

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

May 27, 2020

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, May 27, 2020, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 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

 Michael Hawkes, Trustee (via teleconference)
 Representative, District 4

TRUSTEES ABSENT: None

ALSO, PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Ronnita Montoya, Accounting Supervisor (via teleconference)
 David Montoya, Safety Compliance Officer (via teleconference)
 Steve Dettmer, Line Superintendent (via teleconference)
 Marilyn Madrid, Member Services Supervisor (via teleconference)
 Jimmy Capps, Director of Communications and Public Affairs (via
 teleconference)
 Bill Miller, CPA, Bolinger, Segars, Gilbert & Moss (via
 teleconference)
 Kevin Burns, 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 due to Governor Lujan-Grisham executive order restricting all groups to no more than five (5) individuals.

QUORUM

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Secretary Bustamante declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Manager Herrera led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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

President Dorough approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Aguilar and Nelson had corrections to the minutes from April 22, 2020.

Trustee Wolberg made a motion to approve the minutes from April 22, 2020, as corrected; motion seconded by Trustee Nelson. Motion carried unanimously.

President Dorough approved the minutes from April 22, 2020, as corrected.

MEMBER COMMENTS

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

CONSIDERATION OF 2019 FORM 990

Manager Herrera stated that Bill Miller and Kevin Burns, CPA Partners with Bolinger, Segars, Gilbert & Moss (BSGM), was joining them via teleconference.

Mr. Miller thanked the Board for allowing him to present via teleconference and proceeded to go over, in extensive detail, the 2019 IRS Form 990. Mr. Miller answered questions posed by the Trustees.

After extensive discussion, it was decided that approval of the 2019 IRS Form 990 would be postponed until additional research was completed regarding the accounting for the CFC Integrity Fund contribution from SEC.

President Dorough thanked Mr. Miller for his presentation.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$1,066,300.06 for April 2020 and proceeded to answer questions posed by the Trustees.

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

Manager Herrera reported on the Visa credit card expenditures complete with supporting receipts which were made available to the Board of Trustees, for April 2020.

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

Manager Herrera provided an update to COVID-19 procedures SEC has implemented with SEC staff and employees, as well as the procedures SEC is working on to prepare for reopening the lobby doors.

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

Manager Herrera reported for the Engineering Report that SEC has talked again with Mr. Ron Hendrix, Superintendent of the Socorro Consolidated Schools, who requested an updated invoice with additional details on the proposed fiber-optic cable project that would extend fiber from Socorro to the San Antonio and Midway schools. Manager Herrera stated that SEC had not yet received any payment from the school. Manager Herrera also reported that SEC was starting to schedule site visits to meet with members while following the COVID-19 guidelines.

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

Manager Herrera concluded by reporting that SEC had received several 4-H thank you cards which were also posted to SEC's Facebook page.

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

FINANCIAL REPORT

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

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

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the April Safety Report.

JOB BRIEFING

Mr. Montoya reviewed the April Job Briefing Reports.

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

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Dettmer introduced himself and provided to the Trustees a brief background of his qualifications.

President Dorough welcomed Mr. Dettmer to SEC.

Mr. Dettmer reported on April activities that crews trimmed or cut down 200 trees. Mr. Dettmer stated that 32 service orders had been completed with 19 of the being area light issues. Mr. Dettmer reported crews completed 28 work orders and had closed 13 work orders. Mr. Dettmer stated that crews are working on several different projects including a new operating procedure of programming reclosers to trip open on the first fault during high winds. Mr. Dettmer stated this change will hopefully reduce the chance of fires with repeated reclose operations during fire season.

OUTAGE REPORTS

Mr. Dettmer gave a review of two (2) outages that extended over five (5) hours and how many members had been affected by these outages.

President Dorough thanked Mr. Dettmer for the Operations and Maintenance Report for April 2020.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

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

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

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

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Mr. Capps reviewed the April Communications and Public Affairs Report.

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

TRI-STATE REPORT

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

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

NMRECA REPORT

Manager Herrera reported on the NMRECA activities report for April 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 April 2020.

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough reported in December 2019, the Board of Trustees had discussed about forming a GM/CEO Performance Evaluation Committee. President Dorough appointed James Nelson (Chair), Paul Bustamante, and Michael Hawkes. President Dorough stated that a policy recommendation for conducting the GM/CEO evaluation to be given to the Board of Trustees by the August 2020 Board meeting.

President Dorough reported the Foundation Committee had met to discuss what would be done for those individuals who were chosen for the 2020 Youth Tour. President Dorough stated it was decided to give these individuals the opportunity to attend the 2021 Youth Tour.

FINANCE COMMITTEE REPORT

Trustee Aguilar reported on the Finance Committee Meeting held on April 22, 2020.

President Dorough thanked Trustee Aguilar for the Finance Committee Report.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on May 20, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

Consideration of RUS Loan BB48 Authorization Resolution

Manager Herrera reported that SEC had received the documents from RUS for Loan BB48 which require an approval of the Authorization Resolution in the amount of \$28,102,000.00 from the Board of Trustees.

After discussion, Trustee Aguilar made a motion to approve the RUS Loan BB48 Authorization Resolution in the amount of \$28,102,000.00; motion seconded by Trustee Wolberg. Motion carried unanimously.

Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors

Manager Herrera reported that the Standing Committee reviewed Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors, and it was the recommendation of the Committee that the Board approve Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors with revisions.

