

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

August 26, 2020

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, August 26, 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)
 Lorna Wiggins, 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.

PLEDGE OF ALLEGIANCE

Manager Herrera led everyone in the Pledge of Allegiance.

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CONSIDERATION AND APPROVAL OF AGENDA

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

President Dorough approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Wolberg had a correction to the July 22, 2020 minutes.

Trustee Aguilar made a motion to approve the minutes from July 22, 2020, as corrected; motion seconded by Trustee Wolberg.

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

MEMBER COMMENTS

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

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$724,010.20 for July 2020.

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

Manager Herrera reported on the Visa credit card expenditures complete with supporting receipts, which were made available to the Board of Trustees for July 2020 and answered questions posed by the Trustees.

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

Manager Herrera provided an update to COVID-19 procedures by first thanking all SEC staff for their adhering to always wearing a mask. Manager Herrera reported that a City of Socorro observer, Ricardo Flores, who was observing business in Socorro, observed the SEC lobby area and was satisfied. Manager Herrera also provided an update to Governor Lujan-Grisham's Executive Order for out-of-state travel, stating that those who leave for leisure travel must self-quarantine for 14-days and do not qualify for the time allotted in the Families First Coronavirus Response Act. Manager Herrera proceeded to answer questions posed by the Trustees.

Trustee Anaya extended an appreciation to Manager Herrera and all SEC staff for being safe during these trying times and that everyone continues to stay safe.

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

Manager Herrera provided the Engineering Report stating that SEC had received RUS Loan approval, which will allow SEC to begin implementation of the projects identified in the four-year construction work plan. Manager Herrera provided an update regarding the SEC tower on M Mountain with Integrated Technologies Group (ITG). Manager Herrera stated ITG did not return the Tower Attachment agreement to SEC by the renewal deadline. Manager Herrera reported that he would be giving notice to ITG to remove their attachments from our tower on M Mountain. Manager Herrera also reported that SEC was one of two New Mexico cooperatives selected to participate on the Grid Modernization Roadmap Committee of the New Mexico Energy, Minerals, and Natural Resources Department. Manager Herrera also mentioned his participation within the development of the Community Solar legislation.

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

Manager Herrera concluded by reporting that SEC had received a 4-H donation thank you card. Manager Herrera reported that he had a meeting with the National Radio Astronomy Observatory (NRAO) and CenturyLink regarding broadband within the city. Manager Herrera stated that CenturyLink had mentioned that they could provide broadband for the entire city but only if they could secure the proper funding, in the form of grants or loans, to complete this type of project. Manager Herrera reported that he had an upcoming meeting with Congresswoman

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Xochitl Torres Small, who recently heard about SEC's RUS loan approval and wanted to meet and discuss rural broadband.

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

FINANCIAL REPORT

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

Manager Herrera reported that with the final approval of the RUS Loan and with the interest rates at record lows, SEC would be submitting for a drawdown of the new RUS Loan. Manager Herrera stated this will allow SEC to pay off the existing CoBank revolving Line of Credit and be able to move the unclaimed capital credit amounts from the general retirements of 2015 (years of 1984-1988) and 2016 (year of 1989) into the SEC Foundation account.

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

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the July Safety Report and proceeded to answer questions posed by the Trustees.

JOB BRIEFING

Mr. Montoya reviewed the July Job Briefing Reports.

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

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Dettmer reported on July activities that crews trimmed or cut down 121 trees. Mr. Dettmer stated that 56 service orders had been completed, with 22 of those being area light issues. Mr. Dettmer reported crews completed for July 19 work orders and closed 60 work orders. Mr. Dettmer reported that SEC would be working near the Very Large Array for a new line extension of three and a half miles, which is approximately 65 poles being installed. Mr. Dettmer also reported that SEC has an agreement with White Sands Missile Range to raptor protect 453 poles both on and off the range, along Highway 380 over the next four years. Mr. Dettmer proceeded to answer questions posed by the Trustees.

OUTAGE REPORTS

Mr. Dettmer gave a review of several major outages that either affected over 100 members or those for which the length of the outage was lengthy.

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

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for July 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 NMPRC in July 2020.

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

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

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

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

TRI-STATE REPORT

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

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

NMRECA REPORT

Trustee Wolberg gave the NMRECA report for August 2020.

President Dorough thanked Trustee Wolberg for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg reported on the MRGEDA activities for August 2020.

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough reported about a recent NRECA Online Class she took titled "Current Governance, Issues, and Policies" and how she highly recommends it to all trustees, especially those on the Standing Committee.

