



**REGULAR BOARD MEETING
FRIDAY, MARCH 22, 2019; 9:00 AM
JMEC Board Room
AGENDA**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL/DETERMINATION OF QUORUM**
- 4. APPROVAL OF AGENDA**
- 5. RECOGNITION OF GUESTS**
- 6. ACTION ITEMS**
 - a. Approval of February 2019 Regular Board Meeting Minutes
 - b. Approval of February 2019 Membership List
 - c. Approval of Resolution 2019-1, Authorization to Sign Required Documents Related to the Solar Project
 - d. Approval of Upgrades to Alcalde Substation for Solar Project
 - e. Approval of Contract for Consulting Services for Metering Projects
 - f. Approval of Tree Trimming Contract Awards
 - g. Approval of Oil Switchgear Purchases
 - h. Approval of Vehicle Replacements
 - i. Approval to Change the April Board Meeting to Wednesday April 24, 2019
 - j. Approval to Extend General Manager Contract through July 31, 2019
- 7. GENERAL MANAGER'S UPDATE**
 - A. Business Services & Finance**
 - 1) February 2019 Financial Information
 - 2) Finance Committee Report – Mr. Johnny Jaramillo
- 8. COMMITTEE REPORTS**
 - a. Audit Committee
 - b. Personnel Committee
 - c. School Committee
- 9. BOARD REPORTS**
 - a. Tristate Report
- 10. BUSINESS WITH MEMBER GUESTS (5 MINUTE PER GUEST)**
- 11. EXECUTIVE SESSION**
- 12. NEW BUSINESS**
- 13. ADJOURN**

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

BOARD OF TRUSTEES MEETING

Friday, February 22, 2019

HERNANDEZ, NEW MEXICO

1. This regular meeting of the Jemez Mountains Electric Cooperative, Inc. Board of Trustees was called to order by Chairman Nick Naranjo at 9:00 A.M. on the above-mentioned date, at JMEC Headquarters, 9365 S.R. 84/285, Hernandez, NM.

2. & 3. Following the Pledge of Allegiance, Charlie Trujillo, Secretary, called roll and confirmed the presence of a quorum as follows:

PRESENT:

Nick Naranjo, Chair
Leo Marquez, Vice Chair
Charlie Trujillo, Secretary
Johnny Jaramillo, Treasurer
Lucas J. Cordova, Trustee
Bruce Duran, Trustee
Dolores McCoy, Trustee
David D. Salazar, Trustee
Victor Salazar, Trustee
Dennis Trujillo, Trustee

ABSENT:

John Tapia, Trustee at Large

JMEC STAFF PRESENT:

Donna Montoya-Trujillo, General Manager/Chief Financial Officer
Karen Wisdom, Contract Administrator and Compliance Officer
Eli Gallegos, Purchasing
Laura Rendon, Executive Assistant
Teresa Chavez, Account Manager
Andrew Chávez, Director, IT
Nathan Duran, District Manager
Russ Groves, Engineer
Eva DeAguero, Billing Manager
Randy Vigil, Operations Department
Lenny Ortiz, Vegetation Coordinator/Manager
Dwight Herrera, HR Director
Ken Norris, Accounting
Eleanor Duda, Cashier

4. APPROVAL OF AGENDA

ACTION: Mr. Cordova moved to approve the agenda with the Tri-State report to be heard during executive session. Mr. Marquez seconded and the motion passed by unanimous [10-0] voice vote.

Ms. Montoya-Trujillo advised the Board that the packets were posted on Diligence February 6th. Ms. McCoy and Mr. Duran did not receive the information electronically. Ms. McCoy said the .pdf was not printable and too tiny to read. Ms. Montoya-Trujillo said she would have a hard copy of the packet delivered to Ms. McCoy and Mr. Duran.

5. RECOGNITION OF GUESTS & STAFF

Those present introduced themselves.

6. ACTION ITEMS

A. Approval of January 2019 Board minutes

Mr. D. Trujillo noted a clarification on page 6, first paragraph, that July 21st will be the annual meeting.

ACTION: Mr. Cordova moved to approve as corrected. Mr. V. Salazar seconded and the motion passed without opposition.

B. Approval of February Special Board minutes

Ms. Montoya-Trujillo noted that the motion on page 3 should reflect the cost as \$9,636,500. She understood the Board is interested in preserving the Board room for educational purposes.

ACTION: Mr. Jaramillo moved to approve as corrected. Mr. Cordova seconded and the motion passed without opposition.

C. Approval of January 2019 Membership List

Ms. Montoya-Trujillo announced there were 117 new members.

ACTION: Mr. Cordova moved to approve. Mr. C. Trujillo seconded and the motion passed without opposition.

D. Approval of Tri-State Voting Delegate

Ms. Montoya-Trujillo said this is a standard annual request from Tri-State.

ACTION: Mr. Jaramillo nominated Lucas Cordova to serve as JMEC's voting delegate. Mr. C. Trujillo seconded.

Under discussion, Mr. Duran observed that Lucas Cordova has been representing JMEC for many years. He recommended electing a different delegate in the future.

The motion passed without opposition.

E. Approval of election locations, dates and cutoff date for membership list

Ms. Montoya-Trujillo recommended the following dates and locations for elections:

District 4:	June 21, 2019	Headquarters' Board room
District 5:	June 24, 2019	High School
District 6:	June 26, 2019	TBD

The cutoff date for membership - May 31, 2019

The June JMEC Board meeting will be held June 14, 2019 to allow for approval of the membership list.

Mr. D. Salazar said June 24th is San Juan Day and not a good day to have the District 5 election.

ACTION: Mr. Cordova moved to approve the manager's recommended election dates, locations and cutoff for membership. Mr. C. Trujillo seconded. The motion passed by majority voice vote with Mr. D. Salazar voting against.

F. Approval of Tree Trimming Contract Awards

Ms. Montoya-Trujillo requested the approval of two contracts pursuant to RFPs that were issued: Thompson Ridge Circuit and the Fish Hatchery Circuit to the lowest eligible bidder, Southwest Fire Defense.

RFPs for the remaining circuits will be reissued because no acceptable proposals were received.

Lenny Ortiz, Vegetation Coordinator/Manager said he anticipated the next round of bids to come in lower because the rights-of-way will be reclaimed. The bids for the five RFPs were rejected because, at this point, it was not in the Co-op's best interest to move forward.

The RFPs were issued January 6th and the pre-bid meeting occurred on January 11th with five companies attending.

In response to Mr. Duran's reminder of the recent fire in Paradise, California, Mr. Ortiz said there's over four feet of snow in the area and that this was the first time in his five years as vegetation manager that there has been this much moisture.

Thompson Ridge: This was identified as a three-plus mile project at the top of the ridge. Eleven miles have already been completed.

Mr. Ortiz said the recommended awardee is a local contractor, has been in business five years, attended the mandatory meeting and meets all the Co-op requirements. He identified the five companies that attended the mandatory pre-bid meeting as well as the other bidders. Staff reviewed the bids and recommends awarding it to Southwest Fire Defense in the amount of \$35,268.

ACTION: Mr. Marquez moved to award the Thompson Ridge contract to Southwest Fire Defense. Mr. C. Trujillo seconded.

In response to Ms. McCoy's concern regarding the vast discrepancy in bids, Mr. Ortiz said staff was also surprised.

Mr. Marquez remarked that Southwest Fire Defense is a reputable company and recently completed a \$2.2 million project with the Forest Service. Mr. Ortiz said they met all the Co-op requirements.

Mr. Ortiz said the areas for tree trimming are those that were cut 30 to 40 years ago. The growth has been considerable and it takes time to reclaim the rights-of-way and meet Forest Service standards. He estimated it would take 10 years to complete the entire 400 miles through Forest Service property adding it will be a cyclical ongoing process.

The motion to award the Thompson Ridge contract to Southwest Fire Defense passed by unanimous voice vote.

Fish Hatchery: Off State Road 126 and approximately seven miles. This job was originally awarded but the contractor was unable to complete the job.

Southwest Fire Defense again bid the lowest at \$179,550 with a 28-week completion date. He expected the firm to start work in late May because of the heavy snow in the area.

The other bidders were identified.

ACTION: Mr. Marquez moved to award the Fish Hatchery contract to Southwest Fire Defense. Mr. C. Trujillo seconded. The motion passed by majority vote with Ms. McCoy voting against.

Chair Naranjo said he was pleased to see a local vendor obtaining the contract.

G. Approval of Draft Policy 151

Ms. Montoya-Trujillo said this policy is specifically drafted to address all matters, issues, complaints, comments or other similar communications from the members of JMEC. The policy sets out that the complaint should be filed

on a request form. If the GM can adequately resolve the complaint the full Board review will not be necessary. This will make complaint resolution more efficient for the membership. The Board President may determine that the entire Board needs to hear a complaint.

ACTION: Mr. C. Trujillo moved to approve Policy 151. Mr. Marquez seconded.

Mr. D. Salazar said when he hears from a constituent about a problem he will refer the issue directly to JMEC staff. Having the members go through a procedure of a written form and then having the GM address it did not seem the best use of the GM's time. Chair Naranjo said he'd prefer the GM address the issue and/or forward it to the appropriate staff member rather than having a Board member get involved.

Mr. D. Trujillo said he understood the policy established a format in which to deal with consumer complaints.

The motion passed by majority voice vote with Trustees D. Salazar, Duran and McCoy voting against. Mr. Duran and Ms. McCoy said they did not see the policy in advance of this meeting and were not prepared to vote on it.

DIRECTIVE: Verbally check with Ms. McCoy and Mr. Duran the day the packet is posted on Diligence and if they are not in receipt of it, hand delivery a hard copy to them.

Mr. D. Trujillo preferred that the approval of a policy be unanimous and he suggested bringing this back.

H. Approval of Vehicle Purchases

Staff is recommending the purchase of four 2019 Chevy Colorados for the Española meter reading department. The new vehicles will replace at-the-end-of-service trucks currently in use. This item was budgeted for and the total cost is \$96,980.

Eli Gallegos, Purchasing, said the units came in at \$29,795 and including the Tri-State rebate and the trade-in allowance, the prices went down to \$23,995 for three units and \$24,995 for one. The trade-ins have between 120,000 and 155,000 miles. The trucks are being purchased through Henry Valencia.

ACTION: Mr. Marquez moved to approve the purchase of the four trucks. Mr. D. Trujillo seconded. The motion passed by unanimous voice vote.

DIRECTIVE: Staff to investigate Blue Book prices prior to future trade-in.

I. Approval of Non-union rate

Ms. Montoya-Trujillo requested the approval of non-union raises of 3 percent of the salary pool, approximately \$70,000. The total pool for non-union employees is approximately \$2.3 million. The allocations will be made based on individual department levels and performance as determined through the employee evaluation process.

ACTION: Mr. Marquez moved to approve the non-union rate. Mr. Jaramillo seconded.

Ms. Montoya-Trujillo confirmed that the union increase was 3 percent.

Mr. Duran said he has heard concern from constituents that their rates are increasing and he asked whether the new wages may contribute to that. Ms. Montoya-Trujillo said there has not been a rate increase; however, a local rate rider has been applied. She added that the wage increase was included in the budget.

Mr. Duran said it was important the Board adhere to its goal to maintain affordable energy.

Ms. Montoya-Trujillo said there were 40 non-union employees and except her, all of them will receive a raise. The increase for union employees was retroactive to the beginning of the year; however, this does not apply to the non-union employees. Ms. Montoya-Trujillo said she had no problem providing an accounting of the salaries of the JMEC employees.

Ms. Montoya-Trujillo said the union employees' wage increase is not based on an evaluation; however, JMEC has the flexibility with non-union employees to compensate based on performance.

The motion passed without opposition

[The Board recessed for 10 minutes]

7. GENERAL MANAGER'S UPDATE

A. Employee of the Month

Ms. Montoya-Trujillo announced Ken Norris as the January 2019 JMEC Employee of the Month, Eleanor Duda as the February 2019 JMEC Employee of the Month.

The Board held a moment of silent prayer for a strong recovery for former Board member Levi Valdez.

Ms. Montoya-Trujillo offered the following updates:

- Boring work will begin on El Llano circuit and no outage is expected

- The external audits will be onsite March 11th
- Staff is working on the property taxes, 990s, and the end-of-the-year Foundation account
- Allocation notices were sent out in January
- Reconciliation of easements will be filed with PRC in April and may impact consumer billing. Last year the impact was consumer positive
- The fuel cost and debt adjustments will also be filed with the PRC

B. Business Services & Finance

Manager Montoya-Trujillo invited Teresa Chavez, Account Manager, who is currently in an MBA program to review the account ratios for the month.

