

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**MAY 28, 2015**

The Board of Trustees Meeting of May 28, 2015 was called to order by Board Chairman, Robert M. Quintana at approximately 12:45 p.m.

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

**Present:**        Robert Baca  
                     Virginia Mondragon  
                     James Ortiz  
                     Diego Quintana  
                     Robert Quintana

**Others**            Greg Low, CEO  
**Present:**        Debbie H. Alexander, Administrator

**2. INVOCATION** – James Ortiz, Board Member, 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. CEO Low asked that the agenda be amended by removing item #13 c – Notice of NRECA Director Election – NMRECA Annual Meeting. This had been taken care of at our last meeting. Also, item #17 a - Executive Session – Cost of Service/Rate Design and item b – By-Law Proposals need to be removed. Both of these items were not completed for discussion. CEO Low asked for a special meeting on June 9th to have the cost of service study completed and have our legal counsel review the by-law amendments submitted. There was some discussion as to why item (b) By-Law Proposals was in Executive Session since they were submitted in accordance to Article 12 of our by-laws. By-law proposals submitted will be reviewed by our legal counsel before presented to the membership for clarification. Discussion continued, **a motion to accept the agenda as amended was made by Virginia Mondragon and seconded by Robert Baca. Motion carried. Diego Quintana opposed.**

**5. SAFETY REPORT** – Greg Low, CEO, reported on the Safety Report for April 2015 as follows:

- Hours worked since our last lost-time accident = 121,156.59
- No accidents were reported in Mora or Pecos.
- An employee from the Mora office fell in the employee parking lot and a Pecos employee fell while getting to the Coop truck.

- Roy O'Day held some training for our linemen on the following: Line Clearance – Tree Trimming Training, Comparing qualified Line Workers and Line Clearance Tree Trimmers, Head Protection in the Workplace, and Safety – The Human Factor.

## 6. RECOGNITION OF GUESTS –

- a. Invited Speakers – (15 minute time limit)- None
- b. General Public Comment (5 minute time limit)

**Consumers present: Daniel Romero, Tomas Sanchez, J. D. Weathers and Jerome Lucero addressed the Board with the following:**

1. Daniel Romero - Addressed the Board concerning the recent lawsuit filed against our Coop by a trustee and a couple of other consumers. We as consumers have to pay this litigation bill out of our pockets. Board member is fighting this Coop and Board should hold him accountable for this. What is this Board going to do about this?
2. Tomas Sanchez – Has trouble with a trustee suing the Coop – with that mentality, has no business being a board member.
3. J. D. Weathers – Concerned with the recent litigation and what it cost our Coop – costs all of us as consumers. He also suggested hiring a firm to look at our by-laws so that this type of litigation doesn't happen again due to our by-laws not being clear.
4. Jerome Lucero – Agreed with other's concerns and stated that if things continue as they are, it didn't matter if by-laws are changed.

## 7. ACTION OF REGULAR MEETING MINUTES HELD ON APRIL 16, 2015 – The Minutes of the April 16<sup>th</sup> meeting were presented for review and approval. After some discussion, **a motion for approval was made by Robert Baca and seconded by Virginia Mondragon.**

**ACTION OF EMERGENCY MEETING MINUTES HELD ON APRIL 29, 2015 –** The Minutes of the Emergency Meeting held on April 29<sup>th</sup>, 2015 were presented for review and approval. **A motion to approve the minutes was made by Robert Baca and seconded by Virginia Mondragon.**

There was some discussion concerning the meeting. Diego Quintana stated that this was an invalid and illegal meeting because it was done against all rules and regulations. Diego Quintana asked Robert Baca, who chaired this meeting, if he had called for the meeting and under what authority had he done that. Mr. Baca stated that CEO Low had advised him of the need to schedule a meeting where he should Chair the meeting. CEO Low advised Diego Quintana that there was need to schedule this emergency meeting because the budget had to be approved due to CoBank and RUS needing this approval. There were also some election eligibility issues needed to be taken care of and since Robert M. Quintana, Chairman, was a candidate there could be a conflict of interest if he chaired the meeting. **A vote was taken. Motion carried – Diego Quintana opposed.**

## 8. APPROVAL OF NEW MEMBERSHIPS (MORA 30 – PECOS 19) – A total of 49 new memberships were presented for review and approval. **A motion was made by Diego**

Quintana, seconded by Robert Baca, to approve the new memberships as presented. Motion carried unanimously.

#### **9. MANAGER'S REPORT**

**a. Delinquent Report** – Delinquent Report for the month of April was not available at this time. It will be provided at our next meeting.

