

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**NOVEMBER 29, 2017**

The Regular Board Meeting held on November 29<sup>th</sup>, 2017 was called to order at approximately 10:58 a.m. by Board Chairman, Robert M. Quintana.

**1. ROLL CALL AND DETERMINATION OF QUORUM**

<b>Present:</b>	<b>Robert Baca, Vice-Chairman</b>
	<b>Joseph C de Baca, Member</b>
	<b>Virginia Mondragon, Secretary/Treasurer</b>
	<b>James Ortiz, Member</b>
	<b>Robert M. Quintana, Chairman</b>
<b>Others</b>	<b>Les Montoya, General Manager</b>
<b>Present:</b>	<b>Debbie H. Alexander, Administrative Assistant</b>

**2. INVOCATION** – Robert Baca, Vice-Chairman, led us in prayer.

**3. PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was recited.

**4. APPROVAL OF AGENDA** – The Agenda was presented for review and approval. The following amendment was made to Agenda: Move #14. a. Medical Insurance Renewal Rates for 2018 – Jan Gibson & Tom Frank w/Cigna Insurance to #6. d. Recognition of Guests. **A motion to approve Agenda with one amendment was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**

**5. SAFETY REPORT/MINUTES** – The Safety Committee Minutes of November 16<sup>th</sup>, 2017 were reviewed by Manager Les Montoya. Some of the following items for the month of October were covered:

- There were no accidents to report in Mora or Pecos.
- There were no near misses in Mora, but there was one in Pecos. A lineman was responding to an outage when a big tree fell on top of the power line. As the fuse was closed it started to spark catching the trash and debris on the ground on fire. The lineman put out the fire with a shovel and restored power.
- There were no on-the-job injuries in Mora or Pecos.

- There was one incident to report in Mora. A local resident called and reported careless driving near the Storrie Lake Substation. Cooperative driver was said to have failed to put signal as they turned left, causing traffic to swerve.
- The roofing contractor is to come back and finish his work. The plumber has completely installed the new water line.
- Manager Montoya has concerns regarding where the cashier is located. The main building is off the main highway, possibly creating a potentially dangerous situation. A representative of NM Homeland Security reviewed our building and property security standards.
- The cashier's office door at the Pecos Office is also left open at times. This is also a safety concern. We were made aware that the door jamb is broken and needs to be repaired or replaced.
- There was some discussion about the employee parking lot in Mora. It was suggested that employees continue to park in the east side parking lot. The west side of the building will be for consumer parking only and the south side of the building is used for employee parking, first come first serve basis.
- HR Department is working on getting some safety training scheduled for office staff and meter readers once a month. The RESAP Committee has discussed a safety incentive program.
- A journeyman lineman resigned his position in Mora. MSMEC will need to fill this position in Mora and another in Pecos.
- Linemen from both offices were trained on Aerial Device Safety Setup and Operations, as well as on Aerial Device Rescue.

## **6. RECOGNITION OF GUESTS**

### **a. Invited Speakers – (15 minute time limit) –**

#### **1. Community Solar Facility Presentation – Local Economic Development**

**Organization & Advisors** – Members with Community Solar Facility out of Taos and members from Mora Economic Development attended today's meeting; some members attending included Bob Bresnahan, Kit Carson Trustee; David Munoz, Larry England, Rich Ruster, Merl Witt, Anita Moss, and Anita LaRan. They presented the Board with the idea and a range of options to set up a community solar in Mora. There was much discussion related to the 5% renewable energy contract MSMEC is in with Tri-State and the setting up another solar unit. Questions also came up concerning PRC and their rulings. The group was told that until the 5% renewable issue is solved, MSMEC is limited who it can consider regarding renewable energy supply. Mr. Witt indicated that they will come back

with information on a project that would allow MSMEC to remain compliant with the 5% rule.

**b. General Public Comment (5 minute time limit) – None.**

**c. Introduction of Employees – None.**

**7. ACTION OF REGULAR MEETING MINUTES HELD ON OCTOBER 26, 2017-** The Minutes of the regular meeting held on October 26th, 2017 were presented for review and approval. **A motion to approve the Minutes of October 26<sup>th</sup>, 2017 as presented was made by Virginia Mondragon, seconded by Joe C de Baca. Motion carried unanimously.**

**8. APPROVAL OF NEW MEMBERSHIPS (MORA 28 – PECOS 23) –** A total of 51 new memberships were presented for review and approval. After review, **Robert Baca made a motion to approve all 51 new memberships. Joe C de Baca seconded that motion. Motion carried unanimously.**

**9. MANAGER'S REPORT**

**a. Delinquent Report –** The Delinquent Report was reviewed. Delinquent accounts totaled \$656,288.43. After collections, a total of \$66,556.23 remained unpaid.

**b. RUS Form 7 –** The RUS Form 7 for the month of October was reviewed. Operating Revenue and Patronage was \$300,657 and \$9,470,145 year-to-date. Total Cost of Electric Service was \$874,399 and \$9,255,328 year-to-date. TIER for the month was at -14.32% and 1.52% YTD. MSMEC has 11,095 consumers, 1955 miles of line and 32 employees. Concerns regarding the TIER was addressed by the Board

**c. Outage Report –** The Outage Report was reviewed. The outage affecting the most consumers, 300 on October 10<sup>th</sup> was due to strong winds and lasted for an hour before power was restored. This outage affected consumer in the Mora/Cleveland/Holman areas. Manager Montoya advised the Board, in order to minimize outages in particular trouble areas where underground lines exist, the Coop plans to replace these lines and in the planning stages.

