

**MINUTES OF THE**  
**JEMEZ MOUNTAINS ELECTRIC COOPERATIVE, INC.**  
**REGULAR MONTHLY BOARD OF TRUSTEES MEETING**  
**FRIDAY, MARCH 25, 2022**  
**HERNANDEZ, NEW MEXICO**

1. This regular monthly meeting of the Jemez Mountains Electric Cooperative, Inc. Board of Trustees was called to order by Board President Dennis Trujillo at 9:07 a.m. on the above-cited date, at the new JMEC Headquarters, 19365 S.R. 84/285, Hernandez, New Mexico.

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

**Present:**

Dennis Trujillo, President  
Manuel Bustos, Vice President  
John Ramon Vigil, Secretary [arrived at 9:20]  
Dolores McCoy, Treasurer  
Stanley Crawford, Asst. Secretary/Treasurer  
Lucas J. Cordova  
Elias Coriz  
Bruce Duran  
Dennis Gallegos  
Marissa Maestas-Muller  
Marcie Martinez

**Absent:**

None

**JMEC Staff Present:**

Michael Hastings, CEO and General Manager  
Dennis Astley, Manager of Engineering and Engineering Operations  
Karen Wisdom, Senior Manager of Contract Administrator and Compliance  
Dwight Herrera, Senior Manager of Human Resources and Support Services  
Tina Trujillo Archuleta, Administrative Professional  
Geraldine Romero, Manager of Accounting  
Carmen Campbell, Cuba District Manager and Tribal Liaison

**Others Present:**

Johnny Valerio, Contract Accountant  
Frank Coppler, JMEC Counsel  
Josh Howard, JMEC Counsel  
William Coburn, *Rio Grande Sun*

Chuck Wright, JMEC member  
Anthony Mortillaro, Executive Director, Northern New Mexico RTD  
Delilah Garcia, Operations Director, Northern New Mexico RTD  
Karen Farrell, Wordswork – secretarial services

#### **4. APPROVAL OF THE AGENDA**

Manager Hastings said personnel items would be addressed during executive session.

**ACTION:** Mr. Crawford moved to approve the Agenda as amended, adding a report to the 4G vehicles under CEO and General Managers updates, Miscellaneous Matters. Ms. Maestas-Muller seconded, and the motion passed without opposition.

#### **5. JMEC MEMBER COMMENTS**

President Trujillo welcomed and invited any audience members to speak. There were no speakers.

#### **6. ACTION ITEMS**

##### **A. Review and approve the February 25, 2022 Regular Board Meeting Minutes**

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

##### **B. Approval of the February 2022 Membership List**

**ACTION:** Ms. Martinez moved to approve the February 2022 membership list. Mr. Crawford seconded and the motion passed by unanimous voice vote.

##### **C. Consideration of time-of-use large power tariff – EV Northern Central NM Bus Charging**

Dennis Astley, Manager of Engineering and Engineering Operations, said that Regional Transit District, will be purchasing and operating a number of electric buses. He met with RTD and discussed their assumptions for charging and the idea is to charge at off-peak periods, i.e., midnight to 6 a.m. Currently, JMEC does not have a time-of-use rate filed with the PRC for services the size of RTD. JMEC has an old time-of-use rate which had been in place in the past and abandoned. Staff has updated the prior document without rates and will work with RTD to develop a new time of use rate. The rate would include the \$100 facility charge on current demand rates.

Manager Hastings said he understood Kit Carson would also be working with RTD to develop a similar rate.

Present was Anthony Mortillaro, Executive Director, North Central New Mexico RTD, who indicated that they will be transitioning their fuel from gas and diesel to electric

powered vehicles. They were awarded two grants and will be spending roughly \$10 million for the purchase of electric vehicles, chargers and a new maintenance facility. Currently RTD spends \$400,000 annually on fuel for a 66-vehicle fleet. The special rate tariff for the electric vehicles would benefit RTD and the constituent ridership in the area. With a reduction in fuel cost, Mr. Mortillaro said that the transit services can be expanded.

Delilah Garcia, Operations Director, North Central New Mexico RTD, said that they were currently evaluating the 40 foot bus, which has a range of 450 miles with 675 kilowatts of storage. They envisioned using the larger buses on the Riverside and Westside route. The vehicles under consideration are all battery electric. The power available in these buses is sufficient for the area. The smaller vehicles have an estimated 80 to 150 mile range, which is not ideal, but technology is changing fast. On-route charging at this point is not being evaluated, instead depot charging is planned.

