

MINUTES
REGULAR MEETING
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

APRIL 23, 2014

A Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. was held on Wednesday, April 23, 2014 in Socorro, New Mexico.	INDEX
The Meeting was called to order at 2:00 p.m. by Anne L. Dorough, President.	CALL TO ORDER
Secretary Cordova called roll and reported those Trustees present and attending the meeting as follows:	ROLL CALL
TRUSTEES PRESENT:	
Anne L. Dorough, President Representative, District V	
Dave Wade, Vice-President Representative, District IV	
Leo C. Cordova, Secretary/Treasurer Representative, District I	
Melissa Amaro, Trustee* Representative, District III	
TRUSTEES ABSENT:	
Charles Wagner, Trustee Representative, District II	
ALSO PRESENT:	
Joseph Herrera, CEO/General Manager Eileen Latasa, HR Manager/Executive Assistant Marilyn Madrid, Member Services Supervisor David Montoya, Line Superintendent Bruce Wiggins, Attorney Trey Rowe, Bolinger, Segars, Gilbert & Moss LLP	
SEC MEMBERS PRESENT:	
James Cherry, Charlene West, John Larson Jimmy Dorough, Cyndi Mae Wade, Christie Chavez Michelle Jojola, ? Front, Monette Hardern-Lopez David Lyn Wade	
President Dorough led everyone in the Pledge of Allegiance.	PLEDGE OF ALLEGIANCE
*Trustee Amaro arrived at 2:04 p.m.	
There being no additions or deletions to the Agenda, President Dorough accepted the Agenda as distributed.	APPROVAL OF AGENDA
There being no additions or corrections to the Draft of the Minutes of the Regular Meeting held on March 24, 2014, President Dorough accepted the Minutes as distributed.	APPROVAL OF MINUTES
There were no items under Public Input brought forth by SEC members present.	PUBLIC INPUT
Manager Herrera introduced Trey Rowe, from Bolinger, Segars, Gilbert and Moss, LLP.	CONSIDERATION AND APPROVAL OF 2013 AUDIT REPORT
Mr. Rowe proceeded to review and explain the Financial Statements for the Year Ended December 31, 2013 and 2012 and Report of Certified Public Accountants.	
Mr. Rowe stated that BSGM, LLP offered a clean opinion with no material weaknesses; that the records of the SEC are in good order; huge strides and significant improvements in the accounting department had been made since 2009.	
After discussion, President Dorough entertained a motion to approve the 2013 Audit Report.	
A motion was made by Trustee Wade and seconded by Trustee Cordova to approve the 2013 Audit Report as presented. Motion carried unanimously.	
Manager Herrera reported that expenditures for the month of March, 2014 totaled \$724,726.56.	EXPENDITURE REPORT
There being no questions from the Board on the Expenditure Report for March, 2014, President Dorough accepted the Expenditure Report as presented.	
There being no questions from the Board on the Credit Card Report for March, 2014, President Dorough accepted the Credit Card Report as presented.	CREDIT CARD REPORT

Manager Herrera reviewed and explained the RUS Form 7 for March, 2014 with the Board. RUS FORM 7

There being no questions from the Board on the RUS Form 7 for March, 2014, President Dorough accepted the Report as presented.

Manager Herrera explained the new outage reporting format required by the N.M.P.R.C. NMRECA REPORT

Manager Herrera noted that discussion is ongoing with the N.M.P.R.C. regarding Tri-State G&T.

Manager Herrera stated that representatives from New Mexico would be meeting with the Bureau of Land Management and the Fish and Wildlife Service regarding Right of Ways across BLM land. The meetings are scheduled during the NRECA Legislative Conference in May, 2014.

Manager Herrera reported that a lineman from Roosevelt Electric Cooperative received The Long Rope Safety Award. Manager Herrera provided an explanation of the award.

President Dorough accepted the NMRECA Report as presented.

Manager Herrera reported that discussion on the mediation process with the N.M.P.R.C and the four (4) New Mexico cooperatives and Large Industrial loads led up to the Tri-State Annual Meeting. TRI-STATE REPORT

President Dorough accepted the Tri-State Report as presented.

Manager Herrera reported that interest on investments of \$11,000 was received from CFC.

Manager Herrera explained the Line Extension billing process and that members requesting new line extension would see, on their monthly bills, a line item for the cost of the line extension and a separate line item for the kWh usage for the month.

Manager Herrera explained that discussions with the Tri-State G&T mediation proposal are ongoing due to the \$16 million revenue shortfall for the New Mexico Coops. Manager Herrera stated that the N.M.P.R.C. recommended an interim rate and meetings are scheduled later in April to continue with the discussions.

David Montoya, Line Superintendent, reported that one (1) employee got some sawdust in his eye with no loss time from work. SAFETY REPORT

Mr. Montoya explained the NRECA RESAP Safety Program which the SEC will establish and will coincide with the NMRECA Safety Program and could improve our Federated insurance premiums.

Mr. Montoya also explained that the outages that occurred during the month were due to high winds which caused the loss of two poles at the Hatley Ranch and the loss of the Chaparral Tap during another outage. OUTAGE REPORT

Mr. Montoya informed the Board that currently, three crews are cutting and trimming trees in the north area; in and around Socorro going south to San Antonio, as well as in the Quemado area.

