

BOARD OF TRUSTEES MEETING MINUTES

HELD ON

December 23rd, 2025

The meeting of Wednesday, December 23, 2025 was called to order at 11:12 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
 Joe C de Baca, Trustee
 Samuel Ramirez, Trustee
 Les Montoya, General Manager
 Tami Hernandez, Administrative Assistant

2. INVOCATION – Robert Baca, Board 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. **A motion was made by James Ortiz to approve the Agenda, Seconded by Sam Ramirez. Motion carried unanimously.**

5. RECOGNITION OF GUESTS – None

- a. Invited Speakers- (15-minute time limit)-None
- b. General Public Comments-(5-minute time limit)- None
- c. Introduction of New Employee- None

6. SAFETY REPORT/MINUTES – December 22, 2025

7. ACTION OF REGULAR MEETING MINUTES HELD ON December 23, 2025 – The Board Minutes for the meeting held on December 23rd 2025, were presented to the Board for review and approval. After review, **a motion to approve the Board Minutes as presented was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously.**

8. **APPROVAL OF NEW MEMBERSHIPS (MORA 13– PECOS 10)** A total of twenty three, memberships were presented for review and approval. After review, **a motion was made by Virginia Mondragon, seconded by James Ortiz, to approve all new memberships as presented. Motion carried unanimously.**
9. **MANAGER’S REPORT** – Manager’s report was approved with a motion by Sam Ramirez and seconded by Virginia Mondragon. Motion carried unanimously.
- a. **Delinquent report** – The Delinquent Report for the month of November 2025 was presented for review. There was a total of 761 delinquent accounts totaling \$183,016.46. After collections, 519 of those accounts remained unpaid for a total of \$99,390.33.
 - b. **RUS FORM 7** – The month ending **November 30, 2025** shows a Margin of \$(700,768) for the month. We are at \$404,008 in Revenue, \$945,755 Total Expenses and \$115,553 in Depreciation. Interest on Long Term Debt \$23,060 and Interest Expenses \$20,971. Total Cost for the month \$1,106,433. Non-Operating Margins Interest is \$1,667. Operating Margins are \$(702,434) for Year-to-Date. Tier 0.14 YTD and -29.39 for the Month. **(Margins were off in November, due to billing errors in November).**
 - c. **Outage Report-** There were many outages.
 - d. **Fused Cut-Out Report-**One new cut-out was installed or replaced during the month of November 2025.
10. **FINANCE REPORT** –A motion to approve the Finance Report along with Manager’s report was motioned by James Ortiz and Seconded by Virginia Mondragon. Motion Carried.
11. **TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on Tri-State’s December 3, 2025 meeting. A few of the items covered/discussed included the following:
- Discussion about Town Hall meetings were successful, but participants did not ask many questions. Discussions covered upcoming legislative items, including bills the organization is watching.
 - Discussion on increasing participation. Tri-State will be sending a smaller delegation of four people from New Mexico, four from Colorado, four from Wyoming and four from Nebraska to Washington D.C.
 - The closure of a co-op coal plant was discussed, noting that only one plant will remain open, which is sustained by the current coal supply.
 - Large power outages in Wyoming due to high winds were discussed as a growing concern that may start affecting the co-op. Talk of three co-ops are attempting to withdraw from Tri-State, which may lead to legal action.

- Discussions about data centers, can risk federal funding.

12. NMREC TRUSTEE REPORT – James Ortiz, NMREC Trustee reported meeting for December 7th, 2025.

- David Spradlin reported that following the shut-down, NRECA has been meeting with different agencies to discuss their priorities. FEMA reform bill was added to the house floor. Announcement that registration for the annual meeting in Nashville is now open. They will discuss potential investments, and the 2026 budget does not have any dues increases.
- An economic update was provided, noting that the overall economy is gradually slowing, with job growth slowing and the unemployment rate at 4.4%.
- Co-Bank will be hosting a reception on January 12, 2026 at the NRECA CEO Close-Up event. There will be a fireside chat with Jim Matheson and Tom Halverson on January 26, 2026 at the NRECA Directors Conference.
- Gordon Whitelock with Burns and McDonald presented on joint use application processing, where they receive and process the applications, do the pole analysis, and it will generate staking sheets.
- The committee also discussed the wildfire bill and received updates on PRC workshop. They discussed an emergency incident and actions taken following the incident. The group presented Les Montoya with a retirement gift and recognized him for his years of service at MSMEC.
- Discussion was held regarding the communication committee's plan to focus on including recipes and highlighting local youth in the magazine.
- Vince Martinez reported that contributions of \$500 each were provided to Representative Gail Armstrong, Jack Chatfield, and Patty Lundstrom.
- There was discussion about opposing a public power resolution in Santa Fe County, which would involve a feasibility study for the county to start its own utility company, which is currently not allowed by the state statute.
- Talia stated that co-ops have started with Youth Tour selections and will be rolling out electronic information packets after selections have been made.
- Discussion regarding the annual BBQ in September and adjusting the dates for staff convenience.
- Carmen Campbell stated that the PRC is updating their filing system, and she is on the test group for the PRC to identify bugs prior to deployment. The Grid Modernization grant will be open each month until the \$70M is fully encumbered. Applications can be submitted anytime throughout the month for consideration the following month.
- The Safety Trailer is ready for use.
- A fatality involving a subcontractor's employee occurred when a slip knot slipped out, hitting the individual in the back of the neck. Two people working at the top were the

deceased person's children, emphasizing the severity and sadness of the incident, and stressed the importance of safety.

