

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
MAY 28, 2020

The meeting of May 28, 2020 was called to order by Board Chairman, Robert M. Quintana, at approximately 11:03 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca, Vice-Chairman – Via Teleconference
Joseph C de Baca, Member – Via Teleconference
Virginia Mondragon, Secretary/Treasurer
James Ortiz, Member – Via Teleconference
Robert M. Quintana, Chairman

Others Present: Les Montoya, CEO/General Manager
Debbie Alexander, Administrative Assistant – Via Teleconference

- 2. INVOCATION** – A moment of silence was observed.
- 3. PLEDGE OF ALLEGIANCE** – Due to separation of Board and Staff, the Pledge of Allegiance was not recited.
- 4. APPROVAL OF AGENDA** – The Agenda for today’s meeting was presented for review and approval. After review, a motion was made by Robert Baca, seconded by Joe C de Baca, to approve today’s 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 AND MINUTES** – The Safety Committee met on May 12th, 2020 via teleconference. To comply with the social distancing guidelines, Committee Members Vidal Barela, Pamela Gallegos, Pauline Olivas, Les Montoya and Lawrence Salas met in the Boardroom in Mora; while Danny Flores, Martin Teran and George Valdez gathered at the Pecos Boardroom. Some of the items covered include the following:
 - There were no accidents to report in Mora or Pecos
 - There were no near misses to report in Mora
 - There was one near miss to report in Pecos. A Working Foreman and his crew were working in Los Montoya’s area lowering an angle pole – the top of the pole

had split. The Working Foreman was untying the phase wire, when he felt a jolt on his left pointer finger. When he felt it a second time, he inspected his rubber gloves and found a pin hole on the left pointer finger which was probably caused when he was untying the phase wire. The Working Foreman was given a new pair of rubber gloves. The Systems Operations Manager had a discussion with the linemen about inspecting their rubber gloves before each use.

- There were no on-the-job injuries or on-the-job incidents in either Mora or Pecos
- The Mora line crew received a trouble report from the AMI System stating possible meter tampering and stealing of power was occurring. After arriving at the site, they discovered the consumer had inserted scissors into the meter loop to energize the home. They also discovered the meter was not on site. The crew took pictures of the meter loop and de-energized at the top of the pole.
- A memo was issued to all employees regarding Administrative Controls of all operations. The memo indicated what is currently in place and what every employee needs to comply with in identifying all aspects of COVID-19 in order to keep employees and their family members safe.
- The Mora Office is having problems with their sewer/septic tank. Manager Montoya is contemplating doing away with the septic and running a sewer line to the community system.
- Manager Montoya stated hardhats are a requirement while working on the job. Montoya received an email stating a line crew was working in the Pendaries area and the Working Foreman was working without a hardhat. Employees should be working with safety in mind and change the culture of safety.
- Managers, Supervisors, Linemen and Meter Technicians from both offices were on video conference for the Safety Training. The training consisted of OSHA/CED guidelines to COVID-19, Pandemic Plans, Federated Insurance Recommendations, Essential Critical Infrastructure and NM Public Health Orders. The second portion of the training for Linemen and Meter Technicians consisted of Staying Focused/Safety Message, Communications and Job Briefings, Perceptions, Simple Things, and Appreciation/You know the kind.

7. **ACTION OF REGULAR MEETING MINUTES HELD ON APRIL 29, 2020** – The Minutes of the Meeting held on April 29th, 2020 were presented for review and approval. After review, a **motion to approve the Minutes of April 29th, 2020 as presented was made by Virginia Mondragon and seconded by Robert Baca. Motion carried unanimously.**
8. **APPROVAL OF NEW MEMBERSHIPS (MORA 14 – PECOS 22)** – Thirty-Six new memberships were presented for review and approval. After review, a **motion was made by Joe C de Baca, seconded by James Ortiz, to approve all new memberships presented today. Motion carried unanimously.**

