

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

September 25, 2024

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, September 25, 2024, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Leroy Anaya, President.

ROLL CALL

Secretary Latasa called the roll and reported those present and attending as follows:

TRUSTEES PRESENT: Leroy Anaya, President
 Representative, District 3

 Ron Burnett, Vice President
 Representative, District 5

 Eileen Latasa, Secretary/Treasurer
 Representative, District 2

 Ward McCartney, Trustee* (via teleconference)
 Representative, District 1

 M Kenneth Bowden, Trustee
 Representative, District 3

 Stephen Rosas, Trustee,
 Representative, District 3

 David Lyn Wade, Trustee
 Representative, District 4

TRUSTEE(S) ABSENT: None

ALSO PRESENT: Donna Wilkins, Interim General Manager
 Jimmy Capps, Chief Financial Officer
 David Montoya, Safety Compliance Officer
 Jason Otero, Line Superintendent
 Jerrid Williams, Director of Communication and Public Affairs

SEC MEMBERS PRESENT: Luis Aguilar

QUORUM

Secretary Latasa declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Anaya led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

Trustee Latasa questioned whether the election of the NRECA Voting and Alternate Delegate for the Region 8 & 10 meeting should be added to the Agenda.

After discussion, Trustee Burnett moved to approve the Agenda as corrected; the motion was seconded by Trustee Rosas. The motion carried unanimously.

President Anaya approved the Agenda as corrected.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Latasa moved to approve the Minutes from the Regular Meeting of August 28, 2024, as presented; the motion was seconded by Trustee Rosas. The motion carried unanimously.

President Anaya approved the Minutes from August 28, 2024, as presented.

MEMBER COMMENTS

No Member Comments were brought forth.

MANAGER'S REPORT

Interim Manager Wilkins reported on the expenditure check register totaling \$2,970,512.98 for August 2024 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Interim Manager Wilkins for the Expenditure Report for August 2024.

Interim Manager Wilkins reported the Visa Credit Card expenditures, complete with supporting receipts, made available to the Board of Trustees for August 2024 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Interim Manager Wilkins for the Visa Credit Card Report for August 2024.

Interim Manager Wilkins reported on the Engineering Report for August that SEC had 37 site visits scheduled and sent out 33 estimation packets to members. Interim Manager Wilkins reported that the 69kV line contractor, Altitude, has caught up with the T&D Surveyors, and of 310 pole structures, 190 have been installed from Magdalena towards the Socorro substation. Interim Manager Wilkins stated that SEC and Altitude have encountered an issue with New Mexico Tech's EMRTC, stating that SEC's contractors must be escorted and monitored while on EMRTC property to install the 20 pole structures in this area. Interim Manager Wilkins reported that Altitude is in the process of getting badged but is awaiting the fees for the 3-4 weeks of escorting that EMRTC is going to charge SEC to place the new pole structures in line with the current ones. Interim Manager Wilkins reported that Interstate, the Magdalena substation contractor, has installed the foundations, ground grid, and PVC conduits. Interim Manager Wilkins stated that the new 10 MVA transformer for the Magdalena substation was delivered on September 23, 2024. Interim Manager Wilkins reported that Altitude completed the fiber make-ready on September 20, 2024, and Ward Systems, the fiber contractor, will start the fiber installation the week of October 7, 2024. Interim Manager Wilkins reported that SEC has been working with Castillo Ready Mix since 2021 with designed and estimated line extension. Interim Manager Wilkins stated in 2022, Castillo Ready Mix agreed to provide a metering current transformer (CT) cabinet; however, Castillo Ready Mix's contractor failed to order the CT cabinet in 2022, which currently has a lead time of 24 weeks. Interim Manager Wilkins reported that SEC has seen a significant increase in material and labor but is holding to the paid estimate in 2021 and is working with Castillo Ready Mix's contractor for metering solutions. Interim Manager Wilkins reported that SEC had filed a variance provision with the NM Public Regulations Commission to specify which provisions of Rule 568, which covers behind-the-meter renewable interconnections, requesting variances from the items that really should only apply to the Investor Owned Utilities (IOU).

President Anaya thanked Interim Manager Wilkins for the Engineering Report for August 2024.