1. January 2019 Financial Information

Ms. Chavez presented the ratios and statistics as follows:

- The TIER was 2.71 and budgeted at 2.44
- The OTIER was 2.9 and budgeted at 1.57
- Year-to-date ratios have not changed
- There were 31,152 consumers, 125 up from last year at this time
- Residential average KWH usage was 760
- Small commercial average KWH usage was 3,719
- Large commercial average KWH usage was down from last year which was attributed to Kinder Morgan
- Total connects in January were 197
- Total disconnects in January were 169
- There were 278 consumers per employee; a reduction from last year
- Revenue per KWH sold was \$0.13 - flat from last year
- Revenue generated per mile was \$1,206.60
- Purchased power as a percent of revenue was 65 percent
- Operating expense as a percent of revenue was 22 percent
- Margins as a percent of revenue was 5 percent; last year it was 9 percent
- 43,137,263 KWH purchased from Tri-State
- 38,894,775 KWH were sold
- JMEC's own KWH use was 129,186
- Line loss calculation was 4,113,302 which is a timing difference
- Average cost for KWH was 0.074 cents - same as last year
- Average cost for residential KWH was 0.13 cents
- LED lights reduce the cost of KWH and public authorities are using solar
- Total miles of line was 4,123
- Number of consumers per mile of line was 7.56
- Plant investment per mile is \$29,224.99 - a slight increase from last year
- Inventory as a percentage of plant is .89 percent - in 2018 it was 1.53 percent
- Idle meters were at .36 percent

- RUS loans as a percent of total loans was 80 percent; Co-Bank and CFC loans make up 20 percent of the total outstanding long-term debt
- There are 112 employees
- Consumer expense per consumer is \$6.82 - last year it was \$5.39. The increase is attributable to the mailing of allocations
- Admin and general expense per consumer is \$14.32

Ms. Montoya-Trujillo reviewed the charts, prepared by Ms. Chavez, noting that the Co-op sold more KWH than budgeted which was attributed to the January cold weather. Other revenue which includes wheeling, joint pole use, service charges and the interest for the cushion of credit, should normalize. The Kinder Morgan contract amendment was effective in January and staff will continue to monitor those meters. The aging account receivables continue to be strong.

C. Finance Committee Meeting - January 2019 information

Johnny Jaramillo, Chair of the Finance Committee, reported that the committee met with a quorum, Thursday, February 21st at the Hernandez office, and reviewed the finance-related materials for January 2019.

1. General Fund Expenditures

ACTION: Mr. Jaramillo moved to accept the general fund expenditures for information. Mr. Marquez seconded. The motion passed by majority voice vote with Ms. McCoy and Mr. Duran voting against because they had not received their packet information.

2. Credit Cards

The committee reviewed the Wells Fargo credit card charges made by four authorized users: Laura Rendon, plant, Nathan Duran and accounting. The total for the month was \$6,399.06. Mr. Jaramillo noted the breakdown by user was also provided and reviewed.

ACTION: Mr. Jaramillo moved to accept the Wells Fargo charges of \$6,399.06. Mr. Cordova seconded and the motion passed by majority voice vote with Ms. McCoy and Mr. Duran voting against because they had not received their packet information.

Chair Naranjo noted that Ms. McCoy and Mr. Duran will have printed copies delivered to them if they do not receive the information digitally from Diligence.

3. Attorney Expenses

Mr. Jaramillo provided the attorney expenses as follows: Cuddy and McCarthy, \$2,464.02, Long, Komer & Assoc., \$4,983.55, and Wiggin, Williams & Wiggins, \$3,941.19. The total attorney fees were \$11,388.76. Invoices were made available for review.

ACTION: Mr. Jaramillo moved to accept the attorney expenses. His motion was seconded by Mr. Marquez. The motion passed by majority voice vote with Ms. McCoy voting against.

4. Consultant Expenses

Mr. Jaramillo said FBT Architects for the new building charged \$11,715.45 and Marron and Associates \$5,468.87. The total amount was \$17,184.32.

Ms. Montoya-Trujillo said the Marron charges are related to the WAPA (Western Area Power Administration) Project and the charges will be reimbursed through the project.

ACTION: Mr. Jaramillo moved to accept the consultant expenses of \$17,184.32. His motion was seconded by Mr. Marquez. The motion passed by majority voice vote with Ms. McCoy voting against.

5. Trustee Vouchers

The January vouchers were vetted by management and reviewed by the Finance Committee. Mr. Jaramillo noted the information was provided to the Board members.

ACTION: Mr. Jaramillo moved to approve the trustees' vouchers. His motion was seconded by Mr. V. Salazar. The motion passed by majority vote with Ms. McCoy and Mr. Duran voting against.

6. January 2019 - Bank Account Summary

Mr. Jaramillo said this was provided as an informational item.

7. RFPs, Contracts and Purchasing

- i. Tree Trimming Contracts - addressed as item 6.f.

8. Requests for Donation

- i. Global Opportunities, Inc.

Laura Rendon, Executive Assistant, reviewed the information provided by Global Opportunities which specializes in providing outdoor activities

to individuals with special needs. They also serve veterans. Ms. Rendon said Global has offered to advertise the co-op's generosity.

ACTION: Mr. Jaramillo moved to approve a donation of \$250 to Global Opportunities. Mr. Cordova seconded and the motion passed by unanimous voice vote.

That concluded the Finance Committee business.

8. COMMITTEE REPORTS

A. Audit Committee

Mr. Marquez said the committee did not meet in February

B. Personnel Committee

Mr. C. Trujillo said they discussed the non-union 3 percent raises. The committee members include Mr. C. Trujillo, Mr. Tapia and Mr. Cordova.

DIRECTIVE: Provide the Board with an updated organizational chart

Ms. McCoy recommended that the committee have trustee representation from the west side

C. School Committee

Ms. McCoy reported that the committee met and discussed the spelling contests, the Youth Tour and the Foundation scholarships. The Youth Tour will occur in June.

Ms. Rendon said the Youth Tour will mirror the NRECA tour and bring high school students to Washington, D.C. the third week of June. She will be contacting the NRECA for inclusion in their program

Regarding the spelling bees, Ms. Rendon said the English bee will be held on April 11th and the Spanish bee on April 12th. Information has been provided to the JMEC service area schools. The word list and rules and regulations have been completed.

The essay topic will be posted on the website for the scholarship program. Ms. Rendon said she has reached out to the high schools' counselors. The deadline for essay submission is March 31st.

Banners (4x6) have been obtained for all of JMEC's service area schools which state: "Supporting today's youth for tomorrow's leadership." Chair Naranjo mentioned that Tri-State paid for the banners.

D. Policy Committee

Mr. D. Trujillo said the committee discussed the notion of having a summer student project with students at each office. Ms. Montoya-Trujillo said the program was not budgeted for this year; however, she would investigate dates and costs.

9. BOARD REPORTS

A. Tri-State - Moved to Executive Session

Ms. Rendon reported that hotel reservations have been made for the annual meeting in Denver starting on Tuesday, April 2nd with departure on April 4th. She offered to forward the reservation and annual meeting information.

10. BUSINESS WITH MEMBER GUESTS

None were presented.

11. EXECUTIVE SESSION

ACTION: Mr. C. Trujillo moved to meet in Executive Session and Mr. Marquez seconded. The motion passed by unanimous voice vote.

The Board recessed to Executive Session at 10:55 a.m.

12. ADJOURNMENT

Following executive session, Chair Naranjo declared the meeting adjourned

Secretary, Harold "Charlie" Trujillo

APPROVED:

Chairman, Nick Naranjo


NEW MEMBERSHIPS

DISTRICTS TOTALS

2018



Jemez Mountains Electric Cooperative, Inc.

Your Touchstone Energy® Cooperative 

		2019 MEMBERSHIPS BY BOARD DISTRICT												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL MEMBERSHIPS	21,810													
DISTRICT 1 PAID		9	11											20
REFUNDED		12	6											18
DISTRICT 2 PAID		10	9											19
REFUNDED		14	6											20
DISTRICT 3 PAID		3	9											12
REFUNDED		4	4											8
DISTRICT 4 PAID		21	18											39
REFUNDED		23	15											38
DISTRICT 5 PAID		38	25											63
REFUNDED		44	33											77
DISTRICT 6 PAID		36	20											56
REFUNDED		39	22											61
TOTAL NEW MEMBERSHIPS		117	92	0	0	0	0	0	0	0	0	0	0	209
REFUNDED MEMBERSHIPS		136	86	0	0	0	0	0	0	0	0	0	0	222
NET MEMBERSHIPS		-19	6	0	0	0	0	0	0	0	0	0	0	-13
		-0.1%												

		SERVICE ORDER TOTALS												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL NEW SERVICES		17	5											22
TOTAL CONNECTS		197	153											350
TOTAL DISCONNECTS		169	114											283
TOTAL DISC FOR NON-PAY		62	36											98

		NET NEW CUSTOMERS												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
NET NEW CUSTOMERS		-17	8	0	0	0	0	0	0	0	0	0	0	-9
TOTAL ACTIVE CUSTOMERS	31,021													
	0.0%													
		0.0%												

BOARD MEETING - APPROVAL OF NEW MEMBERS

New Memberships for February 1, 2019 through February 28, 2019

MBRSEP	NAME	DISTCODE	MFP AIDDATE	
138045001	MYERS MICHAEL S		1	190205
138052001	SANDO CHEYANNE A		1	190207
138039001	C DE BACA OLIVIA I		1	190204
138096001	SULLIVAN DAVID J		1	190226
124308001	CHOSA DARRYL		1	190208
126221002	TOYA DIANA R		1	190207
138055001	STRUCTURES INC.		1	190208
138079001	SMITH JONATHAN		1	190219
101474001	ESTRADA FRANKIE		1	190214
138036001	GACHUPIN LARISSA		1	190204
138043001	LUCERO CARMELA		1	190205
				Total
				11
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138101001	HARDING GEORGE S		2	190227
103089003	MAESTAS LEON P		2	190226
138075001	TOM AMANDA		2	190215
138078001	PIOCHE KELSEY H.		2	190219
138080001	COMPHEALTH MEDICAL		2	190219
138030002	ROMERO TERESITA		2	190215
57509002	HAMBY ROSE A		2	190222
33325002	HERRERA AMARANTE JR		2	190227
138030001	ROMERO TERESITA		2	190201
				Total
				9
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138037001	BARRINGTON ANDREA N		3	190204
138029001	JACQUEZ MARY LYNN		3	190201
138068001	OCHOA DAVID		3	190212
138107001	RICHARD NIETO		3	190228
60644003	BIDDY MARIA Z		3	190206
128703002	GARCIA FILIMON H		3	190228
138050001	ROMERO NELSON F		3	190207
138076001	COE CASSANDRA H		3	190215
138106001	NIELSEN SUSAN L		3	190228
				Total
				9
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138041001	VALDEZ BARBARA F		4	190205
138071001	WICKS DE'ALLERICK		4	190213
138027001	SERRANO ROCIO M		4	190201
138028001	MURPHY JAEMI		4	190201
111610001	TAFOYA STACY E		4	190219
138093001	BACA BENJAMIN J		4	190225
138060001	VARGAS LEON L		4	190211
127149001	GUTIERREZ-RAMIREZ ENRIQUE		4	190222
138094001	LOVATO FERNANDA R		4	190225
23755002	CHAMITA AUTO WRECKING		4	190219
116337004	SANCHEZ TIM O		4	190228
138047001	ERIVES ELIER J		4	190206
138057001	VARGAS GABRIEL S		4	190211
135994003	SERNA STEVEN A		4	190219
138086001	ROMERO DEREK D		4	190221

BOARD MEETING - APPROVAL OF NEW MEMBERS

New Memberships for February 1, 2019 through February 28, 2019

136725002	CHAVEZ MICHAEL D	4	190221	
138105001	ALLEN SARAH E	4	190228	Total
138064001	PADILLA LEONA C	4	190212	18
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138035001	SALAZ LIBERTO J	5	190201	
138090001	SANCHEZ LUCIA F	5	190222	
126103002	ARRIAGA VIRIDIANA J	5	190219	
138082001	CHAVEZ SALENA J	5	190220	
138099002	LUNDBERG TAYLOR	5	190226	
136551002	VALDEZ BRIANNA A	5	190222	
102080002	VIGIL MARIA M	5	190219	
66184003	SANDOVAL DEBRA D	5	190201	
138059001	BURROLA LAURA I	5	190211	
138049001	NICKELL JAMES A	5	190206	
138032001	PACHECO JOSEPH	5	190201	
138070001	HERRERA MELISSA T	5	190213	
138056001	TRUJILLO MARIA E	5	190208	
138104001	TAGUE EDWARD	5	190228	
138069001	MARTINEZ KATHERINE L	5	190213	
138073001	LEDOUX LAUREL A	5	190214	
138089001	QUINTANA CASSANDRA D	5	190221	
138084001	ANDERSON JAMES G	5	190220	
138087001	QUINTANA JUSTIN M	5	190221	
138074001	SALAZAR CONSUELO	5	190215	
138034001	MAEZ CHRISTINE J	5	190204	
138065001	TRUJILLO ANGEL	5	190212	
138051001	OROZCO-RAMOS ADOLFO	5	190207	
138038001	DEVARGAS LOLANDA BERNICE	5	190204	Total
138048001	SILVA MA GUADALUPE	5	190206	25
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121546002	GALVAN SAUL D	6	190225	
138042001	GREER TROY B	6	190205	
138062001	JACOBSON VICTORIA G	6	190211	
138097001	COWAN JOSH P	6	190226	
68927004	CORDOVA RICKY	6	190220	
128719002	DOWNS JACQUELINE E	6	190222	
138092001	DIEHL DAVID L	6	190222	
132050002	MONTOYA DAVID A	6	190213	
138095001	SHUMAKE HENRY F	6	190225	
137961001	KINMAN WILLIAM S	6	190213	
116921001	CRUZ-VARGAS PATRICIA I	6	190219	
138046001	MARTINEZ AMBER K	6	190206	
138081001	OKEEFE MICHELLE S	6	190219	
138053001	ARMIJO ERNEST A	6	190207	
138061001	BROUGHTON DENNIS E	6	190211	
138033001	ROBLES DORIAN A	6	190201	
128345002	MONROE ROBERT A	6	190228	

New Memberships for February 1, 2019 through February 28, 2019

138077001	ANDERSON THOMAS A	6	190215	
127500001	GASTON BRIAN M	6	190208	Total
138066001	BARRETO GLORIA H	6	190212	20

**BOARD OF TRUSTEES RESOLUTION NO. 2019-01
OF THE JEMEZ MOUNTAINS ELECTRIC COOPERATIVE, INC.**

RIO ARRIBA SOLAR PROJECT

RESOLUTION

WHEREAS, JMEC, under Tri-State Generation and Transmission policy 115 section No. 6 states that Member Generation Projects “are expected to achieve commercial operation within eighteen (18) months of Tri-State Board of Directors’ approval” thus making the target to achieve commercial operation of the Rio Arriba Solar Project March 6, 2020; and

WHEREAS, in order to establish a solar project and to meet such deadlines for successful implementation, the General Manager must be granted permission to execute such documents required to receive energy from the Rio Arriba Solar Project and to interconnect the project with the current distribution and transmission system of JMEC;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of Jemez Mountains Electric Cooperative, Inc. authorizes the General Manager and/or the President and/or Secretary of the Board of Trustees to execute and attest all necessary papers, documents, and applications and agreements related to the foregoing.

