

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

December 26, 2018

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, December 26, 2018 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Luis Aguilar, Vice-President.

ROLL CALL

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

TRUSTEES PRESENT: Anne L. Dorough, President (via telephone)
Representative, District V

Luis Aguilar, Vice-President
Representative, District III

Mary Lucy Baca, Secretary/Treasurer
Representative, District I

Dave Wade, Trustee*
Representative, District IV

Leroy Anaya, Trustee
Representative, District III

Donald Wolberg, Trustee
Representative, District III

TRUSTEES ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
Donna Wilkins, Administrative Assistant
David Montoya, Safety Compliance Officer
Marilyn Madrid, Member Services Supervisor

SEC MEMBERS PRESENT: John Larson, David L Wade

QUORUM

Secretary Baca declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Vice-President Aguilar led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

Trustee Baca moved to approve the Agenda as presented; motion seconded by Trustee Wolberg. Motion carried unanimously.

Vice-President Aguilar approved the Agenda as distributed.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Anaya moved to accept the minutes from November 28, 2018 as presented; motion seconded by Trustee Baca. Motion carried unanimously.

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Vice-President Aguilar approved the November 28, 2018 minutes as presented.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$1,184,765.84 for the month of November 2018 and proceeded to answer questions posed by the Trustees.

* Trustee Wade arrived at the meeting during this agenda item at 2:05 p.m.

Vice-President Aguilar thanked Manager Herrera for the Expenditure Report for November 2018.

Manager Herrera reported that the American Express and MasterCard credit card statements with supporting receipts were made available to the Board of Trustees for November 2018.

Vice-President Aguilar thanked Manager Herrera for the Credit Card Expenditures for November 2018.

Manager Herrera carefully reviewed the RUS Form 7 Report for November 2018 and proceeded to answer questions posed by the Trustees.

Vice-President Aguilar thanked Manager Herrera for the RUS Form 7 Report for November 2018.

Manager Herrera reported that under the Engineering Report for November, the Magdalena 69kV Transmission Line report from Tierra ROW is ready to be sent to the Bureau of Land Management (BLM) for review. Manager Herrera stated that due to the government shutdown, SEC is now at a hold until the BLM reviews the report. Manager Herrera reported there were 33 site visits for November which is a busy month for SEC as typically the number of site visits decrease in the colder months of the year. Manager Herrera also stated that Tri-State and Electrical Power Research Institute (EPRI) are working together to collect data on using heat pumps within different areas of Tri-State using employees from other cooperatives. Manager Herrera stated that an SEC employee was chosen to help participate in the 3-year study using a newly designed heat pump that operates in colder climates.

Vice-President Aguilar thanked Manager Herrera for the Engineering Report for November 2018.

Manager Herrera concluded reporting that SEC has received numerous cards of gratitude from the kids in the various 4H groups for the add-on donations made for the respective Junior Livestock Sales held during the county fairs. Manager Herrera also reported about the closing of the Wells Fargo account that SEC had to allow our members to pay their electric bills at the Magdalena branch. Manager Herrera stated that since the closing of the Wells Fargo Magdalena branch, SEC has installed a kiosk at the Village of Magdalena to give SEC members an opportunity to still pay their bill without coming in to SEC office or mailing their payment. Manager Herrera reported that he was able to attend the Interfaith Power and Light Conference along with several other cooperatives and it was a good educational experience in explaining to this organization what cooperatives are about. Manager Herrera stated that increasing renewables was discussed, and the cooperatives were able to explain how the effects are different from cooperatives versus IOU's.

Vice-President Aguilar thanked Manager Herrera for the Managers Report for November 2018.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the November Safety Report and proceeded to answer questions posed by the trustees.

JOB BRIEFING

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Mr. Montoya reviewed the November Job Briefing Reports and proceeded to answer questions posed by the Trustees.

Vice-President Aguilar thanked Mr. Montoya for the Safety Compliance Report for November 2018.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Manager Herrera reported that Mr. Williams is also snowed in in Quemado so was not able to attend. Manager Herrera reported for November that crews completed 66 work orders with 11 being new construction, 38 maintenance activity and 7 retirements orders, 31 service orders. Manager Herrera stated the equipment for the AMI project was received which Mr. Williams' crews brought online the Socorro Local, Quemado and Socorro Tri-State substations. Manager Herrera proceed to answer questions posed by the Trustees.

