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

September 24, 2025

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC) was held on Wednesday, September 24, 2025, 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 Latasa called the roll and reported those present and attending as follows:

TRUSTEES PRESENT:

Leroy Anaya, President
Representative, District 3

Stephen Rosas, Vice-President
Representative, District 3

Eileen Latasa, Secretary/Treasurer
Representative, District 2

Jayson Moore, Trustee
Representative, District 1

Robert Alonzo, Trustee
Representative, District 3

David L. Wade, Trustee
Representative, District 4

David Dickey, Trustee
Representative, District 5

TRUSTEE(S) ABSENT: none

ALSO PRESENT:

Manuel Gonzales, Chief Executive Officer
Alyssa Cruz, Executive Assistant
David Montoya, Safety Compliance Officer
Jason Otero, Chief Operations Officer
Jeffrey Sousa, Interim Director of Engineering
Rauni Montoya, Chief Financial Officer
Adriana Arellano, Chief Human Resources Officer
Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Iliana Perez, Mariana Perez

GUESTS: none

QUORUM

Secretary Latasa declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Anaya led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

President Anaya asked for a motion to accept the Agenda as presented.

Trustee Dickey moved to approve the Agenda as presented; Trustee Alonzo seconded the motion. The motion carried unanimously.

President Anaya approved the Agenda as presented.

CONSIDERATION AND APPROVAL OF PREVIOUS MINUTES

AUGUST 26, 2025 – REGULAR MEETING

Trustee Alonzo made a motion to approve the Minutes from the Regular Meeting of August 26, 2025, as presented; Trustee Dickey seconded the motion. The motion carried unanimously.

President Anaya approved the Minutes from August 26, 2025, as presented.

MEMBER COMMENTS

Presentation by Iliana Perez, Youth Leadership Council member, reported on her project and upcoming activities. Ms. Perez attended a meeting with the YLC group and noted that project pictures are due by October 20th for their newsletter. Ms. Perez coordinated with the Midway School principal to do a safety presentation on October 15th, 2025, with the presentation split into two groups. Ms. Perez requested to be on the November board meeting agenda to give her speech, with the goal of becoming a national spokesperson by January 2026.

President Anaya thanked Ms. Perez for her presentation.

CEO'S REPORT

CEO Gonzales presented the CEO Report for September 2025. CEO Gonzales discussed securing rebates for the City of Socorro and the Village of Magdalena, emphasizing SEC's commitment to serving members. CEO Gonzales noted the success of electrical safety demonstrations, particularly at San Antonio K-5 School, where Youth Leadership Council member, Iliana Perez, participated. CEO Gonzales expressed excitement about the senior staff's accomplishments, financial performance, recent outages, and the cooperative's ongoing mission to serve their members effectively.

President Anaya thanked CEO Gonzales for the CEO Report for September 2025.

SAFETY COMPLIANCE REPORT

Mr. Montoya presented the Safety Compliance Report for September 2025. Mr. Montoya discussed a reduction in vehicle miles driven compared to July 2025, saving fuel and vehicle wear; a safety meeting that involved testing personal protective grounds, inspecting material lifting slings and chains, and ensuring tags are legible. Mr. Montoya also covered the Davenport communication site management plan with the Forest Service, which involves yearly inspections of the building, grounds, signage, and frequency licenses. Mr. Montoya mentioned the SGS inspection of substations to develop spill prevention control and countermeasure plans, noting that the Magdalena substation was the most compliant.

President Anaya thanked Mr. Montoya for the Safety Report for September 2025.

OPERATIONS AND MAINTENANCE REPORT

Mr. Otero presented the Operations and Maintenance Report for September 2025. Mr. Otero highlighted the team's response to multiple outages in the service area, particularly during a major storm that blew a farmer's roof into power lines. Mr. Otero gave praise for the dedication by Journeyman Lineman, JJ Apachito, and Line Apprentice, Norman Finley, who worked 24-26 hours straight during these incidents. Mr. Otero shared a specific repair where the team identified and replaced a faulty bushing on a VLA metering cabinet, with team members James Lizer, Glenn Calvert, and Anthony Herschbach working diligently to locate and fix the issue. Mr. Otero stressed the team's strong communication, collaborative approach, and commitment to safety during these challenging operations.

