

Lincoln County Power District No. 1 Panaca, Nevada

A regular meeting of the Board of Trustees of the Lincoln County Power District No. 1 (Lincoln County Power) was duly held at 201 Bullionville Road, Panaca, Nevada on November 10, 2020 at 8:00 a.m.AM

Notice of the meeting and agenda were posted at the following locations on November 4, 2020 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 Office, Panaca Market, and the U.S. Post Office at Panaca.

President Ed Wright called the meeting to order at 8:00 a.m.

The following were present: President Ed Wright, Vice President Lee Mathews, and Board Members Ken Dixon, Bob Rollins, and Richard Katschke; General Manager Dave Luttrell, Engineering and Operations Manager Kyle Donohue, Administrative Manager Missy Cheeney, and Clerk Louise Carlson. Legal Counsel Gian Brown was present via video conference.

A. Conformance to the Nevada Open Meeting Law: Dave Luttrell stated that Lincoln County Power 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 October 13, 2020 (Possible Action): Bob Rollins made a motion to approve the minutes from October 13, 2020 as written. Ken Dixon seconded the motion. The motion passed by unanimous vote.

D. Appointment to Fill the Position on the Board of Trustees held by Ed Wright (Possible Action): Dave Luttrell went through the current Board positions, identifying the start and the end of each term. Lincoln County Power currently has three trustees whose terms will expire December 31, 2020. These trustees are Ed Wright, Lee Mathews, and Richard Katschke. If allowed to expire, there would no longer be a quorum of the Board on January 1, 2021. Gian Brown explained the legal requirements associated with appointing trustees to fill vacant positions and identified when the Lincoln County Board of Commission would act if the positions remained vacant and Lincoln County Power lacked a quorum.

Ed Wright turned the meeting over to Vice President Lee Mathews. Lee Mathews asked if there were any motions regarding the pending Board vacancy created when Ed Wright's term ends on December 31, 2020. Bob Rollins made a motion to appoint Ed Wright to the Board to fill the vacant position, effective immediately following expiration of Ed Wright's current term (i.e., January 1, 2021). Ken Dixon seconded

the motion. The motion passed by unanimous vote, with Ed Wright abstaining. Lee Mathews turned the meeting back over to Ed Wright.

E. Appointment to Fill the Position on the Board of Trustees held by Lee

Mathews (Possible Action): Ed Wright asked if there were any motions regarding the pending Board vacancy created when Lee Mathews' term ends on December 31, 2020. Bob Rollins made a motion to appoint Lee Mathews to the Board to fill the vacant position, effective immediately following expiration of Lee Mathews' current term (i.e., January 1, 2021). Ken Dixon seconded the motion. The motion passed by unanimous vote, with Lee Mathews abstaining.

F. Appointment to Fill the Position on the Board of Trustees held by

Richard Katschke (Possible Action): Ed Wright asked if there were any motions regarding the pending Board vacancy created when Richard Katschke's term ends on December 31, 2020. Bob Rollins made a motion to appoint Richard Katschke to the Board to fill the vacant position, effective immediately following expiration of Richard Katschke's current term (i.e., January 1, 2021). Ken Dixon seconded the motion. The motion passed by unanimous vote, with Richard Katschke abstaining.

Ed Wright requested to move to agenda item K to receive a legal report while Gian Brown was still in attendance.

K. General Manager's report (Discussion): Ed Wright asked Gian Brown for an update on Chad Costello. Gian Brown stated that Mr. Costello could not be located and at least five attempts were made to serve Mr. Costello at five different addresses. The next step is to publish notification of Lincoln County Power's attempt to serve Mr. Costello in the local papers. If no response is received, Gian's law firm will file for a default judgement against Mr. Costello. If the motion is granted, Lincoln County Power will be able to go after any assets here in Nevada. In addition, Gian indicated we will also be able to domesticate the default judgement in Montana where some assets may be located. Gian Brown will provide updates in the future.

Ed Wright moved the meeting back to item G.

G. 2021 Capital Budget (Possible Action): Dave Luttrell explained that Lincoln County Power develops a capital budget each calendar year to govern capital spending. In addition, staff plans its expected capital expenditures out eleven years for informational and planning purposes. Dave went through the budget plan outlining a twelve-year cash flow; incoming revenue, depreciation, and expenditures divided into eight categories. He detailed for the Board the different expenditures for each category discussing the need and benefit of each item. Lee Mathews made a motion to approve the 2021 Capital Budget. Bob Rollins seconded the motion. The motion passed by unanimous vote.