Mr. Vigil asked whether JMEC had the load capacity necessary at the Fairview corridor and Mr. Astley said there was plenty of capacity and he added that the off-peak period tariff would be available to anyone who qualifies for it.

**ACTION:** Mr. Coriz moved to approve the time-of-use large power tariff. Ms. Maestas-Muller seconded, and the motion passed by unanimous voice vote.

## 7. OTHER REPORTS

### A. EV 101 Presentation

Chuck Wright of Dixon said he has been driving an electric vehicle since 2013 and provided some EV information:

- Tesla's sales rose from 500,000 in 2020 to 935,000 in 2021.
- The 2021 Super Bowl as well as the 2022 Olympics carried many EV advertisements.
- Currently EVs make up .42 percent of vehicles in NM or 3,600 vehicles
- Extrapolating from the 50 percent growth in Tesla sales, NM may have thousands of EVs within the next 10 years and impacting JMEC's electric sales.
- The advent of the electric automobile is an example of rapid technology change.
- The charger is referred to as an EVSE – electric vehicle service equipment.
- The car has the charger and the EVSE functions to supply electric energy to recharge electric vehicles.
- EVSEs can provide a charge for the operation of electric vehicles or plug-in hybrid electric-gasoline vehicles.
- EV charger Levels 1 and 2 are considered very slow.
- Tesla has its own plug standard and an adapter to plug into a non-Tesla EVSE.
- A Level 3 charger/DC fast charger is what is generally used when going on the road, and what JMEC agreed to install at Bode's.
- Tesla is expected to triple its charger stations in the next few years as will other charging stations. Currently, most charging is done at home.
- EVSEs are needed at apartment and condo complexes.

- Electrify America is funded by the penalties on Volkswagen for its diesel scandal. The price to charge can greatly vary and is usually twice the retail rate of electricity.

Mr. Wright suggested EV chargers merit the same JMEC approval as solar currently does. V2G, vehicle to grid, is a technology that enables energy to be pushed back to the power grid from the battery of an electric car and also provide grid storage.

**B. JMEC Foundation Annual Financial Report: The Charles Stephen Firm**

The Charles Stephen Firm was scheduled to appear remotely when audio issues were encountered. This item was postponed until another date, when the presenter can appear in person.

**C. Tri-State Director Report**

**i. Letter of Support for Tri-State**

GM Hastings referenced a letter drafted by the Manager of the Gunnison County Electric Co-op in Colorado which calls together most of the Tri-State members in support of Tri-State's continued success. The letter states support for the G&T working with distribution co-ops is a good way to move forward and support the co-op principles. The letter was signed by most of the Tri-State distribution co-op general managers of Tri-State's member co-ops, including JMEC.

GM Hastings said JMEC's desire for a partial buyout is to address members who want small solar projects, and not for JMEC'S dissatisfaction with Tri-State. The letter was developed by the distribution co-ops, not Tri-State, and will be utilized at the FERC cases involving Tri-State.

GM Hastings noted that the total number of members among the 10 tribal units that JMEC serves is approximately 4,000 members. The recent increase in costs for the steel racking and solar panels has increased the cost of small solar projects. Tri-State is investigating a subsidiary to do solar development. JMEC may not be able to wait and needs to move forward with the partial buyout.

It was noted that United Power, who is requested a total buyout of Tri-State, makes up about 16 percent of Tri-State's load.

**ii. Total Buyout Docket at the FERC – Update**

GM Hastings said that regarding the Tri-State and the United Power Total Buyout case at the FERC, – for Tri-State to be successful going forward requires a bigger buyout cost that United Power wants to pay. United is offering \$160 million and Tri-State is asking \$1.2 billion. The FERC's staff submitted testimony that came in closer to United's number. The FERC's staff tends to think all of Tri-State's distribution members are in support of United, thus the support letter is important. If Tri-State cannot get enough

money from the buyout it will cause rate pressure on the remaining co-ops including a possible bankruptcy of Tri-State.

Mr. Coriz said that JMEC should look at all the options available to service its members.

GM Hastings reminded the Board that JMEC will issue an RFP for power supply, and the proposals will address power costs going forward.

## **7. CEO and GENERAL MANAGER'S UPDATE**

### **A. Miscellaneous Matters**

#### **i. Broadband Program Update**

GM Hastings said that the Broadband program due diligence is underway, NRTC is doing a feasibility study and a survey of JMEC members was released earlier this week by inside information. Legal work has begun, and a posting for a broadband manager position is still open. At this point, an Agreement with Kit Carson is being developed for its assistance. A tour of Kit Carson's broadband command center is scheduled for April 12, 2022.

