

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**DECEMBER 27, 2018**

The meeting of December 27, 2018 was called to order at 10:55 a.m. by Board Chairman, Robert M. Quintana.

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

**Present:**       **Robert Baca, Vice-Chairman**  
                      **Joseph C de Baca, Member**  
                      **Virginia Mondragon, Secretary/Treasurer**  
                      **Robert M. Quintana, Chairman**

**Others**         **Les Montoya, CEO/General Manager**

**Present:**       **Debbie Alexander, Administrative Assistant**

**Absent:**         **James Ortiz, Member**

**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 for today’s meeting was presented for review and approval. After review, a **motion to approve the Agenda as presented was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.**

**5. RECOGNITION OF GUESTS**

- a. Invited Speakers – (15 minute time limit) – None.**
- b. General Public Comment (5 minute time limit) – Ronald Duran – Insurance Claim –**  
Mr. Ronald Duran met with the Board concerning a claim which he had filed with MSMEC for some damage done to his washer during some episodes of blinking lights in his area and asked for us to follow up on his claim.
- c. Introduction of Employees – None.**

6. **SAFETY REPORT/MINUTES** – The Safety Committee held their monthly meeting on December 10<sup>th</sup>, 2018. Some items covered during their meeting included:
- There were no accidents to report in Mora during the month of November
  - There was one accident to report in Pecos. Employees were building a new line in the Gonzales Ranch area when one of the employees was struck in the arm by the wire while the wire was being drawn. The wire got caught on the reel creating tension and then released striking the employee. The employee suffered a horizontal fracture to the arm.
  - There were no near misses to report in Mora or Pecos
  - There was one incident to report in Mora. The incident was due to damaged property reported by a member. While the Pecos crew was working to install a fuse cut out on a single phase tap, the operator of the bucket truck drove over a water line valve. Damages at this time are unknown.
  - There were no on-the-job incidents to report in Pecos.
  - There was some discussion about the recent Tree Falling Training provided by Asplundh. The question was raised as to the purchasing of the safety equipment recommended in the training. The safety kit would cost about \$300.00. Purchasing this equipment would be a good idea and necessary for tree trimming. The General Manager will be asked about the purchase of this safety equipment.
  - The new GPS units were ordered and issued to be placed in the bucket trucks.
  - Beginning in 2019, the Merchants program will have internet testing along with a complete solution for moving trainees to the internet for their studies. Operation Managers thought it would be worth looking into this.
  - The linemen from both offices were trained on Aerial Device Safety Set Up and Operations/Rescue. They were also given a Field Training Exercise.
  - There was no inside staff training for the month of November.
7. **ACTION OF REGULAR MEETING MINUTES HELD ON NOVEMBER 30, 2018** – The Minutes for the meeting held on November 30, 2018 were presented for review and approval. After review, the word “unanimously” should be removed from page 5 of the Minutes - # 18. d. Action on Items Discussed in Executive Session – as Robert Quintana had abstained. **A motion to this amendment was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously.**
8. **APPROVAL OF NEW MEMBERSHIPS (MORA 23 – PECOS 24)** – A total of 47 new memberships were presented for approval. After review, a **motion was made by Virginia Mondragon, seconded by Robert Baca, to approve all new memberships. Motion carried unanimously.**
9. **MANAGER’S REPORT**

