

**OVERTON POWER DISTRICT NO. 5
BOARD MEETING**

April 24, 2019

3:00 P.M.

Mesquite, Nevada

PRESENT: Mrs. Judy Metz, Chair
Mr. Jack Nelson, Vice Chair
Mr. Mike Young, Secretary / Treasurer
Mr. Robert Bunker, Trustee
Mr. Chad Leavitt, Trustee
Mr. Richard Jones, Trustee
Mr. Doug Waite, Trustee
Mr. Byron Mills, Attorney

Mr. Mendis Cooper, General Manager
Mrs. Teresa Romero, CFO / Assistant General Manager
Mr. Bruce Hughes, Chief Operations Officer
Mr. Jon Jensen, Chief Information Officer
Mrs. MeLisa Garcia, Accounting Supervisor
Mrs. Becky LaGrow, Executive Assistant

Note: The minutes of this meeting have been tape-recorded and will remain on file in the District's main office for a period of one-year for public examination.

CALL TO ORDER

ORDER OF BUSINESS: At 3:00 p.m. Mrs. Judy Metz called the meeting of the Overton Power District No. 5 Board of Trustees to order. The agenda items were addressed in the following order:

PUBLIC COMMENTS

There were no public comments.

ACCEPTANCE OF THE AGENDA

A motion was made by Mike Young and seconded by Jack Nelson to accept the OPD5 agenda as posted. The Board voted seven (7) ayes, zero (0) nays in approval

APPROVAL OF THE MINUTES

A motion was made by Doug Waite and seconded by Jack Nelson to approve the minutes of the March 20, 2019 Board Meeting. The Board voted seven (7) ayes, zero (0) nays in approval.

CHAIRMAN'S REPORT

Mrs. Judy Metz had no report at this time.

MANAGER'S REPORTS

ENGINEERING & OPERATIONS

Mr. Jon Jensen reported on:

- *Paiute Substation* – Jon Jensen asked Mr. Randall Ozaki to report on the projects progress.
 - *The transformer* is due to be delivered tomorrow.
 - The necessary site work has been accomplished to receive the transformer.
 - Substation grading was done by Moapa Band of Paiutes' (Tribe) personnel and equipment.
 - Bob Bunker asked if OPD5 will own the land? Randall responded that the Tribe has given OPD5 the Right-of-Way for the land, but the OPD5 will own the substation.
- *Substation Team / 138 kV-Line* – Jon asked Mr. Keven Hansen to report on the Substations team's involvement in the preparation and successful accomplishment switching loads to complete the work.
 - Before any switching could be done, the team had to trend the loads and weather to determine the days that would give the longest window possible.
 - Keven demonstrated on a transmission line map the process involved during the actual switching.
 - The actual switching to de-energize the 138-kV line takes approximately thirty minutes.
 - The prep switching takes about one day; and trending begins a couple of months in advance.
 - When all the work is completed, all the steps need to be done in reverse.

CONSTRUCTION

Mr. Corey Dalley gave a report on the Logandale to Mesquite three structure change out and broken pole bands.

Mr. Bruce Hughes reported on the two (2) unplanned outages this month. These outages affected two (2) customers for a total of three hours.

Mesquite crew - worked on Bunkerville Well for Virgin Valley Water District, Dinosaur Substation, Painted Hills AMI, 138-kV pole changes, and hookups.

Overton crew - worked on 138-kV pole changes, structure at Rattlesnake Hill, Glendale Substation AMI, numerous pole changes distribution pole to pole maintenance.

Safety Meeting (March) – Pole Top Rescue. All linemen received their certification.

Safety Meeting (April) – Qualified Worker and Back Safety

Hook-ups – twenty-two (22) residential and two (2) commercial for both valleys.

Federated Report – Annual Review. Made recommendations after a tour of the facilities. All last year's recommendations were completed.

No Loss Time Record - To date the record stands at 1 year, 6 months and 13 days.

