

**MINUTES OF THE
JEMEZ MOUNTAINS ELECTRIC COOPERATIVE, INC.**

BOARD OF TRUSTEES

January 25, 2024

HERNANDEZ, NEW MEXICO

1. This meeting of the Jemez Mountains Electric Cooperative, Inc. Board of Trustees was called to order by Board President Dennis Trujillo at 9:12 a.m. on the above-cited date, at the JMEC Headquarters, 19365 S.R. 84/285, Hernandez, New Mexico.

2. & 3. Following the Pledge of Allegiance, roll call confirmed a quorum as follows:

Trustees Present:

Dennis Trujillo, President
Marcie Martinez, Secretary
Dolores McCoy, Treasurer [remotely]
Henry Roybal, Asst. Secretary/Treasurer
Lucas J. Cordova
Elias Coriz
Dennis Gallegos
Marissa Maestas-Muller
Danny Velarde

Trustee(s) Absent:

John Ramon Vigil

JMEC Staff Present:

Tom Beamon, Financial Consultant/Interim CEO and GM
Geraldine Romero, CFO
Tina Trujillo Archuleta, Manager of Administration and External Affairs
Tomas Barela, Broadband Manager
Matt Casados, IT

Others Present:

Joseph Yar, JMEC General and Utility Counsel
Shawna Tillberg, Paralegal
Bill Boas, Abiquiu
Julian Shapiro, Medanales
Karen Farrell, Wordswork, Secretarial Services

4. REMARKS FROM JMEC MEMBERS

Bill Boas discussed a recent release from the Department of Energy providing information to electric co-ops about available grants, loans and financing programs for energy projects. DOE is asking co-ops how they can assist in meeting the commitment to enhance solar energy. There are people from Abiquiu and Medanales committed to working as a group to develop respond to DOE. Mr. Boas provided a copy of the release to board members.

Mr. Coriz said that JMEC is working to improve access to solar energy. Mr. Beamon concurred that Tri-State was actively looking into ways to accommodate more solar.

5. CONSENT AGENDA

a. Approval of Agenda

President Trujillo requested Executive Session occur following item 6, Other Reports.

ACTION: Mr. Cordova moved to approve the agenda as amended. Mr. Velarde seconded and the motion passed without opposition.

b. December 1, 2023 Board Meeting Minutes

ACTION: Ms. Martinez moved to approve the minutes as presented. Mr. Roybal seconded and the motion passed without opposition.

c. December 11, 2023 Special Board Meeting Minutes

ACTION: Ms. Martinez noted an issue regarding a Board directive following executive session and who made the motion and second to return to open session. She moved to table those minutes. Mr. Coriz seconded and the motion passed without opposition.

6. OTHER REPORTS

a. President's Report

President Trujillo said that he received an email from a JMEC customer and former employee, as did the full board. Mr. Cordova noted that he received an email from that individual questioning why there had been no response. It was recommended that the individual be advised of JMEC policy #152.

There was consensus to contact the individual, provide policy #152, and advise that there is a public comment period at each regular monthly Board meeting. President Trujillo said he would provide a draft response to Mr. Beamon who offered to assist in any way.

Ms. Martinez said following the protocol via Policy 152 is the best alternative.

President Trujillo noted that the 30-day legislative session was underway. It was noted that Statewide has a presence at the session and is monitoring all electric co-op related bills.

Ms. Archuleta noted that staff receives emails from Statewide about the progress at the session and will advise if co-op representation is necessary at the Roundhouse. The pole attachment bill has been pulled and the family medical leave is still on the table.

There was consensus that Statewide was providing lobbying efforts for the co-op and the board did not feel they should commit funds to address the issue of guns at the polling place. Mr. Beamon noted that the pole attachment issue is important and Statewide is monitoring that.

Mr. Beamon said Tri-State is working to determine a best path forward with their 42 members and get an additional 15-year extension on the power supply contract.

