

June 28, 2023

President Anaya approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Holcomb moved to approve the Minutes from May 24, 2023, as presented; motion seconded by Trustee Burnett. Motion carried unanimously.

President Anaya approved the Minutes from May 24, 2023, as presented.

MEMBER COMMENTS

No Member Comments were brought forth.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$1,083,996.61 for May 2023 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Expenditure Report for May 2023.

Manager Herrera reported the Visa credit card expenditures, complete with supporting receipts, made available to the Board of Trustees for May 2023.

President Anaya thanked Manager Herrera for the credit card report for May 2023.

Manager Herrera provided the Engineering Report stating that SEC had finally received the lead times, which are not improving, for the receiving of the poles and equipment needed for the 69 kVA line. Manager Herrera stated that as of now, SEC is expecting to receive the poles needed for the project with a deliver date of December 2023. Manager Herrera reported as mentioned at a previous meeting, SEC continues to work with the Bureau of Reclamation on the expired permit at the Sevilleta National Wildlife Refuge. Manager Herrera stated the Environmental Consultants are working with the government to determine the rules and requirements needed to obtain a new permit. Manager Herrera reported that within this line University of New Mexico (UNM) has a fiber attachment on SEC poles and would be reaching out to UNM to see about helping with the cost in obtaining the permit due to receiving the benefit of the right-away on the poles. Manager Herrera proceeded to answer questions posed by the Trustees.

Mr. Unruh provided an update on the site visits SEC has completed and several upcoming projects including one cannabis location that will require more load than Wal-Mart and proceeded to answer questions posed by the Trustees.

Manager Herrera reported that in July, Mr. Unruh will be providing the Engineering Report.

President Anaya thanked Manager Herrera for the Engineering Report for May 2023.

Manager Herrera concluded by reporting that at a previous Board meeting, there was discussion about looking into investments of moving funds due to the amount that is only insured by the FDIC of up to \$250,000 at First State Bank. Manager Herrera stated other options have been looked at, which SEC will be moving forward with, including Tri-State Prepayment and CFC. Manager Herrera also reported that SEC had received a refund for patronage from Western United Electric and proceeded to answer questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Manager's Report for May 2023.

FINANCIAL REPORT

Mr. Capps carefully reviewed in detail the RUS Form 7 Report for May 2023 RUS Form 7 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Mr. Capps for the RUS Form 7 Report for May 2023.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

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

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JOB BRIEFING

Mr. Montoya reviewed the May Job Briefing Reports.

President Anaya thanked Mr. Montoya for the Safety Report for May 2023.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Montoya reported on May activities, with crews completing 19 service orders and closing 25 work orders.

OUTAGE REPORTS

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

President Anaya thanked Mr. Montoya for the Operations and Maintenance Report for May 2023.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for May 2023 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 May 2023.

President Anaya thanked Ms. Madrid for the Member Services Report for May 2023.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Williams reviewed the May Communications and Public Affairs Report.

President Anaya thanked Mr. Williams for the Communications and Public Affairs Report for May 2023 and welcomed him to Socorro Electric.

TRI-STATE REPORT

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

NMRECA REPORT

Trustee Holcomb gave the NMRECA activities report for May 2023.

MRGEDA REPORT

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

President Anaya thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Anaya reported on the meetings that Manager Herrera and himself had with the six of the City of Socorro Councilors regarding trying to get a new franchise agreement implemented with SEC for the benefit of all the residents of the City of Socorro, even while the City of Socorro tries to implement their own electric utility.

FINANCE COMMITTEE REPORT

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Trustee Burnett reported on the Finance Committee Meeting held on June 22, 2023, with recommendations to the full Board of Trustees and proceeded to answer questions posed by the Trustees.

President Anaya thanked Trustee Burnett for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Holcomb reported on the Standing Committee Meeting held on June 22, 2023, with recommendations to the full Board of Trustees.

President Anaya thanked Trustee Holcomb for the Standing Committee Report.

SPECIAL COMMITTEE REPORT

Trustee Burnett reported on the Special Committee Meeting held on June 22, 2023, with a recommendation to the full Board of Trustees.

President Anaya thanked Trustee Burnett for the Special Committee Report.

