

OVERTON POWER DISTRICT NO. 5

BOARD MEETING

DECEMBER 20, 2018

4:00 P.M.

Mesquite, Nevada

PRESENT: Mr. Mike Fetherston, Chairman
Mr. Doug Waite, Vice Chairman
Mr. Mike Young, Secretary / Treasurer
Mr. Robert Bunker, Trustee
Mr. Chad Leavitt, Trustee
Mr. Jack Nelson, Trustee
Mr. Byron Mills, Attorney

Mr. Mendis Cooper, General Manager
Mrs. Teresa Romero, Assistant General Manager / Finance & Administration Manager
Mrs. Becky LaGrow, Executive Assistant
Mr. Jon Jensen, Engineering Manager
Mr. Bruce Hughes, Manager of Transmission & Distribution Operations
Mrs. MeLisa Garcia, Accounting Supervisor (At the Mesquite Office)

ABSENT: Mrs. Judy Metz, Trustee

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 4:00 p.m. Mr. Mike Fetherston 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.

APPROVAL OF THE MINUTES

A motion was made by Mike Young and seconded by Bob Bunker to approve the minutes of the November 15, 2018 Board Meeting. The Board voted six (6) ayes and zero (0) nays in approval.

CHAIRMAN'S REPORT

Mr. Mike Fetherston had no report at this time.

ATTORNEY'S REPORT

Mr. Byron Mills had no report at this time.

MANAGER'S REPORTS

- **CONSTRUCTION**

Mr. Bruce Hughes reported there were six unplanned outages, affecting thirty-eight customers for a total of eighty-four hours and twenty minutes.

The Overton crew is working on numerous overhead to underground jobs, pole changes, overhead line wreck outs, and assisted in the 138 line to Falcon Substation project in Mesquite.

The Mesquite crew worked on 138 kV line to Falcon substation project, Library future circuit, numerous hookups, and the Pulte Holmes Crescent Moon underground project.

Crew members have attended instructional training in Work Management and IPSA Instruction and training.

The topic for the December Safety meeting was Sabotage on Facilities and Second Point of Contact.

To date the No Loss Time Record stands at 2 months and 8 days.

Mike Young asked if underground service was the new standard? Contractors of subdivisions pay for the new construction. Otherwise, engineering runs the numbers to make sure it is cost effective to go underground.

- **ENGINEERING & OPERATIONS**

Mr. Jon Jensen reported work continues on the 138kV Dino to Falcon Substation line. It took two days to drill and pour the foundations. Jon is confident the cure tests on the material will be to specification. Workers received training from MilSoft an electrical analysis software; this program electrically represents the relationship of every piece of equipment in the electrical flow to each customer and how they are all connected. Training was also conducted on the Work Management module training from SEDC, our billing and accounting software. This program follows the work order from customer request to meter install and will provide transparency throughout the departments during the progress of the job and the status of each departments involvement. Staff is still working on the project flow chart before going live with this program.

- **GENERAL MANAGER**

Mr. Mendis Cooper reported this has been an unusually busy month. Mr. Cooper has met with: *NV Energy* – Craig Silverstein joined Mr. Cooper in meeting with representatives from NV Energy. Additional documentation regarding our position was presented and they requested NV Energy provide additional documentation regarding their position in the claim. Since then, follow-up communications have been sent by telephone and email. Still working on final terms, but all meetings have been fair and productive.

SSEA - Attended a SSEA meeting discussed the costs, timelines and next steps associates with the ENTP. In the next few months, the District will have to decide the direction OPD is taking.

NREA Board Meeting – Dave Luttrell from Lincoln County Power was elected as the new president of NREA. Also, a document written by our lobbyist was approved and sent to the Nevada PUC regarding Energy Choice. Drafted a document that outlines the position and strategy of NREA regarding ECI.

Legislative Meetings – met with NV Energy representatives and heard about restructuring changes occurring at NVE and the new position they are taking regarding ECI.

Mesquite City Council – Attended a Mesquite City Council Meeting where I discussed Pay-As-You-Go or Pre-Paid Metering, and received input from citizens, landlords and property managers.

ECI Meeting – attended a meeting between NREA and the attorneys from Switch, discussed joint principles, potential problems, and strategies regarding ECI.

In closing, Mr. Cooper thanked all Board members that were able to attend the Management Mentoring Program graduation.

- **FINANCE & ADMINISTRATION**

Mrs. Terry Romero reported on:

MMP - The next group to start the Management Mentoring Program on January 1, 2018.

Audit - December is the starting of year end and our financial audit.

Mike Young asked when the budget would be presented. Terry responded that it will be presented in the January meeting. Mr. Young asked staff to consider presenting the future budgets in the December Board meeting.

- **ACCOUNTING**

Mrs. Garcia gave the financial report for November 2018, a copy of which is on file.