**b. RUS Form 7** – The RUS Form 7 was presented and reviewed. Operating Revenue and Patronage Capital was at \$955,008, Cost of Purchased Power at \$492,336 and Total Operation & Maintenance Expense was at \$802,608. Total Cost of Electric Service for the month was \$939,910, Patronage Capital & Operating Martins at \$15,098 and Patronage Capital or Margins = \$15,119. TIER for the month was at 1.35% and 2.11% YTD.

**c. Outage Report** – CEO Low reported on the Outage Report. There were a number of larger outages due to the wet snow storms that hit during the month of April. Employees from the Pecos line crew came to the Mora area to help out with these outages. Because of the heavy snow, we had broken poles and many snapped power lines. There is a large amount of maintenance and tree trimming that needs to be done in this area.

**10. FINANCE REPORT** – The Finance Meeting Minutes held earlier today were presented to the Board for approval. **A motion to approve both the Manager's Report and the Finance Meeting Minutes was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.**

**11. TRI-STATE TRUSTEE REPORT** – Virginia Mondragon, Tri-State Trustee, reported on the meeting held in May 2015. Some items discussed included:

- New board members elected
- Discussion on potential new by-laws
- Tri-State's General Manager's job title changed to Chief Executive Officer
- Energy sales have gone down due to solar energy
- Salaries and compensation
- Rate Structure

**12. NMRECA TRUSTEE REPORT** – Due to the NMRECA Annual Meeting being held the first week in June, the regular Statewide meeting was not held at the end of May.

#### **13. ON-GOING BUSINESS**

**a. District 2 Election Results** – The results of the District 2 Election held on May 19<sup>th</sup>, 2015 were presented. Robert M. Quintana had 202 votes – Geraldine Baca had 43 votes.

**b. Letter to RUS** – CEO Low reviewed the letter sent to RUS as a follow-up to MSMEC's corrective action plan. This letter addressed our RUS Form 7's, Audit information, Cost of Service Study and Budget.

c. **Tri-State's Power Bill & MSM Solar Bill** – There was a short review and discussion related to our Tri-State Power Bill, \$417,982.37, and Solar Bill was \$29,047.32 with a credit of \$16,639.05.

#### 14. NEW BUSINESS

a. **Federated Rural Electric Insurance – Renewal** – After presentation and discussion of the Federated Rural Electric Insurance Renewal, **a motion was made by Robert Baca, seconded by Virginia Mondragon, to approval the renewal of insurance. Motion carried unanimously.**

b. **Cooperative Generators – Preventive Maintenance Proposal** – After a short discussion concerning the high cost of this proposal, it was decided that the matter will be looked at closer before any final decision is made.

c. **Annual Meeting** – There was a discussion concerning our Annual Meeting, which will be held on Saturday, June 27<sup>th</sup>. The Board decided that a meal will be served to the Membership in during our Annual Meeting in Mora. By-law amendments submitted will be reviewed by our legal counsel and a special meeting was scheduled for June 9<sup>th</sup> to go over this subject and the cost of service study.

#### 15. CORRESPONDENCE – None.

#### 16. INFORMATION

a. **Calendar of Events** – Tri-State Meeting is scheduled for June 2<sup>nd</sup> and 3<sup>rd</sup>. Statewide Annual Meeting will be held in Taos at the Sagebrush Inn on June 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup>. Special Meeting is scheduled for June 9<sup>th</sup> at 3:00 p.m. at the Mora Boardroom. Our Finance and Regular Meeting are scheduled for Wednesday, June 24<sup>th</sup> – starting with Finance Meeting @ noon and Regular Board Meeting @ 12:45 p.m. Statewide Meeting is scheduled for June 25<sup>th</sup> and 26<sup>th</sup>. Our Annual Meeting is scheduled for Saturday, June 27<sup>th</sup> from 10:00 a.m. to noon at the Mora High School Gym. Lunch will be served to members starting at noon at the Mora High School Cafeteria.

**A motion to move into Executive Session was made by Robert Baca and seconded by James Ortiz. Motion carried unanimously.**

#### 17. EXECUTIVE SESSION

- a. **Cost of Service/Rate Design**
- b. **By-Law Proposals**
- c. **Litigation**

**A motion to move out of Executive Session and back into Regular Session was made by Virginia Mondragon and seconded by James Ortiz. Motion carried unanimously.**

#### 18. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – No action taken.

#### 19. OTHER BUSINESS TO COME BEFORE THE BOARD – None.

**20. ADJOURNMENT - A motion to adjourn was made by Virginia Mondragon. Motion carried unanimously. Meeting adjourned at 3:34 p.m.**

**ATTEST:**

  
**Virginia Mondragon**  
**Secretary/Treasurer**  
**Robert M. Quintana**  
**Board Chairman**