President Anaya thanked Mr. Otero for the Operations and Maintenance Report for September 2025.

ENGINEERING REPORT

Mr. Sousa presented the Engineering Report for September 2025. Mr. Sousa reported two new cell phone tower site visits in the Quemado area, which will benefit both Socorro Electric and local members; progress on a fiber contractor joint use pole attachment agreement that will generate an initial $18,300 application fee and approximately $20,000 annual revenue; and Engineering Aide/Executive Assistant, Alyssa Cruz, attended the 2025 PowerUp Conference in Phoenix, AZ, which will help her better serve the cooperative members, senior staff and board members.

President Anaya thanked Mr. Sousa for the Engineering Report for September 2025.

FINANCIAL REPORT

Ms. Montoya carefully reviewed the Report for August 2025 RUS Form 7 in detail.

President Anaya thanked Ms. Montoya for the RUS Form 7 Report for August 2025.

Ms. Montoya presented the Accounting Department Report for September 2025. Ms. Montoya reported SEC is working with a consultant to update pole attachment agreements and pricing. Ms. Montoya shared that Safety Compliance Officer, Mr. Montoya, successfully sold scrap wire for over $2,000, which was previously given away. Ms. Montoya stated SEC received a capital credit refund from Western United Electric Supply and emphasized the potential significant financial benefits of their partnership.

President Anaya thanked Ms. Montoya for the Accounting Department Report for September 2025.

HUMAN RESOURCES REPORT

Ms. Arellano presented the Human Resources Report for September 2025. Ms. Arellano reported she assisted Mr. Otero and Lineman Apprentice, Norman Finley, in conducting an energy audit for a member, using the ACLARA system to review the member's energy usage and identifying potential issues with her solar system and air conditioning system. Ms. Arellano informed the Board that during a service outage on September 1st, the phone system was affected, which required posting an alternative contact number on Facebook and addressing auto-draft and potential delinquency fee issues. Ms. Arellano welcomed two new employees: Manuel Lucero as a tree trimmer and Angel Garcia as a lineman apprentice.

President Anaya thanked Ms. Arellano for the Human Resources Report for September 2025.

MEMBER SERVICES REPORT

Ms. Arellano presented the Member Service Report for September 2025. Ms. Arellano reported the department's focus was on preparing for the upcoming winter moratorium, which will protect qualifying SEC residential members from disconnection from November 15, 2025, to March 15, 2026. Ms. Arellano stated that there were zero New Mexico PRC member complaints received in August 2025. Ms. Arellano shared that SEC member service representatives, Mary Phillips and Nicole Sousa, participated in a local Socorro Senior Center paint party luncheon, which raised money for medical equipment like walkers and canes, demonstrating the cooperative's commitment to community involvement.

President Anaya thanked Ms. Arellano for the Member Services Report for September 2025.

President Anaya called for a 10-minute break at 2:44 p.m.

President Anaya called the meeting back to order at 2:53 p.m.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps presented the Communications and Public Affairs Report for September 2025. Mr. Capps reported the team implemented a call campaign for the San Antonio Town Hall, using recorded calls to increase attendance. Mr. Capps shared SEC conducted safety demonstrations with Youth Tour Leadership member, Iliana Perez, who is also working on her national project. Mr. Capps informed the Board of a significant 79% increase in page likes on social media, with outage posts being the most viewed. Mr. Capps shared SEC provided an in-kind donation of sodas to a community event. Jimmy particularly praised CEO Gonzales for his engagement during recent outages, including providing real-time updates and videos on Facebook.

President Anaya thanked Mr. Capps for the Communications and Public Affairs Report for September 2025.

TRI-STATE REPORT

President Anaya presented the Tri-State Board of Director's activities for September 2025.

