

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

February 23, 2022

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, February 23, 2022, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Paul Bustamante, Chairman.

ROLL CALL

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

TRUSTEES PRESENT: Paul Bustamante, Chairman
 Representative, District 1

 James Nelson, Secretary/Treasurer
 Representative, District 2

 Leroy Anaya, Trustee
 Representative, District 3

 Donald Wolberg, Trustee
 Representative, District 3

 Michael Hawkes, Trustee
 Representative, District 4

TRUSTEES ABSENT: Luis Aguilar, Vice-Chairman
 Representative, District 3

 Anne L Dorough, Trustee
 Representative, District 5

ALSO, PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Rauni Montoya, Accounting Supervisor
 David Montoya, Safety Compliance Officer
 Steve Dettmer, Line Superintendent
 Marilyn Madrid, Member Services Supervisor
 Jimmy Capps, Director of Communications and Public Affairs
 Lorna Wiggins, Wiggins, Williams, and Wiggins (via
 teleconference)

SEC MEMBERS PRESENT: Dave Wade and Cyndi Mae Wade

QUORUM

Secretary Nelson declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Chairman Bustamante led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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

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Chairman Bustamante approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Anaya had corrections to the minutes from January 26, 2022

Trustee Anaya made a motion to approve the minutes from January 26, 2022, as corrected; motion seconded by Trustee Nelson. Motion carried unanimously.

MEMBER COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$671,290.36 for January 2022.

Chairman Bustamante thanked Manager Herrera for the Expenditure Report for January 2022.

Manager Herrera reported on the Visa credit card expenditures, complete with supporting receipts, made available to the Board of Trustees for January 2022.

Chairman Bustamante thanked Manager Herrera for the credit card report for January 2022.

Manager Herrera provided an update regarding COVID-19 and stated for January, SEC had six (6) employees test positive. Manager Herrera reported, as per the latest communications from Governor Lujan-Grisham, effective February 17, 2022, wearing masks in SEC buildings indoors is optional. Manager Herrera stated SEC is no longer mandating staff or members who enter the building to wear a mask if they so choose.

Chairman Bustamante thanked Manager Herrera for the COVID-19 Update for January 2022.

Manager Herrera provided the Engineering Report stating that material quotes for the substation, Magdalena to Socorro 69kV transmission line, and the distribution lines with fiber have been difficult to get because manufacturers are reluctant to hold prices due to fluctuations in metal pricing and uncertainty with access to components. Manager Herrera reported that only one (1) bid was received for the NOP bid at the San Antonio water crossing. Manager Herrera stated that SEC inquired with another qualified contractor to see if they may be interested in providing a bid, which they were. Manager Herrera stated the bids would be available in March for the Finance Committee.

Chairman Bustamante thanked Manager Herrera for the Engineering Report for January 2022.

Manager Herrera provided an update regarding the NM DoIT Broadband Program for January, stating that CTC Technology & Energy has been named the SEC consultant for the Broadband feasibility study. Manager Herrera stated that DoIT has requested SEC's GIS data as there is much to work through and will take time. Manager Herrera reported that CTC would be working on stakeholder engagement and asset collection, including internet service providers, economic development, Alamo Navajo Reservation leaders, local elected/appointed officials from the Village of Magdalena, and the City of Socorro, and many more. Manager Herrera stated CTC wants to do introductions with the City of Socorro and Socorro County to discuss the broadband planning before they get too far along with internet service providers and other planning. Manager Herrera reported that SEC is working with CTC to get a survey that will be mailed out to all SEC members and included in their bills. Manager Herrera stated that sending the surveys within members' bills will help members not think it is junk mail and be as efficient as possible with the limited funds available.

Trustee Hawkes invited Manager Herrera to attend Socorro County's weekly Broadband meetings, and he will send Manager Herrera more information.

Chairman Bustamante thanked Manager Herrera for the NM DoIT Broadband Program Report for January 2022.

Manager Herrera reported the 2022 Credentials & Elections Committee (C&E) had met on February 15, 2022. Manager Herrera stated the C&E elected Automated Election Services as

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the 3rd Party Administrator and provided a timeline of when all necessary information must be provided to the administrator to get the ballots mailed out in time to the members.