JMEC's contract with Tri-State expires 2050. The request for an extended contract allows Tri-State to finance generation assets. Reviewing the resolution to enact the partial buyout was recommended. Mr. Beamon reminded the Board that it is a complex process to find alternative power.

b. Statewide Report

Mr. Bustos reported that Statewide has TJ Trujillo, Clemente Sanchez as well as Chief Executive Officer Charise Swanson lobbying at the Roundhouse. The pole attachment bill, SB 45, was killed and it appears the pole easement bill, SB 43, will also not move forward. He stated that Ms. Swanson has offered to work on any bills the co-ops may want to promote.

c. Tri-State Report

Mr. Coriz reported that Tri-State held a virtual meeting in January where the FERC contract termination payment order was discussed. Additional information has been requested regarding non-network transmission facilities and wholesale rate design. Additionally, work is underway for the strategic planning and contract committee meetings.

d. Communications Committee Report

Ms. Martinez thanked Ms. Archuleta for taking on more responsibilities. The committee met on January 9th with all members present. The committee discussed and determined that the assistance that Sturges Word Communications has provided for the "*enchantment*" Magazine was at this time too expensive to continue. Ms. Archuleta contacted Pioneer who works with Statewide on the magazine and they may be able to assist in terms of layout. Ms. Martinez said the Board will be writing its own articles to fill JMEC's three pages. The next cover story will be on acequias and Mr. Velarde is working with Miller Engineering on that.

President Trujillo mentioned that April is Lineman Appreciation Month and that should be considered in article development. Mr. Coriz mentioned the good work of Mr. Leyba and Mr. Vigil regarding the Chimayo substation would make a good story. Mr. Coriz offered to forward some photos from the incident.

Ms. Martinez encouraged the Board to forward any article ideas to her.

e. Schools Committee Report

Ms. Maestas-Muller said the committee met on January 10th with all members present. The committee discussed the status of the youth tour in D.C., only two applications had been received so the deadline has been extended. The Foundation scholarship essay question was released to high school seniors and Northern New Mexico College will judge the essays with a deadline of March 22nd.

8. EXECUTIVE SESSION

- a. Legal Matters**
- b. Personnel Matters**

ACTION: Mr. Velarde moved to meet in executive session to discuss legal and personnel matters. Mr. Coriz seconded and the motion passed by unanimous voice vote.

[The Board met in executive session from 10:55a.m. – 12:20 p.m.]

ACTION: Ms. Martinez moved to return to open session and Ms. Maestas-Muller seconded. They motion passed without opposition.

At this time, the Board recessed for lunch.

ACTION: Mr. Cordova moved to go into executive session to discussion legal and personnel matters. Ms. Martinez seconded and the motion passed without opposition.

[The Board met in executive session from 1:10 p.m. to 3:16 p.m.]

ACTION: Ms. Martinez moved to return to open session and Mr. Roybal seconded. The motion passed without opposition. [Mr. Coriz and Mr. Gallegos were not present for this action.]

President Trujillo requested a motion to hold a Special Board meeting on February 1st at 4 p.m. to discuss the investigation report presented in executive session and to ensure that Trustee John Ramon Vigil would be afforded due process regarding the investigation.

ACTION: So moved by Mr. Velarde. Mr. Bustos seconded and the motion passed without opposition. [Mr. Coriz and Mr. Gallegos were not present for this action.]

President Trujillo requested a motion directing Mr. Yar to draft an anti-harassment policy for Board review.

ACTION: Ms. Martinez moved to direct Mr. Yar to draft the policy as noted above. Mr. Bustos seconded. The motion carried without opposition. [Mr. Coriz was not present for this action.]

