

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

February 28, 2024

**INDEX**

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, February 28, 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 Rosas 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

                                  Stephen Rosas, Secretary/Treasurer  
                                  Representative, District 3

                                  Ward McCartney, Trustee\*  
                                  Representative, District 1

                                  Eileen Latasa, Trustee  
                                  Representative, District 2

                                  M Kenneth Bowden, Trustee  
                                  Representative, District 3

                                  Dave Wade, Trustee  
                                  Representative, District 4

TRUSTEE(S) ABSENT:     None

ALSO PRESENT:           Joseph Herrera, General Manager (via teleconference)  
                                  Donna Wilkins, Administrative Assistant  
                                  Darren Thomas, Line Superintendent  
                                  V. Todd Unruh, Engineering Manager  
                                  Jerrid Williams, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: David L Wade, James Nelson, Cyndi M Wade

**QUORUM**

Secretary Rosas 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; the motion was seconded by Trustee McCartney. The motion carried unanimously.

President Anaya approved the Agenda as presented.

**CONSIDERATION AND APPROVAL PREVIOUS MINUTES**

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Trustee McCartney moved to approve the Minutes from January 31, 2024, as presented; the motion was seconded by Trustee Bowden. The motion carried with one abstaining.

President Anaya approved the Minutes from January 31, 2024, as presented.

Trustee Latasa had a correction to the February 16, 2024, minutes.

Trustee McCartney moved to approve the Minutes from February 16, 2024, as corrected; the motion was seconded by Trustee Bowden. The motion carried with one abstaining.

President Anaya approved the Minutes from February 16, 2024, as corrected.

### **MEMBER COMMENTS**

No Member Comments were brought forth.

### **OATH OF OFFICE**

President Anaya administered the Oath of Office to Trustee Latasa.

### **MANAGER'S REPORT**

Manager Herrera reported on the expenditure check register totaling \$2,578,075.86 for January 2024 and proceeded to answer questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Expenditure Report for January 2024.

Manager Herrera reported the Visa credit card expenditures, complete with supporting receipts, made available to the Board of Trustees for January 2024.

President Anaya thanked Manager Herrera for the credit card report for January 2024.

Manager Herrera reported the Credentials & Elections Committee (C&E) had met on February 6, 2024, with Committee members Bruce Brown (District 5), Prescilla Mauldin (District 3), Milton Ulibarri (District 3), Charles Zimmerly (District 3), Mary Lucy Baca (District 1), and John Lee, Jr. (District 2) with Peter Gonzales (District 3) not being able to attend. Manager Herrera stated that Ms. Mauldin was elected Chair, and Mrs. Baca was elected Secretary. Manager Herrera stated that each committee member reviewed the notice published to all SEC members in the January 2024 Enchantment magazine, stating that there were two (2) open positions for District 3 and that members had 30 days to file. Manager Herrera stated after the C&E reviewed the qualifications of the two (2) submitted candidate applications for incumbents Leroy Anaya and Stephen Rosas, Mrs. Baca made a motion with Mr. Ulibarri seconding to accept the submitted applications and moved to dispense with the election balloting since both open positions are non-contested and elect the District 3 candidates by acclamation. Manager Herrera stated that the motion was carried unanimously by the C&E Committee. Manager Herrera proceeded to answer questions posed by the Trustees.

President Anaya thanked Manager Herrera for the Manager's Report for January 2024.

### **FINANCIAL REPORT**

Manager Herrera reported that Mr. Capps was out and carefully reviewed the RUS Form 7 Report for January 2024 RUS Form 7 in detail.

President Anaya thanked Manager Herrera for the RUS Form 7 Report for January 2024.

### **SAFETY COMPLIANCE REPORT**

#### **SAFETY REPORT**

Manager Herrera reported that Mr. Montoya was out of the office and reviewed the January Safety Report.

#### **JOB BRIEFING**

Manager Herrera reviewed the January Job Briefing Reports.

President Anaya thanked Manager Herrera for the Safety Report for January 2024.

**OPERATIONS AND MAINTENANCE REPORT**

**CONSTRUCTION/MAINTENANCE REPORT**

Mr. Thomas reported on January activities, with crews completing 16 service orders and 60 work orders.

**OUTAGE REPORTS**

Mr. Thomas reviewed the outages occurring in January 2024 and answered questions the Trustees posed.

President Anaya thanked Mr. Thomas for the Operations and Maintenance Report for January 2024.

**MEMBER SERVICES REPORTS**

**ENERGY DELINQUENT REPORT**

Manager Herrera reported that due to being short-staffed, Ms. Madrid could not be present. Manager Herrera presented the Energy Delinquent Report for January 2024.