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After discussion, Trustee Wolberg made a motion to accept the Standing Committee's recommended revisions to Board Policy 110 – Ethics and Conflicts of Interest in Relationships with Vendors with revisions; motion seconded by Trustee Nelson. Motion carried unanimously.

Board Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities

Manager Herrera reported that the Standing Committee reviewed Board Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities, and it was the recommendation of the Committee that the Board approve Board Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities with revisions.

After discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 111 – Ethics and Conflicts of Interest in Outside Business and Related Activities with revisions; motion seconded by Trustee Anaya. Motion carried unanimously.

Board Policy 119 – Functions and Compensation of Cooperative Attorney

Manager Herrera reported that the Standing Committee reviewed Board Policy 119 – Functions and Compensation of Cooperative Attorney, and it was the recommendation of the Committee that the Board approve Board Policy 119 – Functions and Compensation of Cooperative Attorney with revisions.

After much discussion, Trustee Nelson made a motion to accept the Standing Committee's recommended revisions to Board Policy 119 – Functions and Compensation of Cooperative Attorney with corrections; motion seconded by Trustee Wolberg. 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
Charles H Brown	\$30.92	\$0.00	\$9.64	\$10.91	\$33.08	\$0.00	\$0.00	\$84.55	\$51.47

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
Robert Baca	\$245.49	\$6.94	\$15.42	\$9.51	\$73.83	\$0.00	\$0.00	\$351.19	\$277.36

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 Bustamante. Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extension Contracts for consideration.

Ratification of May 14, 2020 Tri-State FERC Support Letter

Manager Herrera stated that he received a majority of the Board's approval, via e-mail on May 14, 2020, to forward SEC's letter of support for Tri-State's FERC filing with ratification to follow at today's Board Meeting.

REGULAR BOARD MEETING

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After much discussion, Trustee Aguilar made a motion for ratification of SEC's May 14, 2020 Tri-State FERC Support Letter; motion seconded by Trustee Bustamante. Trustee Wolberg request a roll-call vote. A roll call vote was conducted by President Dorough and is as follows:
Yes: Trustee Aguilar, Anaya, Bustamante, and Nelson
No: Trustee Hawkes and Wolberg

President Dorough stated that the action taken on May 14, 2020 has been ratified.

Setting of 2021 Member's Annual Meeting

Manager Herrera reported that SEC had received available dates for the NM Tech Macey Center in consideration of a possible date for the 2021 Annual Member Meeting and these dates are presented here for consideration by the Board of Trustees.

After further discussion, Trustee Anaya made a motion to set the date of the 2021 Annual Member Meeting for April 10, 2021, at the NM Tech Macey Center with April 24, 2021, as an alternate date; motion seconded by Trustee Bustamante. Motion carried unanimously.

Consideration of Trustee Travel

Trustee Wolberg and President Dorough requested Board approval to attend the NRECA Director Classes being held online.

Trustee Aguilar made a motion to approve for Trustee Wolberg and President Dorough approval to attend the NRECA Director Classes being held online; motion seconded by Trustee Bustamante. Motion carried unanimously.

EXECUTIVE SESSION

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

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 4:34 p.m.

REGULAR SESSION

Trustee Aguilar made a motion and seconded by Trustee Wolberg to return to Regular Session at 5:29 p.m.

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

Trustee Hawkes made a motion to adjourn the meeting to Thursday, May 28, 2020 at 1:00 p.m.; motion seconded by Trustee Bustamante. Motion carried unanimously.

Trustee Aguilar made a motion to adjourn; motion seconded by Trustee Hawkes. Motion carried unanimously.

President Dorough adjourned the meeting to Thursday, May 28, 2020 at 1:00 p.m.

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

May 28, 2020

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The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), continued Thursday, May 28, 2020, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

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

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

 Michael Hawkes, Trustee (via teleconference)
 Representative, District 4

TRUSTEES ABSENT: None

ALSO, PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Lorna Wiggins, Attorney, Wiggins, Williams, and Wiggins (via
 teleconference)
 Patricia Williams, Attorney, Wiggins, Williams, and Wiggins (via
 teleconference)

SEC MEMBERS PRESENT: None 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.

EXECUTIVE SESSION

Trustee Anaya made a motion to go into Executive Session to discuss potential litigation; motion seconded by Trustee Hawkes. Motion carried unanimously.

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 1:01 p.m.

REGULAR SESSION

Trustee Aguilar made a motion, and seconded by Trustee Nelson, to return to Regular Session at 1:18 p.m.

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

Trustee Bustamante made a motion to instruct SEC attorneys to file a joint motion with NM PRC; motion seconded by Trustee Aguilar. Motion carried unanimously.

Trustee Anaya made a motion to instruct SEC attorneys to work with President Dorough and Manager Herrera during these litigations on procedural matters; motion seconded by Trustee Nelson. Motion carried unanimously.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya made a motion to set the date and time of Committee meetings for June 17, 2020, at 1:00 p.m. and the next regularly scheduled Board Meeting for June 24, 2020, at 2:00 p.m.; motion seconded by Trustee Aguilar. Motion carried unanimously.

ADJOURNMENT

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

President Dorough adjourned the meeting at 1:27 p.m.

May 28, 2019



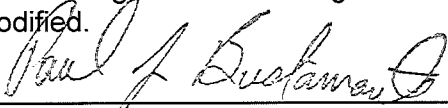
Paul Bustamante, Secretary/Treasurer

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 May 27, 2020 and the Regular Meeting Continuation held on May 28, 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