

**MINUTES OF THE
JEMEZ MOUNTAINS ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES
FRIDAY, JULY 23, 2021
HERNANDEZ, NEW MEXICO**

1. This meeting of the Jemez Mountains Electric Cooperative, Inc. Board of Trustees was called to order by Chairman Dennis Trujillo at 9:00 a.m. on the above-cited date, at JMEC Headquarters, 19365 S.R. 84/285, Hernandez, New Mexico.

2. & 3. Following the Pledge of Allegiance, John Ramon Vigil, Secretary, called roll and confirmed the presence of a quorum.

Present:

Dennis Trujillo, Chair
Bruce Duran, Vice Chair
John Ramon Vigil, Secretary [9:45 arrival]
Dolores McCoy, Treasurer
Stanley Crawford, Asst. Secretary/Treasurer
Lucas J. Cordova
Johnny Jaramillo
Leo Marquez
Marissa Maestas-Muller
Nick Naranjo [telephonically]
Charlie Trujillo

Absent:

None

JMEC Staff Present:

Michael Hastings, General Manager
Dennis Astley, Director of Engineering/Engineering Operations
Tina Trujillo, Executive Assistant
Geraldine Romero, Finance Department
Andrew Chavez, Director of IT
Karen Wisdom, Contracts Administrator
Lenny Ortiz, Vegetation Manager
Alissa Maestas, Administrative Intern

Other(s) Present:

Duane Highley, Tri-State
Vince Martinez, Tri-State

Chuck Pinson, Statewide Board President
Ed Rougemont, Statewide, Fund Administrator
Keven Groenewold, Statewide, CEO
William Coburn, *Rio Grande Sun*

The guests were invited to introduce themselves.

4. SPECIAL PRESENTATION

Chair Trujillo said with Trustees Naranjo and Jaramillo leaving the Board he wanted to make sure that their service to the Co-op is recognized. Johnny Jaramillo has served the Co-op for 38 years, and received a Nambeware plaque and a round of applause. Nick Naranjo served the Co-op for eight years and was also awarded a Nambeware plaque in appreciation of his service. He too received a round of applause.

4. APPROVAL OF THE AGENDA

GM Hastings requested the inclusion of an update from the Vegetation Management Committee as item 10.f.

ACTION: Mr. Cordova moved to approve the agenda as amended. Mr. Marquez seconded and the motion passed by unanimous voice vote. [Mr. Vigil was not present for this action.]

5. PRESENTATION: NEW MEXICO STATEWIDE ASSOCIATION

Keven Groenewold, CEO of the New Mexico Statewide Association, which represents 14 New Mexico co-ops, detailed how the Association provides its members federal and state advocacy, self-insurance, training, communications through *Enchantment*, its monthly magazine, and representation of the co-op members.

Chuck Pinson, Statewide Board President, thanked the Board for the opportunity to address them. He stated that the biggest benefits of Statewide is the collaboration amongst the different co-ops. He mentioned the diversity of New Mexico, and that Statewide is a strong advocate of its different constituents.

Mr. Groenewold said that there have been a number of positive changes to Statewide since JMEC left the organization several years ago. During the pandemic, the Statewide placed targeted ads on social media, and reached over 17,000 people in an effort to educate co-op members. Further, they expanded their contact with legislators.

Ed Rougemont, Statewide, discussed the self-insurance and safety benefits of belonging to Statewide. He mentioned \$3.3 million in dividends that were paid back to the membership between 2014 and 2021, which he attributed to low claims and investments through StateStreet. The Association's safety and loss control programs are comprehensive, and he estimated, based on figures provided by GM Hastings, the cost for JMEC would range around \$278,000, with an experience modifier of 1.2.

Mr. Groenewold said that the Association has contracted with a firm that is developing a template for wildfire mitigation in the state. A new marketing and web design company has also been contracted with.

Mr. Jaramillo asked how JMEC would benefit from the new contractor for *Enchantment* and Mr. Groenewold said that, overall the contractor would save the Association \$60,000 annually and he expected more advertisements and expanded distribution.

