

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

June 20, 2019

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Thursday, June 20, 2019, 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 Bustamante called the roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President
 Representative, District 5

 Luis Aguilar, Vice-President
 Representative, District 3

 Paul Bustamante, Secretary/Treasurer
 Representative, District 1

 James Nelson, Trustee
 Representative, District 2

 Leroy Anaya, Trustee
 Representative, District 3

 Donald Wolberg, Trustee
 Representative, District 3

 Michael Hawkes, Trustee
 Representative, District 4

TRUSTEES ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
 David Montoya, Safety Compliance Officer
 Ricky Williams, Line Superintendent
 Marilyn Madrid, Member Services Supervisor
 Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Jimmy Dorough, Dave Wade, Cyndi Mae Wade

QUORUM

Secretary Bustamante declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

President Dorough, hearing no objections, approved the Agenda as distributed.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

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Trustee Aguilar motioned to correct the minutes from the May 22, 2019 meeting.

After discussion, Trustee Wolberg made a motion to postpone approval of the May 22, 2019 meeting minutes to the next meeting; motion seconded by Trustee Anaya. Motion carried unanimously.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$1,134,438.89 for May 2019 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the Expenditure Report for May 2019.

Manager Herrera reported on the American Express and MasterCard credit card expenditures, with supporting receipts, as made available to the Board of Trustees for May 2019.

President Dorough thanked Manager Herrera for the credit card report for May 2019.

Manager Herrera carefully reviewed in detail the RUS Form 7 Report for May 2019 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the RUS Form 7 Report for May 2019.

Manager Herrera presented the Engineering Report for May reporting that the Bureau of Land Management (BLM) had received minimal comments back on the biological section of the Environmental Assessment (EA) report for the construction of the re-routed Magdalena 69kV Transmission Line. Manager Herrera stated that SEC is waiting to hear if there are any further comments from the BLM and hopes to provide more information at the July 2019 board meeting. Manager Herrera also reported that 60 site visits were completed for May with 33 site visits being done locally within the Socorro area.

President Dorough thanked Manager Herrera for the Engineering Report for May 2019.

Manager Herrera concluded by reporting that SEC has two new apprentice linemen who recently graduated from the Northwest Lineman School in Iowa. Manager Herrera also mentioned that SEC had received a scholarship thank you note.

President Dorough thanked Manager Herrera for the Managers Report for May 2019.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

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

JOB BRIEFING

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

President Dorough thanked Mr. Montoya for the Safety Compliance Report for May 2019.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Williams reported on May activities as crews completed 32 work orders and closed 23 work orders. Mr. Williams stated that 55 service orders were completed with 19 of them being for area light issues. Mr. Williams proceeded to answer questions posed by the Trustees.

OUTAGE REPORTS

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Mr. Williams gave a review of the Cooperative Response Center (CRC) Outage Report for April 2019, stating 44 outage reports had been turned in by SEC crews. Mr. Williams answered questions posed by the Trustees.

President Dorough thanked Mr. Williams for the Operations and Maintenance Report for May 2019.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for May 2019 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 May 2019.

President Dorough thanked Ms. Madrid for the Member Services Report for May 2019.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the May Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Capps for the Communications and Public Affairs Report for May 2019.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Director's activities report for May 2019.

President Dorough thanked Trustee Anaya for the Tri-State Report.

NMRECA REPORT

Manager Herrera reported on the NMRECA activities report for May 2019 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg reported on the MRGEDA activities for May 2019 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough reported that during the Planning Session, it was discussed that a committee would be established to facilitate a dialogue with the Councilors of the City of Socorro.

President Dorough appointed the following District 3 – Socorro Trustees to the committee: Donald Wolberg (Chair), Luis Aguilar, and Leroy Anaya.

President Dorough stated that the committee would ask the City of Socorro for an opportunity to establish a dialogue with a letter delivered at a future City Council meeting.

FINANCE COMMITTEE REPORT

Trustee Aguilar reported on the Finance Committee Meetings held on May 22, 2019.

President Dorough thanked Trustee Aguilar for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on June 20, 2019, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

Federated Rural Electric Insurance Exchange Renewal

Manager Herrera reported that Federated Rural Electric Insurance Exchange had submitted a proposal for a two-year renewal of our Property and General Liability, Vehicle and Directors and Officers insurance coverage that included a 2% premium increase. This proposal keeps all coverages at the existing limit amounts and includes Cyber Liability coverage.

Trustee Bustamante made a motion to accept the Federated Rural Electric Insurance Exchange proposed two-year renewal of our Property and General Liability, Vehicle and Directors and Officers insurance coverage with the 2% increase; motion seconded by Trustee Wolberg. Motion carried unanimously.

Consideration and Approval of First State Bank Resolution

Manager Herrera reported with the change of the SEC Board of Trustee Officers; it was standard procedure to update with First State Bank signature cards.

Trustee Wolberg made a motion to approve the First State Bank Resolution to update the officers; motion seconded by Trustee Anaya. Motion carried unanimously.

Consideration and Approval of First State Bank Credit Card Resolution

Manager Herrera requested approval from the Board to obtain a MasterCard credit card from First State Bank for Adriana Arellano, Meter Department Supervisor, and to cancel Amelia Gallegos' MasterCard as she was the previous supervisor, but has now left SEC.

Trustee Anaya made a motion to approve the First State Bank Credit Card Resolution for Adriana Arellano and to cancel the card for Amelia Gallegos; motion seconded by Trustee Nelson. Motion carried unanimously. (copy of Resolution attached hereto and made a part hereof)

Consideration of NMRECA Board Alternate

Manager Herrera reported that former Trustee Mary Lucy Baca was the SEC Board Alternate for the NMRECA Board, so a new one needs to be appointed.

