

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

August 26, 2025

INDEX

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

Marilyn Madrid, Member Services Supervisor

Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Iliana Perez, Mariana Perez

GUESTS: Jay Mendoza, Tri-State G&T Member Relations Manager

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

August 26, 2025

At the recommendation of President Anaya to move the Member Service Report after the CEO Report, a motion was made by Trustee Dickey and seconded by Trustee Rosas. The motion carried unanimously.

CONSIDERATION AND APPROVAL OF PREVIOUS MINUTES

JULY 23, 2025 – REGULAR MEETING

Trustee Rosas made a motion to approve the Minutes from the Regular Meeting of July 23, 2025, as presented; the motion was seconded by Trustee Alonzo. The motion carried unanimously.

President Anaya approved the Minutes from July 23, 2025, as presented.

AUGUST 14, 2025 – SPECIAL MEETING

Trustee Latasa made a motion to approve the Minutes from the Special Meeting of August 14, 2025, as presented; the motion was seconded by Trustee Wade. The motion carried unanimously.

President Anaya approved the Minutes from August 14, 2025, as presented.

MEMBER COMMENTS

Presentation by Iliana Perez, SEC Youth Tour Representative, on her Outline for her Service Project after attending the Safety Trailer Demonstration and her desire to make Safety the topic of her project. Ms. Perez also stated that she it is her intention to attend as many Board Meetings as possible in order to get a better understanding of the SEC.

President Anaya thanked Ms. Perez for her presentation.

Video presentation by Jay Mendoza, Tri-State G&T Member Relations Manager. Mr. Mendoza extended a personal invitation to the Board for the upcoming board orientation on September 22, 2025. He explained that Tri-State hosts this half-day session annually for new CEOs, new board members, and local board members. The orientation provides an opportunity to meet with senior staff, tour the facility, and gain a comprehensive understanding of Tri-State's operations. Mr. Mendoza specifically highlighted the dispatch center as a 24/7 operation that board members would find interesting. Mr. Mendoza noted that the calendar invite would be sent out after their next Thursday meeting, and the invitation would be distributed to the CEO group. Mr. Mendoza emphasized that while this is an annual event, they are also willing to arrange individual tours or meetings for board members who cannot attend the main orientation.

President Anaya thanked Mr. Mendoza for his presentation.

CEO'S REPORT

CEO Gonzales reported his focus was on community engagement and public relations, with a particular emphasis on the safety trailer. The trailer, which has already been featured at one event, is part of the cooperative's efforts to educate and connect with the community. CEO Gonzales mentioned that Mr. Capps is working to schedule a town hall meeting at San Antonio Elementary School on September 10th, 2025, continuing SEC's outreach efforts. The report was intentionally brief, with the understanding that senior staff would provide more detailed updates on their reports.

President Anaya thanked CEO Gonzales for his monthly report for August 2025.

CEO Gonzales also provided the check register to the Board of Trustees. Trustee Latasa inquired about a check to a member for a "first estimate" refund. Mr. Sousa explained that this was related to an underground service job that did not work out as planned. SEC decided to refund the member for the initial estimate. CEO Gonzales noted that they want to be transparent and fair. CEO Gonzales will ensure more descriptive details are included in future work order descriptions to provide clarity about such refunds.

President Anaya thanked CEO Gonzales for the check register for July 2025.

MEMBER SERVICES REPORT

August 26, 2025

Ms. Madrid highlighted two significant technological advancements. First, on July 31, they successfully implemented an automated disconnect software feature, which was first used during the August 6 non-paid disconnect campaign. This new system dramatically reduces the time to process meter disconnects and reconnects from a full work-day to just a few minutes, allowing member service representatives to focus more on assisting members. Second, in preparation for new office hours, they launched a communication campaign on August 8 to notify members about the schedule change. This campaign included 8,995 calls and 6,080 emails, which generated positive feedback from members.

President Anaya thanked Ms. Madrid for the Member Services Report for August 2025.

SAFETY COMPLIANCE REPORT

Mr. Montoya presented the Safety Compliance Report for August 2025. In the safety compliance report, Mr. Montoya highlighted key metrics and safety insights. Employee hours increased to 5,686 from 5,100 last month, and miles driven rose to 46,634 from 34,725 due to multiple outages. He shared a five-year incident analysis from Federated Insurance, which revealed that slips and trips were the most common safety incidents, with 1,227 cases compared to 94 electrical current incidents. Mr. Montoya also demonstrated examples of equipment damage during outages, showing insulators and arresters that had been impacted by lightning. He explained how linemen must carefully inspect equipment, sometimes using flashlights at night to detect subtle signs of damage or potential failure points.