After discussion, Trustee Hawkes made a motion to move the 2022 Credentials & Elections Committee (C&E) report to proceed Executive Session; motion seconded by Trustee Wolberg. Motion carried unanimously.

Manager Herrera concluded by reporting that SEC had received numerous thank you cards from kids in the 4-H Clubs and reported that an SEC scholarship winner has graduated from college. Manager Herrera proceeded to answer questions posed by the Trustees.

Chairman Bustamante thanked Manager Herrera for the Manager's Report for January 2022.

FINANCIAL REPORT

Ms. Montoya carefully reviewed in detail the RUS Form 7 Report for January 2022 and proceeded to answer questions posed by the Trustees.

Chairman Bustamante thanked Ms. Montoya for the RUS Form 7 Report for January 2022.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the January Safety Report and proceeded to answer questions posed by the Trustees.

JOB BRIEFING

Mr. Montoya reviewed the January Job Briefing Reports.

Chairman Bustamante thanked Mr. Montoya for the Safety Report for January 2022.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Dettmer reported for January activities, crews closed no work orders, completed 11 work orders, and completed 40 service orders with most service orders for area lights. Mr. Dettmer reported that crews did not cut or trim any additional trees in January.

OUTAGE REPORTS

Mr. Dettmer reviewed several major outages that either affected over 100 members or those for which the outage time was lengthy and proceeded to answer questions posed by the Trustees.

Chairman Bustamante thanked Mr. Dettmer for the Operations and Maintenance Report for January 2022.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for January 2022.

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no Member informal complaints filed with the NM PRC in January 2022.

Chairman Bustamante thanked Ms. Madrid for the Member Services Report for January 2022.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the January Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

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Chairman Bustamante thanked Mr. Capps for the Communications and Public Affairs Report for January 2022.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Directors' activities report for February 2022.

Manager Herrera stated that Mark McBride, CEO of Gundersen Electric Cooperative, was reaching out to the other 42 members of Tri-State to help show Tri-State's Board, CEO, and staff that we support and believe in Tri-State's business model and is our preferred primary provider for wholesale power supply. Manager Herrera answered questions posed by the Trustees.

After discussion, Trustee Wolberg made a motion to send a letter of support to Tri-State; motion seconded by Trustee Anaya. Motion carried unanimously.

After discussion, Trustee Wolberg made a motion to nominate Trustee Anaya as Tri-State Annual Meeting Voting Delegate and Trustee Nelson as Alternate Voting Delegate; motion seconded by Trustee Hawkes. Motion carried unanimously.

Manager Herrera reported on the Rate Design Committee Update activities for February 2022. Manager Herrera reported that SEC would be seeing a 2% rate reduction starting in March 2022 and answered questions posed by the Trustees.

Chairman Bustamante thanked Trustee Anaya and Manager Herrera for the Tri-State Report.

NMRECA REPORT

Trustee Wolberg gave the NMRECA report for February 2022.

Chairman Bustamante thanked Trustee Wolberg for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg gave the MRGEDA report for February 2022.

Chairman Bustamante thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

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

ETHICS COMMITTEE REPORT

Trustee Nelson reported on the Ethics Committee Meeting held on February 16, 2022. Trustee Nelson stated the Committee determined the Board of Trustees was in compliance with all Board Policies.

Chairman Bustamante thanked Trustee Nelson for the Ethics Committee Report.

FINANCE COMMITTEE REPORT

Manager Herrera reported that Trustee Aguilar had made his report available for the Finance Committee Meeting held on February 16, 2022, since he could not attend today's Board meeting. Manager Herrera stated that the Finance Committee had a recommendation to the full Board of Trustees. Manager Herrera reported that an update was provided regarding the new sole source, with Techline reporting that it is moving along and is almost complete with the integration. Manager Herrera stated the total amount of the acquisition of materials that Techline will be managing is \$352,704.14.

Chairman Bustamante thanked Manager Herrera for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on February 16, 2022, with recommendations to the full Board of Trustees.

Chairman Bustamante thanked Trustee Anaya for the Standing Committee Report.

OLD BUSINESS

Socorro County Commission Support Letter Request

Chairman Bustamante reported that Commissioner Joe Gonzales had reached out requesting a letter of support to bring broadband to Socorro County, presented at the January Board meeting. Chairman Bustamante stated a draft letter was available for the Board's review to show SEC's support in Socorro County bringing broadband.

