

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

January 25, 2023

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, January 25, 2023, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Luis Aguilar, Vice-Chairman.

ROLL CALL

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

TRUSTEES PRESENT: James Nelson, Chairman (via teleconference)
Representative, District 2

Luis Aguilar, Vice-Chairman
Representative, District 3

Donald Wolberg, Secretary/Treasurer
Representative, District 3

Ward McCartney, Trustee
Representative, District 1

Leroy Anaya, Trustee
Representative, District 3

Dave Wade, Trustee
Representative, District 4

Ron Burnett, Trustee
Representative, District 5

TRUSTEE(S) ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
Donna Wilkins, Administrative Assistant
V. Todd Unruh, Engineering Manager
Jimmy Capps, Chief Financial Officer
David Montoya, Safety Compliance Officer/Interim Line
Superintendent
Marilyn Madrid, Member Services Supervisor
Ellena Tapia, Director of Communications and Public Affairs
Brad Slaughter, Techline
Luis Castro, Techline

SEC MEMBERS PRESENT: David L Wade

QUORUM

Secretary Wolberg declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Manager Herrera led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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Trustee Wolberg moved to approve the Agenda as presented; motion seconded by Trustee Anaya. Motion carried unanimously.

Vice-Chairman Aguilar approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee McCartney had questions on the minutes from December 21, 2022.

After discussion, Trustee Wolberg moved to approve the minutes from December 21, 2022, as presented; motion seconded by Trustee Anaya. Motion carried with one objection.

Vice-Chairman Aguilar approved the minutes from December 21, 2022, as presented.

MEMBER COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$689,371.99 for December 2022 and proceeded to answer questions posed by the Trustees.

Vice-Chairman Aguilar thanked Manager Herrera for the Expenditure Report for December 2022.

Manager Herrera reported the Visa credit card expenditures, complete with supporting receipts, made available to the Board of Trustees for December 2022. Manager Herrera stated that a fraudulent charge had been made on the Visa credit card, which was reported to the card company. Manager Herrera reported that the credit card company would refund our money on the following credit card statement.

Vice-Chairman Aguilar thanked Manager Herrera for the credit card report for December 2022.

Manager Herrera provided the Engineering Report stating that he continues to work with Sun Zia on the approximately 25 line crossings needed for the line being built for the 500 kV line from the Capitan area to Arizona. Manager Herrera reported that SEC had a meeting with Continental Divide Electric Cooperative earlier this month to start the discussions of the engineering specs required for the broadband project and proceeded to answer questions posed by the Trustees.

Vice-Chairman Aguilar thanked Manager Herrera for the Engineering Report for December 2022.

Manager Herrera concluded by reporting that SEC had received patronage from Meridian Cooperative and Western United Electric Supply Corp.

Vice-Chairman Aguilar thanked Manager Herrera for the Manager's Report for December 2022.

FINANCIAL REPORT

Mr. Capps carefully reviewed in detail the RUS Form 7 Report for December 2022 RUS Form 7 and proceeded to answer questions posed by the Trustees.

Vice-Chairman Aguilar thanked Mr. Capps for the RUS Form 7 Report for December 2022.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

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

JOB BRIEFING

Mr. Montoya reviewed the December Job Briefing Reports.

Vice-Chairman Aguilar thanked Mr. Montoya for the Safety Report for December 2022.

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OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Montoya reported for December activities, with crews completing 47 service orders and closing 23 work orders in December.

OUTAGE REPORTS

Mr. Montoya reviewed several major outages that affected over 100 members or for which the outage time was lengthy.

Vice-Chairman Aguilar thanked Mr. Montoya for the Operations and Maintenance Report for December 2022.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for December 2022 and proceeded to answer questions posed by the Trustees.

NM PRC MEMBER CONCERNS

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

Vice-Chairman Aguilar thanked Ms. Madrid for the Member Services Report for December 2022.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Ms. Tapia reviewed the December Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

Vice-Chairman Aguilar thanked Ms. Tapia for the Communications and Public Affairs Report for December 2022.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Directors' activities report for January 2023 and proceeded to answer questions posed by the other Trustees.

