

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING
HELD ON AUGUST 25, 2010

The Finance and Regular Meeting of the Board of Trustees was held on August 25, 2010. Mr. Daniel Romero, Board Chairman, called the meeting to order at 12:30 p.m.

CALL TO ORDER:

1. Roll Call and Determination of Quorum:

Members Present: Daniel Romero, Chairman
Mary Lou Roybal, Secretary/Treasurer
Robert Baca, Member
Alex Garcia, Member

Others Present: Abran H. Romero, General Manager
Debbie H. Alexander, Exec. Administrator

Lorna Wiggins, Attorney

2. Invocation – The invocation in memory of Carlos Lovato was led by Daniel Romero, Chairman.

3. Pledge of Allegiance – The Pledge of Allegiance was recited.

4. Approval of Agenda – The Agenda was presented and reviewed. A motion to approve agenda was made by Robert Baca and seconded by Mary Lou Roybal. Motion approved unanimously.

5. Recognition of Guests

a. Marvin Rodriguez, Stuart C. Irby Co., and Collin O' Connor, Sage Technologies – Demo/Presentation on Fluke Ti30 Thermal Image Camera – Mr. Rodriguez and Mr. O'Connor gave a presentation of the Fluke Ti30 Camera and what advantages the purchase of this camera would mean for

our Cooperative. The purchase of one or two cameras will be decided on at a later time. The cost for the highest model camera is \$8995.

b. Mike Scarsala – Gila Cut-Out Construction – Update on La Cueva

Construction Contract – Mr. Scarsala gave an update on the pole replacements and advised that they should be completed by mid-September. All switch outs are being done “hot”. Out of 117 total poles, 55 poles have been replaced so far.

c. Fred Hoff – Caribou Construction – Update on La Cueva Construction –

Mr. Hoff gave an update on the La Cueva construction. There are 12 more poles that need to go up – no steel poles have been set yet. The rain has been a problem. Discussion took place concerning a possible outage on September 18th from 5:00 a.m. to 4:00 p.m.

d. Diego Quintana – Mr. Quintana stated that he had two topics he had questions on: 1) His request for the membership list for districts 4 & 5 and the sign up list for the same districts for the Annual Meeting. He stated he had not received them since requesting them at the last meeting. General Manager Romero stated that Mr. Quintana was told he would have to fill out a Form 300-A. Mr. Quintana stated that he had turned one in that day of the meeting. Although no one remembered receiving this form, Mr. Quintana gave Secretary Roybal a copy of the Form 300-A he said had previously been turned in. Request of lists will be mailed to him; 2) Questioned Daniel Romero’s election again stating it was an illegal election and Chairman Romero was sitting on the board as an illegal board member. Attorney Wiggins then read from the memo she had addressed to the Board concerning this issue. After reviewing by-laws and policies, no by-laws or policies have been violated in connection with Daniel Romero’s election.

e. Jashe Alcon – Acequia del Canoncito de La Cueva - Mr. Alcon stated that this project had come to an agreeable end. Some poles were moved, but a couple of poles are still in question (25 & 29) Engineers were to meet with Mr. Alcon concerning these poles. Mr. Alcon asked that they be told what type of chemicals are used on these poles. The Acequia will start taking water samples and will inform the Coop of any negative results.

f. Gloria Gonzales – “Acequia” – Pole #22 Concerns - Ms. Gonzales had questions concerning the placement of steel pole #22.

6. **Action of Minutes of Regular Meeting held on July 27, 2010** – The Minutes of July 27, 2010 were presented and reviewed. **A motion was made by Robert Baca, seconded by Alex Garcia, to approve the Minutes of July 27, 2010 as presented. Motion carried unanimously.**

The Re-organizational Meeting Minutes were presented and reviewed. Motion to approve Re-organizational Minutes of July 27, 2010 was made by Robert Baca and seconded by Alex Garcia. Motion carried unanimously.

It was agreed upon by the full Board that after the election in November, another re-organizational meeting will be held.

7. **Approval of New Memberships (Mora 23 – Pecos 20) and Membership Refund 18**- The New Memberships and Membership Refunds were presented and reviewed. **Motion to accept the new Memberships and Membership Refunds was made by Mary Lou Roybal and seconded Alex Garcia. Motion carried unanimously.**

8. **Manager's Report**

- a. **Delinquent Report** - Abran H. Romero, General Manager, reported on the Delinquent Report for the month of July 2010. The Mora area started with 422 unpaid accounts totaling \$ 99,987.20 and after collections on August 23, 2010 a total of \$3,986.41 remained unpaid. The Pecos area had 537 unpaid accounts totaling \$111,610.37. After collections, \$1,286.05 remained unpaid.
- b. **Agenda Amplification** – General Manager Romero advised the Board that RUS Form 7 would be mailed to them when completed.
- c. **Outage Report/Maintenance Log** – Mr. Romero reviewed the Outage Report and the Maintenance Log. The Outage Report will be changed to reflect minutes instead of hours.
Motion to approve the Manager's Report as presented was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.