Trustee Wolberg made a motion to approve the letter of support to the Socorro County Commission; motion seconded by Trustee Hawkes. Motion carried unanimously.

NEW BUSINESS

Consideration of Pressure Digger Purchase

Manager Herrera reported that the Finance Committee had reviewed two (2) quotes for a new Pressure Digger, and the Committee recommended that the Board approve Utility Crane & Equipment, Inc. for \$393,369.

After discussion, Trustee Anaya made a motion to accept the Finance Committee's recommendation to approve the quote from Utility Crane & Equipment, Inc. for \$393,369; motion seconded by Trustee Hawkes. Motion carried unanimously.

SEC Code of Ethics

Manager Herrera reported that both the Ethics and Standing Committee reviewed the SEC Code of Ethics. Manager Herrera stated the Standing Committee recommended that the Board approve the SEC Code of Ethics as reviewed.

Trustee Wolberg made a motion to accept the Standing Committee's recommendation of SEC Code of Ethics as reviewed; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 101 – Functions of the Board of Trustees

Manager Herrera reported that the Standing Committee reviewed Board Policy 101 – Functions of the Board of Trustees, and the Committee recommended that the Board approve Board Policy 101 – Functions of the Board of Trustees as reviewed.

Trustee Nelson made a motion to accept the Standing Committee's recommendation of Board Policy 101 – Functions of the Board of Trustees as reviewed; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 102 – Board Minutes

Manager Herrera reported that the Standing Committee reviewed Board Policy 102 – Board Minutes, and the Committee recommended that the Board approve Board Policy 102 – Board Minutes as reviewed.

Trustee Nelson made a motion to accept the Standing Committee's recommendation of Board Policy 102 – Board Minutes as reviewed; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 103 – Board Minutes

Manager Herrera reported that the Standing Committee reviewed Board Policy 103 – Board Minutes, and the Committee recommended that the Board approve Board Policy 103 – Board Minutes as reviewed.

Trustee Hawkes made a motion to accept the Standing Committee's recommendation of Board Policy 103 – Board Minutes as reviewed; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 108 – Standards of Conduct

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Manager Herrera reported that both the Ethics and Standing Committee reviewed Board Policy 108 – Standards of Conduct, and the Standing Committee recommended that the Board approve Board Policy 108 – Standards of Conduct as reviewed with supporting Christensen Letter.

After discussion, Trustee Anaya made a motion to accept the Standing Committee's recommendation of Board Policy 108 – Standards of Conduct as reviewed with supporting Christensen Letter; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 109 – Conflicts of Interest

Manager Herrera reported that both the Ethics and Standing Committee reviewed Board Policy 109 – Conflicts of Interest, and the Standing Committee recommended that the Board approve Board Policy 109 – Conflicts of Interest as reviewed.

After discussion, Trustee Wolberg made a motion to accept the Standing Committee's recommendation of Board Policy 109 – Conflicts of Interest as reviewed; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors

Manager Herrera reported that the Ethics and Standing Committee reviewed Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors. Manager Herrera stated the Standing Committee recommended that the Board approve Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors as reviewed.

After discussion, Trustee Hawkes made a motion to accept the Standing Committee's recommendation of Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors as reviewed; motion seconded by Trustee Nelson. Motion carried unanimously.

Board Policy 111 – Ethics and Conflicts in Outside Business and Other Related Activities

Manager Herrera reported that the Ethics and Standing Committee reviewed 111 – Ethics and Conflicts in Outside Business and Other Related Activities. Manager Herrera stated the Standing Committee recommended that the Board approve Board Policy 111 – Ethics and Conflicts in Outside Business and Other Related Activities as reviewed.

Trustee Wolberg made a motion to accept the Standing Committee's recommendation of Board Policy 111 – Ethics and Conflicts in Outside Business and Other Related Activities as reviewed; motion seconded by Trustee Hawkes. Motion carried unanimously.

Consideration of MRGEDA Dues

Manager Herrera reported the MRGEDA dues for 2022 are up for renewal, and in the past, SEC has paid for the Corporate/Government Membership at \$500. Manager Herrera stated SEC is considered an ex-officio member of the MRGEDA Board.

Trustee Wolberg made a motion to proceed with the Corporate/Government Membership of \$500; motion seconded by Trustee Hawkes. Motion carried unanimously.

