

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

August 28, 2019

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, August 28, 2019, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 1:55 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
 Donna Wilkins, Administrative Assistant
 Ronnita Montoya, Accounting Supervisor
 David Montoya, Safety Compliance Officer
 Marilyn Madrid, Member Services Supervisor
 Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Jimmy Dorough, Ward McCartney

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

Trustee Aguilar made a motion to approve the Agenda as distributed; motion seconded by Trustee Wolberg. Motion carried unanimously.

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President Dorough approved the Agenda as distributed.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Anaya made a motion to approve the minutes from the July 24, 2019 meeting as presented; motion seconded by Trustee Bustamante. Motion carried unanimously.

President Dorough approved the July 24, 2019 minutes as presented.

PUBLIC COMMENTS

Ward McCartney, District 1 member, asked for the Trustees to look at other options with Tri-State and the City of Socorro.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$834,688.25 for July 2019.

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

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

Manager Herrera reported in the Engineering Report for July that SEC had 43 site visits for the month and that our consulting engineers were conducting the final review of SEC's coordination study. Manager Herrera answered questions posed by the Trustees.

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

Manager Herrera concluded by reporting that SEC had been contacted by White Sands Missile Range (WSMR) about being a subcontractor to provide raptor protection to all SEC poles located at WSMR. Manager Herrera stated that the project would take until 2024 before all poles could be completed at WSMR. Manager Herrera provided the Board of Trustees with information on the meeting that Donald Monette had requested at the July 24, 2019 Board meeting. Manager Herrera stated that SEC had received several thank you notes.

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

FINANCIAL REPORT

Ms. Montoya carefully reviewed in detail the RUS Form 7 Report for July 2019 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Ms. Montoya for the RUS Form 7 Report for July 2019.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

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

JOB BRIEFING

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

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

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Manager Herrera stated that due to an outage on the feed coming from Tucson Electric Power at the Quemado Substation, he would be providing the Construction/Maintenance and Outage

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Reports for Ricky Williams. Manager Herrera mentioned that due to this outage, all of the West area is now being fed out of the Magdalena substation, but SEC was lucky enough to get parts to fix the problem which is where Ricky Williams is at currently helping crews. Manager Herrera reported for July that crews completed 30 work orders and closed 35 work orders. Manager Herrera stated that 50 service orders were completed with 16 of them being for area light issues. Manager Herrera reported that crews documented that 83 trees had been trimmed and documented 67 trees that had been removed from SEC's right-of-way's; and proceeded to answer questions posed by the Trustees.

OUTAGE REPORTS

Manager Herrera gave a review of the Cooperative Response Center (CRC) Outage Report for July 2019, stating 47 outage reports had been turned in by SEC crews. Manager Herrera answered questions posed by the Trustees.

President Dorough thanked Manager Herrera for the Operations and Maintenance Report for July 2019.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

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

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no member complaints filed with the NM PRC in July 2019.

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

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the July 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 July 2019.

TRI-STATE REPORT

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

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

NMRECA REPORT

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

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough congratulated Trustee Bustamante as she presented him with his NRECA "Director Gold Program" Board Leadership Certificate.

President Dorough stated that SEC had received a ballot and candidate information on the upcoming CoBank election. President Dorough mentioned other cooperatives elect an individual to review the candidate's biography information and cast the ballot on SEC's behalf.

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Trustee Anaya nominates President Dorough to review and cast the ballot on behalf of SEC; seconded by Trustee Wolberg. Motion carried by acclamation.

FINANCE COMMITTEE REPORT

Trustee Aguilar reported on the Finance Committee Meetings held on July 24, 2019.

President Dorough thanked Trustee Aguilar for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on August 21, 2019, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

2017 Bad Debt Write-off Resolution

Manager Herrera reported that the Bad Debt write-off for 2017 was \$70,928.51 for Energy Accounts and \$5,520.69 for Other Accounts Receivable (OAR) Accounts. Manager Herrera stated that SEC still tries to collect on these accounts, but this is for accounting and auditing purposes. Manager Herrera noted that it was the recommendation of the Finance Committee to approve the 2017 Bad Debt Write-off Resolution.

After discussion, Trustee Wolberg made a motion to accept the Finance Committee's recommendation to approve the write-off of \$70,928.51 for Energy Accounts and \$5,520.69 for Other Accounts Receivable accounts in bad debt for the year 2017; motion seconded by Trustee Anaya. Motion carried unanimously. (copy of Resolution attached hereto and made a part hereof)

1993 Capital Credits General Retirement

Manager Herrera reported that SEC is on a 25-year retirement cycle for allocated Patronage Capital with 1993 being up for retirement. Manager Herrera stated that it was the recommendation of the Finance Committee to approve the 1993 Capital Credits General Retirement of \$367,600.01.