OUTAGE REPORTS

Manager Herrera went over the Cooperative Response Center report for November 2018 stating that 17 outage reports had been turned in by crews with no major outages occurring. Manager Herrera proceed to answer questions posed by the Trustees.

Vice-President Aguilar thanked Manager Herrera for the Operations and Maintenance Report for November 2018.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reported on the Energy Delinquent Report for November 2018 and proceeded to answer questions posed by the Trustees.

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no member complaints filed with the NM PRC in November 2018.

Vice-President Aguilar thanked Ms. Madrid for the Member Services Report for November 2018.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

As Mr. Capps was out of the office this week, Manager Herrera presented the November Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

Vice-President Aguilar thanked Manager Herrera for the Communications and Public Affairs Report for November 2018.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Directors activities report for November 2018.

Vice-President Aguilar thanked Trustee Anaya for the Tri-State Report.

NMRECA REPORT

Manager Herrera reported on the NMRECA activities report for November 2018 and proceeded to answer questions posed by the Trustees.

Vice-President Aguilar thanked Manager Herrera for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg reported on the MRGEDA activities report for November 2018 and proceeded to answer questions posed by the Trustees.

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After discussion, Trustee Wolberg made a motion to pay MRGEDA dues for the upcoming year; motion seconded by Trustee Anaya. Motion carried with one dissenting vote.

Vice-President Aguilar thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

Credentials and Elections Committee

President Dorough asked all Trustees to submit a name to Manager Herrera before the next Board meeting to serve on the Credentials and Elections Committee.

Committee of the Whole

President Dorough reported that Trustee Wolberg had made a proposal to separate the Alamo Nation and create a new Trustee district for them but did not make a motion to this effect so no action was taken by the Committee of the Whole.

Vice-President Aguilar handed out the CEO/General Managers Appraisal Form to all trustees to have filled out and brought back by the next Board meeting.

TRUSTEE REPORTS

Trustee Wolberg recommended that SEC research the guidelines of the USDA ReConnect Program that has available funds for development of broadband in rural electric communities.

Vice-President Aguilar thanked Trustee Wolberg for his Trustee Report.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Baca reported on the Finance Committee Meeting held on November 28, 2018.

Vice-President Aguilar thanked Committee Chair Trustee Baca for the Finance Committee Report.

STANDING COMMITTEE REPORT

Committee Chair Trustee Anaya reported on the Standing Committee Meeting held on December 19, 2018 with recommendations to the full Board of Trustees.

Vice-President Aguilar thanked Committee Chair Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

Policy 109 – Conflicts of Interest

Manager Herrera reported that Policy 109 – Conflicts of Interest was reviewed by the Standing Committee and it was the recommendation of the Committee to approve Policy 109 – Conflicts of Interest with no changes.

After discussion, Trustee Baca made a motion to accept the Standing Committee's recommendations to retain Policy 109 – Conflicts of Interest with no changes; motion seconded by Trustee Wolberg. Motion carried unanimously.

Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors

Manager Herrera reported that Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors was reviewed by the Standing Committee and it was the recommendation of the Committee to approve Policy 110 – Conflicts of Interest in Relationships with Vendors with no changes.

After discussion, Trustee Wolberg made a motion to accept the Standing Committee's recommendations to retain Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors with no changes; motion seconded by Trustee Baca. Motion carried unanimously.

Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities

Manager Herrera reported that Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities was reviewed by the Standing Committee and it was the recommendation of the Committee to approve Policy 111 – Ethics and Conflicts of Interest in Relationships with Vendors with no changes.

After discussion, Trustee Baca made a motion to accept the Standing Committee’s recommendations to retain Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities with no changes; motion seconded by Trustee Wade. Motion carried unanimously.

NRECA 2019 Annual Meeting Selection of Voting and Alternate Delegate

Manager Herrera reported that the NRECA 2019 Annual Meeting is being held March 7-14, 2019 in Orlando, Florida.

