

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**JULY 23, 2020**

The Meeting of July 23, 2020 was called to order at approximately 10:50 a.m. by Board Chairman, Robert M. Quintana.

**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, General Manager  
Debbie Alexander, Admin. 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** – Today's meeting Agenda was presented for review and approval. After review, a **motion to approve the Agenda as presented was made by Robert Baca 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) – None.**
- c. **Introduction of Employees – None.**

**6. SAFETY REPORT/MINUTES** – The Safety Committee held their Safety Meeting on July 14, 2020. Some of the items covered include the following:

- There were no accidents, no near misses nor on-the-job injuries to report in either Mora or Pecos.
- There were five on-the-job incidents to report in Mora for the month of June ranging from a melted hose, a broken handle and throttle body of a chainsaw, to an individual yelling obscenities to the linemen sitting in a company vehicle eating their lunch.

- A couple of issues have been brought to our attention regarding the new phone system. Those items are being addressed.
- The committee suggested that MSMEC ask consumers for keys if they have their gates locked. This will be advertised on the back page of the August edition of the Enchantment.
- The line crew from Pecos laid the cement slab and the containment structure is assembled and in place. The crew was acknowledged for their efforts.
- Manager Montoya inquired regarding the police report on the harassment incident with one of our employees. The Operations Manager advised he has not yet obtained a response report after several attempts to make contact. The Operations Manager was asked to contact the Sheriff's Office and speak to the Administrative Assistant to request the report.
- Manager Montoya presented the Committee the draft plan he presented to the Board to re-open the office on June 25, 2020. The Board decided to keep operations as they are until further notice.
- Staking and mapping for the Ojitos Frios Subdivision Project needs to get done so it may go out for bid. This project needs to be completed.
- The Operations Manager is working on a plan to replace 3-way junction boxes located in the Rainsville area. The proper time is being planned as to minimize interruptions of power to the consumers.
- An email sent out to Managers and Supervisors regarding the Governor's 14-day Quarantine requirement was shared by the Manager. MSMEC has concerns about the spread of COVID-19 and the operation of our Coop. Employees leaving the state will need to self-quarantine for 14 days upon their return and before returning to work.
- A safety training session was held on June 24, 2020. The training was conducted via GoToMeeting format to comply with the CDC guidelines and the NM Health Order. The topics were Emergency Action Plans (COVID-19 Pandemic) and Traffic Control Safety.

**7. ACTION OF REGULAR MEETING MINUTES HELD ON JUNE 25, 2020** – The Minutes of the meeting held on June 25, 2020 were presented for review and approval. After review, a **motion to approve the Minutes of June 25, 2020 as presented was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**

**8. APPROVAL OF NEW MEMBERSHIPS (MORA 38 – PECOS 15)** – Fifty-three new memberships were presented to the Board for review and approval. After review, a **motion to approve all fifty-three new memberships was made by James Ortiz and seconded by Virginia Mondragon. Motion carried unanimously.**

**9. MANAGER'S REPORT**

- a. **Delinquent Report** – The Delinquent Report was reviewed for the month of June 2020. There were 1099 delinquent accounts totaling \$274,395.33. After collections, 691 of those accounts remained unpaid for a total of \$148,450.12.
- b. **RUS Form 7** – The RUS Form 7 for the period ending June 30, 2020 was reviewed by Manager Montoya. Operating Revenue and Patronage Capital was \$955,560; Cost of Purchased Power was \$480,999; with a Total Operation & Maintenance Expense at \$768,211. Total Cost of Electric Service was at \$971,333; Patronage Capital & Operating Margins was (\$15,773); with Patronage Capital or Margins at (\$14,755). Line Loss was 5.0% for the month and 3.5% YTC. TIER was at 0.84% for the month and 2.18 YTD. OTIER was 0.83% for the month and 2.10% YTD.
- c. **Outage Report** – The June 2020 Outage Report was reviewed. There was a total of 37 outages reported in our service area. A total of 123 consumers were affected for a total of 85.25 hours without power.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for June 2020 was as follows: Total Energy (kWh) Monthly comparison was 5,574,731 Actual and 5,679,944 Budgeted. The Revenues were \$488,122 Actual and \$451,341 Budgeted.
- e. **Fused Cut-Out Report** – There were 2 replaced Cut-Outs and 1 new Cut-out installed on the MSMEC system during the month of June. The replaced Cut-Outs were in Mora and Manuelitas. The newly installed Cut-out was on the El Encinal main line.

