

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

July 26, 2017

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., held on Wednesday, July 26, 2017 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Anne L. Dorough, President.

ROLL CALL

Secretary Baca 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

 Mary Lucy Baca, Secretary/Treasurer
 Representative, District I

 Judith Holcomb, Trustee
 Representative, District II

 Luis Aguilar, Trustee
 Representative, District III

 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
 Jimmy Capps, Director of Communication & Public Relations
 Leo Baca, CenturyLink (via teleconference)
 John Melendrez, CenturyLink (via teleconference)
 Rob Wolaver Tri-State G&T
 Mike McInnes, Tri-State G&T

SEC MEMBERS PRESENT: Jimmy Dorough, Ravi Bhasker, Leopoldo Pineda, Jr., Toby Jaramillo, Mable Gonzales, Peter Romero, Donald Monette, Anton Salome, John Larson, Cynde Mae Wade, Michael Olguin, Jr.

NON-SEC MEMBERS
PRESENT: Nann Winters, Eddie Reyes, Eddie Lopez, Sam J Senn

QUORUM

Secretary Baca declared a Quorum of Trustees present.

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PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

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

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

CENTURYLINK PRESENTATION

Mr. Baca and Mr. Melendrez thanked the Board for allowing them to talk with the Board via teleconference and apologized for not being able to attend in person. Mr. Baca went over the situation that had begun with the City of Socorro and the problems that had occurred. Mr. Baca stated that there was opportunity for attaching with dark fiber within city limits.

After Board discussion, President Dorough thanked both for taking time to talk with them.

TRI-STATE G&T PRESENTATION

Mr. Wolaver thanked the Board for allowing him to present and went over his presentation stating the condition of Tri-State and where it was heading; answering questions posed by the trustees.

MANAGERS REPORT

Manager Herrera reported on the expenditures check register totaling \$891,277.51 for the month of June, 2017 and, proceeded to answer questions posed by the trustees concerning the Expenditure Report.

President Dorough accepted the Expenditure Report for June, 2017 as presented.

Manager Herrera reported that all credit card statements with supporting receipts were made available to the Board of Trustee.

President Dorough accepted the Credit Card Report for June, 2017 as presented.

Manager Herrera carefully reviewed, at length, the RUS Form 7 Report for June, 2017 and, proceeded to answer questions posed by the trustees concerning the RUS Form 7.

President Dorough accepted the RUS Form 7 Report for June, 2017 as presented.

Manager Herrera reported that in Engineering for June, Cottonwood Valley Charter Schools had called to state their bills were too high only to find out that the schools engineers had asked for too high of a kwh which caused the school to have a demand. Manager Herrera stated that it had been fixed and the school would see a decrease in their bills.

Manager Herrera reported that the 69 kva line from Socorro to Magdalena was on its way with the hope to have something completed by September to be able to present to BLM; and proceeded to answer questions posed by the trustees.

President Dorough accepted the Engineering Report for June, 2017 as presented.

Manager Herrera concluded his report by stating that the SEC had received two thank you letters one from a scholarship recipient who attended Magdalena High School and another from a scholarship recipient who attended Socorro High School.

SAFETY COMPLIANCE REPORT

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Mr. Montoya proceeded to go over the June Monthly Safety Report and proceeded to answer questions posed by the trustees.

President Dorough accepted the Safety Report for June, 2017 as presented.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Lopez reported that construction had picked up for June. Mr. Lopez reported that crews are still working on replacing VCR's, tree maintenance and proceeded to answer questions posed by the trustees.

OUTAGE REPORTS

Mr. Lopez reported on the outages that happened in June, 2017 stating all crews have been doing it safely; and proceeded to answer questions posed by the trustees.

President Dorough accepted the Operations and Maintenance Report for June, 2017 as presented.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reported the Energy Delinquent Report for June, 2017 and proceeded to answer questions posed by the trustees.

NM PRC MEMBER CONCERNS

Ms. Madrid reported there were no member complaints filled with the NM PRC in June, 2017.

President Dorough accepted the NM PRC Member Concerns as presented for June, 2017.

COMMUNICATION AND PUBLIC AFFAIRS REPORT

Mr. Capps proceeded to go over the June Monthly Communication and Public Affairs Report; and proceeded to answer questions posed by the trustees.

President Dorough accepted the Communication and Public Affairs Report for June, 2017 as presented.

TRI-STATE REPORT

Trustee Wolberg gave the Tri-State Board of Directors activities report for June, 2017.

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

NMRECA REPORT

Trustee Anaya gave the NMRECA Board of Directors activities report for June, 2017.

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

PRESIDENT'S REPORT

President Dorough stated that the 2017 Trustee Expenses for the second quarter were made available for the Trustees.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Baca reported on the Committee meeting held June 21 as well as on July 19, 2017.

President Dorough accepted the Finance Committee Report as presented.

STANDING COMMITTEE REPORT

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Committee Chair Trustee Anaya reported on the Committee meeting held July 19, 2017, with recommendations from the committee to the full Board for its consideration.

OLD BUSINESS

President Dorough stated that a time had not been set for the 2018 Annual Meeting being held on April 28, 2018.

Trustee Wolberg made a motion for registration to be held from 1:00 p.m. to 3:00 p.m. with business starting at 3:00 p.m.; motion seconded by Trustee Aguilar. Motion carried unanimously.

NEW BUSINESS

Consideration of 2015 Bad Debt Write-Off Resolution

Manager Herrera reported that a history had been provided to show the write-offs that have been done over the last five years. Manager Herrera stated for SEC to stay in the 2-year rotation the total amount for 2015 write-offs was \$111,000.38.

