

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 September 14, 2015 at 9:00 AM.

Notice of the meeting and agenda were posted at the following locations on September 8, 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 Mike Fogliani, 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 Debbie and Janell Meldrum from Alamo.

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: There were no public comments.

C. Minutes of Meeting Held on July 13, 2015: Mike Fogliani made a motion to approve the minutes. Lee Mathews seconded the motion. The motion passed by unanimous vote.

Ed Wright moved to move to item E.

E. Presentation on NRECA Youth Tour 2015 and Review and Act on Participation in NRECA Youth Tour 2016 (Possible Action): Dave Luttrell introduced Janel Meldrum and her mother Debbie to the Board. He explained that Janel, Chesney Harding and Savannah Harr were the three students the District sent to Washington DC on the NRECA's Youth Tour. Janel was selected to represent all of Nevada in the Youth Council. The Youth Council students all competed in a speech contest to be the Youth Leadership Council National Spokesperson who will address the membership at the NRECA annual meeting. Dave Luttrell informed the board that Janel won second place in the speech contest. Janel described the Youth Tour, the different congressmen she met, a private tour of the capital buildings, and learning about rural utilities. Then she talked about the Youth Council, the members, the speeches, her favorites, and the other winners. Janel gave her speech to the Board upon request. Dave Luttrell discussed with the Board next year's pricing, hidden costs, offering to pay Overton Power District (OPD) for a

chaperone, the number of students able to send, and other programs available. Dylan Frehner made a motion to approve participating in NRECA Youth Tour 2016 and to offer OPD \$500 each for two chaperones not to exceed \$1000. Mike Fogliani seconded the motion. The motion passed by unanimous vote.

D. Review and Act on Financial Statements for the Years Ended May 31, 2015 and

May 31, 2014, and auditor's Report (Possible Action): Dave Luttrell introduced Wayne Everett with Hafen Buckner Everett & Graff, PC. Wayne went through the audit report in detail. He discussed with the Board the opinion letter and analysis, statement of net income, balance sheet as of 5/31/15 compared to prior year, net position, operating statement, contribution in aide, cash flow, and the auditor's letter of findings. Lee Mathews made a motion to approve the Financial Statements and to approve the auditor's report. Mike Fogliani seconded the motion. The motion passed by unanimous vote.

F. Review and Act on Policy No. EP-4, Vacations (Possible Action):

Dave Luttrell explained to the Board the District's current vacation policy and stated that the new NISC software cannot track the current system. He asked the Board to change the policy to an hourly accrual based on the vacation times stated in the current policy for time worked. These changes has been approved by the employees and the benefit committee. Mike Fogliani made a motion to approve changing the vacation policy No.EP-4 to an accrual basis. Dylan Frehner seconded the motion. The motion passed by unanimous vote.

G. Review and Act on Nevada Rural Electric Cooperatives Association (NRECA) High

Deductible PPO Plan (Possible Action): Dave Luttrell updated the Board on the HRA accounts with Zions Bank giving how much spent and current saved. He also indicated that the Affordable Care Act has made changes mandatory regarding the maximum deductible and out of pocket expense allowed. The Power District's policy with NRECA must be changed to meet these new levels. Changing the policy with NRECA requires Board authorization. Dave indicated the policy changes had been reviewed with the employees and with the benefit committee. Dylan Frehner made a motion to continue the NRECA High Deductible plan with modified deductibles according to the Affordable Care Act. Lee Mathews seconded the motion. The motion passed by unanimous vote.

H. Review and Act on Petition of Kenneth and Joanne Dixon to include property within the Boundaries of the Lincoln County Power District No.1 (Possible Action):

Dave Luttrell presented to the Board a petition to include Ken and Joanne Dixon's property with the boundaries of the District. Lee Mathews made a motion to accept the petition. Dylan Frehner seconded the motion. The motion passed by unanimous vote.

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

- The NREA annual meeting next week will be attended by Kyle Donohue, Garry McBride, and Dave. He asked if any Board member was interested. Ed indicated he may be able to attend.
- Will move forward with a study of the costs and benefits to assume operation of the Pioche electrical system as requested by PPU Town Board and Lincoln County Commission.

- NISC will be here this week for training, financials will go live in late October, and customer care is on track.
- John Brown with Holland and Hart did a good job on the Solar Project agreement. Dave indicated he will continue to use him on legal work on a case by case basis.
- Preparing for the Solar Project dedication and a Resolution of appreciation to present to the USDA and the Governor's office of Energy.

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

- UPRR line is energized.
- Acoma is built with 4 services. Now moving on to Barclay with 4 out of 6 services set.
- Performed custom work at Coyote Springs repairing lights at the wells.
- October will roll on to the Mainline Project.

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

Engineering:

- NISC software training and building assembly units.
- Presented maps of the UPRR project, Acoma, and Barclay residential maps.
- Completed estimates for Coyote Springs.
- The overhead to underground conversion at the High School is completed.

Operations:

- Finalizing the communications at the Solar Project.
- Gave presentation on link to Solar Project.
- Installed a voltage regulator and energized the UPRR but no signals have been installed yet.
- There were some substation breaker problems.
- Changed out some batteries at various substations.
- Helped Overton Power District (OPD) put in security at our shared Tortoise Substation.

L. Financial Report. (Discussion): Missy Cheeney passed out month end reports for 8/30/2015. The Board reviewed the reports. Missy also collected signatures for our bank in Ely.

M. Director's Comments. (Discussion): Dylan Frehner apologized for his absences the last three months. May miss more but would like to continue at least until December. There was some discussion about the PPU study regarding rates and classes, NDOT working on road, and a party for John Christian.

N. Future Agenda Items. (Discussion): There were no items.

O. Public Comment: There were no public comments.

P. Adjournment: Meeting adjourned at 11:30 AM.

Ed Wright, President

Attest:

Dave Luttrell – Secretary