Mr. Marquez asked about the January 2017 balance due when JMEC separated from Statewide, and what it would cost to rejoin. Mr. Pinson said that, if JMEC decided to rejoin, his board would need to consider the balance.

Mr. Duran reminded the Statewide representatives that JMEC was the largest co-op in New Mexico and contributed the most money without receiving any additional representation. Mr. Groenewold said the association's policy provides one member/one vote.

Chair Trujillo said he understood the benefits of Statewide membership, and that a JMEC Board resolution/positive position to rejoin was required before Statewide could return with a financial proposal. He suggested that the JMEC Board would formally consider a position within the next few months.

Mr. Groenewold said that, based on a back-of-the-envelope calculation, for 2021, JMEC dues to Statewide would be \$172,000. Adding the workman's compensation insurance would take it up to \$250,000 plus.

7. PRESENTATION BY TRI-STATE

Duane Highley, Tri-State CEO, thanked the Board for the opportunity to speak to them. He congratulated Mr. Jaramillo on his impressive tenure and thanked Mr. Cordova for his consistent good counsel as JMEC director on the Tri-State Board.

Mr. Highley mentioned the cold weather snap in February 2021 when the power supply was greatly challenged. He assured the Board that Tri-State's diversified power supply portfolio spared its customers the situation that occurred in Texas. Many electric distribution entities increased their customer retail bills 10 percent or more for the next two to three years; in fact, cooperatives that buy from Excel have experienced a 10 percent plus rate increase for the next couple of years to offset that one week in February's power crisis. He noted that Excel had \$600 million in increased costs, while Tri-State had \$11 million and would not be passing any of that on to its members. Not only is Tri-State absorbing the \$11 million, stated Mr. Highley, but also is experiencing a 10 percent load decrease due to the pandemic.

Tri-State is currently engaged in an aggressive cost cutting initiative, and a 2 percent rate decrease has been enacted, and another 2 percent decrease will be filed for next year.

Tri-State is committed to reducing rates despite the fact that cost are going up, stated Mr. Highley. The Tri-State Board has provided clear directives for cleaner, cheaper, and more

reliable energy, while at the same time reducing rates. By the end of the decade, the four states which Tri-State serves – Nebraska, New Mexico, Wyoming and Colorado – will be at 70 percent non-emitting clean energy. He noted that Tri-State has retired some coal plants and is working with the rapid energy transmission.

FERC has accepted Tri-States' transmission charges and rates. The buy down payments and contract termination payments are still to be decided. He was confident that the requested FERC transition process from four state regulators to one federal regulator will occur in the next few years. He mentioned the utilization of the short-term power markets, from which he anticipated Tri-State will get 100 percent of its load by the end of the summer.

Mr. Highley mentioned legislation that Tri-State is aggressively pursuing for stranded asset recovery which has been proposed within the federal budget reconciliation process. There may be \$10 billion for rural electric cooperative generating associations which have voluntarily agreed to early retirement of coal plants. If that bill goes through, Tri-State may be able to reduce their rates an additional 3 percent.

Mr. Highley attended an LFC meeting with Statewide in support of the Escalante H2 Power Clean Energy Project proposed for a retired New Mexico coal-fired power plant to burn hydrogen to produce electricity.

Mr. Crawford said that he was appreciative of Tri-State's efforts regarding renewables. With the rapid changes in the climate and accessible renewable energies, he wanted Tri-State to be more flexible and annually expand their solar cap limit. This would assist in reducing line losses and transmission costs. Mr. Duran added his support to more renewables and greater flexibility.

GM Hastings said that he participated in a call with Mr. Highley and other senior staff members to discuss JMEC's unique position serving seven pueblos and the Navajo Nation. There is a request from the Jicarilla for temporary service and Tesuque Pueblo is also requesting service. These communities are all interested in solar projects that will happen with or without JMEC. It was his perspective that it is best to work together with the membership and Tri-State. Mr. Duran agreed with the statements of Mr. Crawford's that Tri-State assistance and flexibility is paramount to success.