Trustee Anaya made a motion to approved the 2015 Bad Debt Write-Off Resolution in the amount of \$111,000.38; motion seconded by Trustee Baca. Motion carried unanimously. (Copy of Resolution attached hereto and made a part hereof)

City of Socorro Municipal Electric Utility Feasibility Report and Options by Honorable Mayor Bhasker

Mayor Bhasker introduced the city counselors that were presented and thanked the Board for allowing them and himself to be present at the meeting. Mayor Bhasker provided information on the Feasibility study and options for the Board to consider.

President Dorough stated that the Board would take Mayor Bhasker's information and options into consideration. President Dorough entertained a 5-minute recess.

Policy 127 – Transparency in the Procurement of Goods and Services / Policy 301 – Purchasing Procedure

Manager Herrera reported that there are two policies that match each other, Policy 127 and 301 with Policy 127 – Transparency in Procurement of Goods and Services being rewritten when the new Bylaws came into place April, 2015. Manager Herrera reported that it was the recommendation from the Standing Committee to keep Policy 127 – Transparency in Procurement of Goods and Services and retire Policy 301 – Purchasing Procedure.

Trustee Aguilar made a motion to accept the Standing Committee's recommendation to keep Policy 127 – Transparency in Procurement of Goods and Services and to retire Policy 301 – Purchasing Procedure; motion seconded by Trustee Holcomb. Motion carried unanimously.

Policy 132 – Member Access to Cooperative's Financial & Management Information / Policy 508 – Access to Records of the Cooperative

Manager Herrera reported that these are two policies match each other, Policy 132 and 508 with Policy 132 – Member Access to Cooperative's Financial & Management Information being the newer of the two policies. Manager Herrera reported that it was the recommendation from the Standing Committee to keep Policy 132 – Member Access to Cooperative's Financial & Management Information and retire Policy 508 – Access to records of the Cooperative.

Trustee Wolberg made a motion to accept the Standing Committee's recommendation to keep Policy 132 – Member Access to Cooperative's Financial & Management Information and retire Policy 508 – Access to records of the Cooperative; motion seconded by Trustee Holcomb. 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:

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ESTATE RETIREMENTS:

	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
None at this time									

JOINT ACCOUNT ESTATE RETIREMENTS:

	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
Ernesto C Cordova	\$322.77	\$11.59	\$19.71	\$9.33	\$104.29	\$0.00	\$0.00	\$467.68	\$363.39

After discussion, Trustee Baca made a motion to approve the Retirement of Patronage Capital total without the Tri-State amount to the above-mentioned estate accounts; motion seconded by Trustee Holcomb. Motion carried unanimously.

Consideration of Line Extension Contract

There were no Line Extension Contract open for consideration.

Consideration of Trustee Travel

Trustee Aguilar, Holcomb, Wolberg and President Dorough requested Board approval to attend the NMRECA Director Training being held in Albuquerque, New Mexico.

After Board discussion, Trustee Anaya made a motion to approve travel for Trustee Aguilar, Holcomb, Wolberg and President Dorough to attend the NMRECA Director Training held in Albuquerque, New Mexico; motion seconded by Trustee Aguilar. Motion carried unanimously.

Trustee Holcomb and Wolberg requested Board approval to attend the attend the NMRECA BBQ being held in Santa Fe, New Mexico.

Trustee Aguilar made a motion to approve Trustee Holcomb and Wolberg to attend the NMRECA BBQ being held in Santa Fe, New Mexico; motion seconded by Trustee Anaya. Motion carried unanimously.

Consideration of Bolinger, Segars, Gilbert, and Moss CPA L.L.P 2017 Financial Audit Proposal

Manager Herrera reported that a proposal has been provided by David Copeland from Bolinger, Segars, Gilbert, and Moss for the 2017 Financial Audit.

Trustee Holcomb made a motion to approve Bolinger, Segars, Gilbert, and Moss CPA 2017 Financial Audit Proposal; motion seconded by Trustee Baca. Motion carried unanimously.

EXECUTIVE SESSION

Trustee Wolberg moved to go into Executive Session to discuss potential litigation matters; motion seconded by Trustee Aguilar. Motion carried unanimously.

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 4:29 p.m.

REGULAR SESSION

A motion was made by Trustee Wolberg and seconded by Trustee Holcomb to return to Regular Session at 4:59 p.m. President Dorough stated that there was no action taken during Executive Session.

Trustee Wolberg made a motion to reject SEC Member Donald Monette's request for SEC information; motion seconded by Trustee Holcomb. Motion carried unanimously.

SET DATE/TIME FOR REGULAR MEETING

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After discussion, Trustee Wolberg moved to set the Date and Time of Wednesday, August 30, 2017 at 2:00 p.m. for the next regularly scheduled meeting; motion seconded by Trustee Aguilar. Motion carried unanimously.

ADJOURNMENT

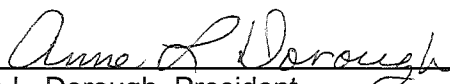
There being no further items open for discussion, Trustee Wolberg made a motion to adjourn; seconded by Trustee Baca.

President Dorough adjourned the meeting at 5:01 p.m.



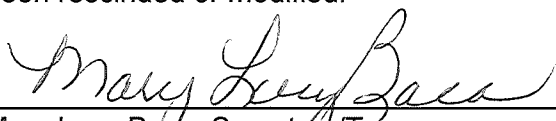
Mary Lucy Baca, Secretary/Treasurer

APPROVED:



Anne L. Dorough, President

I, Mary Lucy Baca, 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 July 26, 2017. 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.



Mary Lucy Baca, Secretary/Treasurer