2022 Annual Meeting

Manager Herrera reported that SEC had reserved the Macey Center for the upcoming Annual Meeting on April 23, 2022. Manager Herrera stated that Macey Center has strongly encouraged the wearing of masks, to social distance, if possible, and if anyone is having any COVID symptoms or not feeling well, to please not attend for the safety of others. Manager Herrera provided information about forgoing the program, having only the business portion as per the by-laws and the gifts to be handed out during registration. Manager Herrera reminded the Board that the mail-in ballots do count towards a quorum and proceeded to answer questions posed by the Trustees.

After discussion, the Board elected to continue with Manager Herrera's recommendations for the upcoming 2022 Annual Meeting.

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 requests 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
EM-Feb-22-A	\$715.15	\$16.96	\$9.36	\$0.00	\$0.00	\$192.31	\$0.00	\$933.78	\$933.78
EM-Feb-22-B	\$379.01	\$5.09	\$39.60	\$33.05	\$280.75	\$0.00	(\$77.96)	\$659.54	\$378.79
EM-Feb-22-C	\$390.46	\$7.27	\$16.72	\$0.89	\$129.78	\$23.31	\$0.00	\$568.43	\$438.65
EM-Feb-22-D	\$791.88	\$11.29	\$58.42	\$39.67	\$296.62	\$0.00	\$0.00	\$1,197.88	\$901.26
EM-Feb-22-E	\$415.64	\$5.24	\$34.28	\$23.87	\$167.75	\$12.52	\$0.00	\$659.30	\$491.55
EM-Feb-22-F	\$489.50	\$6.38	\$38.99	\$26.29	\$209.76	\$66.37	\$0.00	\$837.29	\$627.53

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
JM-Feb-22-A	\$282.67	\$5.09	\$21.12	\$14.60	\$89.56	\$0.00	\$0.00	\$413.04	\$323.48
JM-Feb-22-B	\$133.44	\$0.62	\$11.00	\$8.45	\$58.39	\$0.00	\$0.00	\$211.90	\$153.51
JM-Feb-22-C	\$396.02	\$5.73	\$11.74	\$0.00	\$110.16	\$27.77	\$0.00	\$551.42	\$441.26
JM-Feb-22-D	\$517.11	\$10.14	\$22.74	\$12.44	\$123.76	\$53.03	\$0.00	\$739.22	\$615.46
JM-Feb-22-E	\$402.98	\$5.88	\$15.27	\$2.19	\$142.83	\$102.01	\$0.00	\$671.16	\$528.33

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 Nelson. Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extensions Contracts open for consideration.

Consideration of Trustee Travel

Trustee Hawkes requested Board approval to attend the NRECA Directors Conference scheduled for April 2-5, 2022, in Austin, Texas.

Trustee Wolberg made a motion to approve Trustee Hawkes to attend the NRECA Directors Conference; motion seconded by Trustee Nelson. Motion carried unanimously.

Trustee Nelson and Chairman Bustamante requested Board approval to attend the Tri-State Annual Meeting scheduled for April 5-6, 2022, in Westminster, Colorado.

Trustee Wolberg made a motion to approve Trustee Nelson and Chairman Bustamante to attend the Tri-State Annual Meeting; motion seconded by Trustee Anaya. Motion carried unanimously.

EXECUTIVE SESSION

Trustee Hawkes made a motion to go into Executive Session to discuss potential litigation; motion seconded by Trustee Wolberg. Motion carried unanimously.

Chairman Bustamante called for an Executive Session.

The Board adjourned to Executive Session at 4:15 p.m.

REGULAR SESSION

Trustee Wolberg made a motion and seconded by Trustee Nelson to return to Regular Session at 5:00 p.m.

Chairman Bustamante stated that there was no action taken during Executive Session.

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SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya made a motion to set the next committee meeting's date and the next regularly scheduled Board Meeting for March 23, 2022, with Committee meetings starting at 1:00 p.m.; motion seconded by Trustee Wolberg. Motion carried unanimously.

ADJOURNMENT


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

Chairman Bustamante adjourned the meeting at 5:04 p.m.




James Nelson, Secretary/Treasurer

APPROVED:



Paul Bustamante, Chairman

I, James Nelson, 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 23, 2022. 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.



James Nelson, Secretary/Treasurer