NMREC REPORT

CEO Gonzales presented the NMREC activities report for September 2025.

President Anaya thanked CEO Gonzales for the NMREC Report for September 2025.

PRESIDENT'S REPORT

President Anaya presented Trustee Rosas, Moore, Alonzo, Wade and Dickey their Credentialed Cooperative Director Certificate from NRECA acknowledging their commitment to education and training.

President Anaya reported he and Trustee Rosas attended the Tri-State G&T local board member orientation, where they learned about various aspects of cooperative operations, including generation, transmission, energy management, finance, and legal considerations. President Anaya stated they toured the Tri-State facilities and received insights into different departments such as operations, generation, transmission, energy innovation, administrative services, and supply chain.

STANDING COMMITTEE REPORT

Trustee Rosas presented the Standing Committee Report held on September 24, 2025. Trustee Rosas reported the committee reviewed Board Policy 515 for "Foundation Awards", proposing changes and informing the Board legal counsel will review this policy. The full Board of Trustees reviewed the policy and provided recommendations. Trustee Rosas shared the committee reviewed proposed changes to the Regular Board Meeting Agenda. Trustee Rosas proceeded to review the Agenda changes with the full Board of Trustees.

President Anaya thanked Trustee Rosas for the Standing Committee Report for September 2025.

FINANCE COMMITTEE REPORT

Trustee Latasa presented the Finance Committee Report held on September 24, 2025. Trustee Latasa reported the committee reviewed the check register and credit card statements for August 2025. Trustee Latasa stated the committee also reviewed and approved the CEO monthly expenses, General Counsel monthly invoice, and trustee expenses for August and September 2025, making necessary revisions as required.

President Anaya thanked Trustee Latasa for the Finance Committee Report for September 2025.

NEW BUSINESS

Consideration of Capital Credit Estate Retirements

CEO Gonzales presented the Patronage Estate Capital Retirement request. All requests were reviewed by General Counsel, Lorna Wiggins Esq. and stated that they were in order and ready for the Board's consideration.

ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Assoc. Orgs.	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
-25-A	$930.62	$20.21	$50.12	$23.13	$0.00	$128.06	$0.00	$1,152.14	$1,152.14

JOINT ACCOUNT ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Assoc. Orgs.	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Sep-25-A	$201.44	$0.31	$18.35	$15.33	$0.00	$0.00	$0.00	$235.42	$235.42
Sep-25-B	$397.93	$4.36	$53.11	$42.68	$0.00	$0.00	$0.00	$498.08	$498.08

After discussion, Trustee Latasa moved to approve the Retirement of Patronage Capital as presented without any Tri-State allocations to the accounts mentioned above; Trustee Rosas seconded the motion. The motion carried unanimously.

Consideration of Line Extension(s):

There were no Line Extensions for the Board's consideration.

Consideration of Trustee Travel

Trustee Latasa, Rosas, Moore, Alonzo, Wade, and Anaya requested Board approval to attend the Tri-State G&T Fall Regional Membership Meeting held on November 25, 2025, at the Santa Ana Star Casino Hotel in Rio Rancho, NM.

Trustee Latasa moved to approve Trustee Latasa, Rosas, Moore, Alonzo, Wade, and Anaya request to attend the Tri-State G&T Fall Regional Membership Meeting held on November 25, 2025, at the Santa Ana Star Casino Hotel in Rio Rancho, NM; seconded by Trustee Alonzo. Motion carried.

Trustee Latasa, Rosas, Alonzo, Wade, and Anaya requested Board approval to attend the NMREC Winter Director's School held on December 12, 2025, in Albuquerque, NM.

Trustee Latasa moved to approve Trustee Latasa, Rosas, Alonzo, Wade, and Anaya requested Board approval to attend the NMREC Winter Director's School held on December 12, 2025, in Albuquerque, NM pending financial report; seconded by Trustee Wade. Motion carried.