The City of Española held a press conference to announce its plans for a citywide wireless internet program. GM Hastings said that JMEC will have an opportunity to assist Española. He favored a fiber solution over wireless for reliability, consistency, as well as price.

Windstream has expressed an interest in partnering with JMEC on a Broadband-build west of Abiquiu. The state has \$100 million available for internet. GM Hastings said JMEC has retained a grant writer. Kit Carson has applied for \$25 million for services much of which is within JMEC's service area. JMEC was not referenced in that application, i.e., Kit Carson would be using JMEC's poles, etc. JMEC supported Kit Carson's application with a letter to the USDA, clearly defining the JMEC service area, JMEC members, and JMEC poles.

President Trujillo found it troubling that Kit Carson did not identify JMEC or its compensation for using its infrastructure. GM Hastings said he talked to Kit Carson's CEO and GM Luis Reyes about this issue and is working on a draft Agreement with Kit Carson on how this would work with JMEC. Mr. Coriz said Kit Carson should have worked with JMEC up front before developing the grant application. GM Hastings said he hoped to discuss this issue with RUS and USDA while in Washington. As a practical matter, if Kit Carson receives \$25 million, Kit Carson will be in a good bargaining position.

President Trujillo requested that a signed agreement with Kit Carson occur before any of JMEC's infrastructure is used.

GM Hastings said that Kit Carson's application is available on line, and he would request a copy from Kit Carson.

[The Board recessed at 10:55 a.m. until 11:05 a.m.]

**B. Business Services and Finance**  
**i. February 2022 Financial Report**

Geraldine Romero, Manager of Accounting, reviewed the February 2022 Form 7 noting that:

YTD, operating revenue, and patronage capital for YTD was \$9.7 million  
 YTD, cost of purchase power was \$5.5 million  
 YTD, total operation and maintenance expense was \$7.6 million  
 YTD, total cost of electric service was \$8.7 million  
 YTD, patronage capital and operating margins were \$1.015 million  
 YTD, Patronage capital or margins was \$1.057 million  
 YTD, 19 new services  
 YTD, total services in place 31,493  
 YTD, 130 idle services  
 YTD, total miles energized 4,158

Ms. Romero reviewed the assets and other debits at \$133,584,668. She provided the February data as follows:

- February 2022, TIER 4.45
- February 2022, OTIER 4.31
- February 2022, beginning balance, \$3.1 million
- February 2022, total collected deposits, \$8.1 million
- February 2022, total disbursements, \$4.7 million
- February 2022, ending book balance was \$6.5 million
- February 2022, cash accounts of \$7.3 million
- February 2022, investment balance, \$8 million
- February 2022, total liquid accounts, \$14.4 million
- February 2022, total non-liquid accounts, \$986,752
- YTD, 31,486 consumers
- YTD, average residential kwh usage, 750
- YTD, average small commercial kwh usage, 3,790
- YTD, average large commercial kwh usage, 183,958
- YTD, purchased kwh, 36,226,755
- YTD, sold kwh, 35,297,686
- YTD, line loss was 2 percent
- Average cost for residential is 13 cents
- February 2022, there were 110 employees
- Solar net metering – 5 new installs in February 2022
- February 2022, accounts receivable was \$5.3 million
- February 2022, accounts receivable: \$3.783 million is current, \$811,385 is 30 days, \$232,973 is 60 days and \$502,985 is 90 + days
- February 2022, \$7,376 was assigned to the collection agency

**ii. Finance Committee Meeting**

Mrs. McCoy, Finance Committee Chair, said that the Committee met yesterday, March 24, 2022, and all Committee members were present as well as staff: Ms. Romero, Ms. Wisdom, Mr. Valerio, Mr. E. Gallegos, and GM Hastings. The committee discussed:

- Outfitting older vehicles.
- The need to develop a fleet plan to more efficiently/economically manage the fleet.
- Utilization of diesel trucks
- Making hoses with recently purchased equipment versus buying hoses.
- Utilization of employees versus consultants.
- Implementation of a succession plan for JMEC employees.
- Expanding the use of the JMEC website and Facebook page for advertising and communicating with the membership.
- The need for a structural engineer to inspect the foundation of the former JMEC headquarters.

Mr. Bustos noted that JMEC was spending a lot of money on towing its older trucks for maintenance, and suggested it would be easier for the mechanics to work on gas-fueled vehicles rather than diesel. President Trujillo said Mr. E. Gallegos was receptive to the vehicle-related suggestions which were presented by the committee.

