

OVERTON POWER DISTRICT NO. 5
BOARD MEETING

February 15, 2017

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
Mrs. Judy Metz, Trustee
Mr. Jack Nelson, Trustee
Mr. Byron Mills, Attorney

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

ABSENT: Mr. Chad Leavitt, 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

All Public Comments are recorded and available upon request.

APPROVAL OF THE MINUTES

A motion was made by Mike Young and seconded by Doug Waite to approve the minutes of the January 18, 2017 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

- **ENGINEERING & OPERATIONS**

Mr. Jon Jensen reported on some upcoming projects. On Saturday, the handicap assist doors will be installed at the customer entrances in the Overton and the Mesquite offices. In December, there was a report on the steel pole structure in Mesquite; the required cure time has elapsed and the structure passed the break tests. Hardware will be arriving soon to attach to the structure in preparation of moving the lines over. It is anticipated the 138 kV line loads will be low enough in early April to de-energize the line. In Dinosaur substation control building, the last two metering and relay control panels were installed. These panels are required for the transformer upgrades happening in March; they also include the protection equipment for the 138kV bus, line to Falcon substation and a future distribution bay. The 20 MVA transformer is due to arrive in March; the Dinosaur substation loads will be distributed among other substations during the necessary upgrade effort.

- **CONSTRUCTION**

Mr. Bruce Hughes reported there were two unplanned outages this month. In Mesquite, a vehicle hit a transformer that supplied power to a street light circuit. In Overton, a customer dug into his own service while repairing his water line. The Overton crew is working on tree trimming, numerous pole changes and system audit. The Mesquite crew is working on 138 line pole stapling, repairs on the distribution and transmission line roads, reroute the fence for the transmission line access, numerous hookups and system audit. The topics for the February's Safety meeting was Forklift Training and Safety Signs. The new digger derrick is in Dixon California and is expected to be delivered next week. A pre-paint inspection was done and everything seems to be proceeding nicely. To date the No Loss Time Record stands at 9 years, 4 months, and 3 days.

- **GENERAL MANAGER**

Mr. Mendis Cooper reported on the meetings attended this month. Mendis and Terry attended a Silver State Energy Association Working Group Meeting, topics for the SSEA Board Meeting included contract renewals, the Eastern Nevada Transmission Project, and the SSEA audit. Craig Silverstein and Mendis met with representatives at NV Energy regarding the transmission rate. Mendis attended a Nevada Rural Electric Association GM/CEO meeting discussing legislative activities, the direction of the organization and strategies. Following the NREA meeting, the group met with Paul Caudill and key staff from NV Energy to discuss the Customer Choice Initiative and its effects on the different organizations. Mendis, Randall and MeLisa attended Colorado River Energy Distributors Association Meeting in Las Vegas, where presentations from representatives from Bureau of Land Management (BLM) and also the Executive Director and key staff from Western Area Power Administration were given. Terry, Keith and Mendis attended the Mesquite Chamber of Commerce Meeting and listened to the Mayor's State of the City address. Jon and Mendis attended the BLM presentation in Mesquite regarding the Gold Butte National Monument. Finally, Mendis attended the Colorado river Commission Board Meeting where the hydrology report was positive, but this is cautionary as an early warm Spring and wind can accelerate evaporation and can change storm conditions and existing snow pack very quickly. Mike Young asked if there is a coming together at the NV Energy meeting. Mendis responded it has opened dialogue and progress is slowly being made.

FINANCE AND ADMINISTRATION

Mrs. Terry Romero reported the audit will begin next week. Their report will be ready at the next Board meeting. Terry has been in contact with CFC regarding the rate study. The study should be completed by the end of May, then the process of a Cost of Service Study can begin. It should be completed by the end of summer.

- **ACCOUNTING**

Mrs. MeLisa Garcia corrected the percentage of time in 2016 a District customer has power to their meter given during the budget presentation last month. The number presented was 88.76%, the actual number is 99.81%. Mrs. Garcia gave the financial report for January 2017, a copy of which is on file.