SECRETARY'S CERTIFICATE

I, Harold “Charlie” Trujillo do hereby certify that: I am the Secretary of JMEC, that the above are true and correct copies of resolutions duly adopted by the Board of Trustees of JMEC at the regular meeting held March 22, 2019, and entered in the minute book of JMEC; that the meeting was duly and regularly called and held in accordance with the bylaws of JMEC; and that none of the above resolutions have been rescinded or modified.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the Corporation this 22nd day of March, 2019.

Harold “Charlie” Trujillo, Secretary

(Corporate Seal)

8.2 System Improvement Cost Estimate

The cost estimates for the system improvements to JMEC's distribution facilities are presented in Table 8-1.

Table 8-1: System Improvement Cost Estimate

Item	Material Cost	Contract Labor	Engineering	Construction Management	Total
Recloser (at PCC)	\$40,000	\$4,000	\$2,200	\$2,200	\$48,400
Voltage Regulator (200A Bi-directional)	\$70,000	\$7,000	\$3,900	\$3,900	\$84,800
Capacitor Bank (600 kVAR, switched)	\$20,000	\$2,000	\$1,100	\$1,100	\$24,200
Capacitor Bank (300 kVAR)	\$20,000	\$2,000	\$1,100	\$1,100	\$24,200
Phase Change	\$0	\$1,000	\$100	\$100	\$1,200
Alcalde Substation Upgrades	\$30,000	\$3,000	\$1,700	\$1,700	\$36,400
Total without Contingency	\$180,000	\$19,000	\$10,100	\$10,100	\$219,200
Contingency (20% Substation)	\$36,000	\$3,800	\$2,100	\$2,100	\$44,000
JMEC Direct Cost (6%)	\$10,800	\$1,200	\$700	\$700	\$13,400
Total Design and Construction Cost	\$226,800	\$24,000	\$12,900	\$12,900	\$276,600

1. Contingency costs are assumed to be 20% of the total engineering, material, labor and construction costs rounded up to the nearest hundred.
2. Direct costs for JMEC are included in the cost estimates at 6% of the project total rounded up to the nearest hundred. Direct costs may include, but are not limited to JMEC program management, project management, and overhead costs.

Proposal

Jemez Mountains Electrical Cooperative AMI and WAN Evaluation and Upgrade



January 24, 2019

targeted marketing campaign.

BMcD PROJECT SCOPE & TASKS

Burns & McDonnell (BMcD) proposes to deliver all work products in accordance with the JMEC Standards and the following scope of work. The following items detail activities and deliverables to be considered within this scope of work:

- **Assessment of Existing Systems**
 - Advanced Metering Infrastructure (AMI)
 - System Description:
 - Landis & Gyr Power Line Communication (PLC) System
 - System comprised of 17 Substations and over 28,000 meters
 - Deployed in the late 1990's with final implementation in 2013
 - BMcD Activities:
 - Review existing documentation and related information regarding the AMI system
 - Survey seventeen (17) substations to gather equipment information and inspect sites for new equipment installations.
 - Capture the existing system specifications with respect to meter types, headend system integration requirements, polling rates, data throughput, communication latency, etc.
 - BMcD Deliverables:
 - One-hour long AMI/WAN project kickoff meeting
 - Site visits for equipment audit and site readiness at seventeen (17) substations
 - Produce a detailed characterization of existing Landis & Gyr AMI system to serve as a baseline when creating a specification for the replacement AMI system. Items to consider will be the following:
 - JMEC likes/dislikes regarding the existing L&G System.
 - Data collected by meters and how the data is communicated; is the existing system ANSI C12.22 compliant?
 - Two-way power flow and communication channel setup to meter this flow
 - Remote connects and disconnects
 - Meter form factors and use case; C&I versus Residential
 - Meter notifications; such as usage, outage, voltage level, current level, etc.
 - Two-hour long workshop with AMI/WAN stakeholders to gather requirements for a new AMI system.
 - Wide-Area Network (WAN)
 - System Description:
 - Data network connectivity at three (3) office locations
 - Data network connectivity at seventeen (17) substations
 - Additional details to be gathered during a kickoff meeting
 - BMcD Activities:
 - Review existing documentation and related information regarding the current

Proposal

Jemez Mountains Electrical Cooperative AMI and WAN Evaluation and Upgrade



January 24, 2019

- Wide-Area Network (WAN)
 - Survey the three (3) office locations to gather equipment information and inspect sites for new equipment installations.
 - Capture the existing system specifications with respect to equipment used, data bandwidth requirements, latency, and other technical parameters.
 - BMcD Deliverables:
 - One-hour long AMI/WAN project kickoff meeting via conference call
 - Site visits for equipment audit and site readiness at three (3) office locations
 - Produce a high-level architecture and specifications of existing wide-area data network
 - Two-hour long workshop with AMI/WAN stakeholders to gather requirements for a new AMI system.
- **Development of New System Specifications**
 - AMI System
 - Combine workshop feedback with stakeholder requirements into a single system specifications document
 - BMcD Deliverable: AMI System Specification for use in RFP
 - The new system specifications will capture the interfaces required for integration into other JMEC systems but will not specify any system beyond the AMI meters and head-end. Therefore, only the required communication interfaces will be specified in the RFP document. Examples of these out of scope systems include Outage Management, Net Metering, Billing, and other systems.
 - Wide-Area Network
 - Combine workshop feedback with stakeholder requirements into a single system specifications document
 - BMcD Deliverable: Wide-Area Network system architecture based on existing JMEC communication system assets, current and future data networking needs, and budgetary constraints
- **System Selection and Procurement**
 - AMI System
 - Develop a formal Request for Proposal (RFP) document with input from JMEC. Note that this RFP will be limited to the replacement meters, meter head-end system and installation only.
 - Identification of potential bidders
 - Compile vendor bids into a compliance matrix to calculate the vendors' ability to meet the requirements set forth in the RFP document.
 - Assist JMEC with a detailed analysis of the top 3 vendor proposals
 - Assist JMEC in addressing vendor questions
 - Provide support to JMEC as needed in their final vendor selection
 - BMcD Deliverables:
 - Final RFP Document ready for release to vendors

Proposal

Jemez Mountains Electrical Cooperative AMI and WAN Evaluation and Upgrade



January 24, 2019

- Compliance matrix and bid evaluation support
- On site meeting with JMEC team to review RFP and address any questions
- Wide-Area Network
 - WAN system design system based on recommended architecture
 - Estimated cost to implement and acquired relevant vendor quotes
 - BMcD Deliverables:
 - Final network architecture, design, BOM, and cost estimates
 - On site meeting with JMEC team to review WAN deliverables and address any questions
- **Marketing Campaign**
 - BMcD will advise JMEC in the development of a Marketing Campaign to communicate the project goals and benefits to their members as related to the Advanced Metering Infrastructure (AMI) and improved Wide-Area Network (WAN) communications projects
 - BMcD will identify a firm to execute the Marketing Campaign and obtain price quotes on behalf of JMEC. Payment to marketing firm will be the responsibility of JMEC.

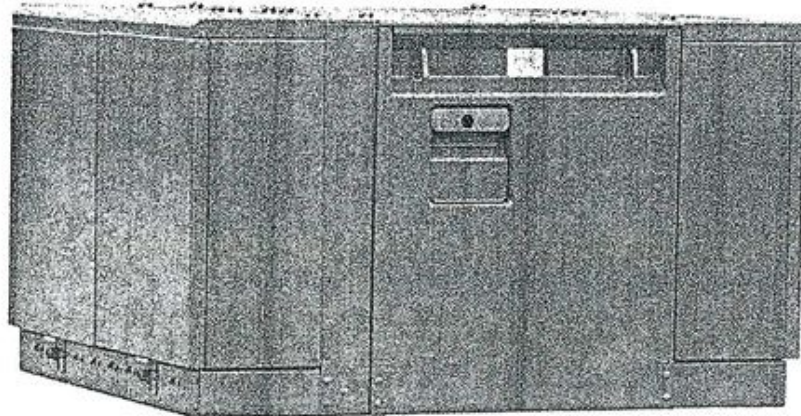
PROJECT SCHEDULE

The following milestone schedule is proposed in support of the overall project schedule. A detailed schedule will be developed following a kick-off meeting with the JMEC. The BMcD scope of work related to system implementation will be dependent upon the technologies selected and targeted timelines of implementation. Therefore, BMcD proposed to provide a quote for these services after the technologies and the respective vendors have been selected by JMEC.

Task	Duration	Timeframe
Assessment of Existing Systems	2 Weeks	02/04/19 – 02/15/19
Develop New System Specifications	2 Weeks	02/18/19 – 03/01/19
System Selection and Procurement (RFP)	8 Weeks	03/04/19 – 04/26/19
Marketing Campaign Assistance	12 Weeks	02/04/19 – 04/26/19

**Underground
Distribution Switchgear
CA285002EN** *Effective October 2015
Supersedes 285-20 October 2013* **COOPER POWER
SERIES**

Type MOST oil switch



Contents

Description	Page
General	2
Ordering information	2
Features and detailed description	6
Fuse assemblies	7
MOST switching system	7
Cabinet construction	8
Finish	8
Bushings	8
Production testing	8



Eaton's Power Systems Division
 Proposal Number: BRD3901356
 Revision 00

Date: March 05, 2019
 Proposal Valid Through: May 07, 2019

Item Details

Item Number: 00001

Customer RFQ Information: Email: LANL PAD MTD SWGR MOST 9B; Dated: 3/1/2019

Quantity	Unit Price	Extended Price
1		
		SD

Lead-time (Per Lead-time definition in Proposal Details):

Product Lead-time (X): 17 - 18 weeks ex-factory - Complex New Design

\$ 22920

Description: Cooper Part Number: ENG-PRODUCT-PAD

Unit Description	15 kV 3 Phase Oil Break Switch (MOST) Pad-Mounted Switchgear	
Unit Characteristics		
Model 9B	Model 9B - 4 Way	
Unit Configuration	Double Sided	
Insulation Medium	Mineral Oil Fluid.	
Tank/Cabinet Material	Mild Steel	
Switch Type	Fusible	
Load Switch Rating	600 Amp	
Switch Mounting; Operation Style	Side Mount, Side Operated	
Paint Color	Grey ANSI #61	
Special Features		
Fault Indicator Provisions	Standard Provisions (1.08" Diameter Hole with Cover Plate)	
Grounding Provisions	1/2"-13 UNC Stainless Steel Welded Ground Nuts (standard)	
Decal	External Mr. Ouch Bi-lingual Decals	
Decal	Non-PCB Decal	
Service Items	1" Drain Valve with 3/8" Sampler	
Test Report	Certified Test Report Required	
Phase Diagram	1-Line	
Way 1 Features		
Way Features	(S1) Source - LBOR Switch	
Handle	One Three-Phase Handle	
Bushings	600 Amp Aluminum Deadbreak Bushings	
Bushing Accessories	600 Amp Bushing Studs - Aluminum (1 Set of 3)	
Way 2 Features		
Way Features	(S2) Source - LBOR Switch	
Handle	One Three-Phase Handle	
Bushings	600 Amp Aluminum Deadbreak Bushings	
Bushing Accessories	600 Amp Bushing Studs - Aluminum (1 Set of 3)	