Chair Trujillo mentioned the New Mexico Energy Transition Act and the Community Solar Act that recently passed, and said it was better to be at the table with Tri-State to figure out the next steps. If the Pueblos get funding for large community solar projects, it will certainly legally challenge JMEC. He stated his preference of flexibility over litigation.

Mr. Crawford said that, with electric cars there is going to be an increase in load and decarbonization. The financial loss which solar may bring may very easily be mitigated the gains through electric vehicles.

Mr. Highley recognized that working together was the best position for all. New Mexico's recent legislation brings additional challenges, and hopefully the changes with

the FERC will help. He reminded the Board that Tri-State cannot make special deals with their consumers, but was willing to work within the existing policies.

Mr. Highley said a large new Tri-State solar project will provide kwh's at below 2 cents per kwh, cheaper than natural gas or coal or any fossil fuel. The scale of the project keeps the cost down. The projects that the Pueblos might build will be smaller and at significantly more cost. He referred to Tri-State Policy 118 which limits buying back energy to 2 cents and questioned the profitability for the Pueblos to build it out.

Chair Trujillo urged Tri-State to be at the table with JMEC when local discussions occur regarding solar. Mr. Highley said that Tri-State is always available and will be pleased to participate. He encouraged JMEC to implement the highest solar possible because it is net-metered against Tri-State and there is no charge. He appreciated that New Mexico was under a unique challenge because of recent legislation.

Mr. Marquez mentioned that progressive energy companies are coming forward requesting Institutional Revenue Bonds (IRBs) to build out solar in New Mexico.

Aside from the economic argument, Mr. Crawford said local versus big box was an important consideration.

Chair Trujillo suggested Tri-State develop branding/advertising which identifies that the customers are receiving local renewable energy.

5. ACTION ITEMS

A. Review and Approve: June 25, 2021 Regular Board Meeting Minutes

ACTION: Ms. Maestas-Muller moved to approve and Ms. McCoy seconded. The motion passed without opposition.

B. Approval of June 2021 Membership Lists

ACTION: Mr. Duran moved to approve. Mr. Marquez seconded. That motion passed by unanimous [11-0] voice vote.

C. Approval of 2021 Annual Meeting Notice

GM Hastings said that the copy has not been printed; however, the request includes two bylaw amendments: 1) Change quorum requirement for the Annual Meeting to 2.5 percent from the current 5 percent, and 2) Making it clear that an uncontested election does not require a formal election process.

ACTION: Mr. Marquez moved to approve as presented. Mr. Vigil seconded and the motion passed by unanimous voice vote.

- D. Selection of JMEC Tri-State Delegate for the Tri-State 2021 Annual Meeting**
- E. Selection of JMEC Tri-State Alternate for the Tri-State 2021 Annual Meeting**
- F. Selection of JMEC Tri-State Director for the Coming Year – 2021/22**

ACTION: Mr. Jaramillo nominated Lucas Cordova continue to serve as the delegate and director for JMEC. Mr. C. Trujillo seconded.

Mr. Crawford nominated Bruce Duran. The nomination failed for lack of a second.

Mr. Cordova was named delegate and representative/director by acclamation.

Chair Trujillo recommended that the alternate for the annual meeting be a trustee that plans on attending. The meeting is scheduled for August 4-6 in Westminster, Colorado. Mr. Cordova pointed out that, at this time, nothing was before the membership for a vote; although, something could be brought forward from the floor.

ACTION: Mr. Vigil moved to grant the authority to Chairman Trujillo to appoint an alternate representative from the JMEC Board to represent JMEC at the Tri-State annual meeting. Ms. Maestas-Muller seconded and that motion passed without opposition.