7. CEO AND GENERAL MANAGER'S UPDATE – Discussion and Action

a. Miscellaneous Matters

i. Safety

The importance of a strong safety culture was emphasized during the opening of the meeting.

ii. Substation Fire

JMEC experience an outage in Chimayo due to a substation fire.

iii. Broadband

JMEC agreed to hold an additional review of the proposed broadband business.

iv. Audit Process Continues

Mr. Beamon said the audit process continues and noted weaknesses are being addressed. Additionally, implementing appropriate changes to address audit findings will improve operational efficiency.

CFO Romero said a simplified enterprise software solution will help provide better estimates to customers seeking new connections.

The Board concurred with the implementation of the new operating system.

v. Organizational Realignment

Mr. Beamon is working on realigning the organization chart with a goal to better coordinate processes inside each department for simplicity and efficiency.

The Board voiced their support for the realignments and requested an org chart be forwarded to the Board members.

vi. Lien Accommodation – Status Update

A letter has been created and sent to Larry McGraw and RUS in D.C. authorizing Mr. Beamon to transact on behalf of JMEC with RUS.

vii. Budget Presentation and Discussion

Approval of the budget was not being requested at this point. Mr. Beamon said the budget is the best estimate of how JMEC can move forward. The budget still shows a possible negative operating margin for next year.

b. Business Services and Finance

i. November and December 2023 Financial Report

Ms. Romero reviewed the November and December Income Statements, Balance Sheets, and Statements of Cash Flows.

iii. Finance Committee Meeting

Finance Committee Chair Dolores McCoy said the committee met yesterday with a quorum although Mr. Vigil was absent. The committee reviewed the November and December 2023 financials

a. November and December 2023 General Fund Expenditures

ACTION: For informational purposes, Mrs. McCoy moved to approve the November and December 2023 JMEC general fund expenditures list. Mr. Roybal seconded.

b. November and December 2023 Staff Credit Cards

ACTION: For informational purposes, Mrs. McCoy moved to approve the November and December 2023 staff credit card charges. Mr. Velarde seconded.

c. November and December 2023 Attorney Expenses

ACTION: Mrs. McCoy moved to approve the November and December 2023 attorney expenses and Ms. Maestas-Muller seconded.

d. November and December 2023 Consulting Expenses

ACTION: Mr. Roybal moved to approve the November and December 2023 consulting expenses. Ms. Martinez seconded.

e. November and December 2023 Trustee Reimbursement Vouchers

ACTION: Mrs. McCoy moved to approve the November and December 2023 trustee reimbursement vouchers. Mr. Roybal seconded.

f. Request for sponsorship - Española Chamber of Commerce

Mrs. McCoy said the request is for \$1,000 sponsorship which includes: dinner, entertainment and JMEC advertisement would be provided.

ACTION: Mrs. McCoy moved to approve the request of the Española Chamber of Commerce. Mr. Velarde seconded.

At this point, a vote was taken on the above six motions and they passed without opposition. [Mr. Coriz was not present for this action.]

That concluded the Finance Committee report.

7. b. ii. Authorizer and Signatory Administration

Ms. Trujillo Archuleta requested a motion to allow Mr. Beamon to serve as signatory on the Final Form 7 and loan related materials.

ACTION: Mr. Roybal moved to grant authorization to Mr. Beamon for the necessary signatory approval. Mr. Velarde seconded and the motion passed without opposition. [Mr. Cordova and Mr. Coriz were not present for this action.]

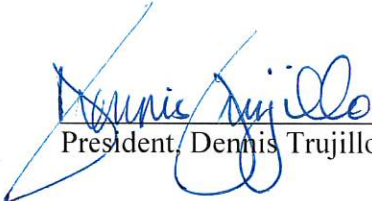
9. NEW BUSINESS

President Trujillo requested that Mr. Beamon review JMEC's insurance policy to ascertain whether there were any available savings.

10. ADJOURN

Having completed the agenda and with no further business to come before the Board, President Trujillo adjourned this meeting at 4:40 p.m.

APPROVED:



President, Dennis Trujillo



Secretary, Marcie Martinez