9. MANAGER'S REPORT

- a. **Delinquent Report** – There were 945 delinquent accounts totaling \$305,275.42. After collections, 943 accounts remained unpaid for a total of \$216,131.39.
- b. **RUS Form 7** – Manager Montoya went over the RUS Form 7. Operating Revenue and Patronage Capital was at \$1,036,534, Cost of Purchased Power was \$534,888 and Total Operation & Maintenance Expense at \$875,477. Total Cost of Electric Service was \$1,016,398, Patronage Capital & Operating Margins was \$20,136 with Patronage Capital or Margins at \$23,302. TIER for the month was 1.73% and 1.59% YTD. OTIER was 1.63% for the month and 2.47 YTD. Line loss was at -5.7% for the month and 2.8% YTD.
- c. **Outage Report** – There were a total of 27 reported outages for the month of April. A total of 180 consumers were affected by these outages for a combined 66.75 hours.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for April 2020 was as follows: The total Energy (kWh) Monthly comparison was 5,983,786 Actual and 5,937,275 Budgeted. The Revenues were \$500,521 Actual and \$567,602 Budgeted.
- e. **Fused Cut-Out Report** – A total of 44 new fused cut-outs were installed on the MSMEC system. Forty-three were installed on Anton Chico taps on Highway 84 and one on Cebollita tap in Buena Vista.

10. FINANCE REPORT – A motion to approve the Manager's Report, together with the Finance Report/Minutes of the meeting held earlier this morning, was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.

11. TRI-STATE TRUSTEE REPORT – Robert Baca, Tri-State Trustee, reported on their virtual/teleconference May 2020 meeting. A few of the items covered included:

- Colorado Judge will make a decision on PUC case between Tri-State, La Plata and United on buy-out numbers
- Craig Station – Depreciation down -15 years before life
- Update on COVID-19 responses
- Board letters to FERC in support of Tri-State – majority of cooperatives are happy with Tri-State
- Tri-State's next meeting will be held first week of June

12. NMRECA TRUSTEE REPORT – Robert M. Quintana, NMRECA Trustee, reported on their May 1st, 2020 meeting which was held via virtual/teleconference call. Some of the items covered included the following:

- Rus interest rates for long-term loans are at 1.03% and short-term loans at 0.09%
- Notice of Cancellation of NMRECA's Annual Meeting

- Board was given as information a copy of the Notice “Governor Evicts PRC from PERA Building”
- Mechanic School has been cancelled and will not be rescheduled until 2021
- NRECA’s Training Courses hosted by NMRECA has been postponed until September 16, 2020
- Recommendation was made to move funds from the Out of State Travel line item to the Public Relations line item to purchase additional hand sanitizer
- Annual Barbecue has also been cancelled
- NMRECA’s next Board meeting is scheduled for June 5th, 2020

13. ON-GOING BUSINESS

- a. **MSMEC Board Policy No. 225 – Communications and Information Systems Use –** Board Policy 225, Communications and Information Systems Use Policy, was again presented to the Board for their comments and/or approval after being asked to review this Policy during the April 2020 meeting. After review, **A motion was made by Virginia Mondragon, seconded by Joe C de Baca, to approve Board Policy No. 225, Communications and Information Systems Use, as presented. Motion carried unanimously.**
- b. **Award Request for Bid – Transformer containment Unit for Pecos Operations –** General Manager Montoya presented the Board with a recommendation to award the sole bidder in response to MSMEC’s Request for Bid dated April 15, 2020 to purchase one new Transformer Containment Unit for the Pecos operations. Quatrex Environmental, Inc. submitted a bid that met the specifications call for in the Request for Bids in the amount of \$4,795.00. After discussion, **a motion to award the bid to Quatrex Environmental, Inc. for \$4,795.00 was made by Robert Baca, and seconded by Joe C de Baca. Motion carried unanimously.**
- c. **Tri-State Bill/MSM Solar Bill –** Tri-State’s power bill for the month of April was \$500,520.96; MSM Solar bill was \$34,366.88 with a credit from Tri-State of \$20,352.77.