REVIEW AND POSSIBLE APPROVAL OF A CONTRACT BETWEEN ACLARA AND OPD FOR ADVANCED METERING INFRASTRUCTURE (AMI) EQUIPMENT, SOFTWARE, AND SERVICES

The Board gave approval for staff to procure the Aclara AMI System for an estimated \$3,390,634.00 at the November 2016 board meeting. Staff has worked with Aclara to finalize the equipment list, timing of deliveries and other details associated with the contract since that time. The OPD team working on this contract were able to narrow and eliminate items to reduce the original estimated price. The District's counsel participated in the review and negotiation of this contract and the final version is presented for the Board's review and possible approval. The fiscal impact to the District will be \$3,230,196.50. After discussion by the Board, a motion was made Mike Young and seconded by Doug Waite to approve the Contract Between Aclara and OPD for Advanced Metering Infrastructure (AMI) Equipment, Software, and Services. The Board voted six (6) ayes and zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL TO CREATE AND FILL A SYSTEM ANALYST POSITION

Staff requested this position in a presentation at the last board meeting. The Board requested additional information regarding this position. Staff is requesting this position in order to fill three key roles. First, to analyze information, to write documents, to create spreadsheets, to create reports, and to manage information as needed. Second, to work in cooperation with management to review material, to write documents, create reports, to prepare spreadsheets, perform analysis, and to prepare presentations and reports for board meetings and other groups. Third, to work in coordination with engineering to complete substation wiring diagrams, to stake and survey large jobs, and to assist with system analysis. There are two possible scenarios for filling this position if approved: First, staff could fill this position by choosing from in-house candidates then hire an entry level worker as a replacement. Second, staff could advertise, interview, and select an individual from outside the company. The fiscal impact to the District will be \$41.59/hour which comes to \$131,054.15/year including benefits. Judy Metz wanted to confirm that this employee would be responsible to the General Manager and the Assistant General Manager, but will work across different departments. Mike Young expressed concern that it is a considerable amount of money for a job that could possibly be handled by a consultant and the education requirements are not high enough for the position. Judy stated she would prefer to hire in-house and bring in an entry-level employee to fill the lower position. Mendis Cooper stated that while consultants are capable of handling

the work; when the current management retires, who will know our system. After discussion by the Board, a motion was made by Judy Metz and seconded by Jack Nelson to approve the creation of a System Analyst position with approval to fill the position as presented with an hourly cap of \$41.59 / hour. The Board voted five (5) ayes and one (1) nay by Mike Young. The motion passed.

REVIEW AND POSSIBLE APPROVAL OF OPD POLICY OPD-A-04.101, CONSULTANTS

The Board requested staff to seek new proposals for auditing services later this year. Staff suggests minor additions to OPD Policy OPD-A-04.101 in preparation for seeking proposals. The additions include a provision that requires the auditor to be licensed in the State of Nevada, a provision that establishes a maximum contract term, and statements that clarify the auditor's general duties and responsibilities. Specific audit requirements will be included in the requests for proposals and in the auditor's contract. Mike Young expressed concern about the Board's need to control it more carefully and the length of the contract. After discussion by the Board, a motion was made by Mike Young and seconded by Bob Bunker to approve the suggested changes to OPD Policy OPD-A-04.101 as presented with the change of the maximum term to four years. The Board voted six (6) ayes and zero (0) nays in approval.

PRESENTATION ON CUSTOMER ENERGY CHOICE (BALLOT QUESTION 3)

Mendis Cooper gave an informational presentation explaining Customer Energy Choice also known as Ballot Question 3. Mr. Cooper summarized the ballot question, issues the legislature has to decide and potential affects this may have on the District and its customers. Mike Young asked if a strategy has been created to tackle this issue. The response was NREA has three Board members petitioning to be on the three different committees that will be working on the Customer Energy Choice Initiative.

PUBLIC COMMENTS

All Public Comments are recorded and available upon request.

BOARD COMMENTS

Mike Young complimented Staff on the flyer that went out recently in the customer bills. His suggestion for the next flyer was information on signing up as a Priority Customer. These flyers will go out quarterly.

APPROVAL OF NEXT MEETING DATE

A motion was made by Mike Young and seconded by Doug Waite to approve Wednesday, March 15, 2017 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

A motion was made by Mike Young and seconded by Jack Nelson to adjourn at 5:30 PM. The Board voted six (6) ayes and zero (0) nays in approval.

Chairman, Mike Fetherston

Vice Chairman, Doug Waite

Secretary / Treasurer, Mike Young

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