Mr. Montoya explained that trimming trees in necessary due to fire danger and because most areas are so dry that many trees are being lost and need to be cut down.

Mr. Montoya reported that he would be meeting with officials from the WSMR and would provide an update to the Board. CONSTRUCTION REPORT

Marilyn Madrid, Member Services Supervisor, reviewed the Energy Delinquent Report for March, 2014. DELINQUENT REPORT-ENERGY

Ms. Madrid also informed the Board on Online Utility Exchange's aggressive actions on collection of uncollectible accounts.

Ms. Madrid also reviewed the Section V and XII delinquent accounts and the progress being made to collect on these accounts. DELINQUENT REPORT-SECTION V & XII

Ms. Madrid informed the Board of four (4) complaints made by SEC members to the N.M.P.R.C. MEMBER CONCERNS

Ms. Madrid updated the Board on implementation of the N.M.P.R.C. approved landlord agreement forms, the installation of the Loomis Safe and training of the CRC dispatch system, which will go into effect on May 1, 2014.

Secretary Cordova reviewed the Member Application/Cancellation Report for March, 2014 as follows:

SECRETARY'S
REPORT

- New Connects 9
- Reconnects 84
- Disconnects 89

President Dorough accepted the Member Application/Cancellation Report for March, 2014 as presented.

There were no Reports by Trustees.

TRUSTEE
REPORTS

After review of the First State Bank Credit Card Resolution, President Dorough entertained a motion to approve the resolution.

A motion was made by Trustee Cordova and seconded by Trustee Amaro to approve the First State Bank Credit Card Resolution. Motion carried unanimously.

FIRST STATE
BANK RESOLUTION

Attorney Wiggins recommended the Retirement of Patronage Capital to the following Estates:

- Cirilio Baca \$ 244.46
- Dora Rivera \$1,894.00
- William B. Teglund \$ 299.82
- Earl Pound \$3,616.00 (\$4,116.30)

A motion was made by Trustee Cordova and seconded by Trustee Wade to approve the Retirement of Patronage Capital to the above-mentioned Estates. Motion carried unanimously.

After notification that the Patronage Capital for Earl Pound totaled \$4,116.30, a motion was made by Trustee Cordova and seconded by Trustee Amaro to approve the corrected amount of Patronage Capital for the Estate of Earl Pound. Motion carried unanimously.

CAPITAL CREDIT
ESTATE
RETIREMENTS

Bids were received for Pest Control Services as follows:

- Kazaya Pest and Weed Control \$565.00 plus tax/month
- Knight Hawk Pest Control, LLC \$349.00/month
- Milton Ulibarri Pest Management \$300.00/month

PEST CONTROL
BID

A motion was made by Trustee Cordova and seconded by Trustee Wade to approve the low bid from Milton Ulibarri Pest Management for Pest Control Services. Motion carried with Trustee Amaro opposed.

After discussion on the sale of Comcast facilities to TDS Baja Broadband LLC, who is requesting approval of the sale of assets of Comcast's cable communications system serving Socorro; President Dorough entertained a motion to approve the transfer.

COMCAST JOINT
USE SALE

A motion was then made by Trustee Amaro and seconded by Trustee Wade to approve the transfer of the Joint Use Pole Attachment Agreement from Comcast to the /TDS Baja Broadband Company LLC. Motion carried unanimously.

Manager Herrera explained the Tech Serv Service Agreement for a Joint Use Audit of Facilities. Manager Herrera recommended that the SEC enter into a service agreement with Tech Serv Consulting and Training, LTD to commence with the pole attachment audit process. Manager Herrera noted that the service agreement had been reviewed by SEC counsel.

TECH SERV
SERVICE
AGREEMENT

President Dorough entertained a motion to approve the Tech Serv Service Agreement.

A motion was made by Trustee Amaro and seconded by Trustee Wade to approve the Tech Serv Service Agreement. Motion carried unanimously.

A motion was made by Trustee Cordova and seconded by Trustee Wade calling for an Executive Session. Motion carried unanimously.

EXECUTIVE
SESSION

President Dorough called for an Executive Session to discuss Potential Litigation.

The Board adjourned to Executive Session at 3:30 p.m.

The Board returned to Regular Session at 4:00 p.m.

REGULAR
SESSION

President Dorough reported that there was no action taken by the Board during Executive Session.

After discussion, a motion was made by Trustee Cordova and seconded by Trustee Wade to schedule the next Regular Meeting for Wednesday, May 21, 2014 at 2:00 p.m due to a conflict with the NMRECA Annual Meeting. Motion carried unanimously.

SET DATE/TIME
OF NEXT
REGULAR
MEETING

There being no further business to come before the Board, President Dorough adjourned the meeting at 4:05 p.m.

Leo C. Cordova, Secretary/Treasurer

APPROVED:

Anne L. Dorough, President

I, Leo C. Cordova, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., herein called the "Cooperative" and the above is a true and exact copy of the Minutes of the Regular Meeting held on April 23, 2014. A Quorum of Trustees was present and acted upon throughout the meeting and none of the Minutes of the above have been rescinded or modified.

Leo C. Cordova, Secretary/Treasurer