13. ON-GOING BUSINESS-

- a. **Tri-State Generation and Transmission, Inc., and MSM Solar, LLC. Invoices.**
- b. **Disaster Loan Program Application Projects 677452 & 737789. NM Department of Finance and Administration for repair of damages caused by the HPCC fires.**
The Department of Finance and Administration set up a zero-interest loan fund for to assist in covering the costs associated with damages caused by HPCC fires. The State awarded loan funds in the amount of \$5,848,502.77 and \$1,950,000.00. On October 13, 2025. The board was provided with the agreement to review and consider approving to accept the funding. DFA has worked with MSMEC to address the concerns MSMEC had issues with a few of the terms in the loan agreement. DFA will provide letters agreed upon by DFA and MSMEC addressing those terms that were of concern. With the waivers being presented MSMEC is comfortable with requesting the board to consider approving the agreement. The board reviewed the Loan Agreement and the Waive Letters. **A Motion to approve the Loan Agreement and Waiver Letters and authorized to sign the Loan Agreement by Virginia Mondragon and seconded by Joe C de Baca. Motion approved unanimously.**
- c. **Job Description for the Vegetation Management Specialist Position.** MSMEC is planning to develop a vegetation management program that will be responsible for the implementation of the Cooperative's Wildfire Mitigation Plan and Vegetation Management services. In order for his to happen, an individual with previous experience and knowledge would be responsible for the day-to-day management and oversight of this work. The job description has been presented for consideration in designating an employee to take on the responsibilities. **A motion to approve the job description as presented by Virginia Mondragon, Seconded by Sam Ramirez. Motion approved unanimously.**

14. NEW BUSINESS-

- a. **T&D Proposal to act on behalf of MSMEC to purse funding through the Federal Emergency Management Agency (FEMA) Section 404 Hazard Mitigation Grant Program (HMGP)-** 404 Hazard Mitigation funds are available due to the natural disasters such as wildfires, severe storms and flooding events occurring in Northeastern New Mexico. MSMEC is applying for these funds to prevent further damage to its distribution system should these types of disaster occur within its service territory. MSMEC has worked with T&D Engineering in identifying where these funds would help in mitigating additional damage to the electric distribution system. T&D is proposing to represent MSMEC in preparing an application for the funds and to work to assist in obligation the funds to the projects and assist in project management efforts. The board was

asked to consider authorizing the General Manager to accept the proposal as presented. **A motion to authorize the General Manager to accept the proposal as presented allowing MSMEC to apply for Section 404 Hazard Mitigation and for T&D to assist in obligation of these Grant funds by James Ortiz, Seconded by Sam Ramirez. Motion approved unanimously.**

15. GENERAL INFORMATION-

- a. NMREC Meetings & Conferences Calendar.
- b. 2026 NRECA PowerXchange March 6-11, 2026 Nashville, TN./ Registration form.
- c. Attorney-Client Communication Letter from Singleton Schreiber Injury Attorneys.

16. MSMEC EDUCATIONAL FOUNDATION

- a. None.

17. CORRESPONDENCE

- a. Letter of Appreciation from the VFW for their Veteran's Day Banquet.

18. Events: Calendar:

- a. MSMEC closed January 1st New Year's Day.
- b. MSMEC closed January 19th Dr. Martin Luther King Jr. Day.

A motion to move into Executive Session @ 12:15 pm was made by Virginia Mondragon and seconded by Sam Ramirez. Motion carried unanimously.

19. EXECUTIVE SESSION-

- a. Personnel Matters
- b. Update on Union Matters
- c. Litigation Matters

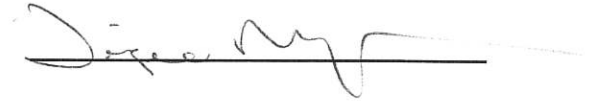
A motion to move out of Executive Session and back into Regular Session @1:30 p.m. was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously.

20. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: NONE.

21. OTHER BUSINESS TO COME BEFORE THE BOARD: NONE.

22. ADJOURNMENT – A motion to adjourn today’s meeting was made by Virginia Mondragon and seconded by Joe C de Baca. Motion carried unanimously. Meeting adjourned at 1:30 pm.

ATTEST:

A handwritten signature in black ink, appearing to be 'B', written over a horizontal line.A handwritten signature in black ink, appearing to be 'Joe C de Baca', written over a horizontal line.