

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

August 23, 2023

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, August 23, 2023, 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

Manager Herrera 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

 Ward McCartney*, Trustee
 Representative, District 1

 M Kenneth Bowden, Trustee
 Representative, District 3

 Dave Wade, Trustee
 Representative, District 4

TRUSTEE(S) ABSENT: Judith Holcomb, Secretary/Treasurer
 Representative, District 2

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

SEC MEMBERS PRESENT: Stephen Rosas, Cyndi Mae Wade, Dave L Wade

NON-SEC MEMBER PRESENT: Samuel Calderon

QUORUM

Manager Herrera declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Anaya led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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

President Anaya approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

August 23, 2023

Trustee Burnett moved to approve the Minutes from July 26, 2023, as corrected; motion seconded by Trustee Bowden. Motion carried unanimously.

President Anaya approved the Minutes from July 26, 2023, as corrected.

MEMBER COMMENTS

No Member Comments were brought forth.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$1,378,560.20 for July 2023 and proceeded to answer questions posed by the Trustees.

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

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

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

Manager Herrera concluded that SEC had received a patronage retirement from Pioneer Utility Resources. Manager Herrera provided information on the outage at the Magdalena Substation when lightning struck the transformer over 15 years old. Manager Herrera thanked management and staff for all their hard work during this outage and the benefits SEC received for being a member of Tri-State G&T, which was able to provide us with a mobile substation to get the members in Magdalena and Alamo up with power. Manager Herrera proceeded to answer questions posed by the Trustees.

President Anaya and Trustee Burnett thanked the SEC management and staff for their hard work restoring and helping the members affected by the Magdalena Substation outage.

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

ENGINEERING REPORT

Mr. Unruh reviewed the July Engineering Report and proceeded to answer questions posed by the Trustees.

President Anaya thanked Mr. Unruh for the Engineering Report for July 2023.

FINANCIAL REPORT

Mr. Capps carefully reviewed in detail the RUS Form 7 Report for July 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 July 2023.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the July Safety Report.

JOB BRIEFING

Mr. Montoya reviewed the July Job Briefing Reports.

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

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Montoya reported on July activities, with crews completing 29 service orders and closing 23 work orders.

August 23, 2023

OUTAGE REPORTS

Mr. Montoya reviewed major outages that affected over 100 members or for which the outage time was lengthy. Mr. Montoya provided information on the lighting that struck the Magdalena Substation, and the processes SEC and Tri-State crews took to restore the power. Mr. Montoya proceeded to answer questions posed by the Trustees.

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

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

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

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no Member complaints filed with the NM PRC in July 2023.

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

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Williams reviewed the July Communications and Public Affairs Report. Mr. Williams provided detailed information regarding the Magdalena Substation outage and information on the weather situation within the Magdalena area and proceeded to answer questions posed by the Trustees.

President Anaya thanked Mr. Williams for the Communications and Public Affairs Report for July 2023.

TRI-STATE REPORT

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

NMRECA REPORT

There were no NMRECA Report given at this time.

PRESIDENT'S REPORT

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

ETHICS COMMITTEE REPORT

President Anaya provided Trustee Holcomb's report on the Ethics Committee Meeting held on August 16, 2023. President Anaya reported that the Ethics Committee recommended to the full Board of Trustees that for the remainder of Trustee McCartney's term, he be excluded from attending executive sessions of the Board, attending any special meeting, including strategic planning meetings, of the Board, receiving funding or authorization to attend any external meetings in connection with SEC and uphold his representations to the Board that he will voluntarily abstain from discussing SEC business with the mayor and/or other elected city officials, outside of official meetings or dealings of the SEC.

FINANCE COMMITTEE REPORT

Trustee Burnett reported on the Finance Committee Meeting held on August 16, 2023, with recommendations to the full Board of Trustees.

President Anaya thanked Trustee Burnett for the Finance Committee Report.

STANDING COMMITTEE REPORT

President Anaya provided Trustee Holcomb's report on the Standing Committee Meeting held on August 16, 2023, with recommendations to the full Board of Trustees.

NEW BUSINESS

District III Trustee Vacancy

Manager Herrera reported at the July 26, 2023, Board meeting to announce the vacancy to fill the District III seat for the remainder of the term for the late Trustee Donald Wolberg, with a deadline of August 18, 2023. Manager Herrera reported that SEC received only one Affidavit Declaring Candidacy and resume for the District III seat from Stephen Rosas and proceeded to answer questions posed by the Trustees.

After discussion, Trustee Burnett moved to accept the Affidavit Declaring Candidacy and resume from Stephen Rosas and to make his term effective immediately following today's Board meeting; motion seconded by Trustee McCartney. Motion carried unanimously.