9. GENERAL MANAGER'S UPDATE

A. Miscellaneous Items

GM Hastings reported that he has been working with JMEC counselor Coppler on the possessory tax issue. The tax costs JMEC approximately \$300,000 annually. There is a 2016 federal regulation which may have been applied incorrectly, and JMEC could request refunds.

In response to a series of question Mr. Vigil posed about delinquent accounts at the previous meeting, GM Hastings offered the following information:

- 2.15 percent of the Co-op members have an overdue balance
- 98 payment contracts have been entered
- 200 payment arrangements – paying the JMEC technician to stop a physical disconnect
- 645 disconnect notices were sent out
- 160 accounts have been disconnected
- \$1,176 is the average amount in arrears
- East side/Española: arrears of \$706,838 approximately 22,000 members
- West side/Cuba, Jemez Springs: arrears of \$52,179 of approximately 8,000 members
- Total for entire Co-op of balance due \$759,017 approximately 30,000 accounts

Mr. Marquez commented that the accounts due were at \$1.5 million which have come down substantially. The 160 disconnected members did not respond or take advantage of the many resources offered by the Co-op.

Mr. Marquez mentioned that a breakdown of the 160, to ascertain how many are renters, may provide useful information.

GM Hastings emphasized that the Co-op has a strong community outreach regarding financial assistance and payment arrangements.

Ms. Maestas-Muller said she understood that DFA had a backlog of financial requests which are now being expedited.

Mr. Vigil asked what percentage of the customers in arrears were habitually behind in payments, and how many are medically compromised and on fixed incomes with waivers on payment.

GM Hastings said that staff was developing policies which would limit the consumer's ability to change the membership name to a different household member, in an effort to evade paying a past due bill. Mr. Vigil recalled a PRC ruling that prohibits tying names to the service address.

GM Hastings also reported that disconnect/reconnect personnel are checking on disconnects and have found seven that illegally reconnected, which resulted in staff disconnecting the service at the transformer.

GM Hastings reported on a solar project within the Jacona Land Grant. An RFP has not been issued for a systems impact study; however, Burns and McDonald did studies for the Alcalde and Cuba projects. Staff is recommending that the Board approve a contract with 1898 & Company, a subsidiary of Burns and McDonald, to complete the systems impact study.

ACTION: Mr. Crawford moved to approve moving forward with 1898 & Company to conduct the system impact study for the Jacona Land Grant project. Mr. Marquez seconded, and the motion passed without opposition.

B. Business Servicers & Finance
i. June 2021 Financial Report

Geraldine Romero reviewed the June RUS Form 7 data as follows:

- Operating revenue and patronage capital, \$23,858,355
- Total operations and maintenance expense, \$20.3 million
- Total cost of electric service, \$23.4 million
- Patronage capital and operating margins, \$364,000
- Patronage capital or margins, \$439,801
- New services connected this year, 101
- Services retired this year, 18
- Total services in place, 31,447
- Idle services, 246
- Total miles energized, 4,156

- Total current and accrued assets, \$25.6 million
- Total assets and other debits, \$129.5 million
- Total long term debt, \$58.1 million
- Total current and accrued liabilities, \$7.7 million
- Total liabilities and other credits, \$129.5 million

Ms. Romero reviewed the June cash flow analysis noting there was a total liquid account(s) balance of \$14,981,704. The TIER is 1.42 and the OTIER is 1.35.

- Large commercial is down 210,000 kwh
- Total Commercial is down 211,000 kwh from last year
- Purchased kwh, 30.9 million – year to date average
- Sold kwh, 28.9 million – year to date average
- There is a 6 percent average line loss
- Average cost residential kwh, 14 cents
- 102 employees
- Expense per consumer, \$8.20
- Admin and general expense per consumer, \$10.28

Ms. Romero reviewed a comparison of kwh, sold electric revenue, Kinder Morgan revenue, cost of power, solar net-metering, and accounts receivable. Referring to the aging accounts receivable, she noted 30 to 90 days past due equated to \$1.6 million.

