

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

JANUARY 29, 2014

A Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. was held on Wednesday, January 29, 2014 in Socorro, New Mexico.

The Meeting was called to order at 1:00 p.m. by Anne L. Dorough, President.

Secretary Cordova called roll and reported those Trustees present and attending the meeting as follows:

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

Dave Wade, Vice-President
Representative, District IV

Leo C. Cordova, Secretary/Treasurer
Representative, District I

Charles Wagner, Trustee
Representative, District II

Melissa Amaro, Trustee
Representative, District III

TRUSTEES ABSENT: None

ALSO PRESENT: Joseph Herrera, CEO/General Manager
Eileen Latasa, HR Manager/Executive Asst.
Bruce Wiggins, Attorney

SEC MEMBERS PRESENT: Jimmy Dorough, James Cherry, John Larson,
Charlene Wagner, Audrie Clifford, Marie Watkins,
Christie Chavez, Michelle R. Jojola, Cyndi Mae Wade
David L. Wade, Christine Stoyer, Ted Sleema

Secretary Cordova declared a Quorum of Trustees present.

President Dorough led everyone in the Pledge of Allegiance.

There being no additions or changes to the agenda, a motion was made by Trustee Cordova to approve the agenda as presented. Motion seconded by Trustee Amaro. Motion carried unanimously.

After review of the Draft of the Minutes of the Reorganization Meeting on January 17, 2014, a motion was made by Trustee Amaro and seconded by Trustee Cordova to approve the Draft of the Minutes as presented. Motion carried unanimously.

Collette Foard addressed the Board concerning the Patronage Capital for Trails End Market, Inc.

Marie Watkins completed Ms. Foard's statement to the Board.

Manager Herrera reported that total expenditures for the month of December, 2013 totaled \$731,792.19.

Manager Herrera answered all questions concerning the Expenditure Report.

Utilization of points earned on the American Express Credit Card was discussed.

Manager Herrera reviewed the RUS Form 7 for December, 2013 with the Board.

A motion was made by Trustee Cordova and seconded by Trustee Amaro to approve the RUS Form 7 for December, 2013 as information. Motion carried unanimously.

Manager Herrera also reviewed the Delinquent Report for December, 2013.

Manager Herrera reported that a major outage occurred in District V according to the Outage Report

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CALL TO ORDER

ROLL CALL

QUORUM

PLEDGE OF
ALLEGIANCE

APPROVAL OF
AGENDA

REVIEW OF
PREVIOUS
MINUTES

PUBLIC INPUT

EXPENDITURE
REPORT

CREDIT CARD
REPORT

RUS FORM 7

DELINQUENT
REPORT

OUTAGE REPORT

*Cut off
at end of
her talk*

Manager Herrera described the SEC vehicle accident that occurred during the snow storm in December, 2013.

SAFETY REPORT

Manager Herrera reported that there were no loss time accidents during 2013.

Manager Herrera explained, at length, the ramifications of the Tri-State rate protest filed with the N.M.P.R.C. by four (4) New Mexico cooperatives.

NMRECA REPORT

Manager Herrera also noted that the Renewable Energy Credits and a Copper Theft bill would be introduced during the 2014 Legislative Session. Also up for discussion is the DOT bill for the Tres Amigos Project in eastern New Mexico.

Manager Herrera informed the Board of a Tri-State Meeting scheduled for February 17, 2014 in Moriarty; the retirement of Patronage Capital for 32 of the 40 cooperatives serviced by Tri-State, and the SEC approved Poudre Valley Resolution.

TRI-STATE REPORT

Manager Herrera informed the Board of the upgrade of the Bernardo Transformer Replacement that will commence in February, 2014.

OTHER

Trustee Amaro requested to revert to the Safety Report and questioned Manager Herrera on an accident that occurred involving two (2) apprentice linemen in 2013.

Manager Herrera responded that neither employee was injured as a result of the accident and all required procedures were followed by management after notification.

Secretary Cordova reported on the Member Application/Cancellation Report for December, 2013 as follows:

SECRETARY'S
REPORT

- New Connects 9
- Reconnects 76
- Disconnects 57

President Dorough accepted the report as information.

Attorney Wiggins recommended the Retirement of Patronage Capital to the following Estates:

NEW BUSINESS -
PATRONAGE CAPITAL
RETIREMENT

- Nate Heath \$ 176.79
- Helen Waggoner \$1,256.18
- Jesus Padilla \$ 675.56
- Josie Santillanes \$1,051.39

A motion was made by Trustee Wade and seconded by Trustee Amaro to approve Attorney Wiggins' recommendation to Retire Patronage Capital to the above-mentioned estates. Motion carried unanimously.