Mrs. McCoy said Ms. Wisdom provided a review of the cost of the new headquarters that was very interesting.

a. **2022 Fleet Purchase**

A 2022 fleet plan was presented that was developed by Mr. E. Gallegos, which included the purchase of two diggers, two bucket trucks, one forestry truck, six mid-size 4x4s, seven larger 4x4s, and two 6x6 vehicles. All of the vehicles are currently needed or will be needed by January 2023. Lead time for the larger vehicles may extend into 2023. The vehicle list is made up of first and second priorities as identified in the JMEC 2022 budget.

Mrs. McCoy reminded the Board that JMEC has not purchased fleet vehicles for four years and repair costs have increased greatly. The Committee discussed the local preference policy and developed its recommendation.

**ACTION:** Mrs. McCoy moved to approve the fleet plan and to immediately purchase a specifically identified 4x4 from Chrysler of Española for the Cuba office, and to utilize the lowest bid – purchase or lease – for the remaining list of vehicles. Lease options will be determined by management in relation to JMEC’s financial situation. Mr. Vigil seconded.

Under discussion, Mr. Vigil noted that the lifespan of a vehicle depends on whether it is utilized in the east or the west side of JMEC’s service area. The fleet management policy will improve the maintenance situation, and provide employees with reliable vehicles.

GM Hastings said that the vehicle needs were rated during budget preparation by priority 1 through 3. The list presented consists of priorities 1 and 2. Priority 3 vehicles will be

reviewed in 2023. He noted that, in some cases, the full-size trucks cost less than the smaller size. Staff will be seeking the cheapest options. Even though trucks will be ordered, they may not be available until 2023. The bid prices are slightly higher than budgeted for.

The motion passed by unanimous voice vote.

Mrs. McCoy said the Committee reviewed and discussed the other Agenda items that reflect February 2022 expenses.

**b. General Fund Expenditures**

Mrs. McCoy said the Committee reviewed the February general funds expenditure list.

**ACTION:** Mrs. McCoy moved to approve the general funds expenditures list. Mr. Bustos seconded and the motion passed by unanimous voice vote.

**c. Credit Cards**

**ACTION:** Mrs. McCoy moved to approve the February staff credit card charges. Ms. Maestas-Muller seconded, and the motion passed by unanimous voice vote.

**d. Attorney Expenses**

**ACTION:** Mrs. McCoy moved to approve the February attorney expenses. Mr. Coriz seconded and the motion passed by unanimous voice vote.

**e. Consultant Expenses**

**ACTION:** Mrs. McCoy moved to approve the February consultant expenses. Mr. Duran seconded and the motion passed by unanimous voice vote.

**f. Trustee Vouchers**

**ACTION:** Mrs. McCoy moved to approve the February trustee reimbursement vouchers. Ms. Martinez seconded. The motion passed without opposition.

That concluded the Finance Committee report.

**8. COMMITTEE REPORTS**

**A. Communications Committee**

Communications Committee Chair Crawford said that the Committee met on March 8, 2022. Staff will be developing a procedure for selecting Employee of the Month. The logo contest has been postponed until Fall; however, those that sent submissions will be recognized.

**B. Policy Committee**



President Trujillo said that Mr. Vigil has stepped down from chairing this Committee and Ms. Martinez has been appointed the Chair. A report will be offered next month.

**C. Energy Committee**

Energy Committee Chair Crawford said that the Committee met on March 15, 2022 and discussed the installation of two electric chargers at the headquarters, and level 2 chargers at Cuba and Jemez Springs. Installation of chargers at Pojoaque and Nambe are under discussion. The fee for the Abiquiu fast charger will be \$5 for a 30-minute charge which should provide 100 to 150 miles.

In regard to reciprocating engines and depending on whether they fit within JMEC's portfolio, GM Hastings said they may serve as a good solution, and will be studied further.

**D. Annual Committee Planning**

Mr. Vigil said that the Committee met on March 10, 2022, with all Committee members present, plus Board member Martinez, Mr. Coppler, GM Hastings, and Ms. Trujillo Archuleta. Preliminary dates and locations for the special district meetings that will be held to obtain a quorum for bylaw amendments were discussed. The annual meeting and District 1 meeting are tentatively planned for Sunday, August 28, 2022. The two bylaws that, at this point, will be presented for amendment include lowering the quorum requirement from 5 percent to 2.5 percent and eliminating the requirement for a formal election process for an uncontested trustee race. A third amendment to clean up the Foundation Trust documents is being considered.

