

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

April 22, 2020

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, April 22, 2020, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 1:00 p.m. by Anne Dorough, President.

ROLL CALL

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

TRUSTEES PRESENT: Anne L. Dorough, President (via teleconference)
 Representative, District 5

 Luis Aguilar, Vice-President (via teleconference)
 Representative, District 3

 Paul Bustamante, Secretary/Treasurer (via teleconference)
 Representative, District 1

 James Nelson, Trustee (via teleconference)
 Representative, District 2

 Leroy Anaya, Trustee (via teleconference)
 Representative, District 3

 Donald Wolberg, Trustee (via teleconference)
 Representative, District 3

TRUSTEES ABSENT: Michael Hawkes, Trustee* (via teleconference)
 Representative, District 4

ALSO, PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Ronnita Montoya, Accounting Supervisor (via teleconference)
 David Montoya, Safety Compliance Officer
 Ricky Williams, Line Superintendent (via teleconference)
 Steve Dettmer, Line Superintendent
 Marilyn Madrid, Member Services Supervisor (via teleconference)
 Jimmy Capps, Director of Communications and Public Affairs
 Trey Rowe, CPA, Bolinger, Segars, Gilbert & Moss (via
 teleconference)
 Lorna Wiggins, Attorney, Wiggins, Williams, and Wiggins (via
 teleconference)
 Patricia Williams, Attorney, Wiggins, Williams, and Wiggins (via
 teleconference)

SEC MEMBERS PRESENT: None allowed due to Governor Lujan-Grisham executive order restricting all groups to no more than five (5) individuals.

QUORUM

Secretary Bustamante declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

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Manager Herrera led everyone in the Pledge of Allegiance.

* Trustee Hawkes joined the meeting at the end of this item 1:02 p.m.

CONSIDERATION AND APPROVAL OF AGENDA

Trustee Wolberg introduced a resolution to be presented after Executive Session.

Trustee Anaya made a motion to approve the Agenda with the addition; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough approved the Agenda with the addition.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Wolberg made a motion to approve the minutes from March 25, 2020, as presented; motion seconded by Trustee Aguilar. Motion carried unanimously.

President Dorough approved the minutes from March 25, 2020, as presented.

MEMBER COMMENTS

Manager Herrera reported that no members had called in or were present for Member Comments.

CONSIDERATION OF 2019 FINANCIAL AUDIT

Manager Herrera stated that the Trey Rowe, CPA Partner with BSGM, was joining them via teleconference.

Mr. Rowe thanked the Board for allowing him to present via teleconference; and proceeded to go over the December 31, 2019, and 2018 Audit report stating that BSGM did not have any findings related to significant deficiencies, material weaknesses and found SEC records in great shape, offering a clean opinion of the Cooperative financials. Mr. Rowe answered questions posed by the Trustees.

President Dorough thanked Mr. Rowe for his presentation.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$917,774.96 for March 2020 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the Expenditure Report for March 2020.

Manager Herrera reported that SEC had to use both the existing Mastercard credit cards and the new Visa cards for the expenditures for March 2020. Manager Herrera reported to the Board of Trustees this would be the last month that SEC had to use the Mastercard credit cards.

President Dorough thanked Manager Herrera for the credit card report for March 2020.

Manager Herrera reported for the Engineering Report, and SEC has received approval from the Bureau of Land Management for an upcoming line extension near the Bruton Ranch that will install two miles of single-phase power line. Manager Herrera stated that Mr. Williams had reported the crews are preparing to start the changing out of poles identified upon completion of the pole inspections. Manager Herrera reported that 280 poles would need to be changed with 70 located between Datil and Pie Town, and the remaining 210 along Highway 380 with a few located on the White Sands Missile Range. Manager Herrera mentioned that our RUS Loan had been approved and we are waiting for the final documentation so SEC can start projects included in our 4-year CWP. Manager Herrera stated that site visits are on hold due to the COVID-19 and are being considered on a case by case.

President Dorough thanked Manager Herrera for the Engineering Report for March 2020.

Manager Herrera provided an update to COVID-19 procedures SEC is following and provided the Board of Trustees with SEC Pandemic Response Plan 2020. Manager Herrera reported

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that SEC was continuing to work on getting masks and disinfecting wipes to have in stock for employees. Manager Herrera stated that SEC would keep its doors closed through the end of the governor's executive order but is working on getting shields to put up once the lobby does reopen.