Consideration of Authorizing Users for the SEC Foundation Homestead Account

CEO Gonzales stated that the SEC Foundation Homestead Account needed to be updated from the previous management and asked the Board to consider authorizing himself and CFO Montoya as authorized users and Mr. Capps would be authorized for inquiry-only access. CEO Gonzales reported this was taken to the Foundation Committee to which they accepted the recommendation of updating the SEC Foundation Homestead Account Entity or Trust Account Authorization Update Form.

After discussion, Trustee Latasa moved to approve the SEC Foundation Homestead Account Entity or Trust Account Authorization Update Form with CEO Gonzales and CFO Montoya as authorize users and authorize Mr. Capps for inquiry-only access; seconded by Trustee Rosas. Motion carried.

Ratification Motion to Confirm Board's Vote at April 30, 2025 Board Meeting Regarding TSGT Contract

CEO Gonzales emphasized transparency and the importance of the Tri-State generation contract extension. CEO Gonzales noted that while the contract extension might seem routine, it was a significant decision for members. CEO Gonzales stated ratifying the motion will formally document and celebrate the board's decision, ensuring clear communication with members about the cooperative's long-term power supply strategy.

Trustee Dickey moved to ratify the action to approve extending the all-power requirements contract with Tri-State G&T to 2066 which was taken by the Board at its April 30, 2025, Board Meeting; seconded by Trustee Rosas. Motion carried unanimously.

2025 Financial Audit Engagement Agreement

CEO Gonzales reported that SEC had received the 2025 Financial Audit Engagement Agreement from Bolinger, Segars, Gilbert and Moss (BSGM). CEO Gonzales recommended that the Board approve the 2025 Financial Audit Engagement Agreement.

Trustee Rosas motioned to approve the terms of the 2025 Financial Audit Engagement Agreement with BSGM; seconded by Trustee Alonzo. Motion carried.

CEO Gonzales requested that the remaining New Business Agenda Items be discussed in Executive Session.

EXECUTIVE SESSION

President Anaya asked for a motion to go into Executive Session.

Trustee Dickey moved to go into Executive Session to discuss employment matters and strategic and long-range business plans; the motion was seconded by Trustee Wade. The motion carried unanimously.

President Anaya called for an Executive Session.

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

REGULAR SESSION

President Anaya asked for a motion to come out of Executive Session.

Trustee Alonzo moved and was seconded by Trustee Rosas to return to the Regular Session at 5:41 p.m. Motion carried.

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

2026 Medical Health Insurance Premium

Trustee Dickey moved to approve the 2026 Medical Health Insurance Premium Plan; seconded by Trustee Alonzo. Motion carried.

Wage and Salary Minimum Plan

Trustee Dickey moved to approve the 2025 Minimum Compensation Plan; seconded by Trustee Latasa. Motion carried unanimously.

Continental Divide Acknowledgement of No Duty or Obligation

CEO Gonzales stated a motion is needed by the Board to authorize him to sign the Acknowledgement of No Duty or Obligation.

Trustee Dickey motioned for CEO Gonzales to sign the contract to approve the Continental Divide Acknowledgement of No Duty or Obligation; seconded by Trustee Alonzo. Motion carried.

CEO Contract Extension

Trustee Dickey made a motion to approve the extension of the CEO Contract with review by the attorney; seconded by Trustee Latasa. Motion carried.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Dickey moved to set the date and time of Committee Meetings for October 22, 2025, beginning at 12 p.m. with Standing Committee, Finance Committee meeting at 1 p.m. and the Regular Board Meeting at 2:00 p.m.; the motion was seconded by Trustee Rosas. The motion carried unanimously.

ADJOURNMENT

With no other items open for discussion, President Anaya adjourned the meeting at 5:46 p.m.

Eileen Latasa

Eileen Latasa, Secretary/Treasurer

APPROVED:

Leroy Anaya

Leroy Anaya, President

I, Eileen Latasa, 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 September 24, 2025. 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.

Eileen Latasa

Eileen Latasa, Secretary/Treasurer