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

OPERATIONS AND MAINTENANCE REPORT

Mr. Otero highlighted several key points on the Operations and Maintenance Report. SEC purchased a reconditioned Waukesha transformer for \$437,609, which will be installed in a substation and comes with a three-year warranty. The technician who sold the transformer will train linemen to install bushings and perform crucial testing, allowing more work to be done in-house. Mr. Otero also discussed recent outages, including a burn jumper and a broken conductor, which required linemen to patrol and repair lines. Mr. Otero praised the linemen's professionalism, specifically mentioning Line Foreman, Ernest Torres and Lineman Apprentice Mike Trujillo, who received a thank-you call from a member for their courteous and professional service.

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

Mr. Otero presented the Metering Department Report which focused on the performance of Levi Bustamante, SEC Meter Technician who is excelling in his role. Mr. Bustamante has been particularly effective at identifying hazards in the field and documenting them for line crew repairs. One notable example was discovering a burned lug on a meter, which was caused by a loose connection and could have potentially led to a fire or equipment damage. The report also emphasized the importance of testing Current Transformers (CTs), which are crucial for ensuring accurate energy billing, verifying electrical parameters, preventing safety hazards, and maintaining grid reliability. Jason highlighted that CTs help confirm proper electrical connections and prevent potential malfunctions under normal operating conditions.

President Anaya thanked Mr. Otero for the Metering Department Report for August 2025.

ENGINEERING REPORT

Mr. Sousa discussed several key initiatives. He highlighted two new ARPA (Navajo Nation funding) candidates who submitted estimates for installing leaders and house wires, with Mr. Sousa noting that he recently received confirmation of their funding. During the NORA (Northern Rio Arriba Electric Cooperative) golf tournament, the team was recognized for previously connecting an account on the Alamo Reservation. Mr. Sousa emphasized the need for more advertising about these funding opportunities, particularly for members who might not be aware of the program. The report also covered a demonstration by Radian Research, who left a meter site analyzer for the cooperative to test and locate issues with current metering equipment. Additionally, Mr. Sousa mentioned an early planning meeting with Bosque del Apache for designing electrical supply that will minimize costs and simplify services, taking into account their recently awarded grant for new structures. The report underscored the engineering team's proactive approach to infrastructure development, funding opportunities, and technological improvements.

August 26, 2025

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

FINANCIAL REPORT

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

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

Ms. Montoya highlighted several key activities in the Accounting Department. SEC Successfully completed a vehicle auction on August 6, selling eight vehicles and one forklift for \$23,700, with proceeds to be reinvested in operations. SEC began working with a contractor named TRC to update pole attachment agreements and fees, ensuring the Cooperative is not subsidizing attachment costs. Accounts Receivable, Maggie Vaughn, spent considerable time reviewing invoices related to the Techline wrap-up, meticulously checking purchase orders and packing slips. In a significant personnel move, Ms. Vaughn has been promoted to Warehouse Specialist, where she will be responsible for inventory management, including issuing materials, conducting cycle counts, and ordering supplies. Ms. Montoya also noted that a significant portion of her time was dedicated to PRC matters.

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

HUMAN RESOURCES REPORT

Ms. Arellano discussed hiring and staffing developments. SEC offered a tree trimmer/fiber technician position to Manuel Lucero and is awaiting his pre-appointment screenings. They also extended lineman apprentice positions to Angel Garcia and Joe Partridge, pending their CDL approvals. Ms. Arellano shared a notable highlight involving Valentina Vargas, SEC Billing Specialist, who demonstrated exceptional diligence by identifying potential billing irregularities. In one instance, she discovered a member was going to be billed for 16,943 kilowatts, which would have resulted in a bill over \$2,000. After investigation with a technician, they found the member's well was running constantly. During a NRECA seminar regarding retirement plan offerings at SEC, HR learned that Socorro Electric Cooperative does not currently offer a Quasi retirement option, and Ms. Arellano is working to implement this for employees.

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

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps presented the Communications and Public Affairs Report for August 2025. Mr. Capps was accepted into the local Rotary Club. Mr. Capps reported that the SEC focused on the unclaimed capital credits list, praising Carol Dotson, SEC Accounts Payable Clerk, for reducing the list from 8-10 pages to 5, which saves printing costs. Social media outreach saw a 51% increase in post clicks, indicating growing member engagement. The public safety trailer demonstration was well attended, with 11 employees and board trustees present. Mr. Capps noted the positive media coverage, with the local newspaper featuring three different articles about Socorro Electric Cooperative - including the safety demonstration, trustees' training initiatives, and a photograph about Puerto Seguro - which was significant as they hadn't had multiple articles in the paper in three years. Additionally, the cooperative conducted two town hall meetings in Veguita and Datil. Mr. Capps appreciated the trustees' support in meeting members face-to-face.

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

TRI-STATE REPORT

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

NMREC REPORT

CEO Gonzales presented the NMREC activities report for August 2025.

