

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
MARCH 25, 2021

The meeting of March 25, 2021 was called to order at 10:45 a.m. by Board President Robert Baca.

CALL TO ORDER:

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: **Robert Baca, President**
 James Ortiz, Vice President
 Virginia Mondragon, Secretary/Treasurer
 Joe C de Baca, Member – Via Teleconference

Others **Les Montoya, CEO/General Manager**
Present: **Debbie H. Alexander, Admin. Assistant - Via Teleconference**

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 for review and approval. After review, a motion was made by James Ortiz, seconded by Virginia Mondragon, 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 met on March 16, 2021. Those attending via teleconference were Lazaro Barela, Francisco Caro, Sara Cordova, Pamela Gallegos, Les Montoya, Isaiah Romero, Lawrence Salas and Albert Salazar. Some of the items covered include the following:

- There was one accident to report in Mora for the month of February – A working foreman was on his way to a job site in Monte Aplanado when a second driver was leaving his driveway. The two vehicles slid on the icy road and collided. A report was filed with the Mora Sheriff’s Office. No injuries. Vehicles did suffer some damage.
- No accidents to report in Pecos.

- There were no near misses or on-the-job injuries to report in Mora or Pecos.
- There were two on-the-job incidents to report in Mora – 1) A working foreman while in Las Vegas got dispatched to a trouble in the Gallinas area. After going over a speed bump, an apprentice lineman called him to inform him the bucket controls had broken and were hanging off the bucket. The Unit was taken to the Las Vegas yard and controls were fastened. 2) An apprentice lineman was called out to Fort Union and upon arrival when getting ready to use the bucket to lift up the secondary line, he noticed the bucket cover was missing. After completing his job, he took the same route in an effort to locate the bucket cover but was not able to find it.
- There were no on-the-job incidents to report in Pecos for the month of February.
- A motorist reported that a line crew was working in the Valley within the right-of-way without wearing their safety vests and proper signage. Manager Montoya reminded the Committee of MSMEC's standard when working on the ROW. The Operations Manager will look into this matter.
- Manager Montoya shared the changes to the NM Public Health Order with the Committee. The NM Governor created a tier level based on covid cases. The current Executive Health Order is set to expire on May 15th.
- The 4/10 work schedule will begin in April. Working hours are 7:00 a.m. - 5:30 p.m. Monday thru Thursday and closed on Fridays.
- The February Safety Training was cancelled due to outages. It will be rescheduled for sometime later in the year.

7. ACTION OF REGULAR MEETING MINUTES HELD ON FEBRUARY 25, 2021 – The Minutes of the meeting held on February 25, 2021 were presented for review and approval. After review, **Virginia Mondragon made a motion to approve the minutes of February 25, 2021 as presented. Joe C de Baca seconded that motion. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 35 – PECOS 12) – Forty-seven new memberships were presented for review and approval. After review, **a motion to approve all new memberships was made James Ortiz and seconded by Virginia Mondragon. Motion carried unanimously.**

9. MANAGER'S REPORT

a. Delinquent Report – The Delinquent Report for February was reviewed. There were a total of 1034 delinquent accounts totaling \$295,444.09. After collections, 613 accounts remained unpaid for a total of \$172,572.96.

b. RUS Form 7 -

1. Period Ended – December 31, 2020 – Manager Montoya reported to the Board the RUS Form 7 ending December 31, 2020 was being presented again due to

some minor adjustments which were made. The changes were not significant – it changed the TIER from 5.27% to 8.87% for the month and 2.60% to 3.10% YTD.

2. Period Ended – February 28, 2021 – Manager Montoya reviewed the RUS For 7 for the period ending February 28, 2021. Operating Revenue and Patronage Capital was \$1,237,922; Cost of Purchased Power was \$685,771; and Total Operation and Maintenance Expense was \$950,548. Total Cost of Electric Service \$1,089,137; Patronage Capital and Operating Margins \$148,785; and Patronage Capital or Margins \$151,645. TIER for the month was 5.81% and OTIER was 5.72%

c. Outage Report – There were a total of 49 outages reported in February 2021. Three hundred and forty-one consumers were affected by these outages for 117.25 combined total hours without power.

d. Member Sales Budget Report – The Tri-State Member Sales Budget Report for the month of February 2021 was as follows: Total Energy (kWh) monthly comparison was 7,938,441 KWh Actual and 6,901,412 KWh Budgeted. The month's Revenues were \$661,835 Actual and \$568,188 Budgeted.

e. Fused Cut-Out Report - There were two new cut-outs installed on the MSMEC system. One cut-out installed was in Las Dispensas and the other in El Encinal.

