Government relations update – Colorado, Wyoming, New Mexico & Nebraska
- Coal fleet and power available
- Rate Committee Meeting

**13. NMRECA TRUSTEE REPORT** – James Ortiz, NMRECA Trustee, reported on their February 3<sup>rd</sup>, 2023 meeting held in Santa Fe, NM. Some items covered include the following:

- RUS loan interest rates are 3.75% long-term and 4.67% short-term
- Budget – Annual events
- Cost of printing The Enchantment – will now be issued 10 months per year
- Increase in NMRECA dues
- Legislative lobbyist and update
- Director Education & Training update

**14. ON-GOING BUSINESS**

a. **Board Policy No. 230 - Employee Performance Evaluation and Development** – Board Policy No. 230 was presented to the Board for final review and approval. A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve Board Policy No. 230, Employee Performance Evaluation and Development as presented. Motion carried unanimously.

b. **Board Policy No. 411 – Credit Card Usage Policy** – Revisions to the existing Policy No. 411, Credit Card Usage, was recommended at last month’s meeting due to difficulties Board Members/employees sometimes experience when confirming registration at hotel desks when traveling. Trustees were asked to review the proposed changes and comment on the draft revisions allowing for changes to be made. Changes include the General Manager may authorize use of a company credit card to a Trustee or Employee when on business travel; and receipts for all expenses incurred when using the credit card shall be obtained and turned in to office staff by individual authorized to use the company credit card. A motion was made by James Ortiz, seconded by Sam Ramirez, to approve the amendments made to Board Policy No. 411, Credit Card Usage. Motion carried unanimously.

- c. **Attorney Request for Proposals – Review and Results** – A Request for Proposals for legal services was advertised in the local paper. This RFP was for interested parties to represent MSMEC in loss claims due to the Hermits Peak/Calf Canyon Fire. Three legal firms submitted proposals. MSMEC’s Evaluation Committee was provided the three proposals for review and scoring. The results were tallied and recorded and presented to the Board at today’s meeting. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to authorize the General Manager to follow up with interviews of the three firms. Interviews to be conducted by the Evaluation Committee. Then follow up with recommendations to the Board. Motion carried unanimously.**
- d. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of January 2023 was \$735,811.60. MSM Solar bill was \$26,451.79 with a credit from Tri-State of \$16,644.25.

## 15. NEW BUSINESS

- a. **Proclamation of Election** – The 2023 Proclamation of Election was presented to the Board for review and approval. Notices will be mailed out to MSMEC Members in Districts 1, 4 and 5 advising them of a Trustee Election in their district to take place in May 2023. **A motion was made by Virginia Mondragon, seconded by Joe C de Baca, to approve the 2023 Proclamation of Election as presented. Motion carried unanimously.**
- b. **Tri-State - Notice of Proposed Rate Design Change** – Tri-State Generation and Transmission Association issued official notice of their proposed modifications to Tri-State’s rate design as recommended by the Rate Design Committee (RDC). The process was outlined for any member who does not agree with the recommendation of the RDC, to present a “minority position” to the board. The deadline is February 22, 2023. For those who cannot deliver their objection by this date, they will have until the Board’s final vote on the rate design at the June 2023 meeting.
- c. **Notice of Tri-State Annual Meeting – 2023 Agenda/2022 Minutes** – Notice of the Tri-State Annual Meeting to be held April 4<sup>th</sup> & 5<sup>th</sup> in Westminster, Colorado was presented to the Board. Arrangements will be made by staff for those planning to attend.
- d. **Tri-State Member Voting Delegate Credentials** – No changes to existing credentials.
- e. **Bad Debt Accounts** – A Bad Debt Accounts listing was provided showing accounts that were initially invoiced when the service call was done. This was done between the years of 2008 through 2011 and a statement was sent every month showing what was due. Accounts were sent to a collection agency, but that agency dissolved. A listing of Delinquent Account to be written off as per MSMEC Board Policy No. 311 was also presented. Staff is required to present this listing to the Board in February and September of each year. **A motion was made by Virginia Mondragon, seconded by Joe C de Baca, to write-off both Bad**

**Debt Accounts and Delinquent Accounts as per Board Policy No. 311. Motion carried unanimously.**

**16. MSMEC EDUCATIONAL FOUNDATION**

a. None

**17. CORRESPONDENCE**

a. None

**18. INFORMATION**

a. **Calendar of Events** – Tri-State Meetings will be held on February 27th, 28<sup>th</sup> and March 1<sup>st</sup>. NMRECA meeting were cancelled for the month of March. MSMEC Finance and regular Board Meetings will be held on Thursday, March 23<sup>rd</sup>, 2023 starting at 10:00 a.m.

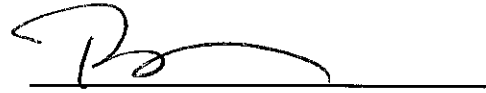
**19. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION** – None.

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

**21. ADJOURNMENT** – A motion to adjourn was made by James Ortiz and seconded by Sam Ramirez. Motion carried unanimously. Meeting adjourned at 2:05 p.m.

**ATTEST:**

  
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Virginia Mondragon, Secretary/Treasurer

  
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Robert Baca, President