ETHICS COMMITTEE REPORT

Trustee Wolberg reported on the Ethics Committee Meeting held on June 22, 2023, regarding reviewing the December 21, 2022, Board of Trustee's action on the stipulations given to Trustee McCartney. Trustee Wolberg stated that after review, while there has been no further violation of the SEC's Board Policies or SEC's Code of Ethics, the Committee continues to be concerned about the public knowledge of Trustee McCartney's being a member of the SEC Board of Trustees, so when Trustee McCartney represents himself in contrast to the board's position, he is acting in contrast to the SEC's Code of Ethics and Oath of Office. Trustee Wolberg reported the Committee recommends to Trustee McCartney that he be cautious about his representation as an SEC Trustee, as his participation in other organizations does not violate the SEC Board Policies and the SEC's Code of Ethics. The Ethics Committee recommends that the Board of Trustees reinstate Trustee McCartney to attend the meetings as stipulated within the December 21, 2022, Board action, and that this does not relieve Trustee McCartney of the Board-approved stipulations from March 22, 2023.

After discussion, Trustee Wolberg moved to approve the recommendation of the Ethics Committee to reinstate Trustee McCartney to attend the meetings as stipulated within the December 21, 2022 Board action; motioned seconded by Trustee Wade. Motion carried unanimously.

NEW BUSINESS

Renewable Energy

Trustee McCartney reported to the Board of Trustees on the cost and benefits of renewable energy within and for SEC and proceeded to answer questions posed by the Trustees.

After extensive discussion, Trustee Burnett moved to table Renewable Energy until after more imminent matters with the City of Socorro have been resolved; motion seconded by Trustee Wolberg.

President Anaya conducted a roll call vote and is as follows:

Yes: Trustees Burnett, Holcomb, Wade, Wolberg

No: Trustees Bowden and McCartney

Motion carried.

Federated Rural Electric Insurance Exchange

Manager Herrera reported that Federated Rural Electric Insurance Exchange had been SEC's insurance carrier for over 25 years. Manager Herrera stated that SEC has received a premium increase of 10% for the next 2 years. Manager Herrera reported the Finance Committee had reviewed the proposed report from Federated Rural Electric Insurance Exchange and recommended that the Board approve the Federated Rural Electric Insurance Exchange proposal report.

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Trustee Burnett moved to accept the Finance Committee's recommendation to approve the Federated Rural Electric Insurance Exchange proposal report; motion seconded by Trustee McCartney. Motion carried unanimously.

Consideration of Wildfire Vegetation Management Proposal

Manager Herrera reported that the Federated Rural Electric Insurance Exchange proposal report requested information on SEC vegetation management. Manager Herrera stated that Windy Tree has been doing a great job trimming the trees and has finished their initial agreement with SEC, is willing to extend an agreement for 3 more years, and proceeded to answer questions posed by the Trustees. Manager Herrera reported the Finance Committee had reviewed the proposal and recommended that the Board approve the Wildfire Vegetation Management Proposal from Windy Tree.

Trustee McCartney moved to accept the Finance Committee's recommendation of approving Windy Tree for the Wildfire Vegetation Management Proposal; motion seconded by Trustee Holcomb. Motion carried unanimously.

Consideration of Broadband Master Agreement with CDEC

Manager Herrera reported a copy of the Master Agreement with CDEC for Broadband was being presented for the Board's approval, which was reviewed by both CDEC's general counsel and SEC's General Counsel Lorna Wiggins.

Trustee Holcomb moved to approve the Broadband Master Agreement with CDEC; motion seconded by Trustee McCartney. Motion carried unanimously.

Board Policy 112 – Trustee Authority

Manager Herrera reported that the Standing Committee reviewed Board Policy 112 –Trustee Authority, and the Committee recommended that the Board approve Board Policy 112 –Trustee Authority as reviewed.

Trustee Burnett moved to accept the Standing Committee's recommendation of Board 112 – Trustee Authority as reviewed; motion seconded by Trustee Holcomb. Motion carried unanimously.

Board Policy 113 – Delegation of Authority from the Board of Trustees to the General Manager

Manager Herrera reported that the Standing Committee reviewed Board Policy 113 – Delegation of Authority from the Board of Trustees to the General Manager, and the Committee recommended that the Board approve Board Policy 113 – Delegation of Authority from the Board of Trustees to the General Manager as reviewed.

