

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

The meeting of March 23, 2023 was called to order at 10:59 a.m. by Board President, Robert Baca.

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** – Board 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, a **motion was made by James Ortiz, seconded by Sam Ramirez, 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 – None.**
- 6. SAFETY REPORT/MINUTES** – The Safety Committee monthly meeting was held on March 14, 2023. The following was reported for the months of January and February 2023:
- There were no accidents to report in Mora
 - There was one accident reported in Pecos – Lineman drove into the Pecos yard and as he was backing up, he turned the steering wheel too soon and backed up into one of the other units damaging the left side of the bumper.
 - There were no near misses nor on-the-job injuries to report in either Mora or Pecos.

- FEMA update – Mr. Montoya informed the Committee that MSMEC has 2 claims in process for the amount of \$4,000,000. Claims currently sit at the State level for reimbursement – NM contracted with an out-of-state entity to manage FEMA’s reimbursement program.
- Mr. Montoya gave an update on the law firm status. MSMEC is in the process of hiring a law firm to assist in applying for Feder Hermits Peak Act funds approved by Congress. A recommendation from the evaluation committee will go to the Board of Trustees at their next regular Board Meeting.
- USFS is starting a tree removal program to remove burnt trees that are in close proximity to forest service roads and recreation sites. Mr. Montoya will inquire about the removal of burnt trees close to distribution lines.
- Board of Trustee Elections for Districts 1, 4 and 5 will be held in May 2023. Petitions are available to be picked up by any member interested.
- The 2023 Annual Meeting will be held on June 24, 2023.
- There was no Safety Training held in January due to weather conditions. The Safety Training was conducted on February 21, 2023 by Tanner Dunlap with OAEC. The objectives covered included: 1) Proper use and care of rubber gloves and sleeves; 2) Job briefings – recognizing hazards; and 3) Driving defensively. March’s training will include FMCSA hauling equipment and materials, accident investigation and behavior based safety.

7. ACTION OF REGULAR MEETING MINUTES HELD ON FEBRUARY 23, 2023 – The Minutes of the Meeting held on February 23, 2023 were presented for review and approval. After review, a **motion was made by Virginia Mondragon and seconded by Sam Ramirez to approve the Minutes of February 23, 2023 as presented. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 14 – PECOS 6) – A total of 20 new memberships were presented to the Board. After review, a **motion to approve all new memberships was made by Sam Ramirez and seconded by Virginia Mondragon. Motion carried unanimously.**

9. MANAGER’S REPORT

- a. **Delinquent Report** - The Delinquent Report for February 2023 had 1031 unpaid accounts totaling \$357,898.48. After collections, 585 accounts remained unpaid for a total of \$180,911.45.
- b. **RUS Form 7** – RUS Form 7 were presented for the periods ending January 31, 2023 and February 28, 2023. Patronage Capital or Margins for period ending in January 2023 was \$137,999 and \$127,267 for period ending February 2023.

- c. **Outage Report** – There were 50 reported outages in February 2023. A total of 1058 consumers were affected by these outages for a combined 67.25 hours without power.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of February 2023 was as follows: Total energy monthly comparison was 8,777,498 Actual kWh and 7,552,222 Budgeted kWh. Revenues were \$678,611 Actual and \$597,692 Budgeted. January TIER was at 6.24% for the month of January and 5.74% for February. Percentage loss for January was 8.5% and -5.5% for the month of February.
- e. **Fused Cut-Out Report** – No new or replaced Cut-outs were installed or replaced for the month.

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

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

- Chairman’s report and evaluation
- Rates review
- Financials – good performance
- Strategic Planning approval
- Tri-State’s Annual Meeting review
- Annual Meetings at different Cooperatives
- Legislative process
- Colorado Mines – recognition for 30+ years for safety
- Coal Plants closing and the affects it is taking on employees

12. NMRECA TRUSTEE REPORT – NMRECA Meeting was cancelled for the month of March. Therefore, no report.

13. ON-GOING BUSINESS

- a. **Selection of Attorney Firm to work with MSMEC on filing Notice of Loss with FEMA under the Hermits Peak/Calf Canyon Act** – An RFP was issued to solicit legal services after MSMEC determined it necessary to hire an experienced legal firm to assist in filing a loss claim with FEMA under the Hermits Peak/Calf Canyon Act. Three legal firms submitted proposals and an evaluation committee was appointed by the Board to review and score the proposals. The General Manager was directed by the Board to set up interviews with all three firms, which were conducted on March 1st, 2023. Discussion took place and scores were tallied by the committee. The committee completed the process and agreed on a recommendation to present to the Board of

Trustees. After continued discussion, **Joe C de Baca** motioned to hire one of the firms not recommended by the committee. Motion died for lack of a second. Discussion continued regarding the interviews, the process of the committee to get to their recommendation. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to authorize the General Manager to request written contracts from two of the firms before a final decision is made. Motion carried.**

- b. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill totaled \$678,611.04 for the month of February. The MSM Solar bill \$27,203.86 with a Tri-State credit of \$16,721.01.