H. Pole Bids for the Meadow Valley Distribution Line Rebuild Project

(Possible Action): Dave Luttrell identified these poles as a 2020 Capital Budget item, with the work occurring in 2021. Kyle Donohue showed the bids received from Stella Jones and Western United Electric Supply Corp (WUE). Bob Rollins made a motion to award the Pole Bids for the Meadow Valley Distribution Line Rebuild Project to WUE for \$32,635.81. Ken Dixon seconded the motion. The motion passed by unanimous vote.

I. Policy 104, Purchase of Operating Supplies, Equipment, and Materials

(Possible Action): Dave Luttrell updated the Board on Lincoln County Power's current policy regarding the purchasing of operating supplies, equipment, and materials. This policy was last updated in 2013 before joining ACES. Dave stated that policy 104 needs to be updated to reflect changes in supplemental power supply arrangements. Under the draft policy, Dave indicated staff is proposing other changes including increasing the General Manager's purchasing authority to fifty thousand dollars. He reviewed updated language regarding vendor gifts, and proposed changes to reporting requirements. There was a discussion on authorized amounts. Bob Rollins made a motion to approve Policy 104. Richard Katschke seconded the motion. The motion passed by unanimous vote.

J. Wildfire Mitigation Plan Development (Possible Action): Dave Luttrell reported to the Board that in 2019 the legislature adopted Senate Bill 329, which requires regulated electric utilities in Nevada (i.e. NV Energy) to submit a natural disaster protection plan to the Public Utilities Commission of Nevada. This plan must include a map identifying areas with heightened fire risk, mitigation approach, prevention measures and programs, infrastructure inspection process, and vegetation management procedures among other things. In addition, a legislative committee was created to conduct an interim study concerning wildfires, although a report has yet to be produced. Nevada Rural Electric Association (NREA) believes it is only a matter of time until all power districts and cooperatives are required to develop a wildfire mitigation plan. NREA retained BKI Engineering Services at a proposed cost of fifty-five thousand dollars to assist in preparing wildfire mitigation plans. Each participating NREA member will have access to wildfire mitigation plan template and mapping at proportionate share of the cost. Staff believes participation in this project with NREA is a cost-effective way to create a wildfire mitigation plan and to minimize operational liability for our electric system. Ken Dixon made a motion to authorize Lincoln County Power to participate in NREA's wildfire mitigation project. Richard Katschke seconded the motion. The motion passed by unanimous vote.

Ed Wright directed the meeting to move on to item M.

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

- The mainline contractor is finished and doing clean-up now.

- Designing the Meadow Valley project up to Highland Knolls, and Indian Ridge upgrade to 22-kV.
- Working on the warehouse, gate entrance, installing WIFI and ethernet.
- Installing AMI collectors in Rachel, Coyote Springs, Ella Mt., and Mt. Wilson.
- Researching security at Caselton.
- Steve Lucchesi and Richard Wilson working on substation apprentice certification.

N. Administrative Manager's report (Discussion): Missy Cheeney discussed the following with the Board:

- Financial reports for month ending September 2020.
- Cash return patronage from coops.
- DOT reports and queries.
- Setup HSA's and supplemental life for employees.

Ed Wright directed the meeting to finish item K.

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

- An update on the power supply situation in the western states using slides provided by ACES. The presentation identified the cause of the energy crisis that occurred in California in August of this year and how that crisis is affecting neighboring states, including Nevada. Dave alerted the Board that Lincoln County Power has been unable to purchase its hedge energy for the third quarter of 2021 because of the energy crisis, but that he expects to do so in the near future.

L. Construction and Maintenance Manager's report (Discussion): Dave Luttrell informed the Board that John Condie was in Reno purchasing a replacement semi-truck. Dave discussed the following with the Board:

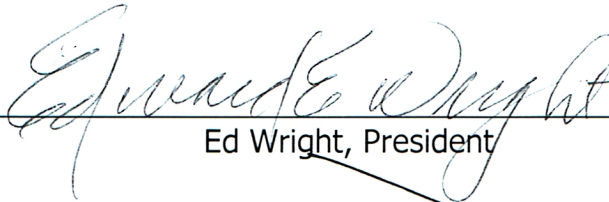
- Maintenance on Geyser line performed, including pole changes and right-of-way maintenance.
- Completed the fall system inspections.
- Replacing poles and doing right-of-way maintenance on Ella Mountain.
- New install service estimates.
- Annual truck inspections.
- Preparing to mobilize to Mesquite for most of December.

O. Director's comments (Discussion): There was a discussion about the General Managers evaluation. After the discussion, Ed Wright stated the evaluation