GENERAL MANAGER

Mr. Mendis Cooper reported on the following items:

- *NV Energy Update* – A letter was received from FERC accepting the amendment to the Tri-Party Agreement that was negotiated with NV Energy. The next step is for NV Energy to complete their Public Utilities Commission of Nevada (PUCNV) filing of the Integrated Resource Plan (IRP) on May 1st.

- *Colorado River Commission of Nevada (CRC)* – Staff has been working closely with CRC to finalize the SLCAIP contract. The final draft should be ready for Board approval at the May or June meeting. Then final execution by CRC will be at their Board meeting in August.
- *Legislative Update* – There are several State Legislative Bills on the radar
 - *AB 70* – Clarifying changes to the open meeting law. Such as the approval of the agenda.
 - *AB 465* – Requires Investor Owned Utilities (IOU) only to offer an affordable solar access program to certain customers and to submit a plan to the PUCNV for this program.
 - Also provides mandated incentives from the IOU for non-profit organizations (i.e. churches and social services organizations) to build community solar facilities throughout the state.
 - Amendment mandates IOU's to broaden access to solar through affordable solar access programs that have very specific goals.
 - Enables non-profit organizations to aggregate loads to create community solar projects.
 - *SB 254* – seeks to eliminate greenhouse gas emission by 2050 and requires the State Department of Conservation and Natural Resources to issue an annual report regarding greenhouse gas in the state. This bill mainly affects transportation and electricity generation facilities.
 - *SB 385* – The Renewable Portfolio Standard (RPS) has passed and will go into effect. The threshold was set at 1,000,000 MWh's. At OPD5's current growth rate, that threshold will be reached in approximately 2045. Hydro is now accepted as part of the RPS.
 - *SB 428* – makes it unlawful to park in a space designated for an electric vehicle whether on public or private property, unless a vehicle is being charged. Violators will be charged with a misdemeanor and fined up to \$750.
- *Hiring* – IT and Substation interviews are complete, and two job offers have been accepted. Both employees will start in May.
- *Succession Plan* – The suggestion by Mike Young last month has been followed; a confidential letter from the General Manager outlining an emergency succession plan has been given to the Chair for safe keeping.
- **FINANCE AND ADMINISTRATION**

Mrs. Terry Romero had no report this month.

- **ACCOUNTING**

Mrs. MeLisa Garcia gave the financial report for March 2019, a copy of which is on file.

REVIEW AND POSSIBLE APPROVAL OF HIRING A GROUNDMAN AND MAKING THE REQUISITE CHANGE TO THE ORGANIZATIONAL CHART IF APPROVED

Staff presented a staffing plan to the Board last year. The staffing plan addressed hiring needs due to planned retirements. During the interview process, staff found that there was an opportunity to hire an additional groundman now rather than waiting. Staff is requesting approval to hire an additional groundman now, from the pool of candidates recently interviewed, instead of repeating the interview and hiring process months later. Staff is also seeking authorization from the Board to make the associated

change to the organizational chart if the hiring of a groundman is approved. The financial impact to the District is approximately \$44,176 plus benefits. The Board members requested, in the future Staff show the total impact including benefits. After discussion by the Board, a motion was made by Mike Young and seconded by Jack Nelson to hire a new Groundman and to modify the Organizational Chart as presented. The Board voted seven (7) ayes and zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL OF A PAYING AGENT SERVICE RESOLUTION WITH NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

At the March Board meeting, Trustees authorized staff to invest in National Rural Utilities Cooperative Finance Corporation (CFC) short term securities. The short-term securities will provide higher returns than the District is currently receiving on the District's savings accounts. Short term securities also provide shorter investment periods required to keep such investments available for the District's use. This resolution is required by CFC to complete the investment transactions. There is no financial impact to the District. After discussion by the Board, a motion was made by Mike Young and seconded by Chad Leavitt to approve the CFC Paying Agent Service Resolution as presented. The Board voted seven (7) ayes, zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL TO INVEST IN COOPERATIVE FINANCE CORPORATION SECURITIES

