

BOARD OF TRUSTEES MEETING MINUTES

HELD ON

June 25, 2025

The meeting was called to order by Board President, Robert Baca, at 11:16 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. A motion was made by Samuel Ramirez to approve the Agenda, Seconded by James Ortiz. Motion carried.

5. RECOGNITION OF GUESTS –Brent Racher with T&D and Randy Robbins with Bolinger, Segars, Gilbert & Moss, LLP

6. Introduction of New Employee – Mora Office New Journeymen, Tristan Trujillo – Not available, will be introduced in July meeting

7. SAFETY REPORT/MINUTES – June 18, 2025

8. ACTION OF REGULAR MEETING MINUTES HELD ON May 22, 2025 – The Board Minutes for the meeting held on May 22, 2025 were presented for review. James Ortiz, motioned to approve the minutes as presented. Sam Ramirez seconded the motion. Motion carried.

9. APPROVAL OF NEW MEMBERSHIPS (MORA 8 – PECOS 13) A total of Twenty-one memberships was 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 with a motion by Sam Ramirez and seconded by Virginia Mondragon. Motion carried.

11. Delinquent report – AS of April 2025 there were \$281,959.88 total delinquents and as of May 2025 there were \$154,867.21 total delinquents.

12. RUS FORM 7 – The month ending **May 31, 2025** shows a margin of \$30,421 for the month. We are at \$1,025,853 in Revenue, \$839,310 Total Expenses and \$114,388 in Depreciation. Interest on long term debt \$26,421 and interest expenses \$21,236. Total cost for the month \$1,002,145. Non-Operating margins interest is \$6,713. Operating Margins are \$388,615 for year-to-date. Tier 2.56 YTD and 2.15 for the Month.

13. Outage report – May 2025 - Incomplete

14. FINANCE REPORT –Approval of Finance Report along with Manager's report was motioned by James Ortiz and Seconded by Sam Ramirez. Motion Carried.

15. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on the June 2-4, 2025 meeting. Some topics covered included the following:

- Signing of the extensions of the WSEC included 31 Coops signed making it 85% and later to 93%.
- Tri-State made a committee for building review whether to rent, buy or remodel.
- Discussion on contract renewals, pleased that quite a few applied.
- Todd Telesz CFO is leaving to work somewhere else; Cliff Karnei will take over temporarily.
- Todd Telesz and Duane Highley and others went to Washington DC to meet with rate agency where we will be moving from a B+ to A rating where we have been before.
- Since Vince Martinez went to work for Statewide his replacement is someone from Las Vegas, NM.
- Renewable Allowance on WSEC on contract moved from 5% to 20%
- On La Plada they had elections and some wanted to stay with Tri-State
- Discussion on Tri-State rate increases in 2026 or 2027.
- Discussion on Nuclear and Coal plants

16. NMREC TRUSTEE REPORT – James Ortiz, NMREC Trustee reported no meeting for June 2025.

17. ON-GOING BUSINESS-

- a. **Tri-State Generation and Transmission, Inc., and MSM Solar, LLC. Invoices.**
- b. **Energy Power Unit Program Policy** – The Board reviewed the draft policy during the Month of May. No changes to the draft program policy were mentioned. A Motion was made to approve the Energy Power Unit Program Policy by Sam Ramirez and seconded by James Ortiz. Motion carried.
- c. **All Requirements Wholesale Electric Contract with Tri-State Generation and Transmission Association, Inc, and Mora San-Miguel Electric Cooperative, Inc.-** No Further action of the Board is required. The Board is acknowledging all requirements on the Wholesale Electric Service Contract as amended and has been executed by both parties and now is recorded as the latest contract for the generation and transmission of electric power for the members of MSMEC through to 2066
- d. **Bid Award to Cater the 83rd 2024 Annual Meeting of MSMEC.** Bids were advertised for catering of the Annual Meeting scheduled for June 28, 2025. Bids were sent to various food providers in the Mora area. Two Bids were delivered by the deadline of May 29, 2025. Bids were provided by Kenn's Cuisine, Hatacha's and Aaron Food Trailer. Bids were reviewed and Kenn's Cuisine was the lower Bid. Bid was awarded to Kenn's Cuisine, Hatacha's

