

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.**  
**BOARD OF TRUSTEES MEETING MINUTES**  
**HELD ON**  
**AUGUST 22, 2023**

The meeting was called to order by Robert R. Baca, Board President at 10:46 a.m.

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

**Present:** Robert Baca, President  
James Ortiz, Vice President  
Virginia Mondragon, Secretary/Treasurer  
Joe C de Baca, Trustee  
Samuel Ramirez, Trustee

**Others Present:** Les Montoya, General Montoya  
Debbie Alexander, Administrative Assistant

- 2. INVOCATION** – Board President, Robert Baca, 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. One amendment was made adding under New Business – e. Tax Form 990PF. **A motion to approve the agenda with one amendment was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried.**
- 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 monthly meeting was held on August 8, 2023. Those in attendance included Les Montoya, Larry Barela, George Valdez, Martin Teran, Tristan Trujillo, and Sandra Garcia.
- There were no accidents, no near misses, no on-the-job injuries, nor incidents to report in either Mora or Pecos.
  - RESAP on-site observation was held July 24<sup>th</sup> – July 27<sup>th</sup> both in Mora and Pecos Offices. A Section Evaluation Summary was provided with recommendations for areas of improvement.

- FEMA update: Manager Montoya reported that MSMEC received 1.8 million of the 5 million submitted for reimbursement. Three work orders have been submitted – one for 1.8M, a second for 2.3M and the third is for 17M which will be used to pay out as work is completed.
- MSMEC advertised for vegetation management services to remove burnt trees. Only one bid was submitted.
- Next Safety Training will be held on August 22, 2023. Topics to be covered will include Grounding for Employee Protection and Hazard Recognition & Reporting.
- The new safety manual – American Public Power Association (17<sup>th</sup> Edition) - is ready to hand out to all employees. The Board of Trustees will officially recognize the new safety manual as the Safety Program Policy for our Cooperative at their next scheduled meeting.
- The new Union Representative, Rick Chavez, met with Manager Montoya on August 7, 2023. Mr. Chavez was briefed and updated on the last 2 years at MSMEC.

**7. ACTION OF REGULAR MEETING MINUTES HELD ON JULY 27, 2023** – The Minutes of the meeting held on July 27, 2023 were presented to the Board. After review, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to approve the Minutes of July 27, 2023 as presented. Motion carried.**

**8. APPROVAL OF NEW MEMBERSHIPS (MORA 18 – PECOS 7)** – Twenty-five new memberships were presented to the Board for their review and approval. After review, **a motion was made by James Ortiz, seconded by Sam Ramirez, to approve all new memberships as presented. Motion carried.**

**9. MANAGER'S REPORT**

- Delinquent Report** – The Delinquent Report was presented by Manager Montoya. There were 993 delinquent accounts totaling \$273,127.37. After collections, 558 of those accounts remained unpaid for a total of \$120,531.97.
- RUS Form 7** – Manager Montoya reported on the RUS Form 7 for the period ending July 31, 2023. Operating Revenue and Patronage Capital for the month was \$1,046,649; Cost of Purchased Power was \$573,288; Total Operation & Maintenance Expense was \$865,067. Total Cost of Electric Service was \$1,024,046 with Patronage Capital & Operating Margins at \$22,602, and Patronage Capital or Margins at \$26,390. TIER for the month was at 2.06% and OTIER at 1.91%.
- Outage Report** – There were a total of 73 outages reported during the month of July 2023. The number of consumers affected by these outages was not available.

- d. **Member Sales Budget Report** – The Tri-State Member Sales Budget for July 2023 was as follows: Total energy monthly comparison was 7,071,740 Actual kWh and 6,476,795 Budgeted kWh. Revenues were \$550,997 Actual and \$478,823 Budgeted.
- e. **Fused Cut-Out Report** – One cut-out was replaced on the main line in Ilfeld during the month of July.