- a. **Delinquent Report** – The Delinquent Report for November 2018 was reviewed. There were a total of 876 delinquent accounts totaling \$383,145.39. After collections, 466 of those accounts remained unpaid totaling \$35,075.37.
- b. **RUS Form 7** – The RUS Form 7 for period ending November 30, 2018 was reviewed. Operating Revenue and Patronage Capital was at \$1,114,586, Cost of Purchased Power was \$610,426 and Total Operation & Maintenance Expense was \$978,550. Total Cost of Electric Service was \$1,143,128, Patronage Capital & Operating Margins was (\$28,542) and Patronage Capital or Margins was (\$27,193). TIER for the month was 0.26% and 1.76% YTD.
- c. **Outage Report** – There were a total of 57 outages with 289 consumers affected and a total of consumer hours of 151.25 as a result of these outages during the month of November. A big majority of outages were caused by blown fuses.
- d. **Member Sales Budget Report** – On the Tri-State Member Sales Budget Report for the month of November, the monthly comparison (current to budget) is as follows:  
Actual – Total Energy – November = 7,216,137 kWh - YTD = 67,995,789 kWh  
Budgeted – Total Energy – November = 6,567,754 kWh - YTD = 67,074,927 kWh
- e. **Fused Cut-Out Report** – There were no new Cut-Outs installed or replaced on the MSMEC system during the month of November.

**10. FINANCE REPORT** – After review, a motion was made by Virginia Mondragon, seconded by Robert Baca, to approve the Minutes of the Finance 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 December meeting. A few of the areas covered included:

- Strategic Planning – irrigation discussion
- By-law change – voting will take place during their annual meeting
- Board was eliminated at Elk Ridge Mining & Reclamation to save money
- No update on Battery Storage
- Tri-State is one of the largest G & T green energy user
- More information on the all requirements contract will be obtained

**12. NMRECA TRUSTEE REPORT** – Robert M. Quintana, NMRECA Trustee, reported on their December meeting held in Santa Fe on December 7<sup>th</sup>. Some of the items covered are as follows:

- NRECA approved their 2019 budget and there will be no increase to 2019 dues
- The Board was briefed on the Farm Bill
- RUS loan interest rates for long-term loans is 3.09% and short-term is at 2.38%
- The 2019 NRECA Annual Meeting will be held in Orlando, FL on March 10-13, 2019

- The Board was updated on the NM CID issue. Several Co-ops filed new and revised rules and forms under NMPRC Rule 210 and MSMEC did so.
- Keven Groenewold, CEO/General Manager for NMRECA, was authorized to represent the interests and policy positions of NMRECA at the 2019 NM Legislature
- Tomas Rivas, Chairman of the Publications Committee, reported to the Board that the Committee met and discussed key topics regarding the Enchantment and Directory for 2019
- NMRECA expenditures for the month of November were: Association \$57,544.44; Enchantment Magazine \$58,893.29; and NM Rural Electric Self-Insurer's Fund \$12,198.75 for a total of \$128,636.47

### 13. ON-GOING BUSINESS

- 2019 Budget Approval** – After review and discussion and based on the 2018 actual amounts, the **2019 Budget was approved as presented with a motion from Robert Baca and second from Joe C de Baca. Motion carried unanimously.**
- Public Notice of MSMEC's Proposed Changes with NM PRC to revise MSMEC's Rate No. 14, Agriculture and Irrigation Service (AIR)** – A MSMEC Public Notice with proposed changes will be filed with NMPRC on or about February 1, 2019 to revise MSMEC's Rate No. 14, Agriculture and Irrigation Service, in proposed Advice Notice No. 64 and pursuant to Rule 17.9.540 NMAC. The Board of Director's directed the General Manager to amend the recent filed Rate No. 14 to allow for discontinuation of service charge for rate class should the consumer decide to de-energize for the "off season" for up to 6 months.
- Tri-State Bill/MSM Solar Bill** – The Tri-State power bill was \$584,721.82; the MSM Solar bill was \$25,704.09 with a credit from Tri-State of \$9,695.54.

