

BOARD OF TRUSTEES MEETING MINUTES

HELD ON

July 25, 2024

The meeting was called to order by Board President, Robert Baca, at 10:50 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

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. James Ortiz requested that Credit Card notice be added to agenda. A motion was made by Virginia Mondragon to approve the Agenda, Seconded by Sam Ramirez. Motion carried.
5. **RECOGNITION OF GUESTS** – None
6. **Introduction of New Employees** – None
7. **SAFETY REPORT/MINUTES** – Les Montoya presented and went over the minutes for the Safety Committee meeting held on June 18, 2024, in Boardroom.
8. **ACTION OF REGULAR MEETING MINUTES HELD ON June 27, 2024** – The Board Minutes for the meeting held on June 27,2024 were presented for review and approval, after review Sam Ramirez, motioned to approve the minutes as presented. Joesph C de Baca seconded the motion. Motion carried.
9. **APPROVAL OF NEW MEMBERSHIPS (MORA 3 – PECOS 29)**- A total of thirty-four memberships were presented. After review, a motion was made by James Ortiz, seconded by Sam Ramirez, to approve all new memberships. Motion carried.
10. **MANAGER’S REPORT** – Manager’s report was approved along with donations, with a motion by James Ortiz and seconded by Sam Ramirez. Motion carried.

11. Delinquent report – AS of April 2024 there were \$301,550.45 total delinquents and as of May 2024 there were \$118,579.21 total delinquents.

12. RUS FORM 7 – The month ending June 30, 2024 shows a negative margin of 51,242 for the month We are at \$981,098 in Revenue, \$881,231 Total Expenses, and \$111,298 in Depreciation. Interest on long term debt \$23,718 and Interest expenses \$25,333. Total cost for the month \$1,043,457. Non-Operating margins interest \$11,118. Operating Margins is negative \$51,242 for year-to-date. Tier .09 % YTD and -1.16 % for the Month.

13. Outage report – June 30, 2024 - A total of 614 consumers/members were affected for a combined total of 156 hours of outage for the Month of June.

14. FINANCE REPORT –A motion to approve the Finance report was made by James Ortiz and seconded by Sam Ramirez. Motion carried.

15. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on the Virtual July 10, 2024 meeting. Some topics covered included the following:

- Tri-State Law Suit with North Western
- Attended the NMRECA meeting on July 12, 2024
- Energy Reserve Plan
- Discussed Coop in Northwestern Nebraska to decide outcome
- La Plata is suing Tri-State

16. NMREC TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported that their meeting will be held on July 12, 2024. Topics discussed were as follows:

- Larry McGraw reported on Direct Treasury interest rates are 5.44% short-term and 4.41% long-term
- Larry McGraw reported that it is time for the coops to carry out their Emergency Restoration Plan asking that an email be sent to him stating when it is done and what was done.
- Ms. Simon reported that Co-Bank will be working on interim funding packages to assist with the funding while coops wait for their state/federal funding to be awarded

- Mr. Simon reported that CoBank will be hosting the first meeting for NRECS's GRIP Consortium on August 15-16, 2024 and the meeting in Salt Lake City Utah on Energy and Water Executive Forum
- Mr. Condit presented a Tutorial on how to do a SharePoint
- Mr. Swanson presented Income and Expense Financial Report
- Mr. Swanson also reported a new chart of accounts – created to track refunds from Bank of America to protect against credit card fraud on NMREC bank cards
- Reported the Youth Tour Trip went over budget and it was recommended that all coops be invoiced for the additional charges for each student they sent
- US Supreme Court overturned / Chevron Decision
- Discussion with the Interim Committees on issues NMREC is following
- Carmen briefed on GRIP Grants
- Safety Trainings coming up:
 1. Lineman School – July 29, 2024
 2. Staking School – July 30 – August 1, 2024
 3. Overhead/Underground School – October 14-18, 2024
 4. Transformer School – December 3-5, 2024
 5. Mechanics School – July 30-31 2024
 6. Safety Conference – August 14-15, 2024

17. ON-GOING BUSINESS-

- a. Tri-State Generation and Transmission, Inc., and MSM Solar Billing
- b. Proposed Policy No. 232 Employee Driver's Policy and Applicant Authorization and Consent for Release of Information form was presented. Motion was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried.

18. NEW BUSINESS –

- a. Lease Agreement presented with Altec to Lease a 5500 Ford/Altec Bucket. Bucket Trucks in operation are beginning to break down and expensive repairs are taking place on these vehicles. Trucks have been on order since October 2023. We are requesting the Board to approve the lease and authorize the General Manager to sign off on the lease agreement at \$3,200.00 a month. Motion was made by Virginia Mondragon and seconded by James Ortiz.
- b. Notice of Loss Hermits Peak Calf Canyon Fire, FEMA FORM FF-104-FY-22-230 (6/23). FEMA is accepting Notice of Loss Forms from persons and entities who were damaged due to the Hermits Peak Calf Canyon fires. Item has been filed by attorney and assigned to a navigator. No action is required of the Trustees. Item is being presented only for information and to acknowledge the General

Manager as the individual who rightly represents the Cooperative and is authorized to sign off on the Notice of loss.

- c. James Ortiz raised a question about the use of credit card for room reservations when traveling. Discussion ensued. No decisions were made to change the present use of credit cards.

Motion to adjourn MSMEC Board Meeting by Gina Mondragon and seconded by Joseph C de Baca.

19. MSMEC EDUCATIONAL FOUNDATION – Called to order to the Educational Foundation meeting.

- Engagement Letter to perform 2023 MSMEC Educational Letter Foundation Audit for the year end December 31, 2023 submitted by Bolinger, Segars, Gilbert & Moss, LLP. After review motion was made by Sam Ramirez and Seconded by Virginia Mondragon for approval.

MSMEC Education Foundation Board Meeting was adjourned. Motion by Sam Ramirez and seconded by Joe C de Baca

The MSMEC Board meeting was recalled to order by James Ortiz seconded by Sam Ramirez.

20. CORRESPONDENCE -

21. INFORMATION

22. Calendar of Events

- a. August 27-29, Co Bank – 2024 Energy and Water Executive Forum Salt Lake City, Ut
- b. September 5, 2024 – NMREC Annual BBQ – Santa Fe, New Mexico
- c. September 30, 2024 – Northern Rio Arriba Electric Cooperative, Inc.-73rd Annual Meeting

23. EXECUTIVE SESSION- Gina Mondragon motioned to go into session and seconded by Sam Ramirez. Motion carried. No action was taken

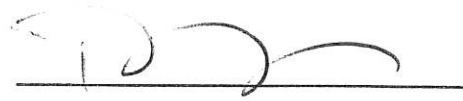
- a. **Personnel Matters**
- b. **Update on Union Matters**
- c. **Litigation Matters**

James Ortiz motioned to adjourn executive session and Sam Ramirez seconded. Motion carried.

24. OTHER BUSINESS TO COME BEFORE THE BOARD – None

25. 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 12:23 p.m.

ATTEST:

A handwritten signature in black ink, appearing to be 'James Ortiz', written over a horizontal line.A handwritten signature in black ink, appearing to be 'Sam Ramirez', written over a horizontal line.