Manager Herrera explained member dissatisfaction with the current after hours dispatch service and continued to describe the service provided the Cooperative Response Center, Inc. (CRC). Manager Herrera recommended that the Board utilize CRC and enter into a contract for after hours dispatch services.

OUTAGE CONTROL
CONTRACT

After discussion by the Board, a motion was made by Trustee Wagner and seconded By Trustee Cordova to accept Manager Herrera's recommendation to utilize CRC for after hours dispatch services. Motion carried unanimously.

Manager Herrera also explained the Loomis SafePoint Agreement for utilizing the Cash Management and Deposit Services of currency received for consumer electric bill payments. Manager Herrera noted that the Agreement had been reviewed by Attorney Wiggins.

LOOMIS SAFETPOINT
SERVICE
AGREEMENT

After discussion, a motion was made by Trustee Wagner and seconded by Trustee Cordova to approve the agreement with Loomis Safepoint. Motion Carried unanimously

President Dorough explained that the Board approved Manager Herrera as the Tri-State Representative during the December, 2013 Meeting in order to cover the January meeting of the Tri-State Board of Directors.

President Dorough opened the floor for nominations of the SEC Representative to the Tri-State Board of Directors.

CONSIDERATION/
APPROVAL OF
TRI-STATE
REPRESENTATIVE

Trustee Cordova nominated Trustee Herrera.

Trustee Amaro nominated Trustee Wagner.

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January 29, 2014

President Dorough called for the vote on the SEC Representative to the Tri-State Board.

Trustees Wade and Cordova voted in favor of Manager Herrera.

Trustees Wagner and Amaro voted in favor of Trustee Wagner.

President Dorough cast her vote in favor of Manager Herrera and announced that Manager Herrera was elected as SEC's representative to the Tri-State Board of Directors.

Due to Manager Herrera being the only SEC representative attending the 2014 NRECA Annual Meeting in March, 2014, President Dorough appointed Manager Herrera as SEC's Voting Delegate to the 2014 NRECA, CFC, Federated and NRTC Annual Meetings.

President Dorough opened discussion for consideration of the 2014 Open Meetings Resolution.

Trustee Wagner suggested the Board Meetings be held on the third Saturday of the month at 10:00 a.m.

Trustee Cordova recommended the fourth Wednesday of the month at 1:00 p.m.

After a thoughtful discussion, President Dorough called for the vote for the third Saturday of the month at 10:00 a.m.

Trustees Wagner and Amaro voted for the third Saturday at 10:00 a.m.

President Dorough called for the vote on the fourth Wednesday at 1:00 p.m.

Trustee Wade and Cordova voted in favor of the fourth Wednesday at 1:00 p.m.

* President Dorough broke the tie and voted in favor of the fourth Wednesday at 1:00 p.m.

President Dorough proposed appointing a Special Bylaw Committee to address two elements in the Bylaws to be offered to the membership during the 2014 Annual Meeting regarding when a quorum is established and when an election is validated; and clarification of consideration of bylaw amendments passed at district meetings.

President Dorough stated that it was her intent for the Special Bylaw Committee to come up with amendments to be placed on the agenda under 'New Business' for consideration by the membership during the 2014 Annual Meeting.

President Dorough added that she would chair the committee and asked for a five Member committee made up of either a trustee or his/her designee.

After discussion, President Dorough set the date of February 5, 2014 at 1:00 p.m. for the first meeting of the Special Bylaw Committee.

Further discussion ensued regarding the possibility of a quorum of trustees at the Special Bylaw Committee Meeting and per diem for the member representative to the committee.

A thoughtful discussion ensued regarding setting a date for the 2014 Annual Meeting and a possible date of Saturday, April 26, 2014.

President Dorough stated that the resolutions approved during the District V Meeting in October, 2012 would not be considered at the 2014 Annual Meeting. District V resolutions were on the agenda under New Business for the 2013 Annual Meeting. But were not considered due loss of a quorum. District V resolutions were also to be considered at the Annual Meeting Continuation held on June 8, 2013, where a quorum was not registered.

Marie Watkins, a member of the audience, disrupted the board meeting and after repeated attempts by President Dorough to maintain order, President Dorough adjourned the meeting at 2:30 p.m.

*Power shift to
MANAGEMENT.*

*Prior to 12/13 only a
Trustee as Rep. of members
could serve as Tri-State Rep.
Policy changed 12/13 to
allow MANAGER to serve*

ELECTION OF
VOTING DELEGATES

CONSIDERATION/
APPROVAL OF
2014 OMA
RESOLUTION

*Time set to discourage
member attendance.*

SET DATE/TIME
FOR BYLAW
COMMITTEE
MEETING

SET DATE/TIME
2014 ANNUAL
MEETING

Not so

sez who?

sez who?