

Lincoln County Power District No. 1

Pioche, Nevada

The regular meeting of the Board of Trustees of the Lincoln County Power District No. 1 (LCPD or District) was duly held in the office of the District at Caselton, Nevada on April 13 2015 at 9:00 AM.

Notice of the meeting and agenda were posted at the following locations on April 7, 2015 in conformance with the Nevada Open Meeting Law: Lincoln County Courthouse, U.S. Post Office at Pioche, Lincoln County Telephone System Office, Lincoln County Power District Office, Panaca Market, and the U.S. Post Office at Panaca.

The agenda for this meeting is included at the end of these minutes for reference purposes and is a part of these minutes.

President Ed Wright called the meeting to order at 9:00 AM.

The following were present: President Ed Wright, Vice President Lee Mathews, Board Members Bob Rollins and Dylan Frehner, General Manager Dave Luttrell, Administrative Manager Garry McBride, Engineer Kyle Donohue, Construction Manager John Condie, and Clerk Louise Carlson. Also present was Hank James with the Nevada Rural Electric Association (NREA).

Board Member Mike Fogliani was absent.

A. Conformance to the Nevada Open Meeting Law: Dave Luttrell stated that the District had complied with the requirements of the Nevada Open Meeting Law.

B. Public Comments: Dave Luttrell introduced Hank James to the Board.

C. Review and act upon the minutes of meetings held on March 9, 2015, closed session held on March 9, 2015, and March 20, 2015. (Possible Action): Bob Rollins made a motion to approve all of the minutes as written. Lee Mathews seconded the motion. The motion passed by unanimous vote.

D. Review and Act on a possible policy regarding the Retail Sale of Tangible Personal Property to the Public. (Possible Action): Dave Luttrell informed the Board that currently there is no District policy regarding the sale of inventory or tangible personal property to the public. He presented two draft policies for review and consideration. The first draft policy would allow the District staff to sell inventory items to the public under the criteria and conditions set forth in the policy. The second draft policy would eliminate the practice of selling items to the public with certain exemptions as provided under Nevada state law. There was some discussion about the exemptions, requirements, state sale tax license, liabilities, previous yearly profit, state audits, and distance for residents to buy similar items stocked by the District, the employee sales policy, not wanting to compete with other local vendors, sales to towns, sales to irrigation customers, and sales to other

tax exempt customers. Dylan Frehner made a motion to adopt the second draft policy eliminating retail sales to the public, but allowing sales under certain exemptions as listed in the policy, with an addition of twenty-five percent markup to any sale made, effective immediately. Bob Rollins seconded the motion. Lee Mathews abstained, and the motion passed by unanimous vote.

E. General Manager's Report. (Discussion): Dave Luttrell discussed the following with the Board:

- National Information Solutions Cooperative (NISC) software conversion is underway. They will be onsite the first week of June with a go-live date of January 24, 2016.
- Union Pacific Rail Road (UPRR) contracts should be ready to sign hopefully by the next Board meeting.
- The advertisement for the Operations Technician position is in the Lincoln County Record and we have received about ten applications so far.
- Our custodian, Darlene Wadsworth, has been in an automobile accident.
- The tensioner will be delivered Wednesday.
- This is the District's third consecutive year with a no time lost accident award from IPSA.
- Spent some time last week in Carson City with the Governor's energy staff regarding the solar project and at the NREA Legislative Conference.
- Colorado River Commission (CRC) drought update shows that by the end of 2016 water levels at Lake Mead will drop to a level whereby a water shortage will most likely be declared. Staff continues to work with SSEA and with Overton Power District (OPD) to identify ways to diversify our power supply.

Dave Luttrell invited Hank James to talk about his position as Deputy Director at NREA. Hank discussed the following with the Board:

- Bill SB46 regarding moving CRC out of state control with an agreement from the governor's office to appoint a rural representative to the Commission.
- Bill AB332 regarding tax exempt status on construction projects.
- AB163 creating a Range Land Fire Protection Association to allow private parties to be able to protect their assets from wild land fires.
- SB407 regarding energy efficiency standards trying to reduce the amount of energy sold and whether or not power districts and rural electric cooperatives will be considered Public Utilities and have to comply.

Hank stated he appreciated being here to see first-hand how the decisions are made at the local by typical rural utility that he represents in Carson City.

F. Construction and Maintenance Manager's Report. (Discussion): John Condie discussed the following with the Board:

- The Mainline has been switched back over, and 37 structures are up.
- Outage caused by a failed arrestor at the Lincoln County Detention Center.
- A pole fell in Rose Valley.
- Performed some custom work for Penoyer Farms.

G. Engineering and Operations Report. (Discussion): Kyle Donohue discussed the following with the Board:

In Engineering:

- Displayed feasibility study maps on a proposed solar project in Rachel.
- UPRR completed installing the conduit and started setting the transformer pads.
- Material arriving for the Panaca Solar Project.
- Working on the line design for Nevada Department of Transportation communication site in Coyote Springs.
- Working on design for Lincoln County High School overhead to underground for a campus reconfiguration.
- Working on standard assembly units for the NISC software conversion.

In Operations:

- Capacitor switching daily until the Mainline got switched back on.
- Helping Virgin Valley Water District.
- Adding Alamo substations to SCADA.
- Installed a new server that is required for the NISC software.
- Performed maintenance at substations including applying sterilant.

H. Financial Reports. (Discussion): Missy Cheeney passed out month end reports for 3/31/2015. The Board reviewed the reports.

I. Director's Comments. (Discussion): Dylan Frehner questioned if the current employee policy was approved by legal counsel. Dave indicated general counsel was involved at the time of its original creation in the 1990's. Ed Wright discussed the NREA conference.

J. Future Agenda Items. (Discussion): There were none discussed.

K. Public Comment: There were no public comments.

L. Adjournment: Lee Mathews made a motion to adjourn the meeting. Bob Rollins seconded the motion. The motion passed by unanimous vote.

Meeting adjourned at 10:30 AM.

Ed Wright, President

Attest:

Dave Luttrell – Secretary