FINANCE COMMITTEE REPORT

Trustee Aguilar reported on the Finance Committee Meeting held on August 19, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Aguilar for the Finance Committee Reports.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on August 19, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

PERFORMANCE EVALUATION COMMITTEE REPORT

Trustee Nelson reported on the Performance Evaluation Committee Meeting held on August 19, 2020.

President Dorough thanked Trustee Nelson for the Performance Evaluation Committee Report.

NEW BUSINESS

Board Policy 101 – Functions of the Board of Trustees

Manager Herrera reported that the Standing Committee reviewed Board Policy 101 – Functions of the Board of Trustees, and the Committee recommended that the Board approve Board Policy 101 – Functions of the Board of Trustees with revisions.

After discussion, Trustee Aguilar made a motion to accept the Standing Committee's recommendation of Board Policy 101 – Functions of the Board of Trustees with correction; motion seconded by Trustee Nelson.

A roll call vote was conducted by President Dorough and is as follows:

Yes: Trustee Aguilar, Anaya, Bustamante, Nelson, and Wolberg

No: None

Motion carried unanimously.

Board Policy 123 – Maintenance Period for Personnel Records

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Manager Herrera reported that the Standing Committee reviewed Board Policy 123 – Maintenance Period for Personnel Records and the Committee recommended that the Board approve Board Policy 123 – Maintenance Period for Personnel Records with revisions.

Trustee Nelson made a motion to accept the Standing Committee’s recommended revisions to Board Policy 123 – Maintenance Period for Personnel Records; motion seconded by Trustee Hawkes.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 Motion carried unanimously.

2018 Bad Debt Write-off

Manager Herrera reported that the Finance Committee had reviewed the proposed Bad Debt Write-off for 2018, with electric accounts totaling \$72,678.67 and other accounts receivable totaling \$777.00, for a total of \$73,455.67. Manager Herrera reported that SEC would still try to collect on these accounts. Manager Herrera reported the Committee’s recommendation that the Board approves the 2018 Bad Debt Write-off of \$73,455.67.

Trustee Anaya made a motion to approve the 2018 Bad Debt Write-off of \$73,455.67; motion seconded by Trustee Wolberg.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 Motion carried unanimously.

Classification and Compensation Administrator Guide

Manager Herrera reported as per the Classification and Compensation Administrator Guide and Board Policy 120 – Wage and Administration, wages are to be updated every two years. Manager Herrera reported that due to COVID-19, SEC was not able to meet with the consultant; however, with this being SEC’s third time using the same methodology utilizing the Consumer Price Index to update the wages for 2018 and 2019, he was able to update the guide. Manager Herrera reported that the Committee’s recommendation that the Board approves the Classification and Compensation Administrator Guide.

Trustee Anaya made a motion to accept the updated Classification and Compensation Administrator Guide; motion seconded by Trustee Wolberg.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 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
Marilyn Kay Huff-Bless	\$1,015.35	\$35.04	\$71.99	\$48.02	\$286.89	\$0.00	(\$54.08)	\$1,403.21	\$1,116.32
Gaylord Ross	\$558.41	\$17.54	\$41.11	\$26.06	\$165.14	\$25.49	\$0.00	\$833.75	\$668.61
Andres Romero	\$288.65	\$10.39	\$12.18	\$0.97	\$65.84	\$519.53	\$0.00	\$897.56	\$831.72

JOINT ACCOUNT ESTATE RETIREMENTS:

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	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	-	-	-	-	-	-	-	-	-

After discussion, Trustee Anaya 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 Nelson.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 Motion carried unanimously.

Trustee Nelson made a motion to remove the names from the Retirement of Patronage Capital list; motion seconded by Trustee Wolberg.

After further discussion, Trustee Hawkes made a motion to postpone the removal of the names from the Retirement of Patronage Capital list until the September Board meeting so a further investigation could be done; motion seconded by Trustee Aguilar. Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extension Contracts brought forth for consideration.

Consideration of Trustee Travel

Trustee Wolberg requested Board approval to attend the NRECA Director Class being held online.

Trustee Aguilar made a motion to approve Trustee Wolberg to attend the NRECA Director Class being held online; motion seconded by Trustee Anaya. 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 3:50 p.m.

REGULAR SESSION

Trustee Wolberg made a motion and seconded by Trustee Anaya to return to Regular Session at 4:08 p.m. Motion carried unanimously

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

SET DATE/TIME FOR REGULAR MEETING

Trustee Anaya made a motion to set the date and time of Committee meetings for September 16, 2020, and the next regularly scheduled Board Meeting for September 23, 2020, at 2:00 p.m.; motion seconded by Trustee Bustamante. Motion carried unanimously

ADJOURNMENT

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

President Dorough adjourned the meeting at 4:10 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 August 26, 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