President Dorough thanked Manager Herrera for the COVID-19 Update.

Manager Herrera concluded by reporting that SEC recently hired the firm ARC Media, who is providing additional content to our Facebook page. Manager Herrera also reported, as previously mentioned, Ricky Williams is retiring soon from SEC. Manager Herrera welcomes Steve Dettmer, SEC's new Line Superintendent and Steve will be working with Mr. Williams during this transition.

President Dorough thanked Manager Herrera for the Manager's Report for March 2020.

FINANCIAL REPORT

Ms. Montoya carefully reviewed in detail the RUS Form 7 Report for March 2020 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Ms. Montoya for the RUS Form 7 Report for March 2020.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the March Safety Report and provided a COVID-19 update with crews in the field. Mr. Montoya proceeded to answer questions posed by the Trustees.

JOB BRIEFING

Mr. Montoya reviewed the March Job Briefing Reports.

President Dorough thanked Mr. Montoya for the Safety Compliance Report for March 2020.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Williams reported on February activities as crews completed 57 service orders, with 27 of them being for area light issues. Mr. Williams stated that 13 work orders had been completed, with 43 work orders closing. Mr. Williams noted that crews trimmed or cut down 232 trees. Mr. Williams reported crews assisted Tri-State as they were doing maintenance and near our distribution lines.

Trustee Anaya mentioned that recently it was Lineman Appreciation Day and thanked our line crews for their hard work as well as everyone in the office.

Mr. Williams reported on March activities as crews completed 59 service orders, with 26 of them being for area light issues. Mr. Williams stated that 23 work orders had been completed, with one (1) work order closing. Mr. Williams noted that crews trimmed or cut down 531 trees. Mr. Williams reported the planned outage at the Socorro Substation had to be postponed due to COVID-19, but it will be rescheduled for later this year. Mr. Williams stated that a standard operating procedure was being developed for changing reclosers during high winds. Mr. Williams continued stating that crews will start working on the poles replacements resulting from the pole inspections and he proceeded to answer questions posed by the Trustees.

OUTAGE REPORTS

Mr. Williams gave a review of the Cooperative Response Center (CRC) Outage Report for February 2020, stating 29 outage reports had been turned in by SEC crews. Mr. Williams provided a review of the CRC Outage Report for March 2020, stating 26 outage reports had been turned in by SEC crews.

President Dorough thanked Mr. Williams for the Operations and Maintenance Report for February and March 2020.

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MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for March 2020 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 March 2020.

President Dorough thanked Ms. Madrid for the Member Services Report for March 2020.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the March Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Capps for the Communications and Public Affairs Report for March 2020.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Director's activities report for April 2020.

President Dorough thanked Trustee Anaya for the Tri-State Report.

NMRECA REPORT

Manager Herrera reported on the NMRECA activities report for March 2020 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg reported on the MRGEDA activities for March 2020.

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough reported that the Socorro Electric Foundation 2019 Form 990-PF had been made available to the Board of Trustees.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on April 15, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

Board Policy 106 – Ethics Committee

Manager Herrera reported that Board Policy 106 – Ethics Committee had been reviewed by the Standing Committee on February 19, 2020 and had been sent back for clarification. Manager Herrera stated that he reached out to Aaron Christensen, consulting attorney, who provided additional changes that were provided to the Standing Committee on March 18, 2020. Manager Herrera reported it was the recommendation of the Committee to approve Board Policy 106 – Ethics Committee with revisions.

After discussion, Trustee Hawkes made a motion to refer Policy 106 – Ethics Committee back to the Standing Committee for further review; motion seconded by Trustee Wolberg. Motion carried unanimously.

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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 it was the recommendation of the Committee to approve Board Policy 113 – Delegation of Authority From the Board of Trustees to the General Manager with revisions.

After much discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 113 – Delegation of Authority from the Board of Trustees to the General Manager with corrections; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 114 – Board of Trustees-General Manager Interrelationships

President Dorough called for a ten (10) minute recess due to a loss of telephone connection with the SEC main office at 3:00 p.m.

President Dorough called the meeting back to order at 3:10 p.m.

Manager Herrera reported that the Standing Committee reviewed Board Policy 114 – Board of Trustees-General Manager Interrelationships, and it was the recommendation of the Committee to approve Board Policy 114 – Board of Trustees-General Manager Interrelationships with revisions.

