

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING MINUTES
HELD ON
MAY 27, 2021

The Meeting was called to order at 10:48 a.m. by Board President, Robert Baca.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: Robert Baca, President
James Ortiz, Vice President
Virginia Mondragon, Secretary/Treasurer
Joe C de Baca, Member

Others Present: Les Montoya, CEO/General Manager
Debbie Alexander, Admin. Assistant

2. INVOCATION – Robert Baca, President, 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, **James Ortiz motioned to approve the agenda as presented. Virginia Mondragon seconded that motion. Motion carried unanimously.**

5. RECOGNITION OF GUESTS

- a. Invited Speakers – (15-minute time limit)** – Sam Ramirez, newly elected Board Trustee for District 2, attended today’s meeting. Mr. Ramirez will be sworn in as MSMEC’s District 2 Trustee during our June Board Meeting.
- b. General Public Comment (5-minute time limit)** – **Frank Gonzales, San Pablo, NM** – No show.
- c. Introduction of Employees – DesMarie Romero – Bookkeeper** – DesMarie Romero was introduced to the Board as our newly hired Bookkeeper. The Board welcomed her to MSMEC and DesMarie thanked everyone for the opportunity and said she is enjoying her new job.

6. SAFETY REPORT/MINUTES – The Safety Committee met on May 13, 2021. The meeting was held via teleconference and those attending included Francisco Caro, Sara Cordova, Pamela Gallegos, Les Montoya, Lawrence Salas and Albert Salazar. A few of the items covered included the following:

- There were no accidents, no near-misses, and no on-the-job injuries or incidents to report in Mora or Pecos for the month of April 2021.

- A Meter Technician was reading meters in the Serafina/Chapelle area when he noticed two homes had been burglarized. The doors showed signs of a break in. The Technician immediately contacted his supervisor, who in turn contacted one of the home owners and NM State Police and filed a report.
- Manager Montoya advised the committee that we are experiencing problems with our incoming office calls and are attempting to identify the issues.
- Martin Teran, Pecos employee, tested out to become a Certified Journeyman Lineman. Congratulations Martin!
- The 2020 Audit was presented to the Board of Directors during their April Board Meeting. There were no significant findings and books are in order. Recommendations were made to close outstanding work orders.
- Manager Montoya advised the committee he received direction from the Board to consider setting up EV Chargers in Mora and Pecos. These charging stations can be possible based on the support offered by Tri-State and our renewable energy funds.
- Safety training was held on April 21st for the Line and Meter Departments. The virtual training was on Normal Voltage, Minimum Approach Distance, Safety Attitudes and Pinch Points.

7. ACTION OF REGULAR MEETING MINUTES HELD ON APRIL 29, 2021 – The Board Minutes of the meeting held on April 29th, 2021 were presented for review and approval. After review, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to approve the minutes of April 29th, 2021 as presented. Motion carried unanimously.**

8. APPROVAL OF NEW MEMBERSHIPS (MORA 32 – PECOS 11) – Forty-three new memberships were presented to the Board for their review and approval. After review, **a motion was made by James Ortiz, seconded by Joe C de Baca, to approve all new memberships. Motion carried unanimously.**

9. MANAGER’S REPORT

- a. Delinquent Report** – The Delinquent Report for April 2021 had 866 unpaid accounts totaling \$292,334.38. Courtesy calls were not made based on notice from NMPRC; therefore, no collections took place.
- b. RUS Form 7** – The RUS Form 7 for the period ending April 30, 2021 was reviewed by Manager Montoya. Operating Revenue and Patronage Capital was \$1,034,998; Cost of Purchased Power was \$524,698; and Total Operation & Maintenance Expenses equaled \$891,962. Total Cost of Electric Service was \$1,029,098; Patronage Capital & Operating Margins \$5,901; and Patronage Capital or Margins was \$7,645. Our Line Loss for the month was -4.3% and 2.8% year-to-date. TIER for the month was 1.25% and 3.66% year-to-date. OTIER was 1.19% for the month and 3.54% year-to-date.