Trustee Anaya nominated Trustee Wolberg as the NMRECA Board Alternate.

President Dorough, hearing no other nominations, declared Trustee Wolberg as the NMRECA Board Alternate.

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
Ray Naranjo	\$312.37	\$10.19	\$13.58	\$1.32	\$76.50	\$119.46	\$0.00	\$533.42	\$456.92
Holm Bursum III	\$6,687.64	\$208.50	\$199.85	\$66.10	\$847.10	\$0.00	\$0.00	\$8,009.19	\$7,162.09
Frances Martinez	\$347.57	\$12.33	\$19.83	\$10.29	\$84.37	\$0.00	\$0.00	\$474.39	\$390.02
Kenneth Hansen	\$447.80	\$17.08	\$26.54	\$12.44	\$105.45	\$0.00	\$0.00	\$609.31	\$503.86

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
Luis Anaya Frank	\$238.64	\$7.97	\$14.68	\$7.00	\$68.09	\$33.40	\$0.00	\$369.78	\$301.69
Broaddus	\$230.38	\$3.91	\$13.97	\$10.46	\$69.67	\$0.00	\$0.00	\$328.39	\$258.72
Jolinda Dallin	\$224.02	\$0.00	\$18.25	\$8.11	\$142.09	\$0.00	\$0.00	\$392.47	\$250.38

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

Consideration of Line Extension Contracts

There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

Trustee Anaya, Bustamante, Hawkes, Nelson, and Wolberg requested Board approval to attend the NRECA Region 10 Meeting in San Antonio, Texas on October 23-25, 2019.

Trustee Aguilar made a motion to approve travel for Trustee Anaya, Bustamante, Hawkes, Nelson, and Wolberg to attend the NRECA Region 10 Meeting; motion seconded by Trustee Anaya. Motion carried unanimously.

Trustee Anaya, Bustamante, Hawkes, and Wolberg requested Board approval to attend the NMRECA Annual Barbecue in Santa Fe, New Mexico on August 29, 2019.

Trustee Wolberg made a motion to approve travel for Trustee Anaya, Bustamante, Hawkes, and Wolberg to attend the NMRECA Annual Barbecue; motion seconded by Trustee Aguilar. Motion carried unanimously.

Trustee Aguilar requested Board approval to attend one day of the NMPRC Hearing concerning SEC's rate change in Santa Fe, New Mexico the week of June 24-28, 2019.

Trustee Anaya made a motion to approve travel for Trustee Aguilar to attend the NMPRC Hearing; motion seconded by Trustee Wolberg. Motion carried unanimously.

EXECUTIVE SESSION

There were no items to discuss in Executive Session.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Wolberg made a motion to set the date and time of Committee meetings for July 17, 2019, with the next regularly scheduled Board Meeting for July 24, 2019, at 2:00 p.m.; motion seconded by Trustee Hawkes. Motion carried unanimously.

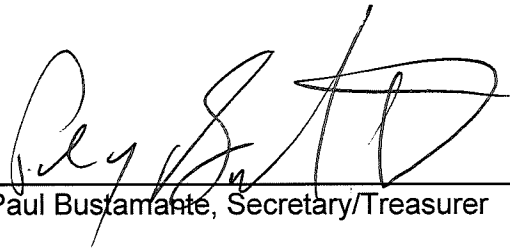
ADJOURNMENT

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


President Dorrough adjourned the meeting at 3:50 p.m.

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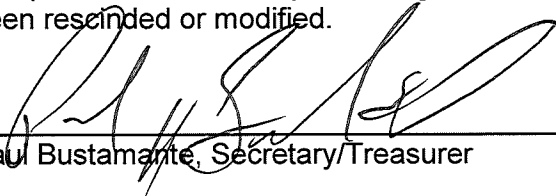
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Paul Bustamante, Secretary/Treasurer

APPROVED:


Anne L. Dorough, President

I, Paul Bustamante, 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 20, 2019. 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.


Paul Bustamante, Secretary/Treasurer

RESOLUTION

WHEREAS, that The Board of Trustees of The Socorro Electric Cooperative, Inc., (hereinafter referred to as "SEC") during the Board Meeting held on June 20, 2019 hereby authorizes the First State Bank to issue a MasterCard Credit Card to Adriana Arellano, SEC Meter Department Supervisor, and

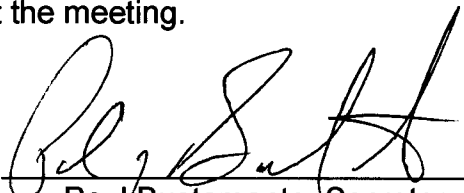
WHEREAS, that the Board of Trustees authorizes the First State Bank to set a credit limit of \$2,500 on the MasterCard Credit Card, and

WHEREAS, that the Board of Trustees authorizes the First State Bank to cancel the MasterCard Credit Card issued to Amelia Gallegos, former Meter Department Supervisor, and

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of the SEC during their Regular Meeting held on June 20, 2019 authorized the First State Bank to issue a MasterCard Credit Card to Adriana Arellano, with a credit limit of \$2,500.

CERTIFICATE OF SECRETARY

I, Paul Bustamante, hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., and that the foregoing document is a true and exact copy of an excerpt from the Minutes of the Board Meeting of the Board of Trustees, held on June 20, 2019, and that a Quorum was present and acted upon throughout the meeting.


Paul Bustamante, Secretary