Interim Manager Wilkins reported that SEC had received Patronage Capital Allocations from the Cooperative Response Center of \$154.00. Interim Manager Wilkins reminded the Trustees of the upcoming Board Effect training on October 17, 2024, and proceeded to answer questions posed by the Trustees.

President Anaya thanked Interim Manager Wilkins for the Manager's Report for August 2024.

FINANCIAL REPORT

Mr. Capps carefully reviewed the RUS Form 7 Report for August 2024 RUS Form 7 in detail and answered questions the Trustees posed.

President Anaya thanked Mr. Capps for the RUS Form 7 Report for August 2024.

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SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the August Safety Report.

JOB BRIEFING

Mr. Montoya reviewed the August Job Briefing Reports.

President Anaya thanked Mr. Montoya for the Safety Report for August 2024.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Otero reported on August activities, with crews completing 39 service orders and 27 work orders, and answered questions the Trustees posed.

OUTAGE REPORTS

Mr. Otero reviewed the outages occurring in August 2024.

President Anaya thanked Mr. Otero for the Operations and Maintenance Report for August 2024.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Interim Manager Wilkins reported that Ms. Madrid had a family matter and presented the Energy Delinquent Report for August 2024. Interim Manager Wilkins reported that for August 2024, SEC had 36 members with medical certificates totaling \$131,850.85, 19 active payment arrangements with members totaling \$14,479.79, and 34 assistance payments for members totaling \$5,967.42.

NM PRC MEMBER CONCERNS

Interim Manager Wilkins reported that no SEC Member complaints were filed with the NM PRC in August 2024.

President Anaya thanked Interim Manager Wilkins for the Member Services Report for August 2024.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Williams reviewed the August 2024 Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Anaya thanked Mr. Williams for the Communications and Public Affairs Report for August 2024.

TRI-STATE REPORT

President Anaya gave the Tri-State Board of Directors' activities report for September 2024.

NMREC REPORT

Trustee Burnett presented the NMREC activities report for September 2024, discussed the proposed NMREC 2025 Budget and Enchantment magazine distribution, and answered questions posed by the Trustees.

President Anaya thanked Trustee Burnett for the NMREC Report for September 2024.

PRESIDENT'S REPORT

There was no President's Report given at this time.

FINANCE COMMITTEE REPORT

Trustee Burnett reported on the Finance Committee Meeting held on September 18, 2024.

President Anaya thanked Trustee Burnett for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Bowden reported on the Standing Committee Meeting held on September 18, 2024, with recommendations to the full Board of Trustees.

President Anaya thanked Trustee Bowden for the Standing Committee Report.

NEW BUSINESS

Board Policy 115 – Attendance at Regional, National, and Statewide Meetings

Interim Manager Wilkins reported that the Standing Committee reviewed Board Policy 115 – Attendance at Regional, National, and Statewide Meetings, and the Committee recommended that the Board approve Board Policy 115 – Attendance at Regional, National, and Statewide Meetings as reviewed.

Trustee Burnett moved to accept the Standing Committee's recommendation of Board Policy 115 – Attendance at Regional, National, and Statewide Meetings as reviewed; the motion was seconded by Trustee Latasa. The motion carried unanimously.

Board Policy 118 – Services of Consultants

Interim Manager Wilkins reported that the Standing Committee reviewed Board Policy 118 – Services of Consultants, and the Committee recommended that the Board approve Board Policy 118 – Services of Consultants as reviewed.

Trustee Latasa moved to accept the Standing Committee's recommendation of Board Policy 118 – Services of Consultants as reviewed; the motion was seconded by Trustee Burnett. The motion carried unanimously.

Board Policy 119 – Functions and Compensation of Cooperative Attorney

Interim Manager Wilkins reported that the Standing Committee reviewed Board Policy 119 – Functions and Compensation of Cooperative Attorney, and the Committee recommended that the Board approve Board Policy 119 – Functions and Compensation of Cooperative Attorney as reviewed.

Trustee Burnett moved to accept the Standing Committee's recommendation of Board Policy 119 – Functions and Compensation of Cooperative Attorney as reviewed; the motion was seconded by Trustee Latasa. The motion carried unanimously.

Board Policy 129 – Appointment to Board of Trustees of Tri-State Generation and Transmission Association, Inc.

