

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**SEPTEMBER 24, 2020**

The meeting of September 24, 2020 was called to order by Robert M. Quintana, Board Chairman, at approximately 10:45 a.m.

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

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

**Les Montoya, CEO/General Manager**

**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. After review, a motion to approve the Agenda as presented was made by Robert Baca and seconded by James Ortiz. 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 met on September 9<sup>th</sup>, 2020. Some of the items covered included the following:

- There were no accidents, no near misses and no on-the-job injuries to report in either Mora or Pecos for the month of August.
- There were no on-the-job incidents to report in Mora.
- There was one on-the job incident to report in Pecos. On August 20<sup>th</sup>, 2020, a working foreman and an apprentice lineman were cutting trees in South Pecos. When cutting trees while on the bucket, the apprentice lowered the boom and hit a dead branch causing it to fall on the windshield of unit 64 and shattering it. No injuries were reported.

- A working foreman asked if the Cooperative could order new hitches for the bucket trucks. Manager Montoya asked the supervisor to get a quote and send in a requisition so he may get them approved.
  - Manager Montoya shared the most recent Governor's Executive Order with the Committee.
  - The journeyman's Merchants on-line testing is now available. Mr. Montoya advised to ask the apprentices what they are most comfortable with. It was asked if the apprentices would be able to take their tests at home. We will get in contact with the Merchants Program and get more information.
  - A safety training session was conducted on August 25<sup>th</sup> for Linemen only. The training topics were Staying Focused, Accident Discussion and Pole Top Rescue. Safety training was conducted by Mr. Roy O'Day, OAEC NM Safety and Loss Control Director.
- 7. ACTION OF REGULAR MEETING MINUTES HELD ON AUGUST 27, 2020** – The Minutes of the Board Meeting held on August 27, 2020 were presented for review and approval. After review, a **motion to approve the Minutes of August 27, 2020 as presented was made by Robert Baca and seconded by Joe C de Baca. Motion carried unanimously.**
- 8. APPROVAL OF NEW MEMBERSHIPS (MORA 28 – PECOS 10)** – Thirty-eight new memberships were presented for review and approval. After review, a **motion to approve all new memberships was made by James Ortiz and seconded by Robert Baca. Motion carried unanimously.**
- 9. MANAGER'S REPORT**
- a. Delinquent Report** – The Delinquent Report was reviewed by Manager Montoya. There was a total of 987 unpaid accounts totaling \$235,454.18. After collection were completed, 663 of those accounts remained unpaid for a total of \$128,524.93.
  - b. RUS Form 7** – The Operating Revenue and Patronage Capital for the month of August was \$893,346; Cost of Purchased Power \$498,799; and after expenses, Total Operation & Maintenance Expense was \$808,231. Total Cost of Electric Service was \$955,136 with Patronage Capital & Operating Margins (\$61,790) and Patronage Capital or Margins at (\$8,787). TIER for the month was at 0.74% and 2.21% YTD. Percent Loss was 6.0% for the month and 4.7% YTD.
  - c. Outage Report** – There were a total of 62 outages for the month of August. There outages affected 1172 MSMEC consumers for a total of 147.25 combined hours.
  - d. Member Sales Budget Report** – The Tri-State Member Sales Budget Report for August 2020 is as follows: Total Energy (kWh) monthly comparison was 5,922,379 Actual and 5,643,029 Budgeted. The Revenues were \$469,030 Actual and \$435,038 Budgeted.

e. **Fused Cut-Out Report** – One new Cut-Out was added to our system in the La Joya/Pecos area.

**10. FINANCE REPORT** – A motion to approve the Manager’s Report, together with the Finance Report, 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 September Meeting. A few of the items covered include the following:

- Tri-State is now FERC regulated as approved by FERC’s Buy-Out Policy.
- Rates will not increase in 2021.
- Tri-State’s goal is to reduce rates.
- Robert Baca was re-elected Vice Chairman of Tri-State’s External Affairs Committee.