2237 Cortina Loop SE Rio Rancho, NM 87124
 Phone: 505-629-7283 & 505-268-8456 Fax: 713-465-6291 E-Mail: mbates@lynnelliott.com

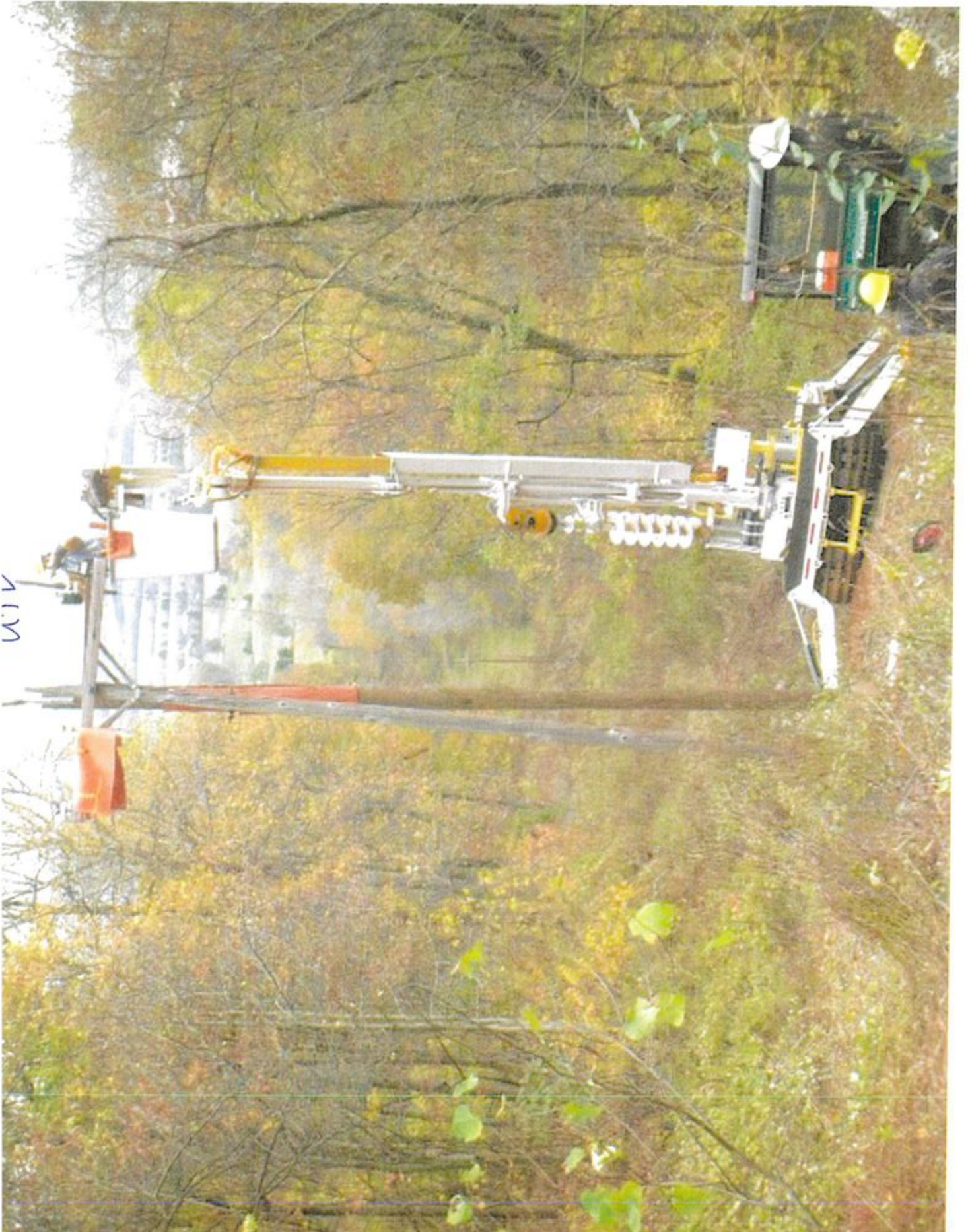
This bid contains protected, proprietary and confidential material that constitutes either (1) trade secrets and (2) commercial or financial information, the disclosure of which would cause substantial competitive harm to Eaton.

DR41B



FOR NEW EQUIPMENT SALES, CALL
800.958.2555
TO SPEAK WITH AN ALTEC REPRESENTATIVE
or visit us online at altec.com

Altec
DIGGER DERRICK



	ALTEC	UTV
	DR41B	Achiever 5042
DERRICK TYPE		
Track Carrier Size	Medium	Medium
Carrier Operation	Ride on	Ride On
UNIT SPECIFICATIONS: GENERAL SPECIFICATIONS		
Sheave Height	41.3	42 ft
Sheave Height with Jib	49.3 ft with jib	46 ft with jib
Material Handling Jib Desc.		
Max Horizontal Reach	33.5 ft	32 ft
Digging Torque	8,000 ft-lbs is standard	5,000 ft-lbs standard 9,500 ft-lbs or 12,000 ft-lbs optional
Digging Radius, Maximum	21.7 ft	20 ft
Boom Articulation Angles	-5 to 80 deg	-16 to 80 deg
Rotation	Continuous	Continuous
Hyd extending boom sections	2	2
Fiberglass upper boom	Yes	Yes
Controls- lower	Radio	Single lever control riding seat
Controls - upper	Radio	Full Pressure
UNIT SPECIFICATIONS: LIFTING CAPACITIES & POLE HANDLING		
Lifting Capacity	5315 lbs at 10ft 6000 lbs at 8ft	5,000 lbs at 8 ft
Winch Location Options	Turntable Only (tu	turret only
Winch Capacity	6,000 lbs	5,000 lbs
Hyd Pole Guides: Open/Close	Yes - Standard	Yes - Standard
Hyd Pole Guides: Tilt	Yes - Standard	Yes - Standard
Auger Release	Hydraulic release, button on Control panel	Manual
Digger Shake	Standard	
2 speed digger	Standard, hydraulic	Optional- must request
Auger & Boom Stow protection	Standard	No
Hydraulic Overload Protection	Yes - Standard	Overload protection - locked out functions are unknown
Side Load Protection	Hydraulic - Standard	No
UNIT SPECIFICATIONS: PLATFORM USE		
Combined Use	Yes	Yes
Boom Tip Tools	Yes	Yes
Platform Capacity (w/o liner)	350 lbs	
Platform Working Height	43.2 ft	46 ft
Platform height (gbb)	42 in	
Dual- 1 man buckets (avail?)	Yes	No
UNIT SPECIFICATIONS: HYDRAULIC SYSTEM		

Hydraulic System Type	Electric / Hydraulic	Full pressure hydraulic
Pump Type	Piston pump	Gear pump
Hyd System Flow (Max gpm)	40 gpm	2 x 24 gpm
Hyd System Press (Max psi)	3000 psi	3000 psi
Hydraulic Reservoir Capacity	30 gal	40 gal
Hydraulic Controls	No - Electric(emergen cy lower control)	
UNIT SPECIFICATIONS: OUTRIGGERS, DIMENSIONS, & WEIGHT		
Stowed Unit: W x L x H	8ft X 18ft X 8.1ft* *8.4ft with cab mount strobe	9 ft 7 in
Track Extension	N/A	N/A
Outriggers	2 Sets, Radial	2 sets standard
O/R Max extension from cargo deck		
Max O/R footprint	222.5 in	
Max O/R Penetration	22 in	20 in
Cargo Deck Capacity	3,000 lbs	
Cargo Deck Dimensions (W x L)	81 in X 85.75 in	
Cargo Deck Height	37 in	
Overall weight	21,300 lbs without blade 21,700 lbs with blade	15,800 lbs + options
CARRIER SPECIFICATIONS		
Track Carrier HP	75 hp	125 hp
Engine Manufacturer	Kubota Tier IV Fir	Iveco
Travel/drive tilt sensor	Standard	
Maximum Inverter Size		
Tools at ground level (hyd)	Yes	Optional - must request
Gradeability	25 deg	35 deg
Side Stability	20 deg	15 deg
Track ground pressure	6.45 psi	2 psi
Carrier Mount Win	Electric winch Pinnable front or rear 15,000 lbs option 18,000 lbs option	Electric win available from 9,500 lbs to 16,500 lbs max
Carrier Travel Controls	Joystick	Dual Joysticks
Maximum Ground Speed	5 mph	8 mph
TRAILER		
Trailer GVWR, lbs	30,000 lbs	21000 lbs
Trailer Weight, lbs	6,100 lbs	
MISC		

Low speed function availability	Yes- Standard/Low Speed Selector at lower controls and remotes. The function is separate from engine throttle control, giving the operator additional fine tuning speed control.	100% - 50% Proportional control on remote only
Function speeds	Multi-Plex Electric over Hydraulic Controls	Full hydraulic system, programmability not avail
Extension Cylinder	Protected within boomset	

	ALTEC DR41B	UTV ACHIEVER 5042
PRICE	\$ 284,933.00	\$ 298,700.00
TRANSPORT		\$ 4,360.00
NMGRT 6.785%	\$ 19,589.14	\$ 20,535.63
TOTAL COST	\$ 304,522.14	\$ 323,595.63

RECOMMEND PURCHASE FROM ALTEC LOW BIDDER
 NOTE: TOTAL COST INCLUDES TRAILER FOR TRANSPORTING UNIT

U-36	HENRY VALENCIA	DESSERT SUN MOTORS	TRADE IN: 2001 DODGE RAM 2500 MILEAGE 139638 CONDITION FAIR
MSRP	\$ 54,090.00	NO BID	
LESS TRI STATE REBATE	\$ 45,038.00		
TRADE IN ALLOWANCE	\$ 1,500.00		
TOTAL COST	\$ 43,538.00		

U-63	HENRY VALENCIA	DESSERT SUN MOTORS	TRADE IN: 2011 CHEVY 3500 HD MILEAGE 164298 CONDITION POOR
MSRP	\$ 53,470.00	NO BID	
LESS TRI STATE REBATE	\$ 44,481.00		
TRADE IN ALLOWANCE	\$ 5,000.00		
TOTAL COST	\$ 39,481.00		

DESSERT SUN DID NOT MEET THE BID DATE

RECOMMEND PURCHASE FROM HENRY VALENCIA

U-36 FOR MAIN OFFICE

U-63 LINE TRUCK CUBA

FEBRUARY 2019 Ratios						
			ACTUAL	BUDGET	VARIANCE	
		TIER	4.89	2.44	2.46	
		OTIER	4.74	1.57	3.18	
		OTIER CALCULATION				
		FORM 7 LINE 16				
		A Interest on Long Term Debt	166,000			
		FORM 7 LINE 21				
		B Operating Margin	621,516			
		A + B = C	787,516			
		C / A	4.74			
YEAR-TO-DATE RATIOS						
			ACTUAL	BUDGET	VARIANCE	REQUIREMENT
		TIER	4.03	2.44	1.59	RUS ANNUAL MINIMUM REQUIREMENT IS 1.25
		OTIER	4.08	1.57	2.52	RUS ANNUAL MINIMUM REQUIREMENT IS 1.10
		Y-T-D OTIER CALCULATION				
		FORM 7 LINE 16				
		A Interest on Long Term Debt	321,246			
		FORM 7 LINE 29				
		B Margins	990,787			
		A + B = C	1,312,032			
		C / A	4.08			