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

PRESIDENT'S REPORT

President Anaya expressed gratitude and recognition for the hard work of both the board and staff over the past month or two. He highlighted the significant achievement of having all board members now 100% trained as a Certified Cooperative Director (CCD) board, specifically

praising the newer board members who completed their training quickly. President Anaya emphasized the importance of continuing to move forward and developing board leadership. He acknowledged the employees' efforts and dedication, noting their good performance.

STANDING COMMITTEE REPORT

Trustee Rosas presented the Standing Committee Report held on August 26, 2025. Trustee Rosas shared that the focus was on Board Policy #313 “Ratemaking”, a new policy aimed at improving rate-making transparency and member communication. The policy outlines a comprehensive approach to rate decisions, including hiring a third-party expert, conducting a cost-of-service study, and implementing a 90-day member notification process. The policy emphasizes clear communication through town hall meetings, website updates, and targeted outreach to key accounts. It requires a business justification for rate changes and mandates board review and approval according to cooperative bylaws. The policy includes a detailed timeline for rate change implementation, with provisions for gathering member feedback and conducting Q&A sessions. CEO Gonzales and the team worked closely with legal experts and stakeholders to develop a policy that ensures transparency, educates members about potential rate impacts, and provides a clear process for rate adjustments.

President Anaya asked the Board of Trustees if anyone would like to make a motion.

Trustee Dickey made a motion to accept Board Policy #313 “Ratemaking” as presented and to annotate that the target timeline is an example; motion was seconded by Trustee Moore. Motion carried.

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

FINANCE COMMITTEE REPORT

Trustee Latasa presented the Finance Committee Report held on August 26, 2025. Trustee Latasa stated the committee reviewed and addressed the CEO expense report, general counsel invoices, and trustee per diem request forms. The committee made changes to the trustee per diem forms and approved them with those modifications.

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

NEW BUSINESS

Consideration of Capital Credit Estate Retirements

CEO Gonzales presented the Patronage Estate Capital Retirement request for July 2025. All requests were reviewed by General Counsel, Lorna Wiggins Esq. 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
Aug-25-A	\$477.90	\$7.75	\$36.12	\$25.07	\$0.00	\$0.00	\$0.00	\$546.84	\$546.84
Aug-25-B	\$438.46	\$10.40	\$38.11	\$25.44	\$0.00	\$0.00	\$0.00	\$512.41	\$512.41
Aug-25-C	\$301.39	\$5.41	\$25.24	\$17.77	\$0.00	\$0.00	\$0.00	\$349.81	\$349.81

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
Aug-25-A	\$138.46	\$0.00	\$17.34	\$11.28	\$0.00	\$0.00	\$0.00	\$167.07	\$167.07

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

Consideration of Line Extension(s):

August 26, 2025

Mr. Capps reported line extension contracts for Monique Rico and Jaime Alvarado was being presented to the Board for approval. Mr. Capps recommended that the Board approve the contracts for Ms. Rico and Mr. Alvarado.

After discussion, Trustee Dickey moved to approve the contracts for Ms. Rico and Mr. Alvarado; motion was seconded by Trustee Rosas. Motion carried unanimously.

Consideration of Trustee Travel

Trustee Rosas requested Board approval to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO.

Trustee Latasa moved to approve Trustee Rosas's request to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO; seconded by Trustee Moore. Motion carried.

Trustee Anaya requested Board approval to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO.

Trustee Rosas moved to approve Trustee Anaya's request to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO; seconded by Trustee Latasa. Motion carried.

Trustee Alonzo requested Board approval to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO.

Trustee Rosas moved to approve Trustee Alonzo's request to attend the Tri-State G&T Director Orientation held on September 22, 2025, in Westminster, CO; seconded by Trustee Wade. Motion carried.

Review Agenda Formatting for T² Purpose

CEO Gonzales reviewed the current Agenda template with the Board of Trustees. CEO Gonzales raised the point that he could not find any existing policy or bylaw that specified the current two-minute limit for member comments. He suggested sending red lines to update the agenda language to make it more inviting and clarify the procedures for member comments. The goal was to review and potentially modify the agenda policy to provide more flexibility and clarity around member participation. No specific changes were finalized during this discussion. CEO Gonzales proposed working on revising the language to improve the overall meeting structure and member engagement.

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 Alonzo. The motion carried unanimously.

President Anaya called for an Executive Session.

The Board adjourned to Executive Session at 4:04 p.m.

REGULAR SESSION

Trustee Dickey moved and was seconded by Trustee Alonzo to return to the Regular Session at 5:28 p.m.

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

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Alonzo moved to set the date and time of Committee Meetings for September 24, 2025, beginning at 12 p.m. and the next regularly scheduled Board Meeting for September 24, 2025, at 2:00 p.m.; the motion was seconded by Trustee Rosas. The motion carried unanimously.

ADJOURNMENT

August 26, 2025

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


President Anaya adjourned the meeting at 5:30 p.m.


Eileen Latasa, Secretary/Treasurer

APPROVED:


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 August 26, 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, Secretary/Treasurer