Mr. Vigil said the Committee discussed how to generate member attendance at the district meetings. The idea that combining events may increase participation will be reviewed by JMEC counsel and the GM. Holding the district meetings in conjunction with county fairs, Española Fiesta, etc. will be pursued. The District 6 meeting location is under consideration.

An assortment of prizes to boost member participation was discussed.

Mr. Gallegos noted that the majority of the attendees at the Abiquiu county fair are from outside of the JMEC District 3. He recommended the Abiquiu Rodeo grounds as a better venue for the district 3 meeting.

GM Hastings said that staff is working on a clean membership list. It may be advantageous for the Board to waive the \$5 membership fee or include the fee within a bill and make all JMEC consumers members. President Trujillo recommended the bylaw regarding membership fee be considered as part of the proposed amendments.

More discussion on the tickets for prizes will be required.

Mr. Vigil said the amendments regarding quorum and eliminating the cost for an uncontested election should be accepted without opposition.

It was mentioned that every meter should have one vote.

Recognizing more discussion by the entire Board was necessary regarding the annual meeting; President Trujillo requested holding a special meeting on Thursday, April 21<sup>st</sup>.

#### **E. Tribal ROW Committee**

Mr. Duran, newly appointed Chair of The Committee, said that the Committee met on March 18, 2022 and discussed:

- The need for a standardized easement fee structure
- The need to develop a plan regarding easements with the Tribes, and perhaps include the Secretary of the Interior in the plan development
- Improve legal awareness of easements

GM Hastings said that JMEC has had meetings with some of the Pueblos. A meeting with Okhay Owingeh went very well, and a list of issues to work through has been developed. Pojoaque Pueblo has a lot of activities, and they have identified where they require JMEC's assistance. Santa Clara has concerns regarding the Satview cable system that is attached to JMEC poles. Meetings with Nambe, Zia and the Navajo Nation are scheduled and will be happening soon.

Mr. Duran said the Committee discussed how best to reference rate riders and introduced the following motion:

**ACTION:** Mr. Duran moved to replace the description of the rate rider with specific pueblo names in the bills with a reference number. Mr. Vigil seconded and the motion passed without opposition. [Ms. Martinez was not present for this action.]

#### **F. JMEC Foundation Board Report**

President Trujillo said that the Foundation Board met and reviewed the JMEC bylaws and the foundation declaration of trust. These documents were developed in 1969 and require review and amendment. The definitions require revision. He supported that JMEC offer an apprenticeship pathway for students to learn a trade whether finance, engineering, apprenticeship, etc. through JMEC. The Board policies that relate to the Foundation are under review.

The Board recessed for lunch from 12:15 to 1 p.m.

### **9. NEW BUSINESS**

GM Hastings provided two reports:

1. He and several members of the JMEC Senior Staff met with Blue Stone Solutions LLC. Blue Stone is a merchant processor of debit and credit cards. Blue Stone was interested in providing these services for JMEC. They

discussed the current provider of these services on behalf of JMEC, Meridian Cooperative (formerly SEDC). They discussed the possibility of a future RFP for these services.

2. At the request of a JMEC Trustee regarding a current JMEC electrical contractor who may be overbilling JMEC for services, GM Hastings assured the Board that he would work with JMEC Operations Staff to address this issue with the electrical contractor immediately.

**11. EXECUTIVE SESSION**

- A. Personnel and Legal Matters**
- B. Other Items**


The JMEC Board of Trustees went into Executive Session at 1:15 p.m. to discuss personnel and legal matters and returned to open session at 2:15 p.m.

Mrs. McCoy moved to return to open session at 2:15 p.m. Mr. Cordova seconded and the motion carried unanimously. (Trustees Crawford, Duran and Maestas-Muller were not present for this vote.)

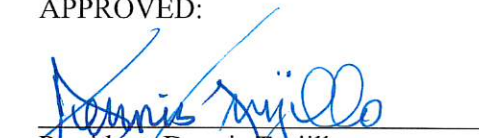
**ACTION:** Ms. Martinez moved to approve a 2022 JMEC For budget variance in the amount of \$180,000 regarding additional senior staffing resources JMEC. Mr. Bustos seconded and the motion carried unanimously. (Trustees Crawford, Duran and Maestas-Muller were not present for this vote.)

**12. ADJOURN**

Having completed the agenda and with no further business to come before the Board, President Trujillo adjourned the meeting at 2:21 p.m.

  
Secretary, John Ramon Vigil

APPROVED:

  
President, Dennis Trujillo

D R A F T

- subject to approval -