**10. FINANCE REPORT –** After review of the Finance Minutes of today's meeting, **Robert Baca motioned to approve those Minutes, also to dispense with the reading of the those Minutes and to approve the Manager's Report. Virginia Mondragon seconded that motion. Motion carried unanimously.**

**11. TRI-STATE TRUSTEE REPORT –** Robert Baca, Tri-State Trustee, reported on their monthly meeting held on November 14<sup>th</sup> and 15<sup>th</sup>. Some items covered included:

- Fiduciary duties of Board Members
- Renewables
- Tri-State sales are 44.4 above budget

- Coal energy equals 85% of power sold
- Strategic Planning is scheduled for January 2018

**12. NMRECA TRUSTEE REPORT** – Robert M. Quintana, NMRECA Trustee, reported on their November 10<sup>th</sup> meeting. A few of the items covered included:

- Congressman Pearce addressed the Board advising them that he is a candidate for Governor and wants Cooperatives to keep him informed on NM issues
- Mr. David Spradlin thanked the Board who attended the meeting with Mr. Jim Matheson, CEO with NRECA, during the Region 10 Meeting
- Mr. Spradlin also encouraged Board Members to submit their ACRE contributions
- Mr. Groenewold brought a copy of a signed letter by all Distribution Cooperative Managers to U. S. Congresswoman Michelle Lujan Grisham regarding the 2018 Farm Bill
- A motion was made and seconded that the 2018 budget be approved at the January board meeting. Motion failed on a 10 to 5 vote.
- A Kit Carson Electric Board Member brought to the Board that a committee be formed to meet with Jemez Electric Cooperative to discuss re-establishing membership within NMRECA. Motion was seconded and carried.

**13. ON-GOING BUSINESS**

**a. MSMEC Four-Year Construction Work Plan Draft – 2018-2021** – Manager Montoya presented the Board with a draft copy of the MSMEC Four-Year Construction Work Plan for their review. The draft work plan was submitted by Transmission & Distribution Services (T & D), Professional Engineers, out of Albuquerque. The plan will be reviewed by our operations crew to make sure various construction work plans and areas are included and in what priority the work will be completed before we get back with T & D for the final work plan.

**b. Tri-State Bill/MSM Solar Bill** – Tri-State power bill was \$471,904.56 for the month of October 2017. The MSM Solar bill was \$24,664.81 with a credit of \$14,461.28 from Tri-State.

**14. NEW BUSINESS**

**a. Medical Insurance Renewal Rates for 2018 – Jan Gibson & Tom Frank w/Cigna Insurance** - Mr. Tom Frank presented the results of a request for coverage of medical insurance for employees. He presented the proposals for renewal. He presented Cigna's proposal to maintain coverage, with increased monthly premiums, that was the most advantageous to the employee and MSMEC. The Cigna proposal increased monthly premiums, but maintained in one of its plans, deductibles and coverages. Other plans offered higher monthly premiums and higher deductibles and coverage varied from what Cigna offered. The Board authorized the Manager to act in renewing with Cigna as proposed once it is determined the Union is agreeable.

- b. **Scope of work to perform Technical Support in the upgrading of MSMEC Operating Systems** – General Manager Montoya presented the Board with a letter and additional information regarding our network, security and communications within our internal operations. Upgrades and improvements are necessary to address so that we are able to improve our service to our members, eliminate processing errors and improve communications within our day-do-day operations. In attempting to complete this work, Manager Montoya asked for approval to acquire the services of Computer Assets. After further discussion, **a motion was made by Robert Baca, seconded by Joe C de Baca, to approve the technical support needed and to move forward with the services from Computer Assets. Motion carried unanimously.**
- c. **NMRECA – 2018 Dues** – New Mexico Rural Electric Cooperative Association (NMRECA) provided NM Cooperatives with the 2018 dues worksheet. Mora-San Miguel Electric Cooperative will have an increase of \$4,279 totaling dues owed in 2018 of \$75,097.
- d. **NRECA 2018 Annual Meeting – February 2018** – Information on the NRECA 2018 Annual Meeting was provided to the Board. The Annual Meeting will be held in Nashville, TN in February. Arrangements will be made by office staff for those planning to attend.

#### 15. CORRESPONDENCE

- a. **A Message from the NRECA CEO, Jim Matheson on ACRE** – For information only.
- b. **Save the Date – Techline Customer Appreciation Event** – For information only.
- c. **Leadership New Mexico** – For information only.
- d. **Retirement – Gary Hurse – Lea County Electric Cooperative, Inc.** For information only.
- e. **Picture Time – NMRECA Board of Directors and Managers** – For information only.
- f. **Tri-State Member Managers’ Committee Meetings – 2018 Dates** – For information only.
- g. **2018 NMRECA Board Meeting Schedule** – For information only.
- h. **Thank You – Mora Arts & Cultural Compound – Fall Festival** – For information only.
- i. **Thank You Letter – Leadership New Mexico** – For information only.

#### 16. INFORMATION

- a. **Calendar of Events** – Statewide Trustee Meeting will be held on Friday, December 1, 2017. Tri-State Meeting will be held on December 5<sup>th</sup> and 6<sup>th</sup>, 2017. Manager Montoya will attend an NMRECA Course in Albuquerque on December 13<sup>th</sup>, 2017. Offices will be closed for the Christmas Holiday on December 25<sup>th</sup> and 26<sup>th</sup>, 2017. Our next Finance and Regular Board Meetings will be held on Thursday, December 28<sup>th</sup>, 2017.

**A motion to move into Executive Session was made by Robert Baca 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 Robert Baca and seconded by Gina Mondragon. Motion carried unanimously.

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

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

**20. ADJOURNMENT – A motion to adjourn today's meeting was made by Joe C de Baca and seconded by Robert Baca. Meeting adjourned at 3:50 p.m.**

**ATTEST:**



Virginia Mondragon  
Secretary/Treasurer



Robert M. Quintana  
Board Chairman