Trustee Anaya made a motion to nominate Manager Herrera as NRECA Voting Delegate; motion seconded by Trustee Wade. Motion carried unanimously.

Trustee Baca made a motion to nominate Trustee Anaya as NRECA Alternate Voting Delegate; motion seconded by Trustee Wade. Motion carried unanimously.

Trustee Baca made a motion to nominate Trustee Anaya as Federated Voting Delegate and Manager Herrera as Federated Alternate Voting Delegate; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough made a motion to nominate Trustee Anaya as CFC and NRTC Voting Delegate and Manager Herrera as CFC and NRTC Alternate Voting Delegate; motion seconded by Trustee Wade. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that SEC General Counsel Bruce E. Wiggins Esq., had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustee’s Boardpaq. Mr. Wiggins reviewed the retirement documents and stated that they appeared to be in order and were ready for the Board’s consideration:

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
Emilio Pargas	\$364.05	\$8.54	\$22.12	\$11.53	\$128.57	\$196.16	\$0.00	\$730.97	\$602.40
Virginia M Johnson	\$278.17	\$6.50	\$10.64	\$4.36	\$48.48	\$22.13	\$0.00	\$370.28	\$321.80
Tom Rufenacht	\$60.33	\$0.00	\$11.29	\$7.78	\$48.63	\$0.00	\$0.00	\$128.03	\$79.40
Antonio C Lucero	\$360.86	\$8.86	\$29.86	\$13.13	\$173.46	\$15.31	(\$104.99)	\$496.49	\$323.03

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
Waldermere									
Bejnar	\$366.25	\$10.35	\$22.10	\$10.09	\$126.45	\$76.09	\$0.00	\$611.33	\$484.88
Billy F Shivers	\$379.51	\$26.17	\$14.93	\$3.12	\$0.00	\$213.38	\$0.00	\$637.11	\$637.11
Theresa Vigil-Ulibarri	\$268.67	\$8.00	\$15.73	\$7.43	\$79.94	\$31.43	\$0.00	\$411.20	\$331.26
Michael Keger	\$449.73	\$7.49	\$19.39	\$3.17	\$159.28	\$14.33	\$0.00	\$653.39	\$494.11
Martin M Gabaldon	\$127.61	\$1.57	\$8.23	\$4.35	\$52.12	\$3.05	\$0.00	\$196.93	\$144.81
Frank Toledo	\$196.70	\$6.07	\$7.14	\$0.72	\$51.34	\$152.07	\$0.00	\$414.04	\$362.70

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Trustee Wolberg made a motion to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the above-mentioned estate accounts; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

There were no Trustee Travel requests brought forth for approval.

EXECUTIVE SESSION

Trustee Wolberg made a motion to go into Executive Session to discuss potential litigation matters; motion seconded by Trustee Anaya. Motion carried unanimously.

Vice-President Aguilar called for an Executive Session.

The Board adjourned to Executive Session at 3:22 p.m.

REGULAR SESSION

A motion was made by Trustee Baca and seconded by Trustee Wade to return to Regular Session at 3:47 p.m. Vice-President Aguilar stated that there was no action taken during Executive Session.

DISTRICT II TRUSTEE VACANCY

Trustee Wolberg made a motion to accept Mr. James C Nelson's application to fill in the remaining term of the District II Trustee vacancy; motion seconded by Trustee Wade. Motion carried with one dissenting vote.

SET DATE/TIME FOR REGULAR MEETING

After discussion, President Dorrough made a motion to: set the date and time of the next Standing Committee meeting for January 16, 2019 at 2:00 p.m. and to set the date and time for the next regularly scheduled Board Meeting for January 23, 2019 at 2:00 p.m.; motion seconded by Trustee Baca. Motion carried unanimously.


ADJOURNMENT

There being no further items open for discussion, Trustee Anaya moved to adjourn; motion seconded by Trustee Baca. Motion carried unanimously.

Vice-President Aguilar adjourned the meeting at 3:53 p.m.


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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 December 26, 2018. 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