9. Finance Committee Report – Mary Lou Roybal, Finance Committee Chairwoman, reviewed the Finance Committee Minutes and items on agenda. Everything was found to be in order. General Manager Romero discussed the issue of paying off the Coop’s debt early and saving interest in the long run. The following recommendations were made: 1) Order new digger from Highway Manufacturing for \$210,490.00; 2) Pay outstanding balance on Deceased Estate Capital Credits of \$54,469.81; 3) Approve Employee Handbook – not to exceed \$4000; 4) Approve carpet installation – Mora Office – Pat Romero Building Supply @\$1919.69 and Pecos Office – Tom C. Medina @ \$4000.00; 5) Approval of second pole change-out contract with Gila Cut-Out Construction for a total of \$146,499.00; 6) Approve donation requests of \$50 each to Annual Cleveland Millfest and Luna Community College Annual Golf Tournament. **A motion to approve the Finance Committee Report including all recommendations made by the Finance Committee was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.**

10. Tri-State Trustee Report – Mr. Robert Baca, Tri-State Trustee, reported on Tri-State’s August 2010 meeting. Items covered included:

- Budget to be approved next month
- No Rate Increase from Tri-State
- Basin Electric -7 % Rate Increase to Tri-State
- Holcomb Project - \$68 Million spent thus far
- Strategic Planning Session
- Coal, Wind, Solar and Natural Gas Costs
- Regulations being imposed by Governor Richardson before he leaves office
- Rainsville Sub-Station

11. NMRECA Trustee Report – Mr. Alex Garcia reported on the August 2010 Statewide Meeting. Some of the topic covered included:

- Finance Report
- Committees – Mr. Garcia named to Building Committee
- Task Force – Co-op managers to get involved
- Solar Energy Workshop in Santa Fe on September 1, 2010
- Proposed Legislation to allow co-ops to vote by mail or absentee ballots
- Easement problems with Native Americans

- September Statewide Meeting and Barbecue

12. On-Going Business

- a. Chairman's Committee Assignments – Discussion** – Chairman Romero stated that he would hold off in naming committees until after the election in November.
- b. New Policy No. 307 – Bidding on Surplus Equipment** – Policy No. 307 was presented and reviewed by the General Manager. Policy was submitted by Carlos Lovato during the July 27, 2010 Board Meeting. Policy went into effect immediately.
- c. By-law Books – Printing in process** – Informational
- d. Tri-State Bill - FYI**

13. New Business

- a. District 2 Election – Discussion** – The election for District 2 will be held on November 6th – voting sites will be at the Fire Department in Buena Vista and at the Bachicha Building in Las Vegas.
- b. Tri-State – Long Range Vehicle and Equipment Plan** – FYI
- c. Employee Professional Training Development – NRECA** – FYI
- d. Board Policy No. 302 – Sponsorship & Donation Fund – Discussion** – Discussed earlier during Finance Meeting.

14. Correspondence

- a. Memo from Lorna Wiggins – Daniel Romero's Election** – Discussed earlier.
- b. Letter from district Attorney Flores on Installation of Power Line** – Informational.
- c. Response letter from Lorna Wiggins, Attorney, to DA Flores on Installation of Power** – Informational.
- d. Attorney Wiggins's second letter to DA Flores on Installation of Power Line** – Informational.

15. Information

- a. Calendar of Events** – Statewide will meet on. MSMEC will be closed on Monday, September 6th in observance of Labor Day. Tri-State will meet on September 8th & 9th. Union negotiation will be on September 8th, 9th and 10th. The General Manager, CFO and HR & IT Manager will be attending

Daffron Training on the week of September 20th – 24th, 2010 in St. Louis. The Finance Committee Meeting and Regular Board Meeting will be held at 12:30 p.m. on Tuesday, September 28th, 2010. The General Manager and Board Chairman will be attending an all-expense paid Smart Grid Summit in Puerto Rico during the last week in October. Alex Garcia will also be attending the NRECA Region 10 Meeting in Oklahoma City on the same week.

b. General Manager, CFO & HR & IT Manager – Daffron Training in St. Louis – September 20-24, 2010. Request for September Board Meeting to be held on September 28, 2010. – Approved.

c. Board Chairman & General Manager – Smart Grid Summit Training in Puerto Rico – all expenses paid – October 25-29, 2010. – Approved.

d. Director Alex Garcia attending Region 10 NRECA Training in Oklahoma City – October 25-29, 2010. – Approved.

Request for October Meeting to be held on October 21, 2010.

e. August Working Calendar – Approved.

f. News Articles – Informational only.

Motion to move into Executive Session was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.

16. Executive Session

a. Attorney's Report

b. Personnel

Motion to move back into Regular Session was made by Robert Baca and seconded by Alex Garcia. Motion carried unanimously.

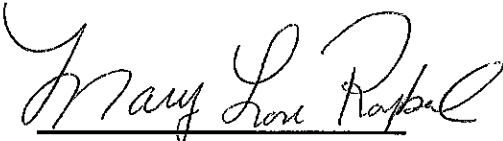
17. Action on items discussed in Executive Session – None.

18. Other Business to come before the Board – None.

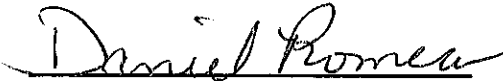
19. Adjournment – A motion to adjourn was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried.

Meeting adjourned at approximately 5:40 p.m.

ATTEST:



Mary Lou Roybal
Secretary Treasurer



Daniel Romero
Board Chairman