- c. **Outage Report** – There were 27 reported outages during the month of April 2021. A total of 117 consumers were affected by these outages for a combined 47.25 hours.
- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget Report for April 2021 is as follows: Total Energy (kWh) monthly comparison was 6,466,881 kWh Actual and 5,791,802 kWh Budgeted. The month's Revenues were \$505,274 Actual and \$460,024 Budgeted.
- e. **Fused Cut-Out Report** -There were five new cut-outs installed on our system. Four of the cut-outs were installed on Highway 104 – Trujillo Route and one cut-out installed in Chacon.

10. FINANCE REPORT – A motion to approve the Finance Report of the Finance 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 May 2021 meeting held in Westminster, Colorado. Some of the items covered included:

- 2% rate reduction approved by FERC this year and again next year
- Capital Credits will not be paid out this year
- Covid-19 Update
- Strategic Planning
- Education Session on Coal
- Mitigation for fire due to drought
- Financial review
- FERC did not approve buy-out methodology

12. NMRECA TRUSTEE REPORT – NMRECA did not hold a meeting during the month of May; therefore, no report.

13. ON-GOING BUSINESS

- a. **Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for April 2021 was \$493,267.54. MSM Solar bill was \$31,430.74 with a credit from Tri-State of \$18,475.10.

14. NEW BUSINESS

- a. **Resolution No. 5-27-2021-002 – Authorizing MSMEC to withdraw Class C Membership with Basin Electric** – Manager Montoya advised the Board that Tri-State will pay for MSMEC's membership with Basin Electric for a couple of years; therefore, the Resolution presented will not have to be approved at this time.
- b. **Board Policy No. 217 – Retirement & Recognition – Amendment** – The Board was presented with a proposed amendment to Board Policy No. 217, Retirement & Recognition. Human Resources advised of issues that would be problematic for both

employees and employer when an employee determines to retire from employment. Issues revolve around employees retaining benefits while no longer performing services for the Cooperative. In order to address any potential problematic issue(s), the existing policy is being amended. The Board was asked to review the proposed amendment. It will again be included in next month's agenda for further discussion and determine if the Board will approval the amendment to board Policy No. 217, Retirement & Recognition.

- c. **PRC Filing – Proposed Advice Notice 67** – Presently, MSMEC has a Promissory Note Line Extension, Form #17, filed with NMPRC which allows for MSMEC to issue promissory notes to consumers who contemplate paying to have a line extension completed. MSMEC has not issued a promissory note and was directed by the Board years back to discontinue entering into promissory notes. No action was taken to discontinue with the policy as filed with PRC. MSMEC will file Advice Order No. 67 to eliminate Form 17, Promissory Note Line Extension from the policies previously set with NMPRC. **A motion was made by Virginia Mondragon, seconded by James Ortiz, to approve to file Advice Notice 67 to discontinue and eliminate Promissory Note Line Extension with NMPRC. Motion carried unanimously.**
- d. **CFC Cooperative System Integrity Fund** – After review and discussion, MSMEC does not support this fund and will not participate.
- e. **CFC 2021 Annual Membership Meeting Official Mail Ballot** – As voting delegate, Manager Montoya, will vote and send it in by mail.
- f. **MSMEC Superintendent Job Description** – The General Manager is proposing the creation of an administrative position of Superintendent to be assigned to the Pecos Office. The Superintendent will be responsible to oversee the operations in Pecos on a daily basis and assist the Operations Manager with administrative responsibilities. This will include field operations occurring out of the Pecos Office and included oversite of office staff in Pecos. The proposed job description defines the roles and responsibilities of the Superintendent. After discussion, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to approve the proposed job description of Superintendent as presented. Motion carried unanimously.**

15. CORRESPONDENCE

- a. **Thank you letter to Ronald & Virginia Duran – MSMEC Members** – For information only.
- b. **NMRECA Board Committees** – For information only.
- c. **Tri-State - Quarterly Member CEO Meeting** – For information only.

16. INFORMATION

- a. **Calendar of Events** – Tri-State will meet on June 2nd and 3rd, 2021. Statewide will hold their meetings on June 3rd and 4th, 2021. MSMEC's Finance and Regular Board Meetings are scheduled to be held on Thursday, June 24th, 2021 starting at 10:00 a.m.

A motion to move into Executive Session was made by Virginia Mondragon 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 James Ortiz 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 Virginia Mondragon. Motion carried unanimously. Meeting adjourned at 2:10 p.m.

ATTEST:


Virginia Mondragon, Secretary/Treasurer


Robert Baca, President