**12. NMRECA TRUSTEE REPORT** – Robert M. Quintana, NMRECA Trustee, reported on their September virtual meeting. Some of the items covered during their meeting include the following:

- 2020 NRECA Regional Meeting will be held the week of October 12, 2020.
- RUS loan rates are 1.21% for long-term and 0.11% short-term
- Mr. Groenewold reported the NM Environment Department filed an emergency amendment requiring employers to report positive COVID-19 cases in the workplace within four hours of being notified of the case.
- The 2021 NRECA Annual Meeting will be held virtually and is scheduled for February 18-24, 2021.
- Statewide’s monthly meetings will remain as scheduled.

**13. ON-GOING BUSINESS**

- a. **Board Policy No. 226 – MSMEC Years of Service Recognition Program** – Board Policy No. 226 – MSMEC Years of Service Recognition Program, was again presented to the Board for their review and final approval. The purpose of this policy is to acknowledge employees for their years of service on behalf of the Cooperative and present employee with a token of appreciation for years worked. After review and discussion, a motion to approve Policy No. 226 was made by Robert Baca and seconded by Virginia Mondragon. Motion carried unanimously.
- b. **NRECA Regional Meeting Voting Delegate Certification and Credentialing Process** – After discussion regarding the NRECA Region 10 Meeting, a motion was made by Virginia Mondragon, seconded by James Ortiz, to change the NRECA Regional Meeting Voting Delegate Certification and Credential process by appointing Les Montoya as Voting Delegate. Motion carried unanimously.
- c. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for the month of August was \$469,030.46. The MSM Solar bill was \$29,768.44 with a credit from Tri-State of \$23,132.31.

#### 14. NEW BUSINESS

- a. **Lucky Corridor, LLC – Presentation** – The Lucky Corridor presentation was given by Mr. Sean Black, Director of Ameren, and Ms. Lynn Green, Consultant to Ameren on the Mora Line. Ameren presented the Trustees with a hard copy of a power point presenting the proposed Mora Transmission Line. Ameren is proposing to build a transmission line beginning East of Springer and continuing South to Las Vegas. The transmission line will serve the purpose of transmitting renewable energy. Ameren is proposing to work with MSMEC in the planning stages and offers a partnership with MSMEC in the process. The Trustees requested information regarding alignments that would be beneficial for both. Ameren is to present options for the Trustees to consider.
- b. **Form 990 – 2019 Return of Organization Exempt Form** – A draft copy of Form 990 was presented to the Board for their review and approval. After review, a **motion was made by Robert Baca and seconded by Joe C de Baca to approve Form 990 draft copy for the 2019 tax year with final copy to be filed with IRS. Motion carried unanimously.**
- c. **CFC District 10 Meeting – A motion to appoint Les Montoya, General Manager, as voting delegate for the CFC District 10 Meeting was made by James Ortiz and seconded by Joe C de Baca. Motion carried unanimously.** Mr. Montoya is to complete and sign the mail-in ballot and return it to CFC before Friday, October 9, 2020.
- d. **Professional Services Agreement to perform Partial Requirements Evaluation – Wind-Solar Feasibility** – The Board was presented with a copy of the Professional Services Agreement to perform a Partial Requirements Evaluation – Wind-Solar Feasibility. Tri-State G & T will be initiating an “Open Season” beginning in January 2021. Members have the option of considering switching to a Partial Requirements contract with Tri-State. A Partial Requirements contract allow Members to expand their purchases of renewable energy above the 5% allowed in the existing All Requirements Contract. MSMEC will evaluate the comparison between MSMEC power supply costs today under the current contract and compare that value to a future state in which MSMEC purchases wind or solar power. For information only.

#### 15. CORRESPONDENCE

- a. None

#### 16. INFORMATION

- a. **Calendar of Events** – Statewide Meetings are scheduled for October 1<sup>st</sup> and 2<sup>nd</sup>. Tri-State Meetings will be held virtually on October 6<sup>th</sup> and 7<sup>th</sup>. MSMEC Offices will be closed on Monday, October 12<sup>th</sup> in observance of Columbus Day. Tri-State Member CEO Quarterly Meeting will be held on October 13<sup>th</sup>. MSMEC’s next Finance and Regular Board Meetings will be held on Wednesday, October 28<sup>th</sup> starting at 10:00 a.m.

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 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 – 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

  
Robert M. Quintana, Chairman