

092612- meeting comments

January is coming when the first step in the revamp of the board will be taken and it cannot come quickly enough. Last night was just another example of bad behavior by bad board members. Don Wolberg ranted and accused people of strangely conceived wrongs that had no basis in reality or sense while the chairman ignored this breach of Robert's Rules of Order and decorum and Mrs. Wiggins, lawyer, pretended that she was deaf and unaware of what was happening. SEC members in attendance were shaking their heads in disbelief drawing a reprimand from a staff member and the threat of police removal by Pres. Bustamante. And the lunatic rant went on and on while the sheriff's deputy stood up to make his presence felt.

January will only clear away two of the five members from District 3, Socorro. Three will remain, Wolberg, Mauldin, and Aguilar. A question arises. Of the 5 new districts, district 3 will have three times the representation and three votes to the other four districts' one each. The law requires that they be allowed to finish out their terms (through 2013) but the law also calls for equal representation, i.e. voting. Don't expect fairness from the board majority, management, or lawyer; the issue will wind up in court. To quote a sentence from a letter from Judge Mitchell, August 14, 2012 (entire letter see below this commentary) "...does the Court simply issue an order and treat the Co-op Board as a child, unable to follow simple instructions and statutes?"

Remember back to August, 2010 when Larry McGraw, RUS, warned the co-op that they were in technical default and had to take action immediately to avoid default and bankruptcy. Action was taken, a rate increase, cut back in spending including the members' mandated \$10,000 cap on trustee expenditures down from the quarter of million spent on the trustees the year before, etc. Other cutbacks were expensive parties and trustee banquets, donations to any entity other than scholarships, and the giving of door prizes of cash and prizes at district and annual meetings. Well, as those of you in attendance at the Annual Meeting noted, there were a lot of giveaways of cash from the co-op's funds and prizes "donated" by area merchants on April 14, 2012. This giveaway was a surprise to one trustee, Charlie Wagner, who is being kept in the dark by the rest of the board and management. Of course none of the members knew what was coming as nothing was said in an open board meeting. The giving away of co-op funds which belong to the members is inappropriate and the coercion of merchants for donations improper in today's economy when profit margins for small businesses are slim. Adding insult to injury, merchants have been hit with a loss of business as the co-op cuts local purchasing. It should be noted that Trustee Wagner moved to do away with door prizes, Trustee Mauldin seconded. The vote to remove was three FOR, Wagner, Mauldin, Aguilar; one ABSTAIN, Wolberg and four AGAINST, Cordova, Anaya, Wade, Ulibarri. Pres. Bustamante called it for the AGAINST FOUR.

In other action, Herb Myers addressed the board on the waste of having two or three or four lawyers from the firm that has a contract to represent the SEC attend board meetings. The monthly billing from this firm averages to almost \$7,000. The exact figure and billing breakdown are being denied although they should be available under the INSPECTION OF PUBLIC RECORDS ACT. Another firm is dealing with the request for class action counter suit that was filed in answer to the board's suit against the members in 2010.


Approval of Cable TV Inactive Accounts Write OFFS (\$87,285.32) & Energy Inactive Accounts Write Offs (\$136,132.00) passed the board with a collection agency working on getting these overdue bills paid.

The Renewable Energy Study Agreement was approved but SEC members should take a closer look at this issue.

The EMPLOYEE GRIEVANCE POLICY was also approved and also deserves a closer look.

Most of these problem areas will have to wait for January 2012 for the partial new board and January 2013 for a totally new board.

[081412-Mitchell-letter stay proceedings](#)  - this letter also referenced in Judge Mitchell's letter of [092012-Mitchell-Letter](#)

 to the three law offices involved in the law suits.

"...some of the allegations, if proven, are extraordinarily serious..."