Staff received authorization to invest \$1,000,000 in CFC short-term securities for a four-month term at the last board meeting. Staff requests authorization to invest another \$1,000,000 in CFC short-term securities for a four-month term in accordance with the plan discussed at the last board meeting. Short term securities are currently yielding approximately 2.7% return on investments compared to the 0.75% return that the District was receiving. Mrs. Terry Romero reported she checked on investments with America First Credit Union (AFCU); and heard back from Bank of Nevada (BofNV) regarding the District's interest rate. BofNV can give the District a more competitive interest rate of 2.30% and AFCU has a six-month short-term investment capped at \$1,000,000 at 2.96%. After discussion by the Board, a motion was made by Chad Leavitt and seconded by Mike Young to invest one million dollars (\$1,000,000) in Cooperative Finance Corporation Securities for a four-month term as presented. The Board voted seven (7) ayes, zero (0) nays in approval. Chad Leavitt suggest Staff continue to talk to AFCU as they are local. Bob Bunker asked if there were any other monies the Board should consider investing. Terry Romero replied, no, all monies are in the general fund.

REVIEW AND POSSIBLE APPROVAL TO PURCHASE AND INSTALL A BACK-UP GENERATOR FOR THE MESQUITE OFFICES AND WAREHOUSE

Two years ago, during the capital budget discussion, the Board approved a plan to purchase a mobile back-up generator and fixed back-up generator for the Overton warehouse. Fixed back-up generators were contemplated for the Overton and Mesquite offices that would be installed during planned building modifications. Since that time, staff has held internal discussion and worked with an electrician to determine how to provide back-up generation at the Mesquite offices. After discussing this issue, staff has determined that the preferable option is to purchase a back-up generator for the Mesquite offices and to install the generator by the existing transformer that feeds the buildings. The generator would be sized to allow for full operations of the Mesquite offices. The fiscal impact is a budgetary estimate of \$105,000; but the project has not been put to bid yet. Mike Young raised a concern about rules with Air

Quality Management regarding the number of hours the generator can run. Richard Jones asked if Staff will come back with updated bids? Mendis responded in the affirmative. After discussion by the Board, a motion was made by Bob Bunker and seconded by Doug Waite to approve the purchase and install a back-up generator at the Mesquite Office. The Board voted seven (7) ayes, zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL OF NEW DISTRICT LOGO

Over the course of the last two board meetings, staff has presented new logo ideas to the Board. The Board has provided valuable commentary on potential logos and staff has worked with a designer to implement the Board’s suggestions. Staff is presenting the latest logo rendition, based on the staff’s and the Board’s input. The initial fiscal impact to the District will be approximately \$3,500. Mike Young Cautioned staff in making changes to logoed items to quickly in order to mitigate costs. Staff agreed completely. After discussion by the Board, a motion was made by Mike Young and seconded by Jack Nelson to approve the new District logo as presented. The Board voted seven (7) ayes, zero (0) nays in approval.

ATTORNEY’S REPORT

Mr. Byron Mills had no report at this time.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

Mike Young – Received the latest installment of the Watts Up newsletter. It is nicely done and had a great article about signing up for alerts.

APPROVAL OF NEXT MEETING DATE

A motion was made by Doug Waite and seconded by Jack Nelson to approve Wednesday, May 15, 2019 as the next Board Meeting date. The meeting will be held in the Overton Office at 3:00 PM. The Board voted seven (7) ayes, zero (0) nays in approval.

EXECUTIVE – CLOSED DOOR SESSION

There was no Executive Session.

ADJOURNMENT

The Board voted unanimously to adjourn at 4:25 PM.

Chair

Vice Chair

Secretary / Treasurer

DRAFT