**10. FINANCE REPORT** – A motion to approve the Minutes of the Finance Meeting held earlier today, together with the Managers Report, was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried.

**11. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on the August 2023 Board Report. Some of the items covered included:

- ERA Program informational meeting
- FERC discussion
- Purchased power (non-renewable) as 24% of total power supply
- Member sales revenue was 7.8% under budget and non-member were 19.2% under budget
- Operating revenue were 8.1% lower than budget
- September Meetings are scheduled for September 7<sup>th</sup> & 8<sup>th</sup>

**12. NMRECA TRUSTEE REPORT** – James Ortiz, NMRECA Trustee, reported that no meeting was held during the month of August. A Board Meeting and Strategic Planning Workshop will be held on September 7<sup>th</sup> & 8<sup>th</sup>, 2023.

**13. ON-GOING BUSINESS**

a. **CoBank's Sharing Success Program – Funding Presentation to Patricia Smith, President, San Miguel /Mora County Fair Association** – Ms. Patricia Smith, President of the San Miguel/Mora County Fair Association, was presented with two checks of \$2,500.00 each. MSMEC applied through the CoBank Sharing Success Program on behalf of the San Miguel/Mora County Fair Association. CoBank approved the application committing a match of \$2,500.00 to MSMEC's \$2,500.00. These funds will be utilized by the San Miguel/Mora County Fair Association to improve condition for the show barns at the fairground facilities. Ms. Smith thanked the Board and CoBank for their great generosity in helping their association make improvements to their facilities and make conditions better for the young exhibitors, spectators and show animals.

b. **Award Contract to Expanse Electric Company – Rebuild Work – Phase II** – Bids for the rebuild of distribution lines were recently solicited. Expanse Electric requested to extend their services into Phase II of the rebuild after completing their work under Phase I. After review of pricing and work, a recommendation was made to the Board to award the contract to Expanse Electric. A motion was made by Virginia Mondragon, seconded by James Ortiz, to authorize award of contract to Expanse Electric to perform work in Phase II of the rebuild. Motion carried.

**c. Vegetation Maintenance Services – Request for Bids – Recommendation for Award** – Manager Montoya reported to the Board that vegetation maintenance will be required as part of the rebuild efforts in Phase II. Work areas, as well as other areas within our service territory, are encroached by burnt/dead/fallen trees and contractors are unable to access the right of way to perform the rebuild work. Due to this situation, Request for Bids for these services were advertised by T&D Services on behalf of MSMEC and only one qualifying bid was submitted. The Board was asked to review the request for bids and the sole bid that was submitted. **A motion was made by James Ortiz, seconded by Sam Ramirez, to award the bid to Innovation Tree Specialist as recommended by T&D Engineering. Motion carried.**

**d. Tri-State Bill/MSM Solar Bill** – The Tri-State power bill for July 2023 was \$550,996.68. MSM Solar bill was \$22,291.04 with a credit from Tri-State of \$19,106.66.

#### **14. NEW BUSINESS**

**a. Adoption of Operations Safety Manual** – Manager Montoya provided the Board with a copy of the American Public Power Association (17<sup>th</sup> Edition) Safety Manual. MSMEC work crews have performed their work in compliance with this safety manual. The Board was asked to review and consider adopting this safety manual effective August 22, 2023. **A motion was made by Virginia Mondragon, seconded by Sam Ramirez, to adopt the American Public Power Association (17<sup>th</sup> Edition) as MSMEC's Safety Manual effective today, August 22, 2023. Motion carried.**

