

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**APRIL 29, 2021**

The meeting of April 29, 2021 was called to order by Board President, Robert Baca, at 11:05 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, Member

**Others Present:** Les Montoya, CEO/General Manager  
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** – Today's Agenda was presented for review and approval. After review, a motion to approve the Agenda as presented was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously.

**5. RECOGNITION OF GUESTS**

- a. **Invited Speakers – (15-minute time limit)** – None.
- b. **General Public Comment (5-minute time limit)** – Virginia Duran – MSMEC Member – Gallinas Canyon area – Recognition of Pecos Linemen - Danny Flores & Martin Teran – Virginia and Ron Duran, MSMEC Members from the Gallinas area, were in attendance to present Pecos Linemen Danny Flores and Martin Teran a letter of appreciation together with a handmade facial mask for responding to their trouble call and working in such a professional manner to get the work taken care of.
- c. **Introduction of Employees** - None.

**6. SAFETY REPORT/MINUTES** – The Safety Committee met via teleconference on April 15, 2021. Some of the items covered included the following:

- There were no accidents, no near misses, nor on-the-job injuries to report in either Mora or Pecos for the month of March.
- There were no on-the-job incidents to report in Mora.

- There was one on-the-job incident to report in Pecos. A working foreman was responding to an outage at Mineral Hill. When he turned on the defroster/heater, the windshield cracked.
  - Another incident was reported after a working foreman received a call from Central Dispatch stating a consumer was without power. While the line crew was patrolling the line, they observed a broken pole. Upon closer inspection, they saw a dead cow near the downed line and pole. The owner filed a claim for the lost animal and paid by the insurance.
  - General Manager Montoya informed the Committee MSMEC had opened up the offices to the consumers. COVID-19 safety practices and proper signage are set in place to accommodate our members.
  - Temporary mandatory moratorium on disconnects of residential consumers will terminate on May 5, 2021. Consumers in arrears and do not want to be disconnected for non-payment after May 6, 2021, shall pay their outstanding bill in full or enter into a payment plan with MSMEC.
  - Manager Montoya advised T & D Engineering was provided direction to begin planning the underground line replacement project to take place on the grounds of the Pecos Monument.
  - Virtual safety training was conducted on March 24, 2021 consisting of Driving Safety and Accident Investigation. The line and meter departments participated in the virtual training and the inside staff viewed the recording at a later date.
7. **ACTION OF REGULAR MEETING MINUTES HELD ON MARCH 25, 2021** – The Minutes of the Board Meeting held on March 25, 2021 were presented for review and approval. After review, **Virginia Mondragon made a motion to approve the Minutes of March 28, 2021 as presented. James Ortiz seconded that motion. Motion carried unanimously.**
8. **APPROVAL OF NEW MEMBERSHIPS (MORA 31 – PECOS 16)** – New Memberships were presented to the Board for review and approval. After reviewing the 47 new Memberships, **a motion was made by Virginia Mondragon, seconded by Joe C de Baca, to approve all new Memberships. Motion carried unanimously.**
9. **MANAGER’S REPORT**
- a. **Delinquent Report** – The Delinquent Report for March 2021 was reviewed. There were 866 delinquent accounts totaling \$292,334.38. After collections, 530 of those delinquent accounts remained unpaid for a total of \$158,111.81.
  - b. **RUS Form 7** – The RUS Form 7 was reviewed by Manager Montoya. Operating Revenue and Patronage Capital for the month ending March 31, 2021 was \$1,138,223; Cost of Purchased Power was \$614,263; with Total Operation & Maintenance Expense at \$903,098. Total Cost of Electric Service was \$1,095,320; Patronage Capital & Operating Margins \$42,903; with Patronage Capital or Margins

at \$57,654. Line loss for the month was at 6.1% and 4.7% YTD. TIER for the month was at 1.68% and 4.15% YTD. OTIER was 1.50% for the month and 4.02% YTD.

- c. **Outage Report** – A total of 41 outages were reported during the month of March 2021. Three hundred and nine consumers were affected by these outages for a combined total of 87.5 hours without power.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for the month of March 2021 was as follows: Total Energy (kWh) monthly comparison was 7,577,132 kWh Actual and 6,605,266 kWh Budgeted. The month's Revenues were \$580,018 Actual and \$531,544 Budgeted.
- e. **Fused Cut-Out Report** – There were five new fused cut-outs installed on the MSMEC system during the month of March. Those cut-outs were installed in Onava, Chacon, Storrie Project, El Coyote and Rincon Ranch.

**10. FINANCE REPORT** – A motion was made by James Ortiz, seconded by Joe C de Baca, to approve the Finance Report of the meeting held earlier today, together with the Manager's Report. Motion carried unanimously.

**11. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on their April Meeting. Some of the items covered included:

- Escalante Plant purchase
- Employee new retirement plan
- Tri-State's rating dropped to an A – this could affect the borrowing of money at a higher rate
- Buyout discussion
- Special meeting held on March 1, 2021 – reduction of rates by 2% and another 2% next year
- Tri-State Annual Meeting will be held in August

**12. NMRECA TRUSTEE REPORT** – James Ortiz, NMRECA Trustee, reported on their April 1<sup>st</sup>, 2021 meeting. A few of the highlights included:

- RUS long-term loan rates are at 2.19% and short-term loans at 0.03%
- CoBank's Sharing Success Program
- Information of NMPRC Case No. 20-00205-UT in the matter of the temporary moratorium on residential utility disconnections
- Information of the American Rescue Plan
- Latest COVID Relief Aid for all NM Counties and Municipalities
- NRECA's 2021 Director's training schedule
- Mr. Roy O'Day, NM Safety Training Coordinator, has taken a position with Federated and will move back home to South Dakota
- NMRECA's total expenditures for the month of March were \$143,633.17

