

BOARD OF TRUSTEES MEETING MINUTES

HELD ON
APRIL 25, 2024

The meeting was called to order by Board President, Robert Baca, at 10:45 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: **Robert Baca, President**
 James Ortiz, Vice President
 Virginia Mondragon, Secretary/Treasurer -via telephone
 Joe C de Baca, Trustee
 Samuel Ramirez, Trustee

Les Montoya, General Manager
Irinea Valdez, Administrative Assistant

2. INVOCATION – Robert Baca, Board President, 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. Les asked that a new item be added to New Business (REC Purchase Agreement Policy 117 Tri-State). Gina Mondragon motioned to approve adding on new item under New Business, and Sam Ramirez seconded. A motion was made by James Ortiz to approve the Agenda with the additional new item Seconded by Gina Mondragon. Motion carried.

5. RECOGNITION OF GUESTS -None

6. SAFETY REPORT/MINUTES – Les Montoya presented and went over the minutes for the Safety Committee meeting held on April 18, 2024, in Boardroom.

7. ACTION OF REGULAR MEETING MINUTES HELD ON March 27, 2024 – The Board Minutes for the meeting held on March 27,2024 were presented for review and approval, after review James Ortiz, motioned to approve the minutes as presented. Gina Mondragon seconded the motion. Motion carried.

8. APPROVAL OF NEW MEMBERSHIPS (MORA 9 – PECOS 10)- A total of nineteen memberships were presented. After review, a motion was made by James Ortiz, seconded by Sam Ramirez, to approve all new memberships. Motion carried.

9. **MANAGER'S REPORT** – Manager's report was approved with a motion by Sam Ramirez and seconded by Gina Mondragon. Motion carried.

10. **Delinquent report** – AS of February 2024 there were \$314,369 total delinquents and as of March 2024 there were \$159,513 total delinquents.

11. **RUS FORM 7** –

- The month ending March 31, 2024. (Show negative margin for the month) We are at \$3.7 Million in Revenue, \$3,2 Million Total Expenses, \$331,444 Depreciation. Interest on long term debt \$278,939 and Interest on other expenses \$74,449. Total cost for the month \$3,958,278. Net Operating margins interest (\$189,000). Patronage on margins (\$179,108) for the year. Non-operating margins interest is \$10,711 and (\$151,612) for the month. Monthly Tier .36% YTD and (.22%) for the Month.

12. **Outage report** –

- March 2024 - A total of 12,900 consumers/members were affected for a combined total of 166.75 hours of outage for the Month of March. The primary cause for the outage the replacement of a terminator.
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13. **FINANCE REPORT** –A motion to approve the Finance report was made by Sam Ramirez and seconded by Gina Mondragon. Motion carried.

14. **TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on the April 2024 meeting. Some topics covered included the following:

- Annual meeting discussed what went well the year before and future challenges.
- Round Table discussion with the managers and others. Election of officers for Executive Committee. No changes. Support went unanimous.
- Encouraged everyone to go to Washington DC to talk to Legislators.
- United and Craig are working on their buy out. United should be out by May 1, 2024.
- New Article out on La Plata. Voted to leave of Tri-State. La Plata had a resolution to leave Tri-State but never presented to the members. Members were upset. Editorials were out on how the members wanted to go green, even if it affected the rates going up. Plata will be having their Annual Meeting in May.

- Northwestern in Nebraska wants to leave Tri-State.
- Socorro will be having their annual Meeting this Month.
- Socorro Electric discussing with City of Socorro electric service. It would impact Socorro if the local college were to be served by the city.

15. NMREC TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their April. 2024, meeting. Items covered included the following:

- Talked about the Budget Issues
- Talked about the meeting in Las Cruces where State- Wide had a presence.
- Statewide discussion was on electrician efforts, grants, and intervention activities.
- Talked about the Tri-State Annual Meeting Challenges
- Audit Report is still on-going.
- Grants applications have been completed.
- Discussed further Advertising options.
- There will be three sessions in the Annual Meeting now in May where they will be focusing on advocacy, rural development, and reports.
- There was a discussion for future fund raising.
- Business Alliance is at \$139,000 in revenues to date.
- The Governor is attending the Annual Meeting Barbeque
- Discussed Insurances Issues
- Talked about forming a Local Pack Committee.