Manager Herrera reported on the Rate Design Committee Update activities for January 2023, stating the Committee was able to find a consensus on the recommended principles for a rate design structure, the type of rate, and the financial goals to be included. Manager Herrera stated the Committee aims to provide Member Systems with an individual rate impact analysis using the 2023 budget and recommended principles. Manager Herrera reported that a final vote would be in February at the final Committee meeting and proceeded to answer questions posed by the Trustees.

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

Vice-Chairman Aguilar called for a recess at the end of this discussion item at 4:01 p.m.

Vice-Chairman Aguilar called the meeting back to order at 4:14 p.m.

NMRECA REPORT

Trustee Wolberg gave the NMRECA report for January 2023 and proceeded to answer questions posed by the other Trustees.

Vice-Chairman Aguilar thanked Trustee Wolberg for the NMRECA Report.

MRGEDA REPORT

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Trustee Wolberg gave the MRGEDA report for January 2023 and proceeded to answer questions posed by the other Trustees.

Vice-Chairman Aguilar thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

Vice-Chairman Aguilar reported the Trustee Worksheets for the fourth quarter had been made available for review.

Vice-Chairman Aguilar congratulated Trustee Burnett as he presented him with his NRECA "Credentialed Cooperative Director" Certificate.

FINANCE COMMITTEE REPORT

Vice-Chairman Aguilar reported on the Finance Committee Meeting held on January 25, 2023.

STANDING COMMITTEE REPORT

Trustee Wolberg reported on the Standing Committee Meeting held on January 25, 2023, with recommendations to the full Board of Trustees at the February Board meeting.

Vice-Chairman Aguilar thanked Trustee Wolberg for the Standing Committee Report.

NEW BUSINESS

Consideration of 2023 Credentials & Elections Committee

Manager Herrera reported that a list of names for the Credentials & Elections Committee had been provided for the Board of Trustees to consider. Manager Herrera stated that all members are willing to participate in the Committee.

Trustee Burnett moved to accept the Credentials & Elections Committee as stated; motion seconded by Trustee Anaya. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

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-Jan-23-A	\$292.17	\$3.43	\$25.77	\$18.01	\$116.22	\$0.00	\$0.00	\$455.60	\$339.38

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-Jan-23-A	\$78.56	\$0.00	\$4.23	\$3.80	\$18.66	\$0.00	\$0.00	\$105.25	\$86.59

Trustee Wolberg moved to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the accounts mentioned above; motion seconded by Trustee McCartney. Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

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There was no Trustee Travel brought forth for consideration.

EXECUTIVE SESSION

Trustee Wolberg moved to go into Executive Session to discuss individual employee matters; motion seconded by Trustee Anaya. Motion carried unanimously.

Vice-Chairman Aguilar called for an Executive Session.

The Board adjourned to Executive Session at 4:50 p.m.

REGULAR SESSION

Trustee Wolberg moved and seconded by Trustee Burnett to return to Regular Session at 5:51 p.m.

Vice-Chairman Aguilar stated that there was no action taken during Executive Session.

BOARD ACTION ON GM EVALUATION

Trustee Burnett moved to give Manager Herrera a 4% salary increase and a one-time bonus of \$8,000; motion seconded by Trustee McCartney. Motion carried unanimously.

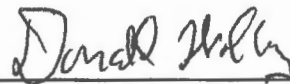
SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya moved to set the date and time of Committee meetings for February 15, 2023, and the next regularly scheduled Board Meeting for February 22, 2023, at 2:00 p.m.; motion seconded by Trustee Wolberg. Motion carried unanimously.

ADJOURNMENT

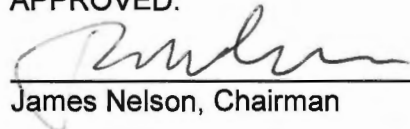
There being no other items open for discussion, Trustee Anaya moved to adjourn; motion seconded by Trustee Burnett. Motion carried unanimously.

Vice-Chairman Aguilar adjourned the meeting at 5:54 p.m.

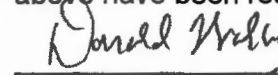


Donald Wolberg, Secretary/Treasurer

APPROVED:


James Nelson, Chairman

I, Donald Wolberg, 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 January 25, 2023. 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.


Donald Wolberg, Secretary/Treasurer