After discussion, Trustee Wolberg made a motion to accept the Finance Committee's recommendation to approve the 1993 General Retirement of \$367,600.01 being payable on December 1, 2019, if it is fiscally responsible at that time; motion seconded by Trustee Anaya. Motion carried unanimously.

Pole Attachment License Agreement

Manager Herrera reported that Socorro Consolidated Schools received a grant to allow them to bring fiber to the Midway and San Antonio schools and the schools are requesting permission to attach to about 300 poles. Manager Herrera stated that Pole Attachment License Agreement, which was reviewed by the general council, is the same agreement used for other entities that attach to SEC poles.

After discussion, Trustee Anaya made a motion to approve the Pole Attachment License Agreement with Socorro Consolidated Schools; motion seconded by Trustee Bustamante. Motion carried unanimously.

Board Policy 123 – Maintenance Period for Personnel Records

Manager Herrera reported that Policy 123 – Maintenance Period for Personnel Records had been reviewed by the general counsel and the Standing Committee. Manager Herrera stated it was the recommendation of the Committee to approve Policy 123 – Maintenance Period for Personnel Records with recommended changes.

After discussion, Trustee Anaya made a motion to accept the Standing Committee's proposed changes of Policy 123 – Maintenance Period for Personnel Records; motion seconded by Trustee Wolberg. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

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Manager Herrera reported that SEC General Counsel Lorna Wiggins Esq. had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustee's BoardPaq. Ms. 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
Wanda Ramzel	\$186.59	\$5.32	\$13.26	\$8.37	\$58.21	\$0.00	\$0.00	\$271.75	\$213.54
Jean Fraissinet	\$434.10	\$13.36	\$30.39	\$18.16	\$134.06	\$0.00	\$0.00	\$630.07	\$496.01
Nellie Chavez Joseph	\$229.60	\$4.53	\$15.65	\$11.28	\$74.65	\$0.00	\$0.00	\$335.71	\$261.06
Gallagher	\$587.78	\$21.41	\$32.06	\$17.53	\$125.63	\$0.00	\$0.00	\$784.41	\$658.78

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
Gregory Gutierrez	\$193.39	\$7.18	\$11.10	\$5.84	\$48.16	\$32.08	\$0.00	\$297.75	\$249.59
Estanislado Sarate	\$312.06	\$10.05	\$19.30	\$12.51	\$80.57	\$0.00	\$0.00	\$434.49	\$353.92
Glenn Perry	\$248.59	\$6.38	\$15.92	\$7.07	\$83.10	\$18.13	\$0.00	\$379.13	\$296.03
Steven Hinkle	\$220.15	\$7.65	\$5.48	\$1.24	\$17.39	\$0.00	\$0.00	\$251.91	\$234.52

After discussion, Trustee Wolberg 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 Hawkes. 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

There were no items to discuss in Executive Session

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya made a motion to set the date and time of Committee meetings for September 18, 2019, at 2:00 p.m. and the next regularly scheduled Board Meeting for September 25, 2019, at 2:00 p.m.; motion seconded by Trustee Bustamante. Motion carried unanimously.

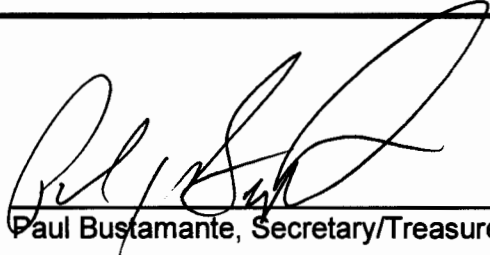
ADJOURNMENT

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

President Dorrough adjourned the meeting at 3:57 p.m.

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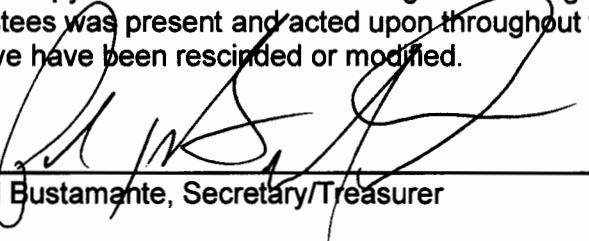
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Paul Bustamante, Secretary/Treasurer

APPROVED:


Anne L. Dorrough, 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 August 28, 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