18. NEW BUSINESS –

- a. **Mora-San Miguel Electric Cooperative, Inc. Designation of Delegate for District No. 05 Caucus.** Every three years Tri-State is required to hold a caucus for Basin District No. 05 to elect a director to serve a three-year term on Basin Electric Power Cooperative's board of directors. The Caucus will be held on August 6, 2025 at 1:00 P.M. at Tri-State headquarters in conjunction with the August Board meeting. The designee will represent Mora-San Miguel Electric Cooperative, Inc. in the Caucus. Robert R. Baca will be the Designated Board member and James Ortiz Will be the alternate. Completed form will be emailed to Shannon Bradley by July 28, 2025.
- b. **Presentation of 2024 Audit Report by Randy Robbins, Partner with Bolinger, Segars, Gilbert & Moss LLP.** The Auditor reported that in their opinion the Financial Statements referred to above, present fairly in all material respects. The Financial Position of MSMEC as of December 31, 2024 and 2023 and the results of its operating and cash flow for the years. Then ended in accordance with accounting principles generally accepted in the USA.
- c. **Request authorization to begin advertising a Request for proposal to solicit Warehouse inventory Alliance Service for MSMEC.** MSMEC is currently handling the purchase and inventory of all items utilized by linemen in their daily responsibility of maintaining and expanding the distribution system. In order to maintain controls of materials, inventory wise. There are inventory control systems offered by various material vendors that we purchase materials for today. The approach when managed properly can be to the advantage of the cooperative and its linemen. MSMEC is looking to see what systems are out there that would best serve our operations. The Board is being asked to review the draft Request for

Proposal to be advertised on behalf of MSMEC. Motion was made to give authorization to advertise by Sam Ramirez and seconded by James Ortiz. Motion carried.

- d. **Bid Awards to line building contractors to rebuild overhead powerlines damaged by HPPCC fires.** MSMEC has completed approximately 80% of overhead powerlines damaged by HPCC wildfires. Bids were opened on June 3, 2025. Four Contractors submitted bids in response to the advertisement. T&D Engineering reviewed the bids and determined the prices to be competitive although varying to some degree. T&D 's recommendation is to award the bids to all contractors, then determine what contractors to be assigned what projects to be worked on. The Board is being asked to award bids for the remaining work to rebuild overhead powerlines to Ferreira/Calvary Power, MASTEC North America, Summitt Line Construction and T&D Con, LLC. As reasonable pricing. This item was presented last Board Meeting to authorize General Manager to award bids with expectation to have the bids once received presented to the Board for official award of the bids/contracts. A motion was made by Sam Ramirez and seconded by James Ortiz. Motion carried.
- e. **Awards of bids for Wildland Engine Crews available to respond to wildland fires if requested by MSMEC field crews working to rebuild lines or cutting and removing hazard trees.** Request for bids to contract for emergency wildland fire response was advertised to place MSMEC in position to respond to any wildfire that may be caused by work being performed on the line rebuilding project or hazard tree cutting and removal project. Wildland engines and crews will be contracted to be on standby and to respond should a call for their services be required. The Board will be asked to award bids to the Wildland Engine crews who are able to perform the services being requested in the Request for Bids, Motion was made by James Ortiz and seconded by Sam Ramirez. Motion carried.

A motion was made to adjourn regular meeting by Sam Ramirez and seconded by Joe C de Baca Motion carried.

19. MSMEC EDUCATIONAL FOUNDATION- None

20. GENERAL INFORMATION:

21. CORRESPONDENCE

- a. **Thank Letter from Pecos Community Library**

22. Events: Calendar:

- 1. **CoBank 2025 Energy and Water Executive Forum, August 26-28, 2025**
- 2. **Upper Pecos Watershed Association presents 2025 Water, Wildflowers & Trout Benefit July 20, 2025. 5:00- 8:00 p.m.**

23. EXECUTIVE SESSION- Motions was made to go into executive session at 11:00 p.m. by James Ortiz and seconded by Virginia Mondragon. Motion to adjourn executive session

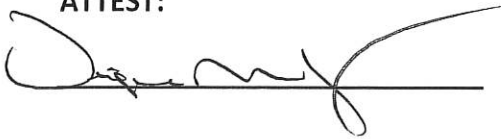
at 12:10 p.m. was made by James Ortiz and seconded by Joe C de Baca. No action was taken.

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

1. OTHER BUSINESS TO COME BEFORE THE BOARD – None

2. ADJOURNMENT – A motion to adjourn today's meeting was made by Samuel Ramirez and seconded by James Ortiz. Motion carried unanimously. Meeting adjourned at approximately 2:55 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 "Samuel Ramirez", written over a horizontal line.