RATIOS AND STATISTICS

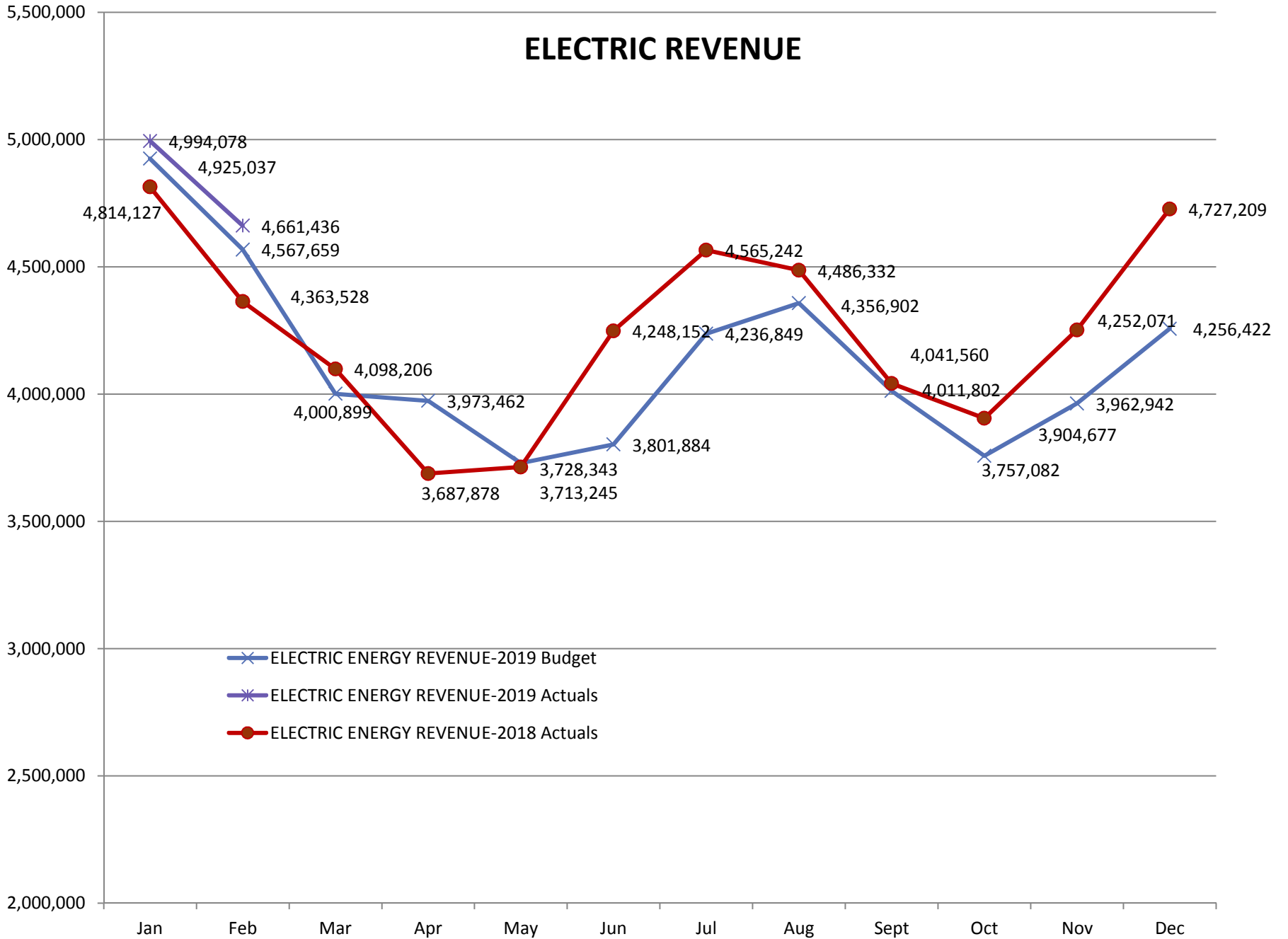
FEBRUARY 2019

	Feb-19	Feb-18
CONSUMER STATS		
Number of Consumers	31,148	30,972
Avg. KWH Usage - Residential	711	643
Avg. KWH Usage - Small Commercial	3,710	3,592
Avg. KWH Usage - Large Commercial	942,400	993,600
Avg. KWH Usage - Public Authority	2,086	1,621
Avg. KWH Usage - Lighting	1,891	1,934
Connects - Espanola	131	135
Connects - Jemez Springs	8	11
Connects - Cuba	14	18
Total Connects	153	164
Disconnects - Espanola	95	116
Disconnects - Jemez Springs	7	9
Disconnects - Cuba	12	18
Total Disconnects	114	143
Consumers Per Employee	281	295
REVENUE STATS		
Revenue/KWH Sold	\$ 0.13	\$0.13
Revenue Generated per Mile	\$ 1,185.86	\$1,145.77
Purchased Power as a % Revenue	59%	55%
Operating Expense as a % of Revenue	20%	23%
Margins as a % of Revenue	13%	7%

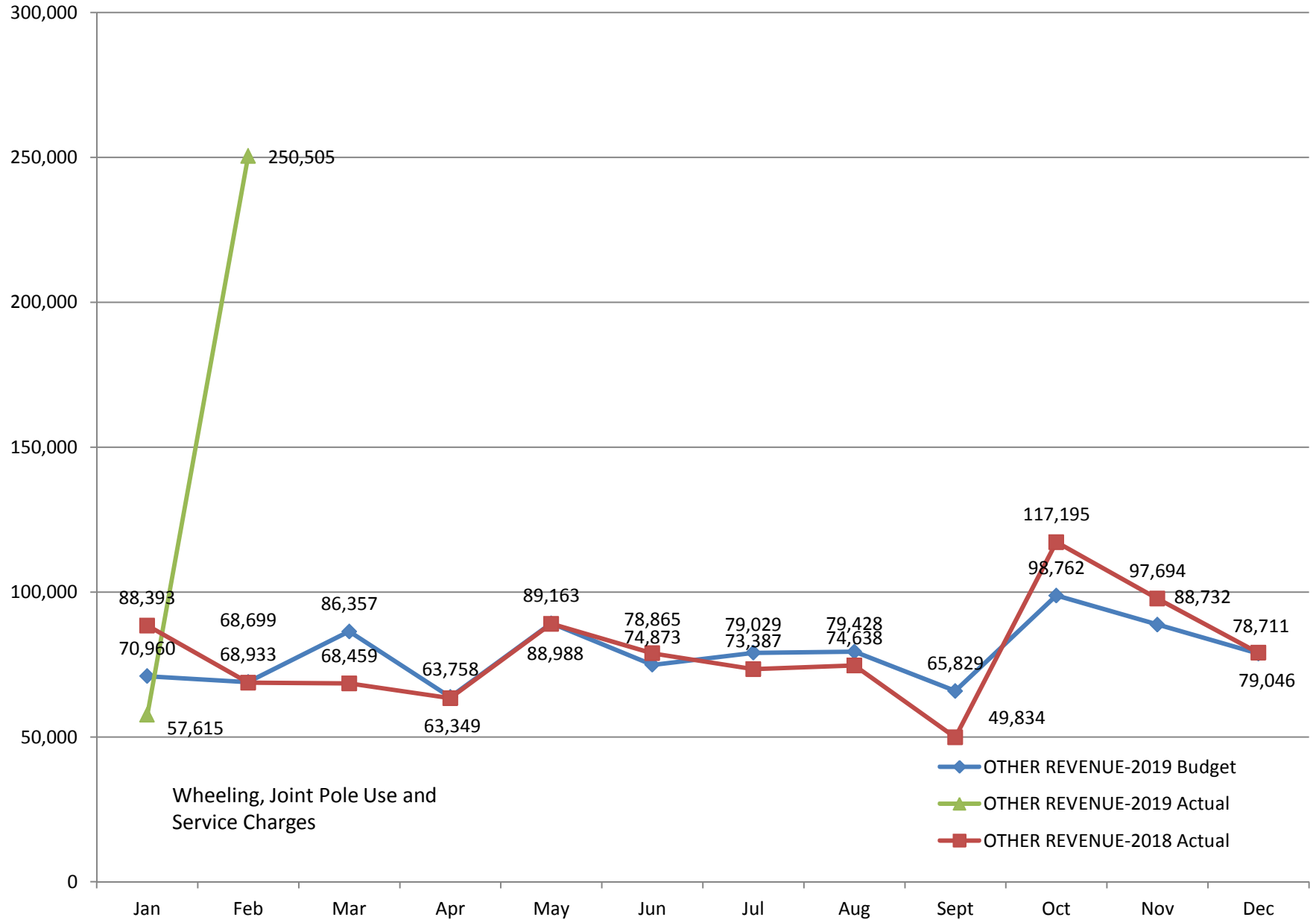
	Feb-19		Feb-18	
<u>PURCHASED POWER STATS</u>				
KWH Purchased		37,301,231		33,512,516
KWH Sold		38,578,587		36,351,878
Own Use		121,699		108,463
Line Loss		(1,399,055)		(2,947,825)
Percent Loss		-4%		-9%
Cost/KWH Purchased	\$	0.077	\$	0.077
Avg. KWH Cost - Residential	\$	0.13	\$	0.14
Avg. KWH Cost - Small Commercial	\$	0.13	\$	0.13
Avg. KWH Cost - Large Commercial	\$	0.10	\$	0.10
Avg. KWH Cost - Public Authority	\$	0.14	\$	0.15
Avg. KWH Cost - Lighting	\$	0.18	\$	0.18
<u>PLANT STATS</u>				
Total Miles of Line		4,125		4,124
Density (# of customers / miles of line)		7.55		7.44
Plant Investment per Mile	\$	29,227.89	\$	28,752.83
Depreciation as a % of Plant		48%		47%
Plant Per Consumer	\$	3,870.72	\$	3,828.51
Inventory as a % of Plant		1.89%		1.59%
O & M Expense as a % of Plant		1.44%		1.54%
% Idle Services (Meters Idle/Total Meters)		0.70%		1.04%
<u>DEBT STATS</u>				
RUS Loans as % of Total Loans		80%		75%
Co-Bank/CFC Loans as % of Total Loans		20%		25%
<u>FINANCIAL STATISTICS</u>				
Number of Employees		111		105
Net Worth		50%		49%
Consumer Expense Per Consumer	\$	5.57	\$	5.67
Admin. & General Expense Per Consumer	\$	13.28	\$	14.80