After discussion, Trustee Aguilar made a motion to accept the Standing Committee's recommended revisions to Board Policy 114 – Board of Trustees-General Manager Interrelationships with corrections; motion seconded by Trustee Nelson. Motion carried unanimously.

Board Policy 118 – Services of Consultants

Manager Herrera reported that Board Policy 118 – Services of Consultants was reviewed by the Standing Committee, and it was the recommendation of the Committee to approve Board Policy 118 – Services of Consultants with revisions.

After discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 118 – Services of Consultants with corrections; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 126 – Whistleblower Protection

Manager Herrera reported that the Standing Committee reviewed Board Policy 126 – Whistleblower Protection, and it was the recommendation of the Committee to approve Board Policy 126 – Whistleblower Protections with revisions.

After discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 126 – Whistleblower Protection with corrections; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 128 – Trustee's Oath of Office and Orientation

Manager Herrera reported that the Standing Committee reviewed Board Policy 128 – Trustee's Oath of Office and Orientation, and it was the recommendation of the Committee to approve Board Policy 128 – Trustee's Oath of Office and Orientation with revisions.

After discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 128 – Trustee's Oath of Office and Orientation with corrections; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 131 – Trustee Use of Socorro Electric Cooperative Electronic Communication Devices

Manager Herrera reported that the Standing Committee reviewed Board Policy 131 – Trustee Use of Socorro Electric Cooperative Electronic Communication Devices, and it was the recommendation of the Committee to approve Board Policy 131 – Trustee Use of Socorro Electric Cooperative Electronic Communication Devices with revisions.

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After discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 131 – Trustee Use of Socorro Electric Cooperative Electronic Communication Devices with corrections; motion seconded by Trustee Wolberg. Motion carried unanimously.

2020 Load Forecast

Manager Herrera reported that SEC works with Tri-State in providing detailed billing and metering data to help produce a 10-Year Load Forecast projecting an estimate of the amount of energy to be provided to the SEC. Manager Herrera stated that SEC had recently updated the Load Forecast for the RUS loan process, and the forecast would become an annual process.

After discussion, Trustee Wolberg made a motion to approve the 2020 10-Year Load Forecast; motion seconded by Trustee Nelson. 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
Alfred B Harris	\$576.06	\$16.95	\$31.57	\$13.42	\$177.02	\$0.00	\$0.00	\$815.02	\$638.00

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
No Joint Accounts for Consideration	-	-	-	-	-	-	-	-	-

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

Consideration of Line Extension Contracts

There were no Line Extension Contracts open for consideration.

EXECUTIVE SESSION

Trustee Wolberg made a motion to go into Executive Session to discuss potential litigation and employment matters; motion seconded by Trustee Aguilar. Motion carried unanimously.

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 3:28 p.m.

REGULAR SESSION

Trustee Aguilar made a motion and seconded by Trustee Wolberg to return to Regular Session at 4:17 p.m.

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

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After discussion, Trustee Wolberg made a motion for a resolution stating that SEC will comply with the compel order recently given by NM PRC; motion seconded by Trustee Hawkes. Motion carried unanimously.

Trustee Anaya made a motion to direct the General Manager or President Dorough to instruct SEC attorneys as needed regarding the mandamus or appeal; motion seconded by Trustee Nelson. Motion carried with one abstention.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya made a motion to set the date and time of Committee meetings for May 20, 2020, at 2:00 p.m. and the next regularly scheduled Board Meeting for May 27, 2020, at 2:00 p.m.; motion seconded by Trustee Hawkes. Motion carried unanimously.

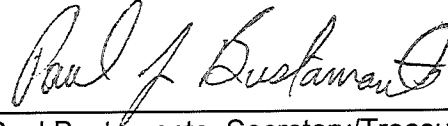
ADJOURNMENT

There being no further items open for discussion, Trustee Aguilar moved to adjourn; motion seconded by Trustee Hawkes. Motion carried unanimously.

President Dorough adjourned the meeting at 4:22 p.m.

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Paul Bustamante, Secretary/Treasurer

APPROVED:



Anne Dorough, President

I, Paul Bustamante, 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 April 22, 2020. 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.



Paul Bustamante, Secretary/Treasurer