

MINUTES
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

JUNE 24, 2015

A Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., was held on Wednesday, June 24, 2015 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 present and attending as follows:	ROLL CALL
MEMBERS PRESENT: Anne L. Dorough, President Representative, District V David Wade, Vice-President Representative, District IV Leo C. Cordova, Secretary/Treasurer Representative, District I Melissa Amaro, Trustee Representative, District III Charles Wagner, Trustee Representative, District II	
MEMBERS ABSENT: None	
ALSO PRESENT: Joseph Herrera, General Manager Eileen Latasa, HR Manager/Executive Assistant Bruce Wiggins, Attorney Marilyn Madrid, Member Services Supervisor David Montoya, Safety Compliance Officer Tony Lopez, Socorro Line Foreman	
SEC MEMBERS PRESENT: Jimmy Dorough, James Cherry, Cyndi Mae Wade, Luis Aguilar and David L. Wade.	
Secretary Cordova declared a Quorum of Trustees present.	QUORUM
President Dorough led everyone in the Pledge of Allegiance.	PLEDGE OF ALLEGIANCE
Trustee Wagner requested an Executive Session and after discussion, President Dorough approved the Agenda as distributed.	APPROVAL OF AGENDA
There being no additions or corrections to the Minutes for the Regular Meeting held on May 16, 2015, a motion was made by Trustee Cordova and seconded by Trustee Wade to approve the Minutes as written. Motion carried unanimously.	APPROVAL OF PREVIOUS MINUTES
Doug May requested that the Board evaluate the report on the City of Socorro website for up-to-date figures and information.	PUBLIC COMMENTS
Manager Herrera reported that Expenditures for the Month of May, 2015 totaled \$958,898.00. Manager explained, at length, Check #50791 issued to Bryce Wilson.	EXPENDITURE REPORT
Trustee Wagner commented that he assumed that the check issued to the El Defensor Chieftain was for advertising for the Special Members Meeting; questioned if it was anticipated that Smith and Christensen would continue to be paid more at this time; and complimented Cordova Public Relations; and requested a summarization of expenses for the Special and Regular Member Meetings.	
Trustee Amaro requested an explanation for Check #'s 50824 to NRECA & 50747 issued to Eileen Latasa. Manager Herrera provided an explanation for the expenditures.	
Trustee Wagner also commented on the amount paid to Cordova Public Relations and the Wiggins, Williams, and Wiggins Law Firm.	
There being no further questions on the Expenditure Report, President Dorough accepted the Expenditure Report for May, 2015 as presented.	

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There being no questions from the Board on the Credit Card Expenditures, President Dorough accepted the Credit Card Expenditures for May, 2015 as presented.	CREDIT CARD EXPENDITURE
Manager Herrera explained the RUS Form 7 for May, 2015 to the Board. There being no questions from the Board, President Dorough accepted theRUS Form 7 Report as presented.	RUS FORM 7
Manager Herrera informed the Board that the reorganization of the NMRECA Board of Directors was held after the Annual Meeting, and that all officers were re-elected to their positions. Manager Herrera also gave a report on the NMRECA Annual Meeting held in Taos, New Mexico.	NMRECA REPORT
Trustee Wagner also informed the Board that the N.M. Representative to the NRECA Board of Directors was re-elected without opposition.	
President Dorough accepted the NMRECA Report as presented.	
Manager Herrera gave an update on the ColoWyo Mine issue and the motion filed for stay pending appeal; staff is providing information to the Office of Surface Mining. Manager Herrera added that the Board began reviewing recommendations by the Tri-State Rate Committee made up of system managers and trusteeed regarding Policy 506 and followed with a lengthy Rate Committee Design report.	TRI-STATE REPORT
Manager Herrera also informed the Board that he attended the CFC Forum held in Chicago, Illinois, and gave a report on the Forum.	
Presented Dorough accepted the Tri-State Report as presented.	
Manager Herrera reported that the Board approved the renewal of the DOM Policy effective July 1, 2015 and reviewed the comparison of premium coverage for 2014-2015 and 2015-2016.	FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE
Manager Herrera reported that the 2014 Patronage Capital Allocations to SEC Members were posted on the June electric bills and was also announced in the Enchantment.	2014 PATRONAGE CAPITAL ALLOCATIONS
Manager Herrera informed the Board that the TechServe Attachment Audit was completed and the SEC is communicating to all Non-Compliance and Compliant Attachers.	TECHSERVE POLE ATTACHMENT AUDIT
Manager Herrera updated the Board on the County of Socorro Grant which received funds for a back-up generator and that 3 phase power is required coming into the SEC building to accommodate the generator but that the building currently has 1 phase power and will not pass inspection.	BUILDING REMODEL/ BACKUP GENERATOR UPDATE
Manager Herrera reported that T&D Engineering is developing engineering plans And will go out to bid for the upgrade from 1 phase to 3 phase power. After this Project is complete that the remodel of the front office area will commence.	
Manager Herrera reviewed the revised Chain of Command with the Board.	OTHER
Mr. Montoya reported that there were no Loss-Time accidents to report for May, 2015.	SAFETY REPORT
Mr. Montoya presented the RESAP Certificate of Completion to President Dorough and as a result had a significant positive effect on SEC’s liability insurance premium.	
Mr. Montoya stated that he attended the LEPC Meeting and will be giving a presentation on power lines during their July Meeting.	
Mr. Montoya also reported that he is busy doing site visits for new services.	ENGINEERING REPORT
President Dorough accepted the Safety and the Engineering Report as presented.	