Interim Manager Wilkins reported that the Standing Committee reviewed Board Policy 129 – Appointment to Board of Trustees of Tri-State Generation and Transmission Association, Inc., and the Committee recommended that the Board approve Board Policy 129 – Appointment to Board of Trustees of Tri-State Generation and Transmission Association, Inc. as reviewed.

Trustee Latasa moved to accept the Standing Committee's recommendation of Board Policy 129 – Appointment to Board of Trustees of Tri-State Generation and Transmission Association, Inc. as reviewed; the motion was seconded by Trustee Burnett. The motion carried unanimously.

Board Policy 130 – Appointment to Board of Trustees of New Mexico Rural Electric Cooperative Association

Interim Manager Wilkins reported that the Standing Committee reviewed Board Policy 130 – Appointment to Board of Trustees of New Mexico Rural Electric Cooperative Association, and the Committee recommended that the Board approve Board Policy 130 – Appointment to Board of Trustees of New Mexico Rural Electric Cooperative Association as reviewed.

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Trustee Burnett moved to accept the Standing Committee's recommendation of Board Policy 130 – Appointment to Board of Trustees of New Mexico Rural Electric Cooperative Association as reviewed; the motion was seconded by Trustee Rosas. The motion carried unanimously.

Consideration of Capital Credit Estate Retirements

Interim Manager Wilkins reported that SEC General Counsel Lorna Wiggins Esq. had previously reviewed the Patronage Estate Capital Retirement requests as provided in the Trustee's BoardPaq and proceeded to answer questions posed by the Trustees. 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
Sept-24-A	\$349.34	\$0.00	\$41.63	\$31.88	\$230.61	\$0.00	(\$401.25)	\$252.21	\$21.60

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
Sept-24-A	\$210.80	\$4.80	\$13.92	\$8.52	\$65.40	\$0.00	\$0.00	\$303.44	\$238.04

After discussion, Trustee Latasa moved to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the accounts mentioned above; the motion was seconded by Trustee Wade. The motion carried unanimously.

Consideration of Line Extension Contracts

Interim Manager Wilkins reported that Margarito Quintana's line extension contract falls under the minimum and meets all the requirements. Interim Manager Wilkins stated that Mr. Quintana's line extension was being provided to the Trustees for informational purposes, and no action was needed on this line extension contract.

Consideration of Trustee Travel

Trustee Latasa requested Board approval to attend the NRECA Winter School for Directors Training, scheduled for December 13-17, 2024, in Nashville, Tennessee.

Trustee Bowden moved to approve Trustee Latasa to attend the NRECA Winter School for Directors Training; the motion was seconded by Trustee Burnett. The motion carried unanimously.

NRECA Region 8 & 10 Meeting Voting and Alternate Delegate

Trustee Burnett moved to nominate President Anaya as NRECA Region 8 & 10 Meeting Voting Delegate and Trustee Latasa as Alternate Delegate; the motion was seconded by Trustee Latasa. The motion carried unanimously.

EXECUTIVE SESSION

Trustee Bowden moved to go into Executive Session to discuss employment matters and strategic and long-range business plans; the motion was seconded by Trustee Latasa. The motion carried unanimously.

President Anaya called for an Executive Session.

The Board adjourned to Executive Session at 3:30 p.m.

* Trustee McCartney was excused from the Executive Session at 3:30 p.m. and did not return after the Regular Session.

REGULAR SESSION

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Trustee Burnett moved and was seconded by Trustee Bowden to return to the Regular Session at 3:59 p.m. The motion carried unanimously.

President Anaya stated that no action was taken during the Executive Session.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Burnett moved to set the date and time of the Committee meetings for October 30, 2024, at 12:30 p.m. and the next regularly scheduled Board Meeting for October 30, 2024, at 2:00 p.m.; the motion was seconded by Trustee Rosas. The motion carried unanimously.

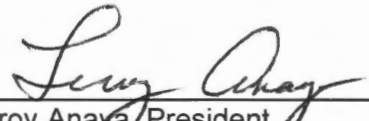
ADJOURNMENT

With no other items open for discussion, Trustee Bowden moved to adjourn; the motion was seconded by Trustee Latasa. The motion carried unanimously.

President Anaya adjourned the meeting at 4:02 p.m.


Eileen Latasa, Secretary/Treasurer

APPROVED:


Leroy Anaya, President

I, Eileen Latasa, 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 September 25, 2024. 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.


Eileen Latasa, Secretary/Treasurer