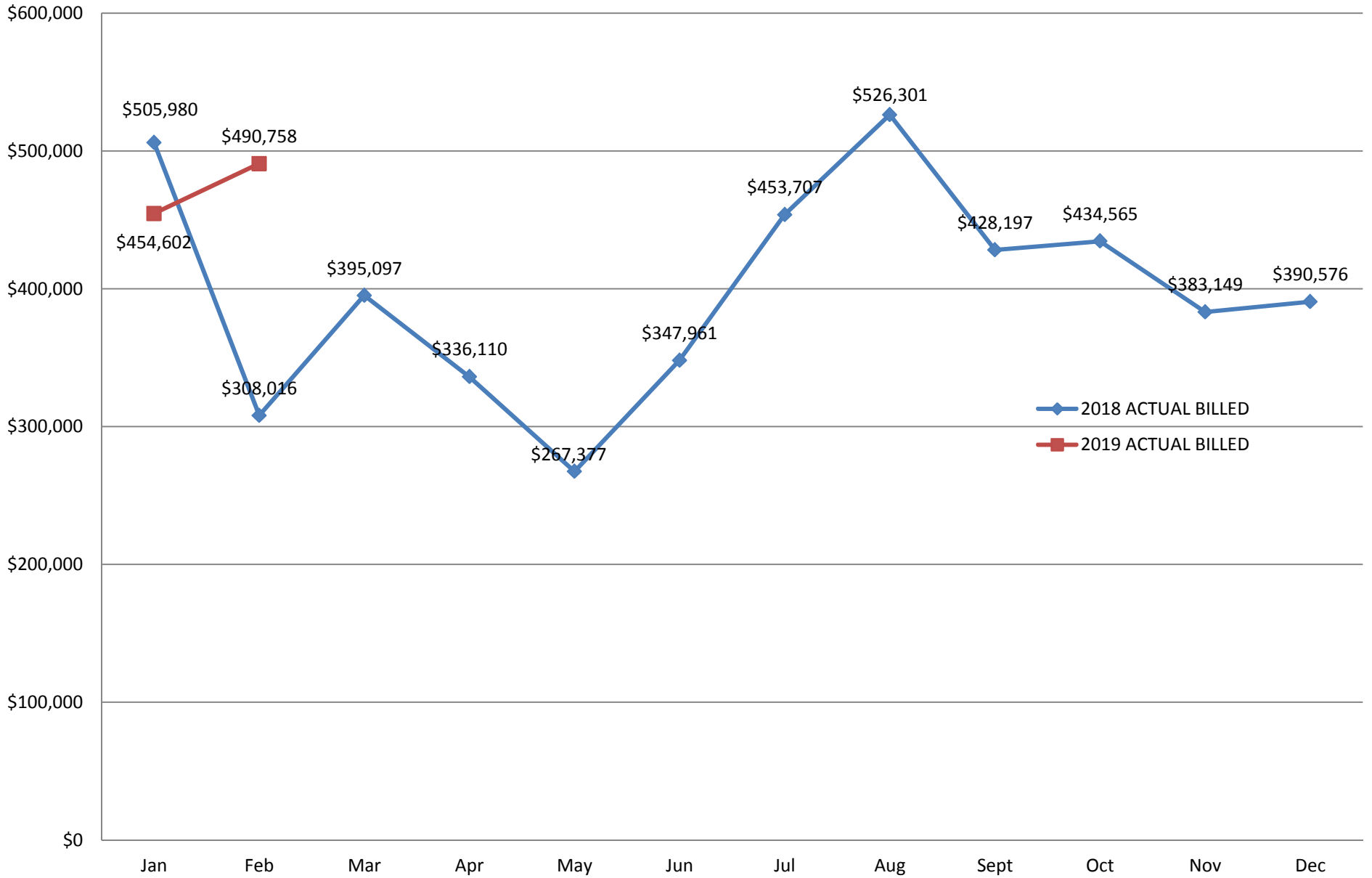
ELECTRIC REVENUE



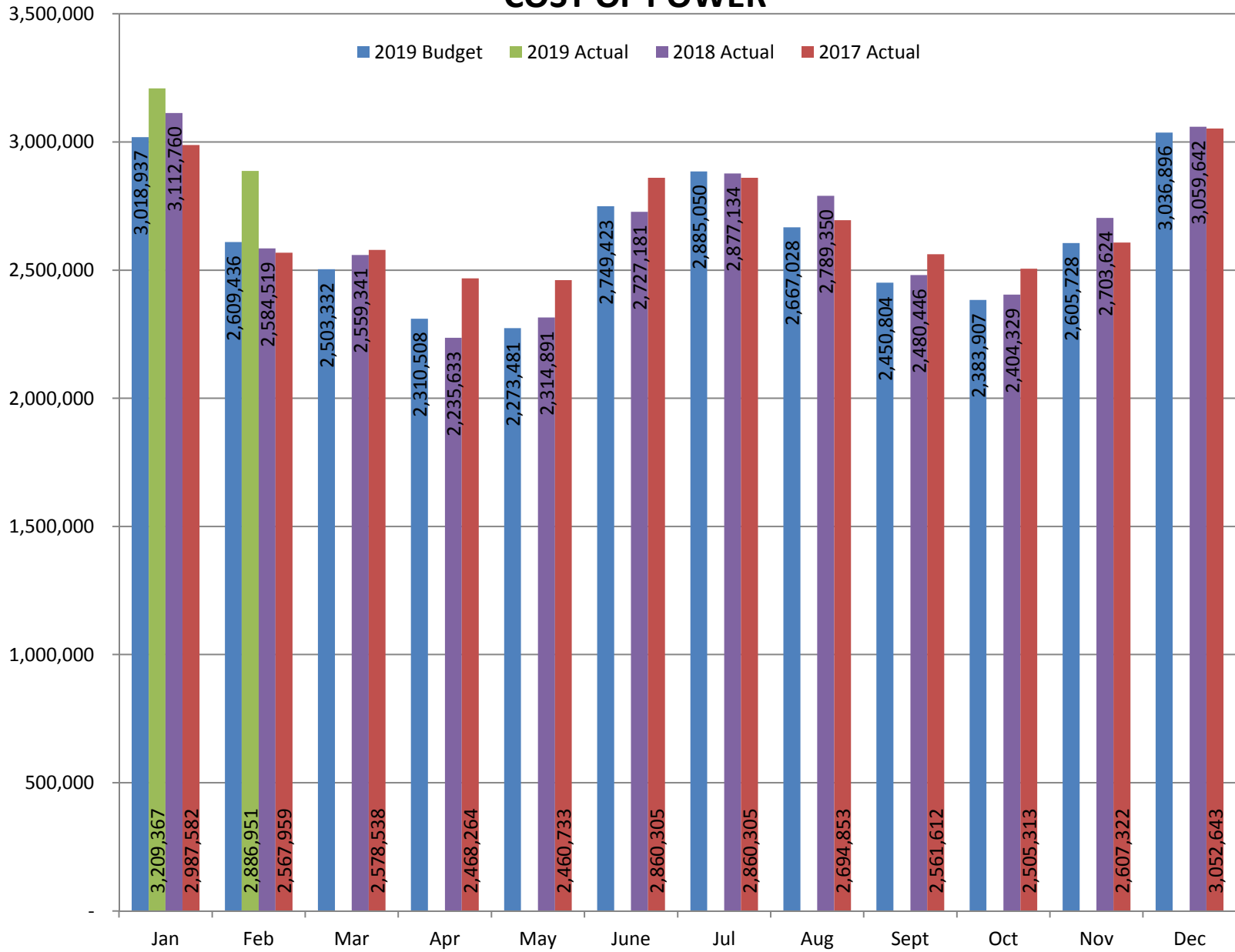
OTHER REVENUE

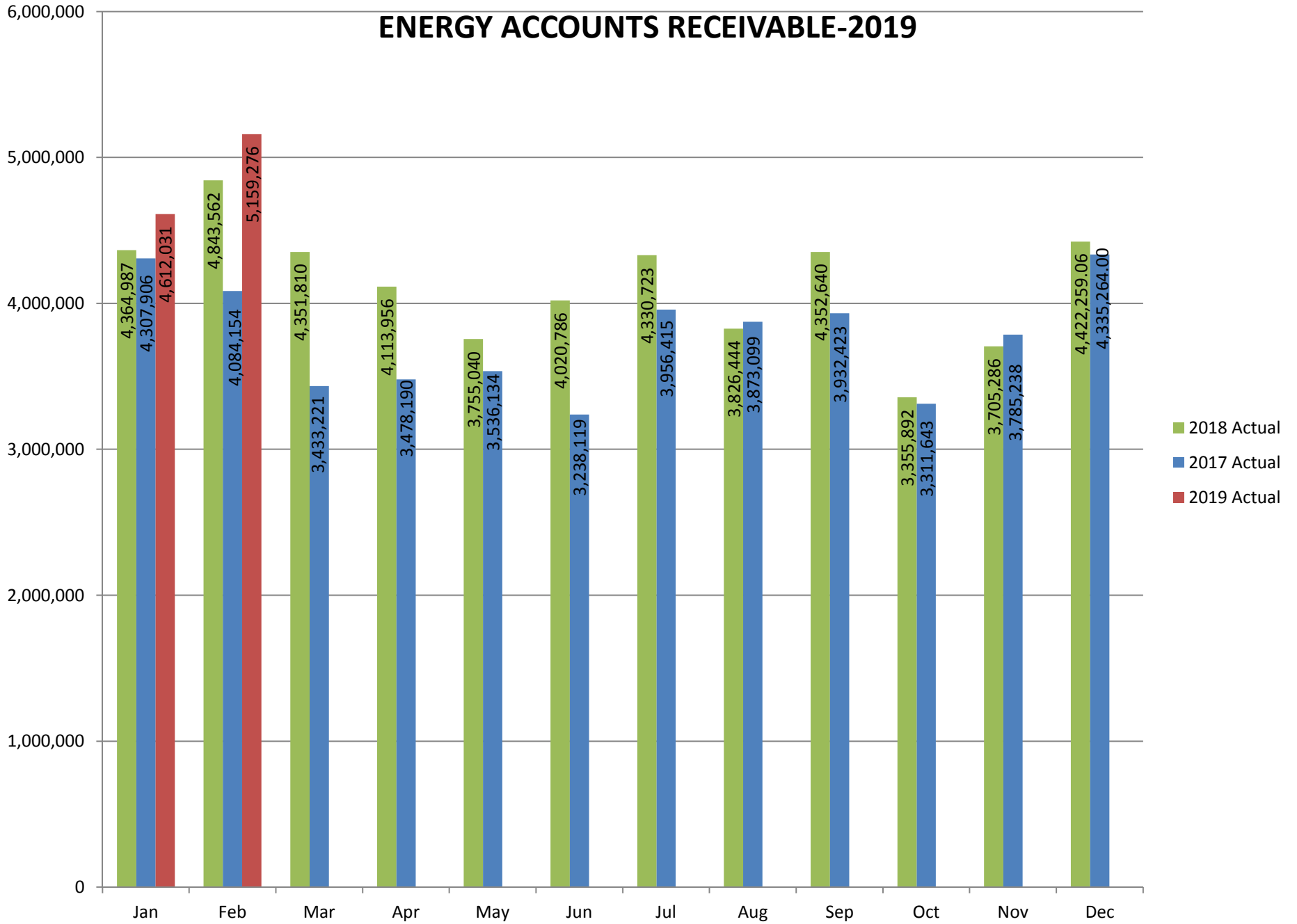


KINDER MORGAN 2018 and 2019 REVENUE

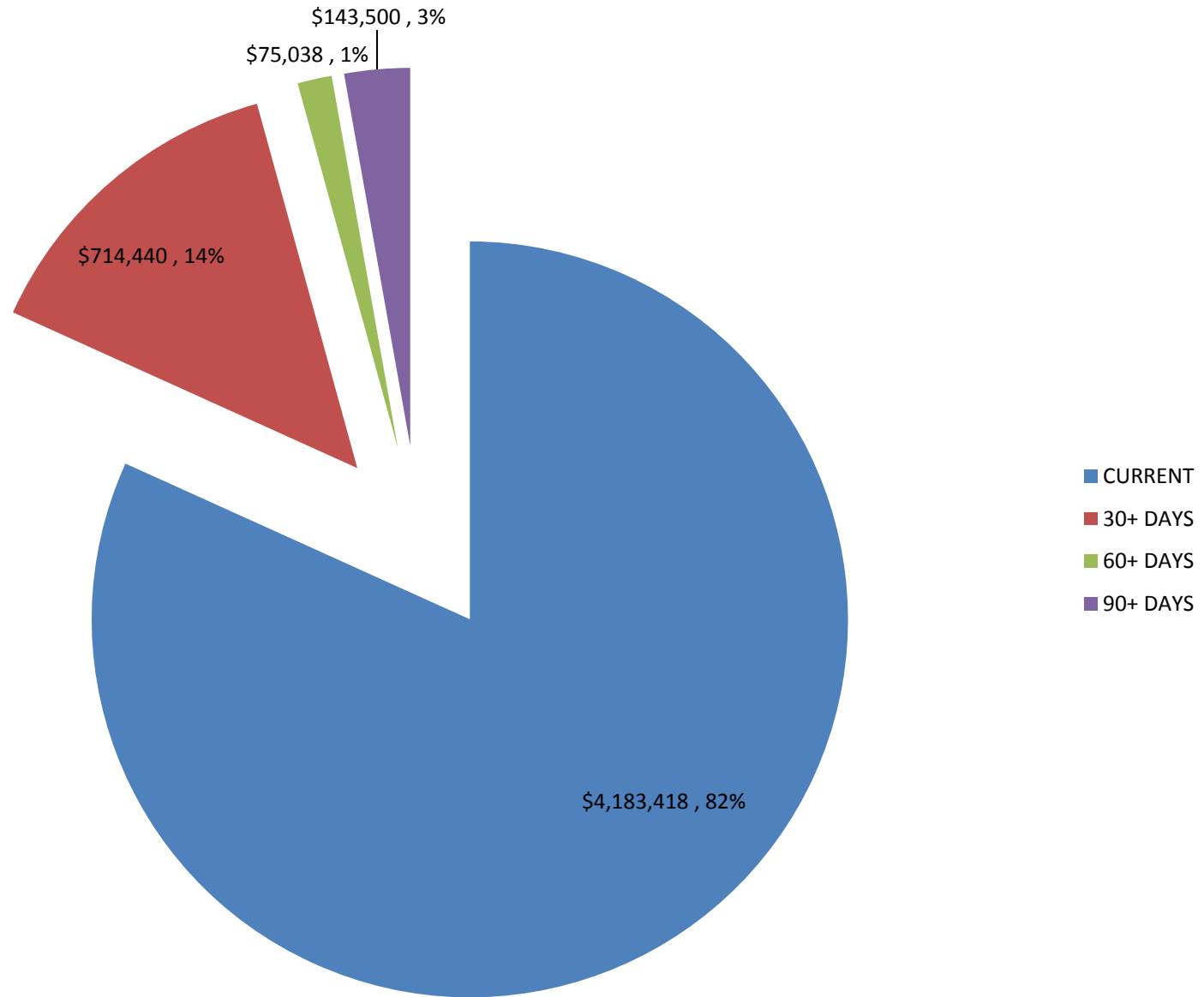


COST OF POWER

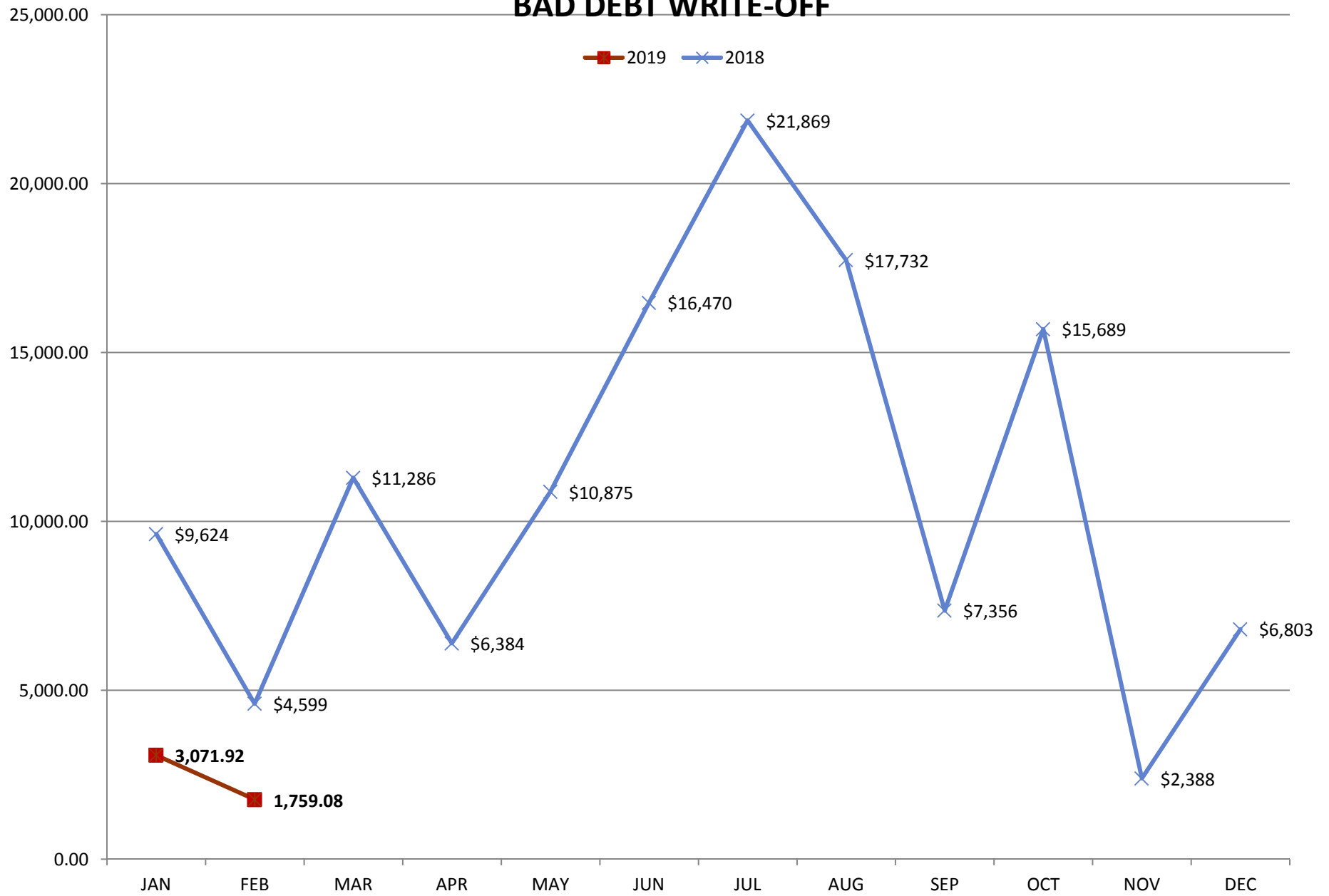




Accounts Receivable Aging February 2019



BAD DEBT WRITE-OFF



BOARD MEETING - BUSINESS SERVICES AND FINANCES

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0028 PERIOD ENDED February, 2019 BORROWER NAME Jemez Mountains Electric Cooperative, Inc.
INSTRUCTIONS - See help in the online application.	

