

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES MEETING
HELD ON FEBRUARY 24, 2011

The Regular Board Meeting of the Board of Trustees was held on February 24, 2011. 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
Robert Baca, Vice-Chairman
Mary Lou Roybal, Secretary/Treasurer
Alex Garcia, Member
Robert Quintana, Member

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

Lorna Wiggins, Attorney

2. Invocation – The invocation 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. The following amendments were made to the Agenda: 1) # 13 b to # 5 – Board Policy #128 – General Public Comment at Board of Trustees Regular Monthly Meetings; 2) #5 d to #5 b – Ami Rodriguez; 3) #5 e to #5 c – T & D Engineering Update; 4) #5 b to #5 d – Bridget Maloney; 5) #5 c to #5 e – Marietta Esquibel; and 5) Executive Session up to #6 on the Agenda. **A motion was made by Alex Garcia and seconded by Mary Lou Roybal to approve Agenda as amended. Motion carried unanimously.**

5. Recognition of Guests –

a. M. Witt – Mora County Chamber of Commerce – Requesting MSMEC to become a member (5 minute time limit waived) – Mr. Witt addressed the Board of Trustees and General Manager requesting the Cooperative to join the Mora County Chamber of Commerce. He talked about community involvement and projects such as the telephone book, fiesta committee, Millfest and Winterfest. The membership fee for a business to join is \$60. The Board thanked Mr. Witt for his presentation and advised him that they would consider joining the Chamber.

b. Ami Rodriguez and Jim Garner – TWM Presentation to partner with MSMEC to provide wireless internet to our customers in our service territory (5 minute time limit waived) – Mr. Jim Garner and Ami Rodriguez gave a presentation on the history of TWN and about broadband and the challenges in a rural community such as ours. TWN works only with electric cooperatives. There was a discussion on the possible revenue to the Coop depending on the number of consumers who purchase the wireless network. This network would be set up at virtually no cost to the Cooperative. Communications would greatly be improved as would the communications to the sub-stations. Proposal will be sent for review and possible approval. If approved, network could be built in 7 to 8 months.

c. T & D Engineering Up-date on 2011 CWP Construction Work Plan and 2011 Long Range Plan required by RUS for 2011 CWP (5 minute time limit waived) – Mr. Tim McLellan gave an up-date on the 6 different projects – La Cueva to Mora Double-Circuit Line (completed); two pole replacement projects (completed); Romeroville line improvement project (approximately 5 more week to completion); Storrie Project (started project last month and continues); and the new State Police Headquarters (project has not yet started). Mr. Ray Suter gave an up-date on other projects required by RUS such as the Long Range Plan and the Construction Work Plan. Mr. Suter gave a presentation on a sectionalizing study, coordination study and the importance of a maintenance plan. Estimated time of completion would be mid-March.

d. Bridget Maloney – Financial Concerns – Ms. Maloney addressed the Board stating she was charging the Board Chairman, Daniel Romero, with an ethics violation for storing the pole and transformers on his property.

She stated she had checked the records and that the property where the poles and transformers are stored is owned by Board Chairman Romero and not by his daughter as he claimed. She asked that an audit committee be formed to investigate her claim of Chairman Romero's ethics violation and that he should not be part of that committee. She was told that the Board and Attorney would take this under advisement.

e. Marietta Esquibel – District 4 Election – Ms. Esquibel asked Board Chairman Romero if he represented the consumers in District 4, because she had never seen him in their district. There was some discussion as to where the next election for District 4 would be held and if it was going to be held in a neutral place or if it would be held in Romeroville. Ms. Esquibel also questioned several Policies and why these policies still existed with Carlos Lovato's signature even though he has already passed away. She was advised that a policy just doesn't cease because the person who signed it into effect passes away.

f. Veronica Serna – Follow Up – Ms. Serna had called and asked to be put on the agenda but because of some miscommunication, was unintentionally left out. Ms. Serna was allowed to address the Board. She wanted to follow up on the written request she had previously submitted. One of her concerns was the policy on purchasing and the practice on how it was done. She was advised that a letter had been sent to her.

Other guests present included: Paul Duran, Diego Quintana, Levi Alcon, Jr.