Trustee Wagner requested a Point of Privilege. President Dorough called for a 5-minute recess.	RECESS
President Dorough called the meeting back to order.	RETURN TO REGULAR SESSION
Mr. Lopez reported that line crews have been busy working on work order and service orders; installing lightening arrestors that require replacement.	CONSTRUCTION/ MAINTENANCE REPORT
Trees are also being trimmed along Right-of-Ways throughout SEC’s service area	
Mr. Lopez reported that the outage at the Fite Ranch was the result of vandalism and that replacement and repair costs for insurance purposes was being calculated.	OUTAGE REPORT
Mr. Lopez also reported that crews were working on regulators at the Tres Hermanos Ranch.	
Ms. Madrid reviewed the Active Energy Delinquent Report for May, 2015.	ENERGY DELINQUENT REPORT
Ms. Madrid also reviewed the Section V and XII Delinquent Reports and noted that the reports have been consistent for the past three (3) months.	SECTION V & XII DELINQUENT REPORT
Ms. Madrid reported that one (1) member complaint was filed with the N.M.P.R.C. during the month of May and a ruling by the N.M.P.R.C. is forthcoming.	MEMBER CONCERNS
Ms. Madrid also reported that problems with the Turtle Meter System calling in readings was being addressed.	
Ms. Madrid informed the Board that two (2) MSR’s were beginning employment with the SEC and that the Department would be promoting Tri-State rebates for LED lighting.	
Secretary Cordova reported on the Member Application/Cancellation Report for May, 2015 as follows:	APPLICATION/ CANCELLATION REPORT
<ul style="list-style-type: none"> • New Connects -0- • Reconnects 99 • Disconnects 78 	
President Dorough accepted the Member Application/Cancellation Report as presented.	
Trustee Cordova, Chairman of the Finance Committee, reported that the Committee Met on May 29, 2015 to consider a trustee compensation package in accordance with the new bylaws.	FINANCE COMMITTEE REPORT FOR CONSIDERATION/ APPROVAL
The Committee recommended trustee compensation for meeting attendance at \$150/meeting and \$50 for participation in teleconferences, minute review and officer signature requirements.	
Trustee Cordova also reported that the Committee recommended \$200/meeting plus mileage, if outside the Socorro City limits, for members of the Credentials and Election Committee.	
A motion was made by Trustee Wade and seconded by Trustee Cordova to accept the Finance Committee’s recommendation for the trustee compensation package and compensation for members of the Credentials and Election Committee.	
Discussion ensued on IRS guidelines for per diem for travel expenses and President Dorough stated that Trustees should obtain a credit card for expenses and receipts would be turned in with a voucher for reimbursement of actual expenses as per the guidelines in Policy 116.	
President Dorough then called for the voted on Trustee Wade’s motion. Motion carried with Regular Meeting	
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Trustee Wagner opposed. President Dorough stated that the new trustee compensation system would go into effect on July 1, 2015.	

Discussion ensued on board committee assignments and Trustee Wagner questioned President Dorough why he had not been appointed to any board committees.

President Dorough responded that Roberts Rules of Order state that the chairman of any board has the authority to appoint committees with the strongest possible group that can handle any task. After Trustee Wagner’s insistence for an explanation, President Dorough stated that Trustee Wagner was not a team player and has a problem working with her and reiterated that she exercised her prerogative as chairman to appoint committees.

President Dorough also stated that the \$150 trustee per diem rate was well within the guidelines for New Mexico and the average of the 15 New Mexico cooperatives for Board compensation.

Attorney Wiggins recommended approval of the Retirement of Patronage Capital to the Following Estates and Joint Account:

CAPITAL CREDIT
ESTATE RETIREMENTS

- Fred Martin \$1,180.29
- Joann Baxter \$ 473.83
- Rosemary Baca \$ 134.77
- Benito M. Armijo \$ 45.62
- Vivian Armijo \$1,041.41
- Christella Torres \$ 747.40
- Paul Anaya \$ 845.47

- E.B. Armijo \$1,128.50
- Rogerio Baca \$ 295.14

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

Trustee Wagner requested Board approval to attend the NRECA G&T Legal Seminar in November, 2015.

CONSIDERATION/
APPROVAL OF
TRUSTEE TRAVEL

A motion was made by Trustee Wagner and seconded by Trustee Amaro to attend the G&T Legal Seminar in November, 2015. Trustee Wagner and Amaro voted in favor of the motion Trustee Wade and Cordova opposed. Motion fails due to lack of a majority vote.