Trustee Holcomb moved to accept the Standing Committee's recommendation of Board Policy 113 – Delegation of Authority from the Board of Trustees to the General Manager as reviewed; motion seconded by Trustee Bowden. Motion carried unanimously.

Board Policy 114 – Board of Trustees-General Manager Interrelationships

Manager Herrera reported that the Standing Committee reviewed Board Policy 114 – Board of Trustees-General Manager Interrelationships, and the Committee recommended that the Board approve Board Policy 114 – Board of Trustees-General Manager Interrelationships as reviewed.

Trustee Burnett moved to accept the Standing Committee's recommendation of Board Policy 114 – Board of Trustees-General Manager Interrelationships as reviewed; motion seconded by Trustee Holcomb. Motion carried unanimously.

Board Policy 116 – Trustees' Fees and Expenses

Manager Herrera reported that the Standing Committee reviewed Board Policy 116 – Trustees' Fees and Expenses, and the Committee recommended that the Board approve Board Policy 116 – Trustees' Fees and Expenses as reviewed.

Trustee McCartney moved to accept the Standing Committee's recommendation of Board Policy 116 – Trustees' Fees and Expenses as reviewed; motion seconded by Trustee Holcomb. Motion carried unanimously.

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Setting of the 2024 Member's Annual Meeting

Manager Herrera reported that SEC had received available dates for the NM Tech Macey Center in consideration of a date for the 2024 Annual Member Meeting, with these dates being presented here for consideration by the Board of Trustees. Manager Herrera recommended April 20, 2024, due to the regular Board meeting that follows with the continuation on the following Wednesday.

After further discussion, Trustee Burnett made a motion to set the 2024 Annual Member Meeting date for April 20, 2024, at the NM Tech Macey Center; motion seconded by Trustee Bowden. 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 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
N/A	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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-June-23-A	\$349.97	\$5.57	\$14.59	\$5.87	\$99.95	\$58.57	\$0.00	\$534.52	\$434.57

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

Consideration of Line Extension Contracts

There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

President Anaya requested Board approval to attend the NMRECA Annual BBQ scheduled for July 13, 2023, in Santa Fe, New Mexico.

Trustee Burnett moved to approve President Anaya to attend the NMRECA Annual BBQ; motion seconded by Trustee Wade. Motion carried unanimously.

After discussion, Trustees Bowden, Burnett, and Holcomb requested Board approval to attend the Tri-State Board Orientation scheduled for September 13, 2023, in Westminster, Colorado.

Trustee Bowden moved to approve Trustees Bowden, Burnett, and Holcomb to attend the Tri-State Board Orientation; motion seconded by Trustee McCartney. Motion carried unanimously.

Consideration of Special Counsel

Manager Herrera reported that at the May 24, 2023, Board Meeting, it was approved to hire Special Counsel. Manager Herrera stated that the Special Committee had met and interviewed firms, and it is the recommendation of the Special Committee to hire Jones, Snead, Wertheim, & Clifford as Special Counsel.

After discussion, Trustee Burnett moved to accept the Special Committee's recommendation of hiring Jones, Snead, Wertheim, & Clifford as Special Counsel; motion seconded by Trustee Holcomb. Motion carried unanimously.

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EXECUTIVE SESSION

There were no items to discuss in Executive Session.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Burnett moved to set the date and time of Committee meetings for July 19, 2023, at 1:00 p.m., and the next regularly scheduled Board Meeting for July 26, 2023, at 2:00 p.m.; motion seconded by Trustee Holcomb. Motion carried unanimously.

ADJOURNMENT

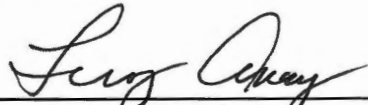
There being no other items open for discussion, Trustee McCartney moved to adjourn; motion seconded by Trustee Burnett. Motion carried unanimously.

President Anaya adjourned the meeting at 5:08 p.m.



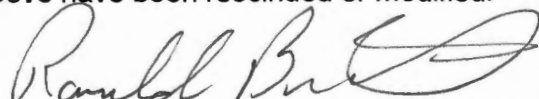
Ronald Burnett, Vice-President

APPROVED:



Leroy Anaya, President

I, Ronald Burnett, 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 June 28, 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.



Ronald Burnett, Vice-President