

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

March 15, 2017

4:00 P.M.

Overton, Nevada

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

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

The minutes of the February 15, 2017 Board Meeting were unanimously approved.

CHAIRMAN'S REPORT

Mr. Mike Fetherston presented Bruce Hughes with a Safety Award plaque from Intermountain Power Superintendents Association (IPSA) for meritorious achievement in attaining low accident frequency during 2016; 1st place – Group D for working 70,000 or more hours with zero lost time accidents.

ATTORNEY'S REPORT

Mr. Byron Mills had no report at this time.

MANAGER'S REPORTS

- **ENGINEERING & OPERATIONS**

Mr. Jon Jensen reported on the trip to the Nevada Rural Electric Association (NREA) Legislative Conference held last week in Carson City. Public Power Day was designated to give an opportunity for energy providers to be acknowledged by the State Legislators. This gave NREA members a chance to let legislators know that there is more than one energy provider in the state. Jon also reported on the first phase of moving the 138 kV lines to the new steel structure. The process is being done at night to accommodate load efficiency. This process will continue for approximate two more shifts before the entire project is complete.

- **CONSTRUCTION**

Mr. Bruce Hughes reported there was one unplanned outage at Simplot caused by a blown fuse; seven meters were down for a total of one hour and ten minutes. The Overton crew is working on numerous pole changes, Overton Substation Advanced Metering Infrastructure (AMI) preparation, they assisted Fugal with conduit placement, and worked on system audit. The Mesquite crew is working on 138 kV line preparation, Mesquite Manor high voltage wire replacement, new Mesquite cemetery and numerous hookups. Intermountain Power Superintendents Association (IPSA) held its annual line school and luncheon in Mesquite the first week of March. The luncheon was hosted by the District at the Mesquite warehouse with approximately one hundred ten people attending. The topic for the March Safety meeting was Pole Top Rescue. To date the No Loss Time Record stands at 9 years, 5 months, and 1 days.

- **GENERAL MANAGER**

Mr. Mendis Cooper reported he and Mike Fetherston attended the Silver State Energy Association (SSEA) Board meeting where they heard the audit report and the approval of two trade agreements. At the National Rural Electric Cooperative Association (NRECA) annual meeting, Mr. Cooper attended the South-Eastern Data Corporation (SEDC) enrichment meeting and a presentation on potential future changes to the western energy market caused by California Independent System Operator (CAISO) and the Energy Imbalance Market (EIM). The general meeting and breakout sessions covered the topics of changing technology, cybersecurity, government regulations and distributed generation. A couple of weeks ago, there was a fire in the Mesquite warehouse. The fire started at the end of the work day and was caused by smoldering sparks from a chop saw that landed on a box and other dry material. The fire was found and extinguished by two employees who used fire extinguishers and a hose making sure all hot spots were out. Staff held a debriefing meeting and the incident was reviewed by our safety consultant. The crew has removed flammable materials and debris from work areas. Also, the Safety Committee will perform self-checks and evaluations in conjunction with the inspections performed by Federated Insurance and the local fire marshal. Mendis has been in regular communication with the NREA members and general managers regarding the energy related issues moving through the legislature.

- **FINANCE AND ADMINISTRATION**

Mrs. Terry Romero reported what a tremendous experience it was to attend the State Legislature in session. The surprise was the need to let legislators know that there are more power providers than NV Energy supplying Nevada. Mike Young added elected Board members need to continue communication with our elected officials.

- **ACCOUNTING**

Mrs. Garcia gave the financial report for February 2017, a copy of which is on file.