### 13. ON-GOING BUSINESS

- a. **2020 Audit Report Presentation – Jarrod Bryant, CPA – Bolinger, Segars, Gilbert & Moss L.L.P.** – Mr. Jarrod Bryant with Bolinger, Segars, Gilbert & Moss L.L.P. presented the Board, via Zoom, their audit findings of the financial statements of Mora-San Miguel Electric Cooperative, Inc. as of and for the year ended December 31, 2020. The audit was completed at the end of March 2021. After reviewing the Balance Sheets, Statements of Income & Patronage Capital and Statements of Cash Flows, Mr. Bryant advised the Board that MSMEC’s financial statements were fairly stated in accordance with Accounting and RUS standards.
- b. **Board Policy 309 – Procurement of Specialized Local Services – Amendment** – A proposed amendment to Board Policy 309 creating a procurement procedure for “Specialized Local Services” was provided to the Board during the March Board Meeting for their review. This amendment is proposed to set a policy in place for local small contractors/businesses to provide services if required to keep equipment operating efficiently and safely during operation hours. The draft policy amendment was discussed and **a motion for final approval of Board Policy 309 Amendment was made by James Ortiz, seconded by Virginia Mondragon. Motion carried unanimously.**
- c. **Board Policy No. 227 – Electric Service Curtailment Procedures** – A draft of Board Policy No. 227 – Electric Service Curtailment Procedures, was presented to the Board during the meeting of March 25<sup>th</sup>, 2021 for their review. After some discussion, the Board was asked to make recommendations for further review and Board approval during our April 2021 meeting and subsequent filing with NM Public Regulation Commission. **A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve Board Policy No. 227 as presented. Motion carried unanimously.**
- d. **2021 Scholarship Applications – Review and Scholarship Award Selection** – A total of 9 Scholarship Applications were received from students attending high schools in our service territory. Applications were received from Mora, Pecos, Robertson and West Las Vegas High Schools. After review and discussion of the scholarship applications received, the Board decided that due to there being less students applying this year, each student would be awarded a \$1000.00 scholarship. A total of 15 scholarships of lesser amounts were available to be awarded totaling \$7000.00, but the Board decided to increase the monetary amount by \$2000.00 and award each student a \$1000.00 scholarship. **A motion was made by James Ortiz, seconded by Virginia Mondragon, to award all students who applied for a 2021 scholarship be awarded \$1000.00 each for this year. This will be considered a special year and will not carry over to next year. Motion carried unanimously.**
- e. **Board Policy No. 301 – MSMEC Education Scholarship Program – Amendment** – An Amendment to Board Policy 301- MSMEC Education Scholarship Program - was presented to the Board. This Policy identifies scholarships available, application requirements, eligibility requirements, evaluation and awards. The Board of Directors recently approved a new scholarship in memory of Robert M. Quintana who passed away while serving as President of the MSMEC Board. The proposed amendment includes wording describing the creation of the Robert M. Quintana

Memorial Scholarship to include the \$2,000.00 value (1 scholarship offering \$1000.00 and 2 scholarships offering at \$500.00 each). After discussion, **a motion to approve the Amendment to Board Policy 301 – MSMEC Education Scholarship Program – was made by Virginia Mondragon, seconded by Joe C de Baca. Motion carried unanimously.**

- f. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for March 2021 was \$580,017.94. MSM Solar bill was \$34,245.42 with a credit from Tri-State of \$20,631.31. For information only.

#### **14. NEW BUSINESS**

- a. **CoBank Sharing Success Program Application – Los De Mora Local Growers’ Cooperative** – CoBank, through its Sharing Success Program, offers its customers funding to benefit communities working to make a difference. CoBank, due to challenges associated with Covid-19, has increased its maximum match to \$10,000. MSMEC is requesting Board approval to submit an application on behalf of Los de Mora Local Growers’ Cooperative to aid in funding to purchase and install a new store sign at their new location in Mora. The funding amount requested is \$5,057.24. After review and discussion, **a motion to approve the CoBank Sharing Success Program Application and funding of \$5,057.24 for the purchase and installation of a new store sign at Los de Mora Local Growers’ Cooperative was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously.**
- b. **Resolution No. 4-29-2021-001 – Linemen Appreciation Day** – MSMEC Resolution No. 4-29-2021-001, recognizing April 18, 2021 as Lineman Appreciation Day, was presented to the Board. **A motion to approve this Resolution was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.**

#### **15. CORRESPONDENCE**

- a. **Rural Electric Safety Achievement Program (RESAP) – Thank You** – For information only.

#### **16. INFORMATION**

- a. **Calendar of Events** – The District 2 Election/Meeting will be held on Tuesday, May 4, 2021 in Las Vegas, NM. Tri-State will meet on May 4<sup>th</sup> and 5<sup>th</sup>, 2021. MSMEC Finance and Regular Board Meetings are scheduled for Thursday, May 27<sup>th</sup>, 2021.

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

#### **17. 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 Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.**

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

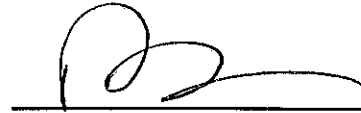
**19. OTHER BUSINESS TO COME BEFORE THE BOARD – None.**

**20. ADJOURNMENT – Motion to adjourn today’s meeting was made by James Ortiz and seconded by Virginia Mondragon. Motion carried unanimously. Meeting was adjourned at 2:50 p.m.**

**ATTEST:**



**Virginia Mondragon  
Secretary/Treasurer**



**Robert Baca  
President**