14. NEW BUSINESS

- a. **Scholarship Applications –** A total of thirteen scholarship applications were received from students of high schools in our service area and dependents of MSMEC members. These applications were presented to the Board for review and selection. Scholarships available included the MSMEC “Frank R. Rodriguez, Jr. Memorial Scholarship, Tri-State Generation and Transmission Scholarship and the New Mexico Rural Electric Cooperative Suppliers Group (NMRECSG). After review, the Board decided to award each of the thirteen students a scholarship. In their decision, they also awarded a scholarship to the two students who had previously been awarded the Youth Tour to Washington D. C., but was cancelled due to the COVID-19 pandemic.

- b. **Resolution 05-28-2020-0013 – Declaring 2009 & 2010 Toyota Tacoma Pickups Excess Property** – Manager Montoya presented the Board with Resolution 05-28-2020-0013 designating two units as excess property and authorizing the sale of these pickups through a public sale. After review and discussion, **a motion was made by Robert Baca, seconded by James Ortiz, to designate the two pickup trucks as excess property and to authorize the sale of the two units starting at a minimum bid of \$2000.00 on each. Motion carried unanimously.**
- c. **Proposed Waste Water Line Easement** – The Cooperative has for years been dealing with an antiquated cesspool that requires constant cleaning. The ineffective system in place requires frequent requests for plumbing services. Such services are costly and causes interruptions during the course of a business day that is not conducive to a healthy situation. MSMEC is requesting a wastewater line easement to accommodate the installation and maintenance of a wastewater service line extending to the wastewater main located along highway 518 in front of the Cooperative building. The Board was asked to review the proposed easement documents and consider approving and authorizing the General Manager to proceed with obtaining the easement from the adjacent property owners and installing the service line as proposed. After discussion, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to approve the General Manager to proceed with obtaining the easement and install the wastewater service line as proposed. Motion carried unanimously.**
- d. **Resolution No. 5-28-2020-0014 – Authorizing Request of Loan Funds from Paycheck Protection Program during Corona Virus Pandemic 2020** – Resolution No. 5-28-2020-0014 was presented to the Board. This Resolution authorizes the request of loan funds from the Paycheck Protection Program available to cooperatives due to the financial impact on operations during the Corona Virus Pandemic. The Resolution is being proposed to officially authorize the application of such program funds available to non-profit organizations realizing negative economic impacts as a result of COVID-19 measures imposed on essential and non-essential services. Sales, revenue and operations have negatively impacted MSMEC. **A motion was made by Robert Baca, seconded by James Ortiz, to approve Resolution No. 5-28-2020-0014 and authorize the General Manager to apply for Paycheck Protection Program funds that will aid in offsetting eligible expenses in 2020 due to COVID-19. Motion carried unanimously.**
- e. **Discussion to Validate Decision to Cancel the MSMEC Annual Meeting** – A discussion was held to validate the decision made on May 14th, 2020 to cancel the MSMEC Annual Meeting. Due to COVID-19, State Government acted to control the spread of the virus by enacting executive orders for residents to remain home and to practice social distancing. New Mexico’s measures requiring social distancing and gatherings of no more than 5 individuals remained in place up to June 1st and is anticipated groups of more than 100 will not be allowed for some time and possibly not until next year. Due to such measures along with protecting the health and safety of its Staff and Members, the Board provided direction to the General Manager to notify all parties of the intent to cancel the 2019 MSMEC Annual

Meeting of the Membership. A motion was made by Robert Baca, seconded by James Ortiz, to ratify the decision made on May 14th, 2020 to cancel the 2019 MSMEC Annual Meeting previously scheduled to be held on Saturday, June 27th, 2020 due to COVID-19 and executive orders from our NM Governor. Motion carried unanimously.

15. CORRESPONDENCE – None.

16. INFORMATION

- a. **Calendar of Events – MSMEC’s next Finance and Regular Board Meetings are scheduled for Thursday, June 25th, 2020 starting at 10:00 a.m.**

A motion to move into Executive Session was made by Joe C de 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 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 at 2:05 p. m. was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.

ATTEST:



Virginia Mondragon, Secretary/Treasurer



Robert M. Quintana, Board Chairman