Manager Herrera read the list of volunteers for the Credentials and Election Committee as Follows:

CREDENTIALS &
ELECTION COMMITTEE
APPOINTMENT

- | | |
|-----------------|-------------------|
| Dave Johnson | Peter Gonzales |
| Tanya Duffey | Prescilla Mauldin |
| Milton Ulibarri | Manuel Marquez |
| Eugene Cole | Dennis Harris |

Trustee Wagner expressed his opinion that the Committee should not be made up of former trustees for various reasons and Trustee Amaro stated that Milton Ulibarri should not be approved because of could be related to one of the candidates.

President Dorough stated that the bylaws spell out the qualifications for being a committee member and that eight (8) members volunteered to be on the committee.

President Dorough entertained a motion to approve the appointment of all eight volunteers to the Committee.

Trustee Wade made a motion to approve all eight volunteers to the Credentials and Election Committee with the stipulation if any committee member is related to a candidate that they would be disqualified from the committee. Trustee Cordova seconded the motion.

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Trustee Wagner then made a motion to amend Trustee Wade’s motion to postpone voting on the Credentials and Election Committee until the next meeting of the Board.

President Dorough responded that the bylaws state that the Committee should approve the list

of candidates sixty days before the election and could not accept the amendment.

President Dorough then calls for the vote on Trustee Wade’s motion. Trustees Amaro and Wagner were opposed to the motion. Trustee Wade and Cordova voted in favor of the Motion. President Dorough voted in favor of the motion. Motion carried.

President Dorough stated that she would notify the Committee members of the Meeting To be held on Monday, June 29, 2015 at 5:00 p.m.

Manager Herrera explained the Grant from the CFC Integrity Funds for combating the City of Socorro issues and the options for fund contributions.

CFC INTEGRITY
FUND
CONTRIBUTIONS

After discussion, a motion was made by Trustee Wagner and seconded by Trustee Amaro to make of 5% to the Integrity Fund this year and every year in the future until notified. Motion carried unanimously.

A motion was also made by Trustee Wagner and seconded by Trustee Cordova for use of the Integrity Fund contributions to be used for territorial integrity only.

Attorney Wiggins recommended the Board accept the ‘all purposes’ model. After discussion, Trustee Cordova made an amendment to Trustee Wagner’s motion to the ‘all purposes’ option instead of the ‘territorial integrity’ option. Trustee Wade seconded the motion. Motion carries with Trustee Wagner opposed.

President Dorough entertained a motion to refer the Wage Study Proposals to the Finance Committee to read and make a recommendation at the next meeting of the Board.

CONSIDERATON/
APPROVAL OF
WAGE STUDY
PROPOSALS

A motion was made by Trustee Cordova and seconded by Trustee Wade to refer the Wage Study Proposals to the Finance Committee for consideration and recommendation at the next Board Meeting.

Trustee Wagner made a motion to amend Trustee Cordova’s motion to postpone making a decision to be made by the Board at the next meeting. President Dorough stated that the motion was out of order and called for the vote on Trustee Cordova’s motion. Motion carried with Trustee Wagner opposed.

Trustee Wagner asked if the committee members could read and President Dorough chastised Trustee Wagner’s question as being derogatory and out of order.

Manager Herrera explained the 2010 RUS BA8 Loan drawdown. Manager Herrera Recommended a \$6 million drawdown with payments being made out of the General Fund to continue working on the Four Year Workplan.

RUS LOAN
BA8 DRAW DOWN

A motion was made by Trustee Cordova and seconded by Trustee Amaro to Accept Manager Herrera’s recommendation for a \$6 million drawdown against the 2010 RUS BA8 Loan. Motion carried unanimously.

President Dorough opened the floor for nominations for the Voting Delegate to the NRECA Region X Meeting.

ELECTION OF
VOTING DELEGATE
TO THE NRECA
REGION X MEETING

Trustee Wade nominated President Dorough.

Trustee Amaro nominated Trustee Wagner.

President Dorough called for the vote. Trustee Cordova and Wade voted for President Dorough. Trustees Wagner and Amaro voted for Trustee Wagner. President Dorough voted for herself. President Dorough was elected the Voting Delegate to the NRECA Region X Meeting.

President Dorough opened the floor for nominations for Voting Alternate to The NRECA Region X Meeting.

Trustee Wade nominated Trustee Cordova. Trustee Amaro nominated Trustee Wagner.

Trustees Cordova, Wade, Wagner and Amaro voted for Trustee Cordova. Trustee Cordova was elected as the Voting Alternate to the NRECA Region X Meeting.

There were no Line Extension Contracts open for discussion.

LINE EXTENSION
CONTRACTS

It was the consensus of the Board to set the date of Wednesday, July 22, 2015 at P.M. as per the Bylaws.

SET DATE/TIME 2:00
FOR NEXT
REGULAR MEETING

A motion was made by Trustee Amaro and seconded by Trustee Cordova to adjourn the meeting. Motion carried unanimously.

ADJOURNMENT

President Dorough adjourned the meeting at 4:31 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 June 24, 2015. 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