**NM PRC MEMBER CONCERNS**

Manager Herrera reported that SEC had no Member complaint filed with the NM PRC in January 2024.

President Anaya thanked Manager Herrera for the Member Services Report for January 2024.

**COMMUNICATIONS AND PUBLIC AFFAIRS REPORT**

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

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

**ENGINEERING REPORT**

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

President Anaya thanked Mr. Unruh for the Engineering Report for January 2024.

**TRI-STATE REPORT**

President Anaya gave the Tri-State Board of Directors' activities report for February 2024 and answered questions posed by the Trustees.

After discussion, Trustee McCartney moved to request President Anaya to request Tri-State to open up their cooperative members the ability to self-generated up to 40%. The motion failed for a lack of a second.

**NMREC REPORT**

Manager Herrera gave the NMREC activities report for February 2024 and proceeded to answer questions posed by the Trustees.

**PRESIDENT'S REPORT**

President Anaya reported that a copy of the Form 990-PF for 2023 had been made available to all Trustees. President Anaya stated this money comes from unclaimed capital credits to support the scholarships provided to area high school youth, the Electric Cooperative Youth Tour, and other educational events.

President Anaya thanked Tri-State G&T Association and New Mexico Rural Electric Cooperative for attending the Special Board meeting held on February 16, 2024, that Guzman Energy did not show up as stated after several attempts to schedule it.

President Anaya announced the following committee assignments:

Standing Committee: M. Kenneth Bowden (Chair), Eileen Latasa, Stephen Rosas, and Leroy Anaya (ex-officio)

Ethics Committee: Ron Burnett (Chair), Eileen Latasa, Dave Wade, and Leroy Anaya

Trustee Burnett presented the NRECA Director Gold Renewal Certificate to President Anaya.

### **ETHICS COMMITTEE REPORT**

Trustee Burnett reported on the Ethics Committee Meeting held on February 28, 2024. Trustee Burnett stated that the Committee determined that the Board of Trustees is not in compliance with SEC Code of Ethics, Board Policy 108 – Standards of Conduct Communication, and Board Policy 109 – Conflicts of Interest. Trustee Burnett reported that the Committee recommends that the Trustees get with general counsel to see what steps are required to get the Board of Trustees back into compliance.

Trustee Rosas moved to accept the Ethics Committee's recommendation to contact general counsel for recommendations to get the Board of Trustees into compliance; the motion was seconded by Trustee Latasa. The motion carried unanimously.

President Anaya thanked Trustee Burnett for the Ethics Committee Report.

### **FINANCE COMMITTEE REPORT**

Trustee Burnett reported on the Finance Committee Meeting held on February 21, 2024, with recommendations to the full Board of Trustees.

President Anaya thanked Trustee Burnett for the Finance Committee Report.

### **NEW BUSINESS**

#### **Fiber Infrastructure Bid for Village of Magdalena**

Manager Herrera explained that ACRS had conducted the bid for the Fiber Infrastructure for the Village of Magdalena and had received four bids. Manager Herrera stated that the Finance Committee reviewed the proposed bids and recommended that the Board approve the bid from Ward Systems for \$1,404,434.08.

Trustee McCartney moved to accept the Finance Committee's recommendation to award the bid to Ward Systems for the Fiber Infrastructure for the Village of Magdalena; the motion was seconded by Trustee Rosas. The motion carried unanimously.

#### **Magdalena to Socorro 69 KV Construction Bid**

Manager Herrera explained that T&D Services had conducted the bid for the Magdalena to Socorro 69 KV Construction and had received four bids. Manager Herrera stated that the Finance Committee reviewed the proposed bids and recommended that the Board approve the bid from Altitude Energy, LLC for \$8,722,271.92.

Trustee Bowden moved to accept the Finance Committee's recommendation to award the bid to Altitude Energy, LLC for the Magdalena to Socorro 69 KV Construction; the motion was seconded by Trustee McCartney. The motion carried unanimously.

#### **Service Trucks**

Manager Herrera explained that SEC had received quotes for purchasing three (3) line service trucks and three (3) pickup trucks. Manager Herrera stated that the Finance Committee reviewed the quotes and recommended that the Board approve the quote for purchasing three 2024 Ram 3500 Reg Cab from Melloy Dodge for \$49,810.00 per unit and three 2024 Chevrolet Colorado 4WD Extended Cab from Melloy Chevrolet for \$35,957.00 per unit.

Trustee Latasa moved to accept the Finance Committee's recommendation to approve the quote from Melloy Dodge for the purchase of three 2024 Ram 3500 Reg Cab from Melloy Dodge and three 2024 Chevrolet Colorado 4WD Extended Cab from Melloy Chevrolet; the motion was seconded by Trustee Bowden. The motion carried unanimously.