REVIEW AND POSSIBLE APPROVAL OF EXHIBIT B TO THE CONTRACT FOR BILLING, SCHEDULING AND DELIVERY SERVICES BETWEEN THE CITY OF MESQUITE AND OPD FOR DELIVERY OF THE CITY'S HYDROPOWER ALLOCATION

In 2016, the City of Mesquite received 1.0 MW and an estimated annual allocation of 2,182 MWh of federal hydropower from Hoover Dam through the Colorado River Commission of Nevada (the CRC). A contract between the City of Mesquite and OPD was approved on September 21, 2016 for Billing, Scheduling and Delivery Services. Staff presented the calculation, known as Exhibit B for review and possible approval by the Board. At this time, this Exhibit has not yet been approved by the City of Mesquite. Mr. Mendis Cooper explained the documents presented; the changes requested were deleting page two of Exhibit B and eliminating the contract development fee in lieu of past, present and future in-kind agreements between the District and the City of Mesquite. Mr. Aaron Baker, City Manager expressed his thanks to the Board and for the cooperation of District staff. When asked, Mr. Baker stated, the Retail Service Credit paid to the City of Mesquite will be used to offset the costs of the contract with the Colorado River Commission and other associated fees. After discussion by the Board, a motion was made by Bob Bunker and seconded by Mike Young to approve Exhibit B to the Contract between the City of Mesquite and OPD for Delivery of the City's Hydropower Allocation with the elimination of page two (2) and waiving of the monthly Contract Development Fee. The Board voted seven (7) ayes and zero (0) nays in approval.

REVIEW AND POSSIBLE APPROVAL OF OPD POLICY OPD-A-09.300 HIRING OF EMPLOYEES

The Hiring Policy was last reviewed and approved in November, 2008. With Board approval to make new hires, staff feels that it is appropriate to present this policy to the Board for review. Staff does not have any suggested changes. No Action was taken.

PRESENTATION ON CUSTOMER ENERGY CHOICE

Mrs. Terry Romero gave a presentation on the findings by National Rural Electric Cooperative Association (NRECA) Senior Regulatory Affairs Specialist Jan Ahlen regarding Consumer Choice in the states that have tried implementing these programs. The most common reoccurring factor is the customers are given so many options, they get overwhelmed and frustrated keeping them from making the decision that may be best for them.

PRESENTATION ON COMMUNICATION PROCEDURES

Mrs. MeLisa Garcia gave a review of Level Three outage procedures. Since last presented to the Board, Staff has implemented a de-briefing meeting after an outage and has provided information to the public as requested by the Board. Mr. Bob Bunker asked when a customer calls in to report an outage, are they contacted again after power is restored. Staff responded the only call backs are usually to large customers and key accounts affected and customers requesting a call back.

REVIEW AND POSSIBLE ACCEPTANCE OF THE ANNUAL AUDIT REPORT BY HAFEN, BUCKNER, EVERETT & GRAFF

Each year the District has an independent audit performed. The accounting firm of Hafen, Buckner, Everett and Graff conducted the audit of the District's 2016 financial data. The Auditor, Mr. Wayne Everett reported that the District's systems were well documented and the staff's excellent cooperation made the job much easier.

PUBLIC COMMENTS

All Public Comments are recorded and available upon request.

BOARD COMMENTS

Mike Young reported on the NRECA training called Communicating the New Energy Landscape. Several other trustees attended this class. The basic message was all agencies should be moving to a higher base charge because all customers pay the base charge, but not all customers use the same amount of energy. It is a point to be considered even though as elected officials it may not be the most popular with most constituents.

Mr. Young requested that over the next few months each of the Board members talk for a few minutes about something new they learned at the NRECA Annual Meeting.

APPROVAL OF NEXT MEETING DATE

The next regularly scheduled Board Meeting date will be Wednesday, April 19, 2017. The meeting will be held in the Mesquite Office at 4:00 PM. The Board voted seven (7) ayes and zero (0) nays in approval.

EXECUTIVE – CLOSED DOOR SESSION

A motion was made to enter Executive Session.

A motion was made to exit Executive Session.

ADJOURNMENT

The Board voted unanimously to adjourn at 6:10 PM.

Chairman, Mike Fetherston

Vice Chairman, Doug Waite

Secretary / Treasurer, Mike Young

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