Consideration of Action on Recommendation from Ethics Committee

President Anaya reported that the Ethics Committee had provided a recommendation to the entire Board regarding action on Trustee McCartney.

After discussion, Trustee Burnett moved to accept the Ethics Committee's recommendation regarding action on Trustee McCartney; motion seconded by Trustee Bowden. Motion carried unanimously.

Temporary 5MVA Transformer

Manager Herrera reported that the Finance Committee reviewed the purchase agreement for a temporary 5MVA transformer for the Magdalena Substation, and the Committee recommended that the Board approve the purchase agreement from Mountain West.

After discussion, Trustee McCartney moved to accept the Finance Committee's recommendation of the purchase agreement for the 5MVA transformer from Mountain West; motion seconded by Trustee Bowden. Motion carried unanimously.

Magdalena Substation Transformer

Manager Herrera reported that SEC to get a replacement transformer for the Magdalena Substation is taking over two and half years due to demand and material. Manager Herrera stated SEC was able to get, with help from Techline, a transformer replacement in approximately 40 weeks from Virginia Georgia Transformer. Manager Herrera stated that the Finance Committee recommended that the Board approve the quote from Virginia Georgia Transformer.

Trustee McCartney moved to accept the Finance Committee's recommendation to approve the quote from Virginia Georgia Transformer for the replacement at the Magdalena Substation; motion seconded by Trustee Bowden. Motion carried unanimously.

Consideration of Quote for Bucket Truck

Manager Herrera reported that the lead time for a new bucket truck is two years. Manager Herrera stated that the new bucket truck would be able to reach the height of the new 69kVA line, and the Finance Committee recommended that the Board approve Altec Industries quote for a new Bucket Truck.

Trustee Bowden moved to accept the Finance Committee's recommendation to approve the Altec Industries quote for a new Bucket Truck; motion seconded by Trustee McCartney. Motion carried unanimously.

Board Policy 118 – Services of Consultants

Manager Herrera 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 with proposed corrections.

Trustee Burnett moved to accept the Standing Committee's recommendation of Board 118 – Services of Consultants with proposed corrections; motion seconded by Trustee Bowden. Motion carried unanimously.

Board Policy 119 – Functions and Compensation of Cooperative Attorney

August 23, 2023

Manager Herrera 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 119 – Functions and Compensation of Cooperative Attorney as reviewed; motion seconded by Trustee Bowden. Motion carried unanimously.

Broadband Engineering Project Service Agreement

Manager Herrera reported that Alpha Power Group is an engineering firm that works closely with Continental Divide Electric Cooperative (CDEC) Red Bolt for broadband construction services. Manager Herrera recommended that the Board approve the agreement with Alpha Power Group as they already know what standards CDEC Red Bolt would require for the broadband services in the Magdalena area and that general counsel has reviewed the agreement.

After discussion, Trustee McCartney moved to approve the Broadband Engineering Project Service Agreement from Alpha Power Group; motion seconded by Trustee Burnett. 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
EM-Aug-23-A	\$257.50	\$4.64	\$9.57	\$3.40	\$67.70	\$0.00	\$0.00	\$342.81	\$275.11
EM-Aug-23-B	\$390.00	\$6.97	\$20.60	\$10.46	\$133.81	\$0.00	\$0.00	\$561.84	\$428.03

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
N/A	-	-	-	-	-	-	-	-	-

Trustee Burnett 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

There was no Trustee Travel brought forth for consideration.

EXECUTIVE SESSION

Trustee Burnett moved to go into Executive Session to discuss potential litigation; motion seconded by Trustee Wade. Motion carried unanimously.

President Anaya called for an Executive Session.

The Board adjourned to Executive Session at 3:48 p.m.

REGULAR BOARD MEETING

August 23, 2023

* Trustee McCartney was excused from Executive Session at 3:48 p.m. and did not return after Regular Session.

REGULAR SESSION

Trustee Burnett moved and seconded by Trustee Bowden to return to Regular Session at 4:04 p.m.

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

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Burnett moved to set the date and time of the next regularly scheduled Board Meeting for September 27, 2023, at 2:00 p.m.; motion seconded by Trustee Wade. Motion carried unanimously.

ADJOURNMENT

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

President Anaya adjourned the meeting at 4:07 p.m.



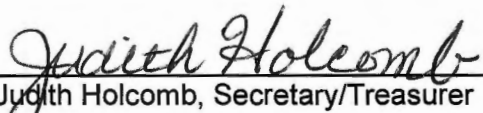
Judith Holcomb, Secretary/Treasurer

APPROVED:



Leroy Anaya, President

I, Judith Holcomb, 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 August 23, 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.



Judith Holcomb, Secretary/Treasurer