

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

October 26, 2016

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., held on Wednesday, October 26, 2016 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 1:59 p.m. by Anne L. Dorough, President.

ROLL CALL

Secretary Mauldin called roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President
 Representative, District V

 David Wade, Vice-President
 Representative, District IV

 Prescilla Mauldin, Secretary/Treasurer*
 Representative, District III

 Mary Lucy Baca, Trustee
 Representative, District I

 Judith Holcomb, Trustee
 District II

 Leroy Anaya, Trustee
 Representative, District III

 Donald Wolberg, Trustee
 Representative, District III

TRUSTEES ABSENT:

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 David Montoya, Safety Compliance Officer
 Tony Lopez, Line Foreman
 Marilyn Madrid, Member Services Supervisor
 Robert Adams, Director of Communication & Public Relations

SEC MEMBERS PRESENT: Jimmy Dorough, David L. Wade

QUORUM

Secretary Mauldin declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

APPROVAL OF AGENDA

There being no additions or deletions to the Agenda, President Dorough approve the Agenda as distributed.

APPROVAL OF PREVIOUS MINUTES

Trustee Wolberg requested that a note be made about Paul Bustamante's comment made during Public Comment.

President Dorough stated an addition can be made by a Trustee to be added to the minutes.

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A motion was made by Trustee Mauldin to accept the minutes as presented; a second from Trustee Anaya. Motion carried unanimously.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

MANAGERS REPORT

Manager Herrera reported on the expenditures check register totaling \$633,942.05 for the month of September, 2016 and, proceeded to answer questions posed by the trustees concerning the Expenditure Report.

President Dorough accepted the Expenditure Report for September, 2016 as presented.

Manager Herrera reported that all credit card statements with supporting receipts were made available to the Board of Trustee. Manager Herrera proceed to answer questions posed by the trustees concerning the Credit Card Report.

President Dorough accepted the Credit Card Report for September, 2016 as presented.

Manager Herrera carefully reviewed, at length, the RUS Form 7 Report for September, 2016, specifically detailing what made up the loss in margins of \$698,579.00 which was due to recognizing \$787,293.00 of 12,167 meter retirements mostly purchased from 2000-2009. Manager Herrera proceeded to answer questions posed by the Trustees.

President Dorough accepted the RUS Form 7 Report for September, 2016 as presented.

Manager Herrera concluded his report that CFC Patronage and a Thank You note from the Catron County 4H Club were received and was available for the Board of Trustees. Manager Herrera updated the board on the AMI system indicating the delivery of meters will be mid-December but has not been confirmed by Aclara. Manager Herrera reported the tentative start date is January 4, 2017. Manager Herrera reported that after offering the Human Resource position to two other individuals that decline the position he presented the position to Donna Wilkins who accepted.

The Board of Trustees extended congratulations to Ms. Wilkins.

COMPLIANCE AND ENGINEERING REPORT

SAFETY REPORT

Mr. Montoya reported that there were no Loss-Time Accidents for the month of September, 2016, working on the Standard Operations Procedure and the radios at Luera Peak.

Manager Herrera reported that Mr. Montoya was being moved to be the Safety & Compliance Officer which meant a few items would be moving to other individuals.

After Board discussion, President Dorough accepted the Safety Report for September, 2016 as presented.

ENGINEERING REPORT

Mr. Montoya reported that the number of site visits is going down due to winter season. Mr. Montoya concluded his report about the project with the Department of Transportation.

President Dorough accepted the Engineering Report for September, 2016 as presented.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Lopez reported about the Magdalena substation outage that had taken place on the night of October 20, 2016. Mr. Lopez stated the crews were able to get the members back up with power ahead

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of schedule. Mr. Lopez reported that some maintenance issues were also taken care of at the same time the outage happened.

OUTAGE REPORTS

Mr. Lopez reported that it was quiet. There was no outage report for the Board to review.

President Dorough accepted the Operations and Maintenance Report for September, 2016 as presented.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reviewed the Energy Delinquent Report for September, 2016.

SECTION V & XII DELINQUENT REPORT

Ms. Madrid also reviewed the Section V & XII Delinquent Report for September, 2016.

President Dorough accepted the Energy, Section V & XII Delinquent Reports as presented for September, 2016.

MEMBER CONCERNS

Ms. Madrid reported that there were no member complaints filed with the N.M.P.R.C. in September, 2016.

COMMUNICATION MEMBER ENGAGEMENT REPORT

MEMBER CONCERNS

Mr. Adams reported that he had finished interviewing all of the staff and meeting with the high schools for the Youth Tour. Mr. Adams reported that a few new logo designs were being presented for the Board to review.

After further discussion, the Board of Trustees decided on a new logo.

Trustee Baca extended her appreciation for Mr. Adams reaching out to the La Joya Library.

President Dorough accepted the Communication Member Engagement Report as presented for September, 2016.

TRI-STATE REPORT

Trustee Wolberg, gave the Tri State Board of Directors activities report for September, 2016 in great detail.

President Dorough accepted Trustee Wolberg's Tri-State Report as presented.