GM Hastings said it was important that JMEC has a plan in place to meet its performance ratios during 2021.

ii. Finance Committee Meeting – June 2021 information

Ms. McCoy, Finance Committee Chair, said the committee met yesterday, July 22th and reviewed the June 2021 financial information.

1. General Fund Expenditures

ACTION: Ms. McCoy moved to accept the general fund expenditures for informational purposes. Mr. Jaramillo seconded and the motion passed by unanimous voice vote.

2. Credit Cards

Ms. McCoy said the charges on three credit cards were reviewed by the committee.

ACTION: For informational purposes, Ms. McCoy moved to accept the credit card charges and Ms. Maestas-Muller seconded. The motion passed by unanimous voice vote.

3. Attorney Expenses

Ms. McCoy noted that the attorney charges were minimal. Mr. Marquez asked why Mr. Coppler's bill was not included. GM Hastings said a bill was received later and will be reviewed next month.

GM Hastings said that he talked to Frank Coppler and Nancy Long regarding the JMEC financial information found on the Okhay Owingeh highway.

ACTION: For informational purposes, Ms. McCoy moved to approve the attorney fees. Mr. Marquez seconded and the motion passed by unanimous voice vote.

4. Consultant Expenses

ACTION: For information, Ms. McCoy moved to accept the consultant fees. Ms. Mueller seconded and the motion passed by unanimous voice vote.

5. Trustee Vouchers

Mr. Crawford thanked staff for improving on the report by separating the stipend and mileage data.

ACTION: Ms. McCoy moved to accept the trustee vouchers for informational purposes. Mr. Jaramillo seconded. The motion passed without opposition.

6. Donation Request(s)

GM Hastings mentioned that the Sandoval County 4-H clubs had requested a donation. He said that in 2018 and 2019 JMEC gave the Sandoval County 4-H clubs \$1,000. No donations were given by JMEC during 2020.

Mr. Marquez said that he heard on the radio that JMEC was sponsoring the Rio Arriba County Fair, and appreciated that. He recommended the donations be for the same amount across the board. GM Hastings said a formal request has not been received from Rio Arriba County Fair quite yet.

Mr. Vigil said he particularly wanted the donation to go to the kids whose animals don't "make the ring". He suggested staff contact Nick Lovato for additional information. Mr. Marquez said he fully supported that.

There was consensus to support the kids that do not make the ring.

These funds will come out of the Foundation Fund.

Typically, JMEC donates the same amounts to Rio Arriba and Sandoval counties. McKinley and Santa Fe counties have also received donations in the past.

ACTION: Ms. McCoy moved to approve the donations to Sandoval County and Rio Arriba County 4-H clubs in the amount of \$1,000 each. The money would come from the

Foundation fund and be awarded to children who did not make the ring. Mr. Crawford seconded. The motion passed with Mr. Naranjo casting the sole nay vote.

Mr. Naranjo said he could not support any donations while JMEC is experiencing financial uncertainty.

7. Expenditures over \$20,000

GM Hastings provided a listing of June expenditures over \$20,000. The Western United Electric expenditures are within the budget and correspond to a workplan budget.

An additional list was provided for July's expenditures over \$20,000. The Western United Electric charges for July mainly address voltage regulators. Installation of the regulators will be done by in-house staff.

ACTION: Mr. Duran moved approval of the expenditures over \$20,000. Mr. Crawford seconded.

During discussion, Director of Engineering Dennis Astley noted that a number of JMEC regulators had not been operating.

The motion passed by unanimous voice vote.

8. RFPs

GM Hastings said there were a few RFPs up for consideration – tree trimming, auditor, line construction – that came up at yesterday's Finance Committee meeting which require additional discussion. He mentioned there were a number of outages involving La Loma substation which powers Fairview North among other locations.

Mr. Marquez requested that engineering focus on redundancy/backup in the service. That concluded the Finance Committee report. Mr. Vigil supported developing a 10-year work plan.