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

- | | |
|--|---|
| <input type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects. | <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report. |
|--|---|

_____ DATE _____

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR <i>(a)</i>	THIS YEAR <i>(b)</i>	BUDGET <i>(c)</i>	
1. Operating Revenue and Patronage Capital	10,535,733	10,199,187		5,011,904
2. Power Production Expense				
3. Cost of Purchased Power	5,697,450	6,096,318		2,886,951
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	445,770	405,312		175,628
7. Distribution Expense - Maintenance	367,413	451,569		217,231
8. Customer Accounts Expense	342,677	374,708		173,480
9. Customer Service and Informational Expense	5,181	19,285		6,023
10. Sales Expense				
11. Administrative and General Expense	1,897,351	837,565		413,679
12. Total Operation & Maintenance Expense (2 thru 11)	8,755,842	8,184,757		3,872,992
13. Depreciation and Amortization Expense	564,872	558,987		279,667
14. Tax Expense - Property & Gross Receipts	125,029	143,326		71,663
15. Tax Expense - Other				
16. Interest on Long-Term Debt	408,414	321,246		166,000
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	494	85		66
19. Other Deductions				
20. Total Cost of Electric Service (12 thru 19)	9,854,651	9,208,401		4,390,388
21. Patronage Capital & Operating Margins (1 minus 20)	681,082	990,786		621,516
22. Non Operating Margins - Interest	66,265	62,815		25,581
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(2,245)	(81,242)		(708)
26. Generation and Transmission Capital Credits	4,774			
27. Other Capital Credits and Patronage Dividends				
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	749,876	972,359		646,389

BOARD MEETING - BUSINESS SERVICES AND FINANCES

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION NM0028		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED February, 2019		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR <i>(a)</i>	THIS YEAR <i>(b)</i>		LAST YEAR <i>(a)</i>	THIS YEAR <i>(b)</i>
1. New Services Connected	16	35	5. Miles Transmission	185.17	185.17
2. Services Retired	4	8	6. Miles Distribution – Overhead	3,364.52	3,364.62
3. Total Services in Place	34,526	31,049	7. Miles Distribution - Underground	574.76	575.25
4. Idle Services <i>(Exclude Seasonals)</i>	277	218	8. Total Miles Energized <i>(5 + 6 + 7)</i>	4,124.45	4,125.04
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	120,565,045		30. Memberships	112,360	
2. Construction Work in Progress	5,977,655		31. Patronage Capital	58,559,376	
3. Total Utility Plant <i>(1 + 2)</i>	126,542,700		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	58,176,698		33. Operating Margins - Current Year	2,302,549	
5. Net Utility Plant <i>(3 - 4)</i>	68,366,002		34. Non-Operating Margins	(89,727)	
6. Non-Utility Property (Net)	150,210		35. Other Margins and Equities	60,812	
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities <i>(30 thru 35)</i>	60,945,370	
8. Invest. in Assoc. Org. - Patronage Capital	19,465,349		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	0		38. Long-Term Debt - FFB - RUS Guaranteed	45,460,759	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	10,181,135	
12. Other Investments	0		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	4,870,732	
14. Total Other Property & Investments <i>(6 thru 13)</i>	19,615,559		43. Total Long-Term Debt <i>(37 thru 41 - 42)</i>	50,771,162	
15. Cash - General Funds	17,305,830		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	0		45. Accumulated Operating Provisions and Asset Retirement Obligations	0	
17. Special Deposits	0		46. Total Other Noncurrent Liabilities <i>(44 + 45)</i>	0	
18. Temporary Investments	43,534		47. Notes Payable	0	
19. Notes Receivable (Net)	26,840		48. Accounts Payable	3,791,373	
20. Accounts Receivable - Sales of Energy (Net)	5,221,932		49. Consumers Deposits	206,323	
21. Accounts Receivable - Other (Net)	862,115		50. Current Maturities Long-Term Debt	2,927,090	
22. Renewable Energy Credits	0		51. Current Maturities Long-Term Debt - Economic Development	0	
23. Materials and Supplies - Electric & Other	2,275,386		52. Current Maturities Capital Leases	0	
24. Prepayments	387,045		53. Other Current and Accrued Liabilities	2,021,982	
25. Other Current and Accrued Assets	3,089,946		54. Total Current & Accrued Liabilities <i>(47 thru 53)</i>	8,946,768	
26. Total Current and Accrued Assets <i>(15 thru 25)</i>	29,212,628		55. Regulatory Liabilities	0	
27. Regulatory Assets	4,875,036		56. Other Deferred Credits	1,409,763	
28. Other Deferred Debits	3,838		57. Total Liabilities and Other Credits <i>(36 + 43 + 46 + 54 thru 56)</i>	122,073,063	
29. Total Assets and Other Debits <i>(5+14+26 thru 28)</i>	122,073,063				

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

Minutes of Regular Board Meeting

Westminster Colorado - Headquarters Building

March 5-6, 2019

Chairman and President Rick Gordon called the Meeting to order at 12:40 p.m. All directors were present except Wayne Connell (Central New Mexico), Carl Trick (Mountain Parks), Gary Fuchser (Northwest), Ralph Hilyard (Roosevelt), and Jim Soehner (Y-W). Also present for all or a portion of the Meeting were the following Management personnel: Chief Executive Officer Micheal McInnes; Senior Vice President (Generation) Barry Ingold; Senior Vice President (General Counsel) Ken Reif; Senior Vice President (Transmission) Joel Bladow; Senior Vice President (Chief Financial Officer) Pat Bridges; Senior Vice President (Energy Management) Brad Nebergall; Senior Vice President (Policy & Compliance/Chief Compliance Officer) Barbara Walz; Senior Vice President (Organizational Services/Chief Technology Officer) Ellen Connor; and Senior Vice President (Member Relations) Jennifer Goss. Also present for all or part of the Meeting were Eric Anderson and Chip Marks (CFC); Chris McCourt (Colowyo); Steve Fetterman, Kaki Giauque and Milan Filmore (Ernst & Young); Matthew Collins (Central New Mexico); Gary Smith (High West); David Churchwell (K.C.); Dennis Svanes (La Plata); Tim Sifers (Mountain Parks); Chance Briscoe (Northwest); Mario Romero and Charlie Mulcock (Otero); Ryan Reiber (Panhandle); Charlie Abel and Joe Redetzke (Sangre de Cristo); Reg Rudolph (San Isabel); Dean Hubbuck, John Parker and James Vigesaa (United); Tim Lindahl (Wheat Belt); and some Tri-State staff personnel, including Penny McLaughlin who recorded these Minutes at the request of Secretary Julie Kilty.

INTRODUCTION OF GUESTS AND VISITORS

Mr. Gordon welcomed guests and visitors in attendance and asked them to introduce themselves.

ACTION ON AGENDA

Action: Mr. Mollenkopf moved to adopt the Order of Business as presented at this Meeting; motion seconded and carried without dissent.

ACTION ON REGULAR BOARD MEETING MINUTES

Action: Mr. Rendon moved to approve the Minutes of the February 5, 2019, Regular Board Meeting as presented at this Meeting; motion seconded and carried without dissent.

PRESIDENT'S REPORT

Executive Committee Report

Mr. Gordon furnished to and briefly reviewed with the Directors copies of the Minutes of the March 4, 2019, Meeting of the Committee. The Minutes indicated that the Executive Committee reviewed Policies #106 (Use of Mobile Equipment by Member Systems Policy), #107 (Use of Mobile Equipment by Non-Members Policy), #109 (Member System Transmission Service Policy), #110 (Transmission Extension Policy), #402 (Environmental Compliance Policy), and referred those Policies to certain Tri-State Committees for consideration. Policies #201 (Affirmative Action Policy) and #312 (Board of Directors Committees Policy) were forwarded to the Board and reaffirmed without changes. Policy #315 (Rate Design Process Policy) was forwarded to the Board with recommendation by the Committee for approval with the proposed changes. The Minutes also included, among others, the following topics: Internal Auditor's Report; Compensation Discussion and Analysis for Inclusion in 2018 Annual Report on Form 10-K; Annual/Membership Meetings; Board Calendar; Educational Session; NRECA Annual Meeting and Legislative Conference; CEO's Report; December 2018 and January 2019 Financial Reports; Legal Report; and General Corporate Matters.

Policy #315 - Rate Design Process Policy

Action: Upon recommendation by the Committee, Mr. Rabon moved that Policy #315 be approved as presented at this meeting; motion seconded and carried without dissent.

(Note. The Policy was amended to update Member CEO designation.)

Ernst & Young's Audit Report

Mr. Steve Fetterman from Ernst & Young reported on the results of the 2018 Financial Audit. He advised that this is his

last year due to rotation requirements and introduced his replacement. He reported that the audit went very well and expressed appreciation for the cooperation of staff. Mr. Fetterman said that the unqualified opinion is expected to be issued and work completed prior to the filing of Tri-State's Form 10-K on March 8, 2019.

Update on New CEO

Mr. Gordon reported that Duane Highley was hired last month to replace Mike McInnes as CEO. He advised that Mr. Highley will be at Tri-State as of April 1, 2019.

Contract Committee

Mr. Gordon advised that the Committee discussed the recommendation by the Member CEOs to allow each Member System to select the individual to serve on the Contract Committee but decided to recommend that the Chairman continue to select the members of that Committee. He asked for comments and there were none. As there was no objection, Mr. Gordon advised that the regular process will be continued. He added that if a Member System wants to make a recommendation as to who should participate in the Contract Committee, they should speak to him. Mr. Gordon anticipates that the first meeting of the Contract Committee will likely take place in June.

Annual Meeting/Membership Meeting

Mr. Gordon reviewed the schedule for next month. Mr. McInnes reported on the planned topics for the Membership Meeting.

NRECA Annual Meeting and Legislative Conference

Mr. Gordon asked for a show of hands of those who plan to attend the NRECA Annual Meeting next week. He advised that Mr. Highley will be at that meeting.

Mr. Gordon reported that the NRECA Legislative Conference is scheduled for the end of April.

Internal Auditor's Report

Internal Auditor John O'Flannigan furnished to and briefly reviewed copies of the written Audit Report dated February 28, 2019. The Report included 2018 Financial Audit.

CEO'S REPORT

2018 Financial Results

Mr. Bridges reviewed 2018 adjustments to the preliminary results and the net effect of the changes. Brief discussion followed.

Loads and Resources Update

Mr. McInnes reported that there are no significant changes to report.

Special Membership Meeting

Mr. McInnes advised that an in-depth discussion regarding proposed changes to the Bylaws is planned for the Special Membership Meeting. He said that informal votes may be taken to gauge support for the proposed changes, but that no official action will be taken at this meeting. Brief discussion followed.

Member Resource Planning Session

Mr. McInnes reported that the main goal of the Member Resource Planning Session was to provide more comprehensive and in-depth information to the Member Systems than is provided in the Integrated Resource Plan (IRP) public meeting process. He said that he received many good comments after the meeting and asked if there were any additional comments. Following brief discussion, Mr. McInnes reviewed the IRP public meeting process dates. Mr. Nebergall reviewed the scope of each of the public meetings.