NMRECA REPORT

Trustee Anaya gave the NMRECA Board of Directors activities report for September, 2016 in great detail. Trustee Anaya reported that no NMRECA cooperative backed Socorro Electric on the mail in ballots to count as a quorum.

After much discussion, the Board instructed Manager Herrera to write a letter to be sent to NMRECA on SEC stand and fees being withdrawn.

President Dorough made a recommendation to the Board to have a moratorium on out of state travel unless you have already bought your tickets.

President Dorough accepted Trustee Anaya's NMRECA Report as presented.

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PRESIDENT'S REPORT

President Dorough handed out to the Board of Trustee's the General Manager's evaluation for 2016 and would like to set up a half day workshop to go over it.

After discussion, it was decided to meet on November 18, 2016 at 1 p.m.

President Dorough reported that the Trustee expense reports were made available.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Wade reported on the Committee meeting held September 28, 2016, at great length with recommendations from the committee to the full Board for its considerations.

President Dorough accepted the Finance Committee Report as presented.

* Secretary Mauldin left the meeting at the end of discussion of this agenda item at 3:55 p.m.

NEW BUSINESS

Consideration Cost of Service Study Proposals

Manager Herrera reported that we had received four Cost of Service Study proposals and that it was SEC test year coming up. Manager Herrera stated that it was a recommendation from the Finance Committee to accept the Guernsey proposal.

After discussion, Trustee Anaya made a motion to accept the Finance Committee recommendation to accept the Guernsey proposal to perform the Cost of Service Study; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration of Digger Boom Truck Bid

Manager Herrera reported that SEC had received two different bids of \$249,148.00 from Altec and \$239,292.00 Versalift for a Digger Boom Truck with a recommendation from the Finance Committee to accept the Versalift bid.

Trustee Wolberg made a motion to accept the Finance Committee recommendation to accept the bid from Versalift for the Digger Boom Truck bid; motion seconded by Trustee Anaya. Motion carried unanimously.

Consideration of First State Bank Credit Card Resolution

Manager Herrera informed the Board the requirements by First State Bank to provide one to Donna Wilkins.

Trustee Wolberg made a motion to approve the Resolution with a second from Trustee Baca. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that Cooperative General Counsel Bruce E. Wiggins Esq., had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustees' Boardpaq. Mr. Wiggins reviewed the retirement documents and stated that they were in order, ready for the Board's approval:

ESTATE RETIREMENTS:

None at this time

JOINT ACCOUNT ESTATE RETIREMENTS:

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	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri- State	Gains	Unpaid Balance	Total	Total without Tri-State
Jose A Rivera	\$190.43	\$11.66	\$9.69	\$2.58	\$34.55	\$ -	\$ -	\$248.90	\$214.35

Trustee Anaya moved to approve the Retirement of Patronage Capital to the above-mentioned joint account; motion seconded by Trustee Baca. Motion carried unanimously.

Trustee Anaya made a motion to amend the motion to approve the Retirement of Patronage Capital total without the Tri-State amount to the above-mentioned joint account; motion seconded by Trustee Holcomb. Motion carried unanimously.

Consideration of Line Extension Contract

Manager Herrera reported that there was one contract that was being presented for Leonardo & Samia Apodaca in the amount of \$6,439.33. Manager Herrera made a recommendation for the Board to approve the contract.

Trustee Wade made a motion to approve the contract for Leonardo & Samia Apodaca in the amount of \$6,439.33; seconded by Trustee Wolberg. Motion carried unanimously.

Manager Herrera reported that there were two contracts that were below the \$5,000 threshold for Brian and Alice Dudley in the amount of \$4,100 and for Roberta Gonzales in the amount of \$3,400.

Consideration of Trustee Travel

There was no request made.

EXECUTIVE SESSION

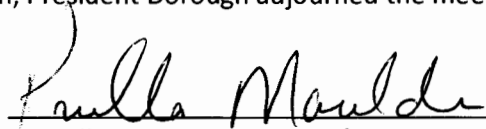
There was no executive session.

SET DATE/TIME FOR REGULAR MEETING

President Dorough stated the next Date and Time would be Wednesday, November 23, 2016 at 2:00 p.m. for the next regularly scheduled meeting; motion carried unanimously.

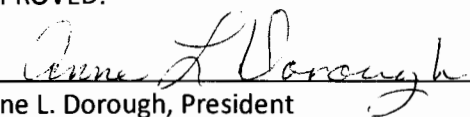
ADJOURNMENT

There being no further items open for discussion, President Dorough adjourned the meeting at 4:10 p.m.



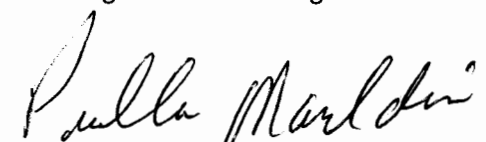
Prescilla Mauldin, Secretary/Treasurer

APPROVED:



Anne L. Dorough, President

I, Prescilla Mauldin, 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 October 26, 2016. 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.



Prescilla Mauldin, Secretary/Treasurer