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

6. Executive Session

a. Attorney/s Report

1. Litigation

2. Union Negotiations

b. Personnel

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

7. Action of Minutes of Regular Meeting held on January 27, 2011 – The Minutes of January 27, 2010 were presented and reviewed. **A motion to approve the Minutes of January 27, 2011 was made by Robert Baca and seconded by Mary Lou Roybal. Motion carried unanimously.**

8. Approval of New Memberships (Mora 15 – Pecos 18) and Membership Refunds 167 – (2010 new Memberships – Mora 12 – Pecos 12) – 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 by Robert Quintana. Motion carried unanimously.**

9. Manager's Report

a. Delinquent Report – A review of the Delinquent Report for the month of January 2011 showed the Mora area with a total of 477 delinquent accounts totaling \$101,322.50. After collections, a total of 20 accounts remained unpaid for a total of \$8,131.50. The Pecos area had 683 delinquent accounts totaling \$152,073.16. After collections, 22 unpaid accounts remained totaling \$2,956.93. There was a short discussion on one large delinquent account. A demand letter will be sent to this consumer asking for immediate payment.

b. Agenda Amplification – The General Manager reviewed RUS Form 7 for the month of January 2011.

c. Outage Report/Maintenance Log – General Manager Romero reviewed the Outage Report and Maintenance Log.

A motion to approve the Manager's Report was made by Robert Baca and seconded by Robert Quintana. Motion carried.

10. Finance Report – A motion to approve the Finance Report and Minutes of the Finance Committee Meeting held earlier today was made by Robert Baca and seconded by Alex Garcia with the following recommendations – See Attached Finance Committee Minutes. **Motion carried unanimously.**

11. Tri-State Trustee Report – Mr. Robert Baca, Tri-State Trustee, reported on the February 2011 meeting held at the Tri-State's headquarters. A few of the items on their agenda included:

- Tri-State Annual Meeting

- Tri-State accomplishments
- Rate Structure – T/S has not had a rate increase since 2009
- Possible rate increase in 2012
- Technology and making plants more efficient
- Penalties and interest charges when Coops are late in paying their power bills

A motion to approve Mr. Baca’s Tri-State Report was made by Mary Lou Roybal and seconded by Robert Quintana. Motion carried.

12. NMRECA Trustee Report – Mr. Alex Garcia, NMRECA Trustee, was unable to attend this month’s meeting. General Manager Romero was in attendance and reported on the following:

- EIB new appointees
- Annual Meeting in Taos, Nm on May 25th – 27th, 2011
- 2011 NRECA Annual Meeting in Orlando, Florida
- 2011 NRECA Legislative Conference, Washington, DC
- Robert Castillo, GM from Continental Divide Electric Cooperative, was selected by Governor Martinez to serve in an Environmental Sub-Committee.

A motion to approve NMRECA Trustee Report was made by Robert Baca and seconded by Alex Garcia. Motion carried unanimously.

13. On-Going Business

- a. Board Policy #118 – Amendments to Cooperative Bylaws – Third Revision – (2 versions – 10 or 15 signatures) – Tabled.**
- b. Tri-State Power Bill – For information only.**

14. New Business

- a. Federated Insurance Safety and Loss Prevention walk around findings –**
The General Manager asked that the Board take time to review these pages on the various housekeeping matters located around our facilities by the Federated Insurance Representative. These housekeeping matters need to be addressed before Federated will insure us.
- b. NMRECA 2011 Annual Meeting – Taos, NM – For review only.**
- c. District Elections, Bylaws and meeting Quorum (Alex Garcia) – Discussed earlier.**

15. Correspondence

- a. **Touchstone Energy Cooperatives Letter** – For information only.
- b. **Thank You Letter – Shirley Nelson** – For information only.
- c. **E-Mail – Carol Purvine** – For information only.

16. Information

- a. **Calendar of Events** – Tri-State will meet on March 1st, 2nd, & 3rd, 2011. General Manager Romero will attend Tri-State Meetings and will meet with CoBank. NMRECA meetings will be held early because of NRECA Annual Meeting. They will be held on February 24th & 25th, 2011. The Finance Committee Meeting will be held at 10:00 A. M. and the Regular Board Meeting at 12:30 on Thursday, March 24th, 2011. Lunch will be served at approximately 11:30 a.m.
- b. **News Clippings** – Informational reading only.

17. Action on items discussed in Executive Session – No action taken.

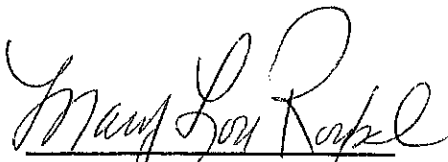
18. Other Business to come before the Board


- a. **Robert Baca, Board Vice-Chairman, asked for the formation of an Audit Committee to look into allegations made against Board Chairman Daniel Romero. Those in the committee will include Robert Quintana, Alex Garcia, and Mary Lou Roybal – Robert Baca will oversee the committee. They will meet before the March 24th Board Meeting starting at 9:30 a.m.**

19. Adjournment – A motion to adjourn was made by Robert Quintana and seconded by Robert Baca. Motion carried unanimously.

Meeting adjourned at approximately 6:00 P.M.

ATTEST:


Mary Lou Roybal
Secretary/Treasurer


Daniel Romero
Board Chairman