

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 11, 2018 at 8:00 AM.

Notice of the meeting and agenda were posted at the following locations on September 5, 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 8:00 AM.

The following were present: President Ed Wright, Vice President Lee Mathews, Board Members Bob Rollins, Ken Dixon, and Dylan Frehner, General Manager Dave Luttrell, Manager of Engineering and Operations Kyle Donohue, Engineering Technician Kennon Lee, Administrative Manager Melissa Cheeney, Clerk Louise Carlson. Public present were Richard Katschke from Panaca and Ken Maxwell from Alamo Power District (APD). Also present were Emily Hansen, Isbiel Riera, Hunter Blood, and Ammon Rasmussen, the students who participated in the Power District's 2018 youth programs.

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 August 14, 2018 (Possible Action): Bob Rollins made a motion to approve the minutes as written. Ken Dixon seconded the motion. The motion passed by unanimous vote.

D. Discussion with students attending the 2018 Utah Rural Electric Association (UREA) Youth Leadership Conference, and the Nevada Rural Electric Association (NREA) Youth Tour Events (Discussion): Kennon Lee introduced the students to the Board and identified which activity each student had participated in. He then asked the students to say something about their experience. The Board asked questions, and talked with the students. The students discussed their favorite parts, what they learned, and if they would

consider being representatives to encourage other students to participate. There was no action taken.

E. Consideration of a change to Policy EP-7 to establish guidance regarding employee's service as volunteer emergency service responders (Possible Action):

Dave Luttrell explained this item comes from employees wanting to volunteer as emergency first responders in the county. Currently the District has no policy addressing the issue of time off for volunteers. Historically employees were required to take time off without pay or to use vacation time if they responded to an emergency call during their scheduled work hours. Dave presented a draft change to Policy EP-7 Jury and Witness Duty and reviewed it with the Board. They discussed Sheriff Lee's thoughts, and pay volunteers might receive. Lee Mathews made a motion to approve the proposed change to Policy EP-7, with the addition of language indicating the District would pay an employee's regular pay less any compensation an employee receives for their services as an emergency responder. Ken Dixon seconded the motion. The motion passed by unanimous vote.

F. Consideration of a change in administrators for the health reimbursement account from Connect Your Care/Zions Bank to Cooperative Benefits Administrators/Nevada Rural Electric Association (NREA) (Possible Action):

Dave Luttrell indicated that at the August 14, 2018 meeting, the Board engaged the benefits committee to review alternative options to the health reimbursement account (HRA) administered by Zions Bank. The committee met and their recommendation is two-fold. First, to use NRECA's Cooperative Benefit Administrators, Inc. (CBA) as the Power District's HRA administrator, and second, to provide additional training on the proper use of the HRA debit card for both employees and their covered dependents. The Board discussed the effective date, whether or not the employees agree, problems with Zion's Bank, and the cost of CBA. Bob Rollins made a motion to approve changing the District's HRA to CBA, and to conduct additional training for the employees and their dependents. Ken Dixon seconded the motion. The motion passed by unanimous vote.

Ed Wright ruled to move to item H.

H. Consideration of draft strategic plan 2019 report (Possible Action): Dave Luttrell explained this is a continuing item. The report today presents the planning effort to date. He went through the report in detail. Dave stated no action was necessary today, just input and some direction from the Board. There was some discussion about Board member training, and questionnaire answers. Dave Luttrell confirmed the strategic plan report should be ready for formal adoption for the October Board meeting. There was no action taken at this time.

Ed Wright ruled to move to item K.

K. General Manager's report (Possible Action): Dave Luttrell discussed the following with the Board:

- Hoover rates are down effective October 1, but generation will be lower during the coming year due to the hydrology situation.
- He executed the energy purchases for 2019 through AEPCO.

- Campaign for Energy Choice Initiative (ECI) is going well; current poll is showing 36% for and 38% against.
- Bill Edwards from National Rural Utilities Cooperative Finance Corporation (CFC) met with Missy and Dave. Staff will most likely recommend having CFC do a cost of service study this winter or in early spring.
- The Governor's Office of Energy has approved grant funds for the electric vehicle charging station in Coyote Springs (CS). We are on hold waiting for CS to provide an easement for the station.
- Dave will be attending the Nevada Rural Electric Association (NREA) meetings to provide campaign contributions to selected candidates.
- The first concrete for the new HQ building was poured last week.

L. Construction and Maintenance Manager's report (Discussion): Dave Luttrell informed the Board the John Condie was in Rachel attending to the joint fiber optic project with Lincoln County Telephone. Dave discussed the following with the Board:

- Rented a dozer for Rachel fiber project and road maintenance.
- Installed new services in Panaca and Highland Knolls, and a new pivot for Brackenbury.
- Trucks serviced.

M. Engineering and Operations report (Discussion): Kyle Donohue discussed the following with the Board:

Operations:

- Showed a video of the damaged 69-kV switch at the Tortoise substation arcing.
- Updated the servers here with new batteries.
- Working in SCADA.
- Collecting more AMI data.

Engineering:

- 33 miles left on the main line project.
- Continuing with the Meadow Valley project.
- Bringing fiber optic into Tempite.

Ed Wright ruled to move to item G.

G. Selection of automated metering infrastructure technology and vendor (Possible Action): Kyle Donohue presented a slide show and explained the District's revenue meter history. How we started with mechanical meters, went to one directional radio meters, and are now looking at Advanced Metering Infrastructure (AMI). He talked about the different utilities we have visited to see what AMI system they installed and to listen to what they had learned during their AMI deployment. He reviewed the different types of AMI communication technology and the companies we have researched. Kyle stated that staff is recommending Landis/Gyr using a radio frequency (RF) mesh and cellular communication technology. There was some lengthy discussion regarding the reliability of the company and the system, other utilities who use this system, and the special conditions of our area. Lee Mathews made a motion to proceed with Landis/Gyr and their RF mesh technology. Dylan Frehner seconded the motion. The motion passed by unanimous vote.

Ed Wright ruled to move to item I.

I. Consideration of the resignation of Dylan Frehner from the Board of Trustees

(Possible Action): Dave Luttrell stated Dylan Frehner submitted a letter of resignation at the meeting of August 14, 2018. No action was taken at that time. There was some discussion with Dylan regarding his letter. Ken Dixon made a motion to accept Dylan Frehner's letter of resignation. Bob Rollins seconded the motion. The motion passed by unanimous vote.

J. Consideration of an appointment of a new member to fill the vacancy on the Board of Trustees (Possible Action):

Dave Luttrell explained that the Board has thirty days under NRS statutes to appoint a person to fill the new vacancy on the Board. If the Board does not act by the end of the thirty-day period, the Lincoln County Commission does have the right to make the appointment. The Board discussed options and candidates. Lee Mathews made a motion to nominate Richard Katschke. Richard Katschke was present and was asked if he would accept the position. He indicated he would. Bob Rollins seconded the motion. The motion passed by unanimous vote.

Ed Wright ruled to move to item N.

N. Financial report (Discussion): Missy Cheeney passed out financial reports for July 2018. The Board reviewed the reports.

O. Director's comments: There was some discussion about NRECA's director school.

P. Future agenda items: There were no items at this time.

Q. Public Comment: There were no comments at this time.

R. Adjournment: Bob Rollins made a motion to adjourn the meeting. Ken Dixon seconded the motion. The meeting adjourned at 9:45 AM.

Ed Wright, President

Attest:

David Luttrell – Secretary