### 14. NEW BUSINESS

- NRECA Voting Delegate Certification** – The NRECA Voting Delegate and Alternate will remain the same for 2019. Robert Baca will serve as Voting Delegate and Robert Quintana will serve as Alternate.
- Revisions to Rule and Regulation No. 10 – AMI Meter Administration** – Revisions to Rule and Regulation No. 10, AMI Meter Administration was presented to the Board. Since MSMEC is approximately 95% complete on transitioning to Automated Meter Infrastructure (AMI), it is necessary to revise our operations as it pertains to reporting energy use by its consumers. Approximate installation of 10,000 AMI Meters now dictates a change in meter administration for our entire system. Rule and Regulation No. 10 now defines Rules and Regulations as per the metering system in place. Meter administration is now consistent with utilization of AMI Meters.
- Automated Meter Infrastructure Project Status Report** – Jason Trujillo, AMI Network Supervisor, provided the Board with a project status report that included

the number of AMI Meters installed, operating status, total costs expended and an estimate of the amount of hours invested in completing the field work. Mr. Trujillo reported that AMI meters began being installed in late August of 2017. There are now 11,006 active accounts in our CIS billing system. At the present date, we have 10,833 AMI meters responding in the Aclara AMI server. Of the 10,833 devices, 239 meters are currently installed on inactive accounts, which are mostly seasonal disconnects per consumer request, although some are disconnected via AMI switch due to non-payment during collections. To date, the project costs through Anixter, Inc., is at \$2,699,742 which includes the price of meters, software and servers and associated support agreement(s), substation equipment and communications backhaul engineering assistance. The estimated invested man-hours of MSMEC employees are at 3,093 hours with an estimated additional cost of \$51,415.

- d. **MSMEC Board Policy No. 301 – Amendment to Cooperative University Scholarship** – MSMEC’s Board had discussed its intentions of amending Board Policy No. 301, MSMEC Education Scholarship Program, as it applies to awarding educational scholarships to dependents of MSMEC members. The Board directed the General Manager to make revisions that would allow for MSMEC Board to select the recipients of such scholarships offered by MSMEC and its partnering companies. After review and discussion, the Board will further review the Policy as presented and will be on next month’s agenda for any final revisions or approval.
- e. **Merchants Apprenticeship Four-Year Program and MSMEC In-House Testing Report** – A written report on the status of the Merchants Apprenticeship Program and MSMEC in-house testing was presented to the Board. There are currently 5 employees enrolled in this apprenticeship program which will lead to journeyman certification when coupled with structured on-the-job training. It was recommended that a letter of commendation for their dedication and hard work be sent to each of these employees. The employees are Garrick Martinez, Martin Teran, Gerald Trujillo, Francisco Caro and Shane Morris.

## 15. CORRESPONDENCE

- a. **NMRECA Board Meeting Schedule** – For information only.
- b. **Los Amigos Del Valle De Mora – History** – For information only.
- c. **American Legion Post 70 – Thank You for Donation** – For information only.

## 16. INFORMATION

- a. **Calendar of Events** – Offices will be closed on Tuesday, January 1, 2019 in observance of the New Year’s Day Holiday. Statewide will hold their meetings on January 3<sup>rd</sup> and 4<sup>th</sup>. Tri-State Meetings are scheduled for January 8<sup>th</sup> and 9<sup>th</sup> in Denver. The Tri-State Member CEO Committee Meetings are scheduled for January 15<sup>th</sup> and 16<sup>th</sup> in Denver. MSMEC offices will be closed on Monday, January 21<sup>st</sup> in observance of Martin Luther King Day Holiday. MSMEC Finance and Regular Board Meetings are scheduled for Thursday, January 24<sup>th</sup>, 2019. Statewide February Meetings are scheduled for January 31<sup>st</sup> and February 1<sup>st</sup>.

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

**17. EXECUTIVE SESSION**

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

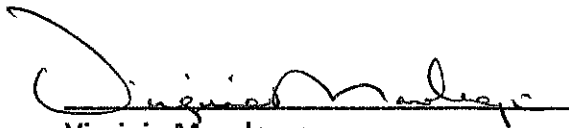
A motion to move out of Executive Session and back into Regular Session was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.

**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 Robert Baca. Motion carried unanimously. Meeting adjourned at approximately 2:30 p.m.**

**ATTEST:**



Virginia Mondragon  
Secretary/Treasurer



Robert M. Quintana  
Board Chairman