16. ON-GOING BUSINESS-

- a. General Manager presented the Integrated Rate Model 2024 as prepared by Burns & McDonell. The rate model proposes an annual rate increase of 5% necessary to support the level of expenses moving forward. A motion to authorize the General Manager to file a rate increase with the Public Regulations Commission was made by Gina Mondragon and seconded by James Ortiz.
- b. Presentation of 2023 Audit Report by Bolinger, Segars, Gilbert & Moss LLP – removed to be put on the Agenda for May as presenter was not able to attend.
- c. Tri-State Generation and Transmission, Inc., and MSN Solar invoices for the month of April were approved. Motion made by Gina Mondragon and seconded by James Ortiz.

NEW BUSINESS –

- a. General Manger presented the Co Bank Sharing Success Program. The board discussed participating in the Program funding of \$5000.00, to consider 2 (two)

entities, who may apply. Each non-profit entity being supported by a \$2500.00 match. Co-Bank will match the entity if approved at \$2500.00. Motion to approve was made by James Ortiz and seconded by Gina Mondragon.

- b. General Manager Presented Case No. 23-00081-UT, New Mexico Public Regulation Commission in the matter of Variances from the requirements of Rule 17.9.568 NMAC, for electric cooperatives in New Mexico. Interconnection of Generating Facilities with Nameplate Rating up to and including 10MV connection to utility system. Response was due by April 30, 2024. MSMEC did offer its response. For Information only, no action required.
- c. General Manager presented Request for Job Description Approval for Billing Operations Team Leader. Motion to approve was made by James Ortiz and seconded by Joe C de Baca. Motion approved.
- d. General Manager presented request for Job Description – Human Resource Administrative Assistant/IT Specialist - Gina Mondragon gave motion to approve and Sam Ramirez seconded. Motion approved.
- e. General Manager presented Draft Board Policy MSMEC Operations and Maintenance of company owned All-Terrain Vehicles (ATVs/UTVs). Item is for review and discussion. Item will be presented to Board for consideration to approve during next month's meeting.
- f. General Manager presented 2023 Annual Meeting Planning. Asking for direction from the Board so that planning can be completed.
- g. REC Purchase Contract Policy 117 – presented by Tri-State, discussion on the Renewable Energy Credit Policy as presented by Tri-State was reviewed. Motion to approve was made by Robert Baca and seconded by James Ortiz. Motion carried.

17. MSMEC EDUCATIONAL FOUNDATION –

- a. Item presented - MSMEC Education Foundation Scholarships – Scholarships were distributed to the local Schools and Application were to be turned by April 24, 2024. The board reviewed all applicants and approved the granting of the Scholarships for the 2024 year to all who applied. Motion to approve was made by Gina Mondragon and seconded by Sam Ramirez

18. CORRESPONDENCE -

- a. 2024 Co Banks's Energy and Water Executive Forum to be held August 27-29, 2024.
- b. Received a Thank You card from Shawney Villanueva for sponsoring her for baseball.

19. INFORMATION

20. Calendar of Events

- a. May 23, 2024, next Board Meeting
- b. NMREC Annual Meeting May 28-30 Isleta Resort & Casino

21. EXECUTIVE SESSION- Gina Mondragon motioned to go into session and seconded by Sam Ramirez. Motion carried.

a. Personnel Matters

b. Update on Union Matters

c. Litigation Matters

Sam Ramirez motioned to adjourn the Executive Session, James Ortiz seconded, motion carried. No action taken.

22. OTHER BUSINESS TO COME BEFORE THE BOARD – None

23. ADJOURNMENT – A motion to adjourn today’s meeting was made by Gina Mondragon James Ortiz seconded. Motion carried unanimously. Meeting adjourned at approximately 2:45 p.m.

ATTEST:
