

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

FEBRUARY18, 2015

A Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., was held on Wednesday, February 18, 2015 in Socorro, New Mexico.

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The meeting was called to order at 10:30 a.m. by Anne L. Dorough, President.

CALL TO ORDER

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

ROLL CALL

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

 David Wade, Vice-President
 Representative, District IV

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

 Melissa Amaro, Trustee*
 Representative, District III

 Charles Wagner, Trustee
 Representative, District II

ALSO PRESENT: Joseph Herrera, General Manager
 Eileen Latasa, HR Manager/Executive Assistant
 Bruce Wiggins, Attorney
 Marilyn Madrid, Member Services Supervisor

SEC MEMBERS PRESENT: Jimmy Dorough, James Cherry, John Larson,
 Marie Watkins, Charlene Wagner, Linda Berd,
 Cyndi Mae Wade

Secretary Cordova declared a Quorum of Trustees present.

QUORUM

President Dorough led everyone in the Pledge of Allegiance.

PLEDGE OF
ALLEGIANCE

Trustee Wagner stated that he requested that a discussion of officers be placed on the Agenda due to the fact that it was his desire to present a motion to recall Ms. Dorough as President of the Board. President Dorough stated that the motion was not on the agenda but that Trustee Wagner's objection to the item not being placed on the agenda was duly noted and that she would proceed with the meeting.

APPROVAL OF
AGENDA

After review of the Draft of the Minutes of the Regular Meeting held on January 28 & 29 2015, there being no additions/corrections, a motion was made by Trustee Wagner and seconded by Trustee Amaro to approve the Minutes as written. Motion carried unanimously.

APPROVAL OF
PREVIOUS
MINUTES

Marie Watkins expressed her concern that if the Board approves the Christensen proposed Board policies that some of the policies would be in violation of the Bylaws.

PUBLIC
COMMENTS

President Dorough called for a Special Meeting of the Members for the Purpose of Voting on the Bylaws as proposed by Aaron Christensen.

PRESIDENT'S
REPORT

President Dorough stated that the Finley Gymnasium is available on April 18 and 25, 2015 and the Macey Center is available on April 18, 2015.

A motion was made by Trustee Wade and seconded by Trustee Cordova to approve the Bylaws as proposed by Aaron Christensen and to schedule a Special Member's Meeting for the Purpose taking an up and down vote on the Bylaws.

After a lengthy discussion among the trustees on the matter of the up and down vote on the Bylaws, Trustee Wade called for the question. President Dorough then called for a vote on Trustee Wade's motion. Trustees Cordova and Wade voted in favor of the motion. Trustees Wagner and Amaro were opposed. President Dorough voted in favor of the motion. The motion carried.

President Dorough designated that the Special Member's Meeting be scheduled for Saturday April 25, 2015. Registration would be from 1:00 to 3:00 p.m. and the Business Meeting at 3:00 p.m.

Manager Herrera reported that Expenditures totaled \$825,000 for December, 2014 and \$747,000 for January, 2015.

EXPENDITURE
REPORT

There being no questions from the Board, President Dorough accepted the Expenditure Reports for December, 2014 and January, 2015 as presented.

Manager Herrera informed the Board that his American Express and Mastercard Statements for December, 2014 and January, 2015 were included in the Board packet for their review.

CREDIT CARD
EXPENDITURES

There were no questions from the Board on the Credit Card Report.

Manager Herrera reviewed the RUS Form 7 Report for January, 2015 with the Board.

RUS FORM 7

There being no questions from the Board on the RUS Form 7 Report for January, 2015, President Dorough accepted the Report as presented.

Manager Herrera reviewed the NMRECA Report for February, 2015 as follows:

NMRECA REPORT

- 3% increase in NRECA dues
- CFC's new bond for Renewable Energy Projects
- NMRECA Annual Meeting scheduled for 6/3-5/15 in Taos, New Mexico
- 2015 NRECA Legislative Conference scheduled for 5/3-6/15 in Washington, D.C.
- Update of the 2015 New Mexico Legislative Session
- Increase in postal rates for the Enchantment effective April, 2015

Manager Herrera also reviewed the Tri-State Board Report for February, 2015 as follows

TRI-STATE REPORT

- 2014 Global Settlement
- Rate Committee Meeting with Rate Consultant proposing a new rate design for 2016
- Tri-State no longer being an RUS borrower; now registered with the Security Exchange
- Update on the lawsuit against Jemez Mountain Electric Coop and Tri-State as a Result of the Las Conchas Fire
- Tri-State's 63rd Annual Meeting scheduled for April 8-9, 2015.
- Election of Tri-State Voting Delegates

A motion was made by Trustee Wade nominating Trustee Cordova and Manager Herrera as the Voting Delegate and Voting Alternate, respectively, to the 2015 Tri-State Annual Meeting. Trustee Cordova seconded the motion. The motion carried with Trustee Wagner opposed.

Manager Herrera informed the Board that the 2013 Trustee Per Diem Worksheet totaled \$37,000 and \$42,502 for 2014.

TRUSTEE PER DIEM
WORKSHEETS

President Dorough accepted the 2013 and 2014 Trustee Per Diem Worksheets as presented.

Manager Herrera reported that pole to pole inspections were currently being conducted in the north area.

CONSTRUCTION/
MAINTENANCE
REPORT

Manager Herrera reported on the outage in the west area as a result of ice on the lines.

OUTAGE REPORT

Manager Herrera added that outage restoration is always better in good weather.

Manager Herrera reported no loss-time accidents during January, 2015.

SAFETY REPORT

Ms. Madrid reviewed the Energy Delinquent Reports for December, 2014 and January, 2015.

ENERGY
DELINQUENT
REPORTS

Ms. Madrid also reviewed the SEC V and XII Delinquent Reports for December, 2014 and January, 2015.

SECTION V & XII
DELINQUENT
REPORTS

Ms. Madrid reported that there were no consumer concerns filed with the N.M.P.R.C. in either December, 2014 or January, 2015.

CONSUMER
CONCERNS

Secretary Cordova reported on the Member Application/Cancellation Report for January, 2015 as follows:

SECRETARY'S
REPORT

- New Connects 0
- Reconnects 31
- Disconnects 57

President Dorough accepted the Member Application/Cancellation Report as presented.

President Dorough then entertained a motion to amend the location for the Annual Members Meeting from the Finley Gym to the Macey Center.

2015 ANNUAL
MEMBERS
MEETING

Manager Herrera informed the Board that the Finley Gym was booked by another organization for May 16, 2015 and that the Macey Center would be available for the Annual Member's Meeting.

Trustee Wagner made a motion to amend the location from the Finley Gym to the Macey Center for the 2015 Annual Member's Meeting. Trustee Amaro seconded the motion. Motion carried unanimously.

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

CAPITAL CREDIT
ESTATE
RETIREMENTS

- Ronald Fowler \$ 346.70
- Maud Rudder \$ 261.12
- Bonnie E. Houston \$ 456.67
- James E. Reeves \$ 173.33
- Delbert Deerman \$ 274.21
- Eva Torres \$2,345.15
- Evelyn Esquivel \$ 984.33
- Raymond Sais \$ 52.28
- Calvin Armstrong \$ 185.41
- J.L. Fullingim \$ 546.89
- J.T. Rawdon \$ 63.87
- Don Novak \$ 583.91
- Katalin Torma \$ 2.13
- Arpad Torma \$ 206.39
- Mabel O. Lucero \$ 59.55
- Frank Elliott \$1,611.46
- Esequiel Saavedra \$ 424.66
- Dee Gerard \$1,606.46
- Walter Apachito \$ 519.10
- Lucy Apachito \$ 593.01
- Pat Gonzales \$1,028.85
- Esquipula & Grace Martinez \$1,494.11
- Dorothy Armstrong \$ 52.51

A motion was made by Trustee Wagner and seconded by Trustee Amaro to approve the Retirement of Patronage Capital to the above-mentioned Estates. Motion carried unanimously.

A motion was made by Trustee Wagner and seconded by Trustee Cordova to approve the 2015 Open Meeting Resolution. Motion carried unanimously.

APPROVAL OF
2015 OPEN
MEETING
RESOLUTION

After a thoughtful discussion on the Christensen proposed Board Policies, Trustee Wagner made a motion to not consider the policies at this time. Trustee Amaro seconded the motion.

CONSIDERATION
& APPROVAL
OF NEW
BOARD
POLICIES

Further discussion ensued regarding several of the proposed policies being in conflict with the Christensen proposed Bylaws.

Trustee Wagner then made a motion to amend his previous motion to approve or reject all Policies presented today including the policies dependent on the seven (7) member board, with the understanding that the policies, if approved, will not take effect until the members have voted to reject or approve the Christensen proposed bylaws; if approved by the members these policies shall become effective immediately following the elections and qualification of the seven (7) member board of trustees. Trustee Amaro seconded the motion.

President Dorough calls for the vote on Trustee Wagner's motion. Trustees Amaro and Wagner voted in favor of the motion. Trustee Cordova and Wade were opposed. President Dorough was also opposed to the motion. Motion failed.

Trustee Wade then made a motion to approve all proposed policies that don't make business sense, including the approval of Policy 129, and with the exception of Policy 105, 106, 107 and 116. Trustee Cordova seconded the motion. Trustee Cordova and Wade voted in favor of the motion; Trustees Wagner and Amaro were opposed. President Dorough voted in favor of the motion. Motion carried.

A motion was then made by Trustee Cordova and seconded by Trustee Wade to rescind Board Policies 101-124. Trustee Wade and Cordova voted in favor of the motion, Trustees Wagner and Amaro were opposed. President Dorrough voted in favor of the motion. Motion carried.

*Trustee Amaro left the meeting at 2:15 p.m.

After discussion and review of the date and time for the next regular meeting, a motion was made and time of the next regular meeting for Wednesday, March 25, 2015 at 2:00 p.m. Motion carried unanimously.

SET DATE &
TIME FOR
NEXT
REGULAR
MEETING

There being no further items open for discussion, a motion to adjourn was made by Trustee Wagner and seconded by Trustee Cordova. Motion carried unanimously.

President Dorrough adjourned the meeting at 2:20 p.m.

Leo C. Cordova, Secretary/Treasurer

APPROVED:

Anne L. Dorrough, President

I, Leo C. Cordova, 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 February 18, 2015. 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.

Leo C. Cordova, Secretary/Treasurer