14. NEW BUSINESS

- a. **Request for Competitive Bids to Fence Property on Mullins Road** – A Request for Competitive Bids to Fence the Mullins Property in Las Vegas was presented to the Board for information, while requesting authorization to advertise the bid to fencing companies/contractors. The Hermits Peak/Calf Canyon Fire caused MSMEC to order, receive and store excessive amounts of poles, hardware, conductor, transformers and contractor's equipment to rebuild our system. The property on Williams Drive in Las Vegas is not adequate to accommodate all of this material. Mullins property is large enough but is only secured with barbed wire fencing. Fencing of this property will enclose the property on Mullins and serve as security for all things stored and owned by MSMEC. **A motion to authorize the General Manager to advertise the bid to fence the property on Mullins in Las Vegas, New Mexico was made by James Ortiz, seconded by Virginia Mondragon. Motion carried unanimously.**
- b. **Request for Proposals from Archaeologists to complete archaeological study** – Manager Montoya presented the Board with a Request for Proposals (RFP) for Archaeologists to complete an archaeological study and report on areas identified where MSMEC distribution line rebuild activities are taking place or will take place. The NM Historic Preservation Office (SHPO) has requested a cultural resources survey of portions of the four alignments of our infrastructure system associated with the project, combined with the site geology, presence of known archaeological sites and regional cultural history. A Cultural Resource Management firm is requested to be retained by MSMEC to complete the survey and provide a Cultural Resources Report identified by SHPO. The RFP will provide for a competitive procurement process to secure a qualified firm to complete this work. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to authorize General Manager Montoya to advertise with this RFP to comply with SHPO illustrating the competitive procurement approach to secure these professional services. Motion carried unanimously.**
- c. **Draft MSMEC Policy Revision to Policy No. 106 – Nepotism** – An updated draft of Board Policy 106 – Nepotism, was presented to the Board for their review. Manager Montoya is recommending updating this policy since it was last reviewed and approved in April of 1993. The recommended revisions to this policy are consistent with policies in place in other organizations. The Board will

be provided with a copy of the draft policy and will be included in next month's meeting agenda for further review and or approval.

- d. **Southwest Capital Bank – New Wire Transfer Agreement** – Southwest Capital Bank has implemented a new Wire Transfer Agreement requiring Resolution Schedule A to be approved by the Board of Directors. This Wire Transfer Agreement sets forth terms and conditions pursuant to which Southwest Capital Bank will provide the service outlined to MSMEC. After review, **Virginia Mondragon motioned to approve Southwest Capital Bank Resolution Schedule A - Wire Transfer Agreement. Sam Ramirez seconded that motion. Motion carried unanimously.**

15. MSMEC EDUCATIONAL FOUNDATION

- a. None

16. CORRESPONDENCE

- a. **2023 NMRECA's Annual Meeting – Save the Date** – For information only.
- b. **Sierra Electric Cooperative, Inc. – Annual Meeting of the Members** – For information only.
- c. **Roosevelt County Electric Cooperative – 84th Annual Meeting** – For information only.
- d. **Central New Mexico Electric Cooperative, Inc. – Annual Meeting** – For information only.
- e. **Thank you note – MSMEC Member** – For information only.
- f. **Thank you letter for donation – Upper Pecos Watershed Association** – For information only.

17. INFORMATION

- a. **Calendar of Events** – Tri-State Annual Meeting will be held on April 3rd – 5th, 2023. NMRECA Meeting will be held on April 13th and 14th, 2023. MSMEC's next Finance and regular Board Meetings are scheduled for Thursday, April 27th, 2023.

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 Sam Ramirez and seconded by James Ortiz. 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 Sam Ramirez. Motion carried unanimously. Meeting adjourned at approximately 3:10 p.m.

ATTEST:



Virginia Mondragon, Secretary/Treasurer



Robert Baca, President