REVIEW AND POSSIBLE APPROVAL TO APPOINT 2018 VOTING DELEGATES, ALTERNATE VOTING DELEGATES AND APPOINTEES

- Overton Power is a member of the National Rural Electric Cooperative Association (NRECA). As an NRECA member, the District is entitled to representation at NRECA business sessions to approve the proposed actions of the association. In order to vote at the Region 9 meeting and the Annual NRECA meeting, the OPD Board needs to identify a voting delegate and an alternate voting delegate. These positions may be filled by Trustees or Staff. Currently, Mike Fetherston is the voting delegate and Jack Nelson is the alternate voting delegate.

The District is a member of the National Rural Utilities Cooperative Finance Corporation (CFC). CFC will conduct an annual business meeting in conjunction with the National Rural Electric Cooperative Association (NRECA) regional meeting. By appointing a voting delegate and an alternate voting delegate the District has the opportunity to participate in the election. Currently, Mike Fetherston is the voting delegate and Judy Metz is the alternate voting delegate.

The District's insurance claims underwriter is Federated Rural Electric Insurance Exchange (Federated). Federated will hold its Board of Directors election in conjunction with the National Rural Electric Cooperative Association (NRECA) regional meeting. By appointing a voting delegate, the District has the opportunity to participate in the election. These positions may be filled by Trustees or Staff. Currently, Mendis Cooper is the voting delegate and there is no alternate voting delegate.

The District is a member of the Nevada Rural Electric Association (NREA). NREA conducts an annual meeting and holds two to three additional meetings per year. The District has two voting delegates, a board appointee and the General Manager, on the Board. Currently, Doug Waite is the voting delegate and Jack Nelson is the alternate voting delegate.

The District is a member of the Silver State Energy Association (SSEA). SSEA conducts an annual meeting and holds one to three additional meetings per year to conduct business. The District appoints a Trustee to serve on the SSEA Board of Directors. Currently, Mike Fetherston is serves as the appointee to the SSEA Board of Directors and Jack Nelson is the alternate.

After discussion by the Board, a motion was made Chad Leavitt and seconded by Mike Young

To approve **Mike Fetherston**, to serve as the 2018 OPD voting delegate for ***NRECA*** and **Jack Nelson**, to serve as the alternate voting delegate.

To approve **Mike Fetherston**, to serve as the 2018 OPD voting delegate for ***CFC*** and **Judy Metz**, to serve as the alternate voting delegate.

To approve **Mendis Cooper**, to serve as the 2018 OPD voting delegate for ***Federated*** and there is no alternate voting delegate.

To approve **Mendis Cooper**, to serve as the 2018 OPD voting delegate for ***NREA*** and **Doug Waite** to serve as the alternate voting delegate.

To approve **Mike Fetherston**, to serve as the 2018 OPD voting delegate for ***SSEA*** and **Jack Nelson**, to serve as the alternate voting delegate. The Board voted six (6) ayes and zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL OF 2018 FUTURE CAPITAL SPENDING PROJECTS

A discussion regarding future projects was conducted at the November Board Meeting. Staff is presenting the 2018 Capital Expenditure list for discussion, review and possible approval. The list includes allocations for the AMI system that is being installed, savings for future projects, savings for debt reduction, and consideration of the effect of a rate change. The fiscal impact to the District is \$4,793,112 (including savings). After discussion by the Board, a motion was made by Mike Young and seconded by Bob Bunker to approve the 2018 Capital Projects as presented. The Board voted six (6) ayes and zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL OF TEMPORARY WORKER POLICY OPD-P-19.200 TO APPROVE HIRING FOUR INTERNS IN 2018

The policy establishes the guidelines for interns and temporary workers and sets the number of interns and temporary workers that may be hired each year. Staff received approval to hire four interns in 2017. All four positions were successfully filled and were a benefit to the District. Staff requests that four interns be hired in 2018. The fiscal impact to the District is approximately \$57,000. After discussion by the Board, a motion was made Chad Leavitt and seconded by Mike Young to approve hiring four interns in 2018 in accordance with the Temporary Worker Policy OPD-P-19.200 as presented. The Board voted six (6) ayes and zero (0) nays in approval.

PUBLIC COMMENTS

All Public Comments are recorded and available upon request.

BOARD COMMENTS

Mike Young addressed a customer’s concern regarding a rate reduction for customers. We are still waiting on the Cost of Service Study to see what our options are.

Bob Bunker inquired about if we are close to a resolution with NV Energy, and when is it appropriate to file suite? Mr. Cooper responded that when filing a suit, FERC will look at how hard both parties have tried to resolve the issue on their own and how much mediation has gone on.

Mike Young thought it would be a great project for the in-coming MMP group to do risk analysis on the purchase of a new transformer for next year’s budget.

APPROVAL OF NEXT MEETING DATE

A motion was made by Mike Young and seconded by Doug Waite to approve Wednesday, January 17, 2018 as the next Board Meeting date. The meeting will be held in the Overton Office at 4:00 PM. The Board voted six (6) ayes and zero (0) nays in approval.

EXECUTIVE – CLOSED DOOR SESSION

There was no Executive Session.

ADJOURNMENT

The Board voted unanimously to adjourn at 6:00 PM.

Chairman, Mike Fetherston

Vice Chairman, Doug Waite

Secretary / Treasurer, Mike Young