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Quemado Office Trailer

Manager Herrera explained that SEC needs a new office for the crew in Quemado and had received a proposal from BOXX Modular for a new office trailer. Manager Herrera stated that the Finance Committee reviewed the proposal and recommended that the Board approve the proposal from BOXX Modular for \$97,608.00.

Trustee Latasa moved to accept the Finance Committee’s recommendation to approve the proposal from BOXX Modular for the Quemado Office Trailer; the motion was seconded by Trustee Rosas. The motion carried unanimously.

Consideration of MRGEDA Dues

Manager Herrera reported that the MRGEDA dues for 2024 are up for renewal and have increased with SEC-only being considered as an ex-officio member of the Board and proceeded to answer questions posed by the Trustees.

After discussion, Trustee Burnett moved to continue membership with MRGEDA and to pay the dues for 2024 of \$1,000.00; the motion was seconded by Trustee McCartney. The motion carried unanimously.

2024 Annual Meeting

Manager Herrera reported that SEC had reserved the Macey Center for the upcoming Annual Meeting on April 20, 2024. Manager Herrera requested the Trustees to provide him with the names of individuals who could do the invocation and proceed to answer questions posed by the Trustees.

Mr. Williams presented the Trustees with updated options for the 2024 giveaway gifts.

After discussion, Trustee Burnett moved to approve option one with a sling bag for the 2024 giveaway gifts; the motion was seconded by Trustee Rosas. The 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-Feb-24-A	\$380.43	\$0.00	\$30.72	\$21.54	\$179.85	\$0.00	\$0.00	\$612.54	\$432.69
EM-Feb-24-B	\$642.69	\$6.20	\$40.23	\$26.09	\$172.84	\$0.00	\$0.00	\$888.05	\$715.21

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 McCartney 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 Burnett. The motion carried unanimously.

Consideration of Line Extension Contracts

Manager Herrera reported a line extension contract for Jason Gonzales for \$6,866.49 was being presented to the Board for approval. Manager Herrera recommended that the Board approve the contract for Mr. Gonzales.

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After discussion, Trustee Burnett moved to approve the contract for Jason Gonzales for \$6,866.49; the motion was seconded by Trustee Bowden. The motion carried unanimously.

Consideration of Trustee Travel

Trustee Latasa requested Board approval to attend the NRECA Director's Conference scheduled for April 6-9, 2024, in Nashville, Tennessee, and the NMREC Annual Meeting scheduled for May 28-30, 2024, in Albuquerque, New Mexico.

Trustee Burnett moved to approve Trustee Latasa to attend the NRECA Director's Conference and the NMREC Annual Meeting; the motion was seconded by Trustee McCartney. The motion carried unanimously.

Trustee Rosas requested approval to attend the Tri-State Annual Meeting scheduled for April 2-3, 2024, in Westminster, Colorado.

Trustee McCartney moved to approve Trustee Rosas to attend the Tri-State Annual Meeting; the motion was seconded by Trustee Burnett. The motion carried unanimously.

Tri-State Annual Meeting Voting & Alternate Delegate

After discussion, Trustee Burnett moved to make President Anaya as the Voting Delegate and Trustee Rosas as the Alternate Delegate for the Tri-State Annual Meeting; the motion was seconded by Trustee McCartney. The motion carried unanimously.

**EXECUTIVE SESSION**

Trustee Burnett moved to go into Executive Session to discuss employment matters, potential litigation, 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 3:47 p.m.

\* Trustee McCartney was excused from the Executive Session at 3:47 p.m. and did not return after Regular Session.

**REGULAR SESSION**

Trustee Burnett moved and was seconded by Trustee Latasa to return to the Regular Session at 4:54 p.m.

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 Committee meetings for March 20, 2024, at 1:00 p.m. and the next regularly scheduled Board Meeting for March 27, 2024, at 2:00 p.m.; the motion was seconded by Trustee Rosas. The motion carried unanimously.

**ADJOURNMENT**

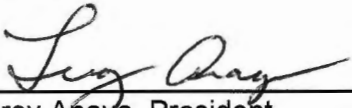
With no other items open for discussion, Trustee Burnett moved to adjourn; the motion was seconded by Trustee Bowden. The motion carried unanimously.

President Anaya adjourned the meeting at 4:58 p.m.


February 28, 2024

  
Stephen Rosas, Secretary/Treasurer

APPROVED:

  
Leroy Anaya, President

I, Stephen Rosas, 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 28, 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.

  
Stephen Rosas, Secretary/Treasurer