10. FINANCE REPORT – A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve the Finance Report of the meeting held earlier today, together with the Manager's Report. Motion carried. Joe C de Baca abstained from the Finance Report as he was not present for the Finance Meeting.

11. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on their March Meeting. A few of the highlights are as follows:

- Extreme weather summary.
- Board Policy 125 will be reviewed next month.
- Amendments to Tri-State's retirement plan – restructured.
- Cyber security update.
- Annual Safety Record review – very good review.
- Climate changes legislation.
- Resource update.
- Tri-State's Audit Report.
- Tri-State's Board Room flooded due to frozen pipes.
- Covid-19 update.

12. NMRECA TRUSTEE REPORT – James Ortiz, NMRECA Trustee, reported on their March 5, 2021 virtual meeting. Some of the items covered included:

- Mr. James Ortiz was seated as NMRECA Director for MSMEC and Virginia Mondragon as the alternate.
- Mr. Tom Vilsack was confirmed as the Secretary of Agriculture on February 24, 2021.
- RUS loan interest rate is 0.04% for short term and 2.05% for 30-year rate.
- Expenditures for the month of February were reviewed.
- Review of proposed Legislative Bills.
- Director's Training being held in August and others offered in December.

13. ON-GOING BUSINESS

- Ojitos Frios Underground Line - Bid Award** – The Ojitos Frios Underground Line Replacement was awarded by the Board of Trustees on February 25, 2021. The bid was awarded based on the engineer's recommendation of the qualified low bidder. Post award, the engineer determined the low bid was not a qualified bid. It was determined a re-bid of the project was necessary. Advertisement for the second bid was announced and a pre-bid conference was held on March 16, 2021. Three contractors showed interest in the project. The Board was presented with a recommendation to disqualify the bidders and reject the bid award for the first bid and then to approve the recommendation from the engineer to award the bid to the low qualifying bid presented to the Board today. **A motion was made by James Ortiz, seconded by Virginia Mondragon, to reject the first bid awarded and to approve the engineer's recommendation to award the bid to the low qualifying bid presented at today's meeting. The low qualifying bid was awarded to Rocky Road Gravel. Motion carried unanimously.**
- Tri-State Bill/MSM Solar Bill** – The Tri-State Bill for the month of February 2021 was \$661,834.69. The MSM Solar bill was \$23,935.98 with a credit from Tri-State of \$15,183.90.

14. NEW BUSINESS

- Proposed Amendment to Board Policy 309 – Procurement of Specialized Local Services** – Manager Montoya presented the Board with a proposed amendment to Procurement Board Policy 309, creating a procurement procedure for "Specialized Local Services". The amendment is proposed to set a policy in place for when services are required and to allow the use of small local contractors/businesses. Example of such services include welding, bodywork, cleaning and snow removal. The Board was asked to review the draft and discuss any concerns or recommendations and provide direction for consideration to provide final approval during the April 2021 Board Meeting.
- Board Policy No. 227 – Electric Service Curtailment Procedures – Draft** – A draft copy of Board Policy No. 227, Electric Service Curtailment Procedures, was presented to the Board for their review and approval during our April Board Meeting. During the winter vortex in February 2021, Tri-State was able to maintain energy and power supply to its members throughout this event. Tri-State did some

load management, fortunately it did not impact New Mexico members. In reviewing the process of "load curtailment" and its possible impacts, General Manager Montoya determined MSMEC lacks such a policy as to comply with Tri-State should the load be interrupted and to comply with NMPRC in filing said policy and report these types of energy and power interruptions. Board Policy 227 will be included in next month's meeting agenda for final Board approval.

15. CORRESPONDENCE

- a. **Thank You Card on Payment of Capital Credits – Duane Freeman – For information only.**
- b. **Thank You Letter on Scholarship Awarded in 2020 – Izaiah A. Ortiz – For information only.**
- c. **Thank You Note on Capital Credits Payment – Carlos Lucero – For information only.**

16. INFORMATION

- a. **Calendar of Events – NMRECA meetings are scheduled for March 31st and April 1st. Tri-State meetings will be held on April 6th and 7th. MSMEC next Finance and regular Board Meetings are scheduled for Thursday, April 29th, 2021 starting at 10:00 a.m.**

Motion to move into Executive Session was made by James Ortiz and seconded by Virginia Mondragon. Motion carried unanimously.

17. EXECUTIVE SESSION

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

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.

18. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None.

19. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

20. ADJOURNMENT – Motion to adjourn today's meeting was made by Virginia Mondragon, seconded by James Ortiz. Meeting adjourned at approximately 3:20 p.m.

ATTEST:


Virginia Mondragon, Secretary/Treasurer


Robert R. Baca, Board President