**b. Discussion on MSMEC Relinquishing a Section of Line** – A grass fire occurred on the Marsh Ranch near Wagon Mound on April 28, 2023 after being ignited by a power line that structurally failed. The owner of the ranch will now be combining the wells fed by this power line to solar and no longer requires service off this power line. The owner of the Marsh Ranch requested that MSMEC abandon the extension and relinquish the ownership of the power line to them. This section of line, which is approximately 6 miles of single-phase line includes 82 poles and approximately 12,000 feet of wire, has served the three wells and no other consumers. MSMEC discussed removing the line, and or having a contractor remove the line, as the owner wants the line removed once the three wells are converted to solar and the section is de-energized. The cost associated with removing the line is greater than the value of the line and materials. The Board was asked to review the information submitted and consider authorizing the General Manager to relinquish this section of line to the Marsh Ranch, property owner. After review and discussion, **a motion was made by Virginia Mondragon, seconded by Joe C de Baca, to authorize the General Manager to relinquish the section of line in question to the Marsh Ranch with the agreement that if they at some point in time want this line to be extended again, they will incur the costs to do so. Motion carried.**

**c. Notice of Project Deadline Approaching – Emergency Disaster Funds Public Assistance** – Information was provided to the Board that MSMEC was notified that the three projects approved in the grant portal by FEMA were expiring within 90 days. These projects are not yet completed and will not be completed within the next 90 days. MSMEC sent a letter to NM Homeland Security and Emergency Management requesting

an extension on the deadline on these projects and currently waiting to hear back from them.

**d. Contract for Electric System Construction offered by T&D Construction, LLC –** MSMEC crews are experiencing heavy workloads related to new services, system maintenance and outage response. And the recent loss of qualified Journeymen, has impacted the amount of work that can be assigned on the rotation or on-call duty. Manager Montoya provided the Board an option that T&D Con, LLC is offering to consider when attempting to complete work, whether it be new services, system maintenance and/or outage response. This contracted work would enable MSMEC to remain responsive to work required on our distribution system. After review and discussion, **a motion was made by Sam Ramirez, seconded by Virginia Mondragon, to authorize the General Manager to enter a contract for services being offered by T&D Con, LLC with the understanding the services would be requested on an as needed basis. Motion carried.**

**e. Tax Form 990PF –** Tax Form 990PF for 2022 was prepared for the MSMEC Education Foundation by Bolinger, Segars, Gilbert & Moss, L.L.P. The Board was asked to review Form 990PF and approve for filing. After review, **a motion was made by Sam Ramirez, second by Virginia Mondragon to approve the filing of Tax Form 990PF by Bolinger, Segars, Gilver & Moss, L.L.P. for 2022. Motion carried.**

#### **15. MSMEC EDUCATIONAL FOUNDATION**

- a. None

#### **16. CORRESPONDENCE**

- a. **Albuquerque Fire Rescue Training Division – Thank you for donation of Utility Poles –** For information only.
- b. **Letter – Requested Federated Rural Electric Insurance Exchange Board Support –** For information only.
- c. **NMRECA 2023 Strategic Planning Retreat –** For information only.

#### **17. INFORMATION**

- a. **Calendar of Events –** Offices will be closed on Monday, September 4th in observance of the Labor Day Holiday. NMRECA Strategic Planning Workshop will be held on September 7<sup>th</sup> and 8<sup>th</sup> in Bernalillo, NM. Tri-State will meet on September 7<sup>th</sup> & 8<sup>th</sup>. MSMEC's Board will meet on Thursday, September 28<sup>th</sup> for their next scheduled Finance and regular Board Meetings.

**A motion to go into Executive Session was made by Virginia Mondragon and seconded by James Ortiz. Motion carried.**

#### **18. EXECUTIVE SESSION**

- a. **Personnel Matters**
- b. **Update on Union Matters**

**c. Litigation Matters**

A motion to leave Executive Session and return to regular session was made by James Ortiz and seconded by Joe C de Baca. Motion carried.

**19. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None.**

**20. OTHER BUSINESS TO COME BEFORE THE BOARD – None.**

**21. ADJOURNMENT – A motion to adjourn today's meeting was made by James Ortiz and seconded by Joe c de Baca. Motion carried. Meeting adjourned at 1:55 p.m.**

**ATTEST:**

  
Virginia Mondragon, Secretary/Treasurer

  
Robert Baca, Board President