

**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 3, 2018 at 9:00 AM.

Notice of the meeting and agenda were posted at the following locations on March 28, 2018 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, and Board Members Bob Rollins, Dylan Frehner and Ken Dixon, General Manager Dave Luttrell, Administrative Manager Garry McBride, Engineering and Operations Manager Kyle Donohue, Construction Manager John Condie, and Clerk Louise Carlson. Also present was Gian Brown General Counsel to LCPD.

- 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 February 12, 2018 (Possible Action):** Ed Wright requested the statement "Meeting closed to public" to be added after Item Q. Ken Dixon made a motion to approve the minutes with the correction. Bob Rollins seconded the motion. The motion passed by unanimous vote.

- D. Loan Agreement, Promissory note and Related Documents with National Rural Utilities Cooperative Finance Corporation (CFC) (Possible Action):** Dave Luttrell introduced Gian Brown to the Board stating the he would prepare the required legal opinion to CFC verifying LCPD's ability to enter into this agreement. Dave stated the bidding for the new District office should commence in May. He described the loan agreement, promissory note, and a certificate of resolutions and incumbency required for CFC financing. He discussed interest and terms, required debt service coverage ratio, company assets securing the loan, prepayment limitations, number of draws allowed, impact on customers from length and terms, loan versus bonds, and monthly payments. Lee Mathews made a motion to approve the CFC loan agreement, promissory note, and related documents subject to any language changes required by Gian Brown to reflect the specific nature of LCPD's legal organization; and authorized the General Manager to submit the first \$1,000,000 draw request to CFC for funds. Lee stipulated that requests to CFC for additional funds after the first draw request shall require Board approval. Bob Rollins seconded the motion. The motion passed by unanimous vote.

Ed Wright ruled to move to item H.

H. General Manager Position Description, Wage Range, and Performance Evaluation Criteria (Possible Action): Dave Luttrell presented the proposed position description for the General Manager (GM) position and the proposed wage range as requested during the previous Board meeting. Dave indicated the proposed position description includes several main responsibilities including Board relations, utility management, safety, government affairs, customer relations, and community development. Dave reviewed each area in detail. The Board discussed the proposed wage range, and the requirement of living within the areas served by the LCPD. Dylan Frehner made a motion to adopt the proposed GM's position description and wage range, subject to lowering the low side of the wage range to \$110,000 per year and removing the requirement that the GM live within the areas served by LCPD. Lee Mathews seconded the motion. The motion passed by unanimous vote.

Ed Wright ruled to move to item M. Ed Wright ruled to close the meeting to the public.

Ed Wright ruled to open the meeting to the public.

N. Any Action Relating to Agenda Item M (Possible Action): There was no action taken at this time.

Ed Wright ruled to move to Item E on the agenda.

E. Policy No. Power-07, Cost Responsibility for Electric System Extension, Revision 1 (Possible Action): Dave Luttrell reviewed the existing line extension policy and discussed the proposed changes. The revision clarifies that financing will not be available for any line extension that will be used for any purpose that violates local, state, or federal law. Lee Mathews made a motion to approve the revision of policy No. Power-07. Dylan Frehner seconded the motion. The motion passed by unanimous vote.

F. Resolution No. 2018-02, Board Compensation and Travel Reimbursement (Possible Action): Dave Luttrell stated that he examined the Board compensation policy and reported that Nevada state law caps Board compensation at \$6000 per year. He prepared the draft resolution to comply with the statutory limit. The draft Resolution No. 2018-02 would set Board member compensation at \$350 per month, but would leave compensation for additional meetings beyond the regular Board meeting that occur in a given month at \$200. There was some discussion about current compensation, the proposed changes, and the effective date. Ken Dixon made a motion to approve resolution No. 2018-02 with an effective date of January 1, 2019. Dylan Frehner seconded the motion. The motion passed by unanimous vote.

G. Employee Policies EP-10 and EP-16 (Possible Action): Dave Luttrell stated with the addition of new employees staff has reviewed the Employee Policy Manual. The manual needs some changes and today we are looking at two of them. EP-10 employee purchases,

and EP-16 discipline and dismissal. There was discussion about the changes in both EP-10 and EP-16.

Ken Dixon made a motion to approve the changes to EP-10. Lee Mathews seconded the motion. The motion passed by unanimous vote.

Bob Rollins made a motion to approve the changes to EP-16. Lee Mathews seconded the motion. The motion passed by unanimous vote.

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

- Our need for resources beyond 2018 may require an amended contract with AEPCO and ACES.
- Justin Holt is our new hire for Purchasing/Warehousing Clerk.
- Moving forward with Advanced Metering Infrastructure (AMI) research.
- Hoover rates will decrease by 3.8%.
- Progress on the new building is slow.
- Coyote Springs (CS) requested approval from the Clark County Planning Commission for 411 houses in 2019.
- The energy choice education on ongoing.

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

- CS now has power to Well#2 and the booster pump.
- Replaced a bad transformer for 8 Mile Farms.
- Outages caused by a downed pole on the Pony 69-kV Line and in Eagle Valley.
- Pioche and Panaca had poles hit by vehicles and equipment that required repair.

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

OPERATIONS:

- Working on connecting communication network sites.
- Investigating trips on Tempiute line.
- Installed power meter at Narconon trying to resolve issues.
- Helped Alamo Power District (APD) with their radio network.
- Cleaned up a bird problem in Mesa.
- Eagle Valley recloser operations.
- Lines at the solar farm changed to timers.
- Preparing to weed spraying at the substations.
- Possibility of splitting the SCADA network from Overton Power District (OPD).
- Created switching procedures, outage procedures, and labeling switches.

ENGINEERING:

- Working with line crew on Well2 project at CS.
- Preparing designs for the next Meadow Valley line section.
- Holding discussions with property owners regarding right-of-ways from Brackenbury to Highland Knolls.
- Creating standards for the NISC software.
- Electric vehicle charging stations proposed in CS and Alamo.
- Altair inquiring about power to the Pan Am Mine.

- Answering Mt Wheeler's questions regarding our pole tester.
- Researching an AMI infrastructure.

L. Financial Report. (Discussion): Missy Cheeney absent. Dave Luttrell passed out January 2018 month end reports. The Board reviewed the reports.

M. Director's Comments (Discussion): Ed Wright talked about the NREA agenda, Energy Choice, and the mainline capacity.

N. Future agenda items (Discussion): Dave Luttrell stated that the next agenda will contain a job description for an Assistant Manager and a performance review for the General Manager. The next meeting will be held May 14, 2018.

Q. Public Comment. There were no public comments.

R. Adjournment: The meeting adjourned at 11:30 AM.

Ed Wright, President

Attest:

David Luttrell – Secretary