Tree Trimming: Lenny Ortiz, Vegetation Manager, said an RFP was issued on June 8th for the Jemez Springs area which is on Forest Service property. There were two contractors at the mandatory pre-bid meeting and only one contractor, Family Tree Service, bid on the job. The site is on Forest Road 10, the back route to Ponderosa, and encompasses 4.7 miles of a three-phase line that has not been trimmed since the three-phase was installed, approximately 20 years ago. In-house tree trimmers took down a few trees that were hanging on the lines. The area is very tricky, with canyons and difficult access points. A four-wheeler or UTV/ATV is needed to access.

Staff was asked to include this project within the budget for 2022, if the project is not finished in 2021.

Mr. Ortiz said the estimate came in higher than estimated but reasonable and a completion of 30 weeks. He noted that NFS might require an archaeologist to monitor the route of the three-phase line. There is also an endangered species issue that will postpone access until October.

Chair Trujillo said the line services the TV towers which sit on Peralta Ridge, and the loop feeds to Ponderosa.

ACTION: Mr. Cordova moved to approve the contract with Family Tree Service. Mr. Crawford seconded. The motion passed without opposition.

Auditor 2021: Karen Wisdom, Contract Administrator, said an RFP was issued for 2021 auditing services. The bids were presented to the Audit Committee last week. Mr. Duran, chair of the Audit Committee, said they reviewed the bids and the GM's recommendation of the JMEC Board retaining Kelso Lynch, the lowest bid. GM Hastings said the firm is out of Kansas City and were \$6,000 lower than Eide Bailly who has conducted the JMEC audit for the past few years.

Mr. Vigil recommended a policy limiting auditors to a three year period.

GM Hastings said he was familiar with Kelso Lynch and that they perform audits in Missouri and Illinois and other RUS-related co-op work. He disclosed that he was a friend with the firm's principal but their relationship would not affect the work.

Mr. Naranjo asked about the bid and what out-of-pocket expenses related to. Ms. Wisdom said that all of the bids included out-of-pocket expenses, and Kelso Lynch was the lowest. Mr. Naranjo expressed displeasure that the bid was not going to an in-state auditor, and Ms. Wisdom noted that there were no in-state bidders. Chair Trujillo pointed out that Eide Bailly is out of Arizona and Bollinger is out of Lubbock, Texas.

ACTION: Mr. Duran moved to select Kelso Lynch as the auditor. Ms. Maestas-Muller seconded and the motion passed without opposition.

Meter Audit: Ms. Wisdom said that she and Mr. Astley reviewed the two bid offers to this RFP – Chapman Metering and Power Metrics. The RFP is to audit the three-phase meters in the system. Mr. Astley said that it is common in the utility world to annually test three-phase meters. These are the meters with the highest failure risk. Some of JMEC's meter installations were improperly wired and not metering the full electricity usage. JMEC has over 300 meter installations which require thorough testing. Referring to an improperly wired meter, Mr. Astley said that correcting that meter and collecting more on previous bills could defray some of the audit cost.

Following review of the bids, Mr. Astley said he recommends moving forward with Chapman Metering. The company will train JMEC's two new meter techs providing several thousand dollars of on-site instruction. Chapman will provide two employees and the other firm only one. Also Chapman would also fix the meters that were malfunctioning when possible.

Mr. Crawford made a motion to approve Chapman and Mr. Duran seconded. [This motion was superseded by the motion to table that was later withdrawn.]

Staff confirmed that neither firm is local. Mr. Marquez said he was concerned that the bid may be too open and contain hidden charges.

Mr. Marquez recommended tabling action until staff can clarify with both bidders about travel and hidden charges. Mr. Naranjo supported Mr. Marquez's suggestion to table, as did Ms. Maestas-Muller .

Mr. Marquez moved to table this item. Mr. Cordova seconded. [This motion was withdrawn later.]

Mr. Astley said there are 390 meters which have poor to no records. He emphasized the importance of data, and added that he has worked with Chapman in the past and that they are a reputable and honest firm. The different constructions of meters are an unknown to JMEC.