JANUARY 2019 OPERATIONS REPORT

Mr. Nebergall reviewed the January 2019 Operations and Marketing Report. The Report generally showed, among other things, January electric sales revenues from Member Systems of 0.6% below budget, and January electric sales revenues from Non-Members of 7.2% above budget, resulting in total January electric sales revenues of 0.1% below budget. Brief discussion followed.

JANUARY 2019 FINANCIAL REPORT

Mr. Bridges presented a slide report which included a review of Tri-State's financial position (Assets, Liabilities and Equity Position), the Operating Budget Variance Report for

the month of January 2019, and other financial information (detail on revenues and expenses, subsidiary operations, the Cash Flow Statement, Financial Ratios, and other pertinent financial information). The Consolidated Statements of Financial Position showed, among other things (rounded to nearest thousand), total property, plant and equipment of \$3,880,560,000, total assets of \$5,006,929,000, total equity and long-term debt of \$4,214,182,000, and total equity and liabilities of \$5,006,929,000. The Consolidated Statement of Operations Report showed, among other things (rounded to nearest thousand), operating margins for the month of \$18,773,000 and operating margins for the year of \$18,773,000, and net margins for the month of \$6,750,000 and net margins for the year of \$6,750,000. Brief discussion followed.

FINANCE AND AUDIT COMMITTEE

Mr. Brekel, as Chairman of Tri-State's Finance and Audit Committee, furnished to and briefly reviewed with the Directors copies of the Minutes of the March 5, 2019, Meeting of the Committee. The Minutes included, among others, the following topics: Policy Review; Finance and Audit Committee Charter Checklist; December 2018 Financial Statements - Final; Ernst & Young's Audit Results and Reports; January 2019 Financial Statements; Investment Report; Finance and Capital Markets Update; Rating Agency Update; Energy Risk Management Update; and Other Business. Policies #500 (Funds Disbursement Policy), #507 (Financial Forecast and Budget Policy), and #517 (Interest Rate Risk Management Program) were forwarded to the Board and reaffirmed without changes. Messrs. Brekel and Bridges reported on certain of these topics.

Rating Agency Update

Mr. Bridges discussed the criteria that the rating agencies look at and the recent comment letter issued by Moody's.

Mr. Brekel informed the Directors that the Finance and Audit Committee had no other matters to present to the Board.

ENGINEERING AND OPERATIONS COMMITTEE

Mr. Finnerty, as Chairman of Tri-State's Engineering and Operations Committee, furnished to and briefly reviewed with the Directors copies of the Minutes of the March 5, 2019, Meeting of the Committee. The Minutes included, among others, the following topics: Policy Review; Colowyo Mine Water Truck Purchase Authorization; Navopache Power Line Easement

Authorization; Highline Electric Association, Inc. Policy #117 Contract Authorization; Montrose-Nucla-Cahone Transmission Line Construction Contract Authorization; Montrose-Nucla-Cahone Transmission Line Construction Inspection Contract Authorization; Montrose-Nucla-Cahone Transmission Line Environmental Monitoring Contract Authorization; Cheyenne Maintenance Facility Purchase of Land Authorization; and Departmental Reports. Policies #105 (Maintenance and Repair Assistance Policy) and #113 (Underground High Voltage Transmission Facilities) were forwarded to the Board and reaffirmed without changes. Messrs. Finnerty, Bladow and Ingold reported on certain of these topics.

Colowyo Mine Water Truck Purchase Authorization

Action: Following explanation by Mr. Ingold and recommendation by the Committee, Mr. Mollenkopf moved for the adoption of a Resolution approving the purchase by Elk Ridge Mining and Reclamation, LLC, on behalf of itself and/or Colowyo Coal Company L.P., of a Caterpillar 785G Truck with a 30,000 gallon water tank system from Wagner Equipment Company at a total cost of approximately \$2,749,000.00 including ancillary equipment, commissioning, freight and taxes, and authorizing the Chief Executive Officer to execute, subject to legal review, any and all documents necessary to complete the purchase; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Navopache Power Line Easement

Action: Following explanation by Mr. Ingold, recommendation by the Committee and brief discussion, Mr. Darryl Sullivan moved for the adoption of a Resolution approving a non-exclusive easement for the transmission and distribution of electricity, communication signals and data, and for all other purposes in, upon, over, under, across, through and along the easement to Navopache Electric Cooperative Inc., a cooperative corporation, for approximately 1.8 acres of real property jointly owned by Tri-State Generation and Transmission Association, Inc., Salt River Project Agricultural Improvement and Power District, and Tucson Electric Power Company in Section 19, Township 12 North, Range 28 East

of the Gila and Salt River Meridian, Apache County, Arizona, and authorizing the Chief Executive Officer to execute, subject to legal review, all documents necessary to complete this transaction; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Highline Electric Association, Inc. Policy #117 Contract

Action: Following explanation by Mr. Nebergall and recommendation by the Committee, Mr. Clifton moved for the adoption of a Resolution approving a new Renewable Energy Credit Purchase Contract between Tri-State and Highline Electric Association, and authorizing the Chief Executive Officer to execute, subject to legal and technical review, said Renewable Energy Credit Purchase Contract for the 3.7 MW waste heat generation project known as the Trailblazer Generation Project, with a term of ten years, expiring on March 15, 2029; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Montrose-Nucla-Cahone Transmission Line Construction Contract

Action: Following explanation by Mr. Bladow and recommendation by the Committee, Mr. Keairns moved for the adoption of a Resolution approving the necessary contract or contracts with Brink Constructors, Inc., for construction of the Montrose-Nucla-Cahone 230 kV transmission line project, and authorizing the Chief Executive Officer to execute, subject to legal review, said contract(s) in the amount of \$22,204,783.07, plus any applicable taxes; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Montrose-Nucla-Cahone Transmission Line Construction Inspection Contract

Action: Following explanation by Mr. Bladow, recommendation by the Committee and brief discussion, Mr. Morgan moved for the adoption of a Resolution approving the necessary contract or

contracts with A&I Services of Colorado LLC for transmission line construction inspection services for the Montrose-Nucla-Cahone 230 kV transmission line, and authorizing the Chief Executive Officer to execute, subject to legal review, said contract(s) in the amount of \$1,374,487.46, plus any applicable taxes; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Montrose-Nucla-Cahone Transmission Line Environmental Monitoring Contract

Action: Following explanation by Mr. Bladow and recommendation by the Committee, Mr. Mollenkopf moved for the adoption of a Resolution approving the necessary contract(s) with BIO-Logic, Inc. for environmental compliance monitoring services for the Montrose-Nucla-Cahone 230 kV transmission line, and authorizing the Chief Executive Officer to execute, subject to legal review, said contract(s) in the amount of \$1,420,790.00, plus any applicable taxes; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Cheyenne Maintenance Facility Purchase of Land

Action: Following explanation by Mr. Bladow and recommendation by the Committee, Mr. Rabon moved for the adoption of a Resolution approving the purchase of approximately 20 acres located in the southeast quarter of Section 4, Township 13 North, Range 67 West of the 6th Principal Meridian, Laramie County, Wyoming, for a new Cheyenne maintenance facility, and authorizing the Chief Executive Officer to execute, subject to legal review, any and all documents necessary to purchase said property for a purchase price not to exceed \$2,700,000.00; motion seconded and carried without dissent (copy attached hereto and made a part hereof).

Chris McCourt, Colowyo Mine Manager, gave a slide presentation on "Colowyo Mine Surface Coal Mine Operations" in which he covered such topics as location, landmass, mine facts, resources, coal quality specifications, safety, and compliance. He provided a pictorial review of equipment, operations,

expansion, and reclamation. Mr. McCourt responded to questions throughout his presentation.

Mr. Finnerty informed the Directors that the Engineering and Operations Committee had no other matters to present to the Board.

EXTERNAL AFFAIRS/MEMBER RELATIONS COMMITTEE

Mr. Newman, as Chairman of Tri-State's External Affairs/Member Relations Committee, furnished to and briefly reviewed with the Directors copies of the Minutes of the March 5, 2019, Meeting of the Committee. The Minutes included, among others, the following topics: Policy Review; Safety Report; Environmental and Regulatory Activities; Legislative Review; Relationship Management and Rates; Communications and Public Affairs; and Other Business. Policies #205 (Safety and Occupational Health Policy) and #307 (Director Appreciation Policy) were forwarded to the Board and reaffirmed without changes. Policy #406 (Requests for Tri-State Information) was forwarded to the Board with recommendation by the Committee for approval with the proposed changes. Mr. Newman, Ms. Walz, and Ms. Goss reported on certain of these topics.

Policy #406 - Requests for Tri-State Information

Action: Following explanation by Ms. Goss and recommendation by the Committee, Mr. Travis Sullivan moved that Policy #406 be approved as presented at this meeting; motion seconded and carried without dissent.

(Note. The Policy was amended to standardize language and formatting and to remove "coal or other" from Section C(1)(d).)

Ms. Walz gave the safety report.

Ms. Walz reported on environmental compliance and provided an update on EPA initiatives and policy issues.

Ms. Walz reported on Federal legislative activities including bills introduced related to carbon, the Green New Deal resolution, and the Natural Resources Management Act. At the state level, Ms. Walz reported on activities in Colorado, Nebraska, New Mexico, and Wyoming.

Ms. Goss reported on Member Relations and Rates departmental activities, highlighting EPRI Power Delivery and Utilization Council meetings, EPRI irrigation webcast, Energy Efficiency Program rebates, and Renewable Resource Program presentation.

Ms. Goss also reported on Corporate Communications activity highlights, including development of phase two of the *Together* Campaign; promotional announcements regarding the Crossing Trails Wind Farm and Spanish Peaks Solar Project; new website; social media engagement; advisory council activities; Touchstone Energy promotional and sponsorship activities; educational programs; and media relations and crisis communications activities. She showed a short video on EPRI Low Temp Heat Project that was produced using the Cinebody program.

Mr. Newman informed the Directors that the External Affairs and Member Relations Committee had no other matters to present to the Board.

RECESS

Action: It being 4:09 p.m. and there being some additional business to transact, it was the consensus of the Directors that the Meeting should be recessed until 8:30 a.m. on Wednesday, March 6, 2019.

MARCH 6, 2019

Chairman and President Rick Gordon recalled the Meeting to order at 8:30 a.m. All Directors were present except Wayne Connell (Central New Mexico), Leo Brekel (Highline), Carl Trick (Mountain Parks), Gary Fuchser (Northwest), Ralph Hilyard (Roosevelt), Jack Sibold (San Miguel), and Jim Soehner (Y-W).

MEETINGS ATTENDED

CREA - Mr. Bledsoe reported on the annual meeting activities and discussions at the board meeting including guest speaker, PUC dockets, legislative bills, and a resolution passed to work with Tri-State on carbon legislation.

Western United - Mr. Keairns reported on annual meeting activities.

NREA - Mr. Turner reported on the legislative banquet and youth tour.

NMREA - Mr. Baca reported on legislative bills and upcoming annual meeting.

WREA - No meeting.

Basin - Written report provided on the iPad.

CREDA - No meeting.

Mid-West - No report.

Trapper - No meeting.

Western Fuels Association - Mr. Ingold reported on industry update, financials and operations.

Western Fuels - Wyoming - Mr. Ingold reported on changes to the articles and bylaws, changes to performance and reclamation bonds in Wyoming, update on Garner Lake Road project, and land swap.

Western States Power - No meeting.

COMPARISON OF BASIN ELECTRIC AND TRI-STATE

Mr. Nebergall presented a slide report on "Comparison of Basin Electric and Tri-State" developed in response to requests by Member System CEOs for an explanation of the differences between Basin's and Tri-State's rates. He discussed Basin's structure, the contracts between Basin and Tri-State, the contract extension issue in 2015, and the Dakota Gasification Company subsidiary of Basin. Mr. Nebergall presented a statistical comparison of the two companies, significant structural differences, comparison of 2018 blended average rates and the cost components, highlighting the biggest differential as fuel. He compared average coal prices for Tri-State, Basin and the national average, as well as depreciation, transmission and purchase power. Discussion took place throughout the presentation.

EDUCATIONAL SESSION - HIGH RENEWABLE PENETRATION

Mr. Nebergall gave a slide presentation on "High Renewable Penetration" wherein he discussed Tri-State's renewable portfolio;, dispatchable versus intermittent resources; total cost of renewables; initiatives and goals related to renewables, 100% renewable companies and how that is defined; examples of intermittent generation, energy storage, and PPA curtailment.

GENERAL COUNSEL

Mr. Reif reviewed the procedural schedule at the Public Utilities Commission for the Delta-Montrose Electric Association complaint. He also provided a status update on the related case filed by Tri-State in Adams County.

FURTHER BUSINESS

Mr. Gordon recapped the scheduled for next month.

Mr. Gordon recognized Rick Newman (United) for his service on the Tri-State Board.

ADJOURNMENT

Action: It being 10:26 a.m. and there being no further business to transact, it was the consensus of the Directors that the Meeting should be adjourned and that the next Regular Meeting of the Board should be scheduled for the Omni Interlocken Hotel in Broomfield, Colorado, to begin at 1:00 p.m. on Tuesday, April 2, 2019.

Secretary

APPROVED:

Chairman and President