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

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

- Tri-State’s Annual Meeting will be held virtually on Wednesday, August 5<sup>th</sup>.
- Tri-State’s budget was reviewed and will be reviewed in depth during their September meeting.
- There will be no new rate increases.
- Ms. Ellen Connor, Senior Vice President of Organization Services, will retire in August.
- Update on template for the Partial Requirements Contract
- Discussion on their future Strategic Planning

**12. NMRECA TRUSTEE REPORT** – NMRECA did not hold a meeting during the month of July 2020. Therefore, no report.

**13. ON-GOING BUSINESS**

- a. **Lineman Development Scholarship Program** - The Trustees are interested in developing a training and educational program for apprentice and journeymen linemen for the purpose of maintaining and expanding the distribution system at MSMEC while providing an opportunity for locals to consider taking on this line of work as a profession. Manager Montoya provided the Board with a draft of the Lineman Development Intern/Scholarship Program outline and asked the Board to consider making changes and provide direction for consideration to approve at a future Board Meeting. After some discussion, the Board asked Mr. Montoya to move forward with his draft and bring back a final version for their review and approval.
- b. **Tri-State Bill/MSM Solar Bill** – Tri-State’s power bill for the month of June was \$448,121.79; MSM Solar Bill was \$32,877.10 with a credit from Tri-State of \$19,312.40. For information only.

#### 14. NEW BUSINESS

- a. **Resolution No. 7-23 2020-005 – Authorizing the Re-Financing of RUS Direct Loan 350014 – Loan Balance as of June 2020 - \$531,897.36** – Manager Montoya presented the Board with Resolution No. 7-23-2020-005, authorizing the re-financing of RUS Direct Loan 350014. This RUS Direct Loan has a balance of \$531,897.36 as of June 2020. CoBank is offering re-financing at interest rates lower than rates at the time the loan was obtained. Interest rate at the time of borrowing was at 5% and CoBank is now offering and interest rate as low as 2.17%. Refinancing the loan could benefit the Cooperative \$268,000.00 over the remaining term of the loan. CoBank has offered three different options for re-financing. After discussion of proposed options, savings and related terms, **a motion was made by Virginia Mondragon, seconded by Robert Baca, to approve Resolution 7-23-2020-005 and give Manager Montoya authority to re-finance the existing RUS Direct Loan 350014 with CoBank at 2.17% interest rate for 16.3 years instead of 23 years. Motion carried unanimously.** Manager Montoya will follow up with required documents to both RUS and CoBank.
- b. **CFC – Special Membership Meeting to Consider Bylaw Amendments – Proposed Bylaw Amendments and Mail-in Ballot** – CFC Bylaws will be reviewed and voted on by voting delegate so as to mail in the ballot before the August 7, 2020 deadline.
- c. **CoBank 2020 Director Election – Mail-in Ballot** – CoBank submitted a mail-in ballot for the 2020 CoBank Director Election in the Mid Plains Region. Two individuals are running to hold this seat for a four-year term. Our voting delegate will vote and ballot will be mailed in before the September 15, 2020 deadline.
- d. **Rebate Form** – A copy of a rebate form for a heat pump installed at a residence was presented to the Board. This rebate form was submitted to Tri-State for consideration and payment for the rebate was approved. The Board was asked whether or not they want to match the rebate payment made by Tri-State. Through our rebate program, MSMEC matches what Tri-State pays for small appliances but has not matched on a heat pump before. General Manager Montoya was asked to further look into this rebate matter before they make their decision.

**15. CORRESPONDENCE**

- a. **Notice of NMRECA’s Annual Meeting – Agenda** – For information only.
- b. **Director Training – 2610 “Understanding the Electric Business”** – For information only.
- c. **Thank you Letter for Scholarship Awarded – Elizia Montoya** – For information only.

**16. INFORMATION**

- a. **Calendar of Events** – Tri-State’s virtual Board and Annual Meeting are scheduled for August 4<sup>th</sup> and 5<sup>th</sup>. NMRECA’s virtual Board and Annual Meeting are scheduled for August 6<sup>th</sup> and 7<sup>th</sup>. MSMEC’s next Finance and Regular Board Meeting are scheduled for Thursday, August 27<sup>th</sup> starting at 10:00 a.m.

**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 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 1:00 p.m.**

**ATTEST:**

  
Virginia Mondragon, Secretary/Treasurer

  
Robert M. Quintana, Chairman