Chair Trujillo asked why staff didn't contact Power Metrics for an explanation of the items left blank in their bid. Mr. Astley said usually, what is provided in the RFP is the end statement. Asking for additional information is not fair to the other bidder.

Discussion on the bidding of mobilization came up, and Mr. Astley clarified that Metrics did not bid it at zero, but rather left the line blank.

Action on this item was postponed while staff contacted the bidders for clarification.

Electric Line Construction RFP 21-0630-005: Ms. Wisdom said that this is for the replacement, if necessary, of transmission poles and cross-arms. This is a time and effort contract-inspection, documentation, and replacement if necessary. Tri-State provided a list of contractors and two bids were received: 4G Electric out of Clovis, and Brink, an out-of-state vendor. The bidders provided hourly rates and, overall, 4G provided more favorable prices. Management recommends going forward with 4G Electric.

ACTION: Ms. Maestas-Muller moved to award the contract to 4G Electric, and Ms. McCoy seconded. The motion passed without opposition.

Environmental Services - San Ysidro Transmission Line Relocation Project: Ms. Wisdom reminded the Board that this is somewhat of an emergency project. This is a bid for an environmental assessment from Tierra Right-of-Way. The RFP was sent to an additional vendor who did not respond. An environmental assessment is required for the BLM permit.

ACTION: Mr. Cordova moved to award the bid to Tierra Right-of-Way. Mr. Duran seconded and the motion passed without opposition.

[The Board recessed from 11:55 to 12:30]

Mr. Naranjo did not participate in the remainder of the meeting.

Meter Audit (cont.): Ms. Wisdom indicated that she contacted both bidders and ascertained from Power Metrics' mobilization costs are included within the hourly rate bid; however, they do not provide any repairs to problem meters they discover. Chapman advised that when they see something in the field which needs repair, they can very often make the repair and charge by 1/10 of an hour.

GM Hastings said Chapman would be sending two technicians, help train JMEC techs, and expedite the project. Mr. Astley pointed out that Chapman will provide a meter test report following repair, to prove the meter is working properly.

ACTION: Mr. Marquez moved to award the bid, not to exceed \$100,000, to Chapman. Mr. Crawford seconded. The motion passed by unanimous [10-0] voice vote.

10. COMMITTEE REPORTS

A. Communications Committee

Mr. Crawford reported that the GM Hastings reported that Tony Martinez was moved to a new Member Services Department at JMEC. Topics for the August and September newsletters were roughed out.

GM Hastings said that JMEC does not have a member services department to administer safety programs for 3rd graders, handling of rebates, the newsletter, member questions, energy audits etc. Tony Martinez will take on this role, and he has good knowledge of the community and the Co-op. His engineering position will not be immediately filled, while Mr. Astley's assistant and a couple of stakers will try and fill Mr. Martinez's position. Mr. Martinez reports directly to Ms. Campbell.

Mr. Vigil was disappointed to learn that Mr. Martinez was leaving his engineering division position, and added that he communicated well with JMEC's contractors and solar consumers. He appreciated management's focus on member services.

GM Hastings noted that JMEC has lost personnel due to Covid and retirements. There are needs in every department. At this point, he is prioritizing the Co-op's needs and recognizing the financial constraints moving forward.

Mr. Vigil said work orders require a great deal of attention. GM Hastings said that, at this point, the Co-op is approximately 1,000 work orders behind with the process of closing work orders. Management is considering hiring two former JMEC work order clerks to return as part time contractors and hiring one new full-time work order clerk.

Mr. Duran excused himself from the remainder of the meeting.

For the annual meeting, directional signage will be posted.

Mr. Marquez said that this latest Covid variant is mutating quickly and there is a possibility that the Governor will shut down the state.

B. Energy Committee

Mr. Crawford said that a representative from Positive Energy talked to the committee about issues interacting with JMEC and the State. The committee agreed to develop a protocol procedure and share it with them. Positive Energy has discontinued roof top solar in the JMEC service area because of their difficulties. Hopefully, the meeting resulted in Positive Energy restarting service in the area. Sol Luna, out of Dixon, is involved in the Jacona Land Grant project.

The committee discussed using Foundation money to purchase/lease an electric car. The car would have a wrap advertising JMEC. Frank Coppler has been asked to research the use of Foundation funds. Touchstone may provide some funding assistance. Mr. Marquez mentioned the Ford Maverick hybrid truck for the meter readers.

Tri-State has an energy efficient rebate program which staff will investigate further.

C. Annual Meeting Committee

Mr. Vigil said that a caterer has been hired. Site preparation is underway. Notice for the annual meeting and proposed changes to the bylaws will go out to the membership on or about August 5th. He commented that the meeting is a costly endeavor. He thanked staff for their tremendous effort.

Regarding door prizes, Chair Trujillo asked those trustees who could donate \$50 for gift certificates, etc. Mr. Marquez suggested taking \$50 from the trustee's voucher.

Mr. Marquez said that there was some outdated language in the bylaws regarding marriage as exclusively between a man and woman. The fee to change the name on a membership should be reviewed.

Chair Trujillo asked that ideas regarding policies and/or the bylaws should be submitted to the GM in writing.

The GM was directed to review the contracts issued for the annual meeting and ensure that, if the Governor closes the state, the Co-op is protected.

D. Policy Committee Report

Policy #136, Member Access to Cooperative's Financial and Management Information Policy, was distributed. GM Hastings said that the judge's ruling from a lawsuit between JMEC and the *Rio Grande Sun* was incorporated in the policy.

Mr. Vigil said that the policy committee has reviewed this policy twice. JMEC needs to be in compliance with the NM Non-profit Corporation Act, NMSA 1978, Section 53-8-1.

The following edits were offered:

- Scope, 1, second bullet: “record of names and addresses of members entitled to vote for JMEC election purposes, hard copy only”
- Check on number of days before an audit can be released

Chair Trujillo asked that the policy be referred back to the Board after the changes have been made.

E. Audit Committee Report

Chair Trujillo said that the committee reviewed the proposals that Ms. Wisdom presented earlier. The committee recommended awarding the contract to Kelso Lynch.

F. Vegetation Management Committee

For information, Chair Trujillo said that Mr. Crawford has requested to serve on the Vegetation Management committee and expressed an interest in herbicides. He advised Mr. Crawford, and it applies to all trustees, that attendance is open to all trustees at any JMEC meeting. Staff was asked to make sure Mr. Crawford was notified of these meetings.

G. Tri-State

Mr. Cordova distributed some Tri-State materials and highlighted the photos where carbon is being tested out of coal-burning plant emissions. The carbon is being captured and placed in pumice rocks.

11. NEW BUSINESS

GM Hastings recommended skipping the regular Board meeting in August and holding a special state of the co-op report and strategic planning off-site for the trustees and senior staff in mid-September. He suggested having a moderator present for the strategic plan would be useful. The special session could also serve as orientation for the new trustees. He was unsure whether a representative from Tri-State would be useful at the session.

Mr. Marquez lauded the idea of holding a strategic planning session/orientation off-site.

During discussion about an off-site location and holding down expenses came up. Buffalo Thunder, and a site in La Cienega were mentioned for consideration.

12. EXECUTIVE SESSION - Deemed unnecessary.

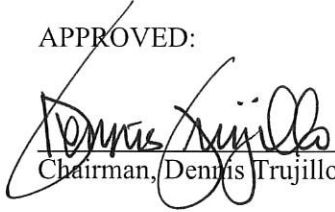
13. ADJOURN

Having completed the agenda and with no further business to come before the Board, Ms. Maestas Muller moved to adjourn. Mr. Cordova seconded and Chair Trujillo adjourned this meeting at 1:25 p.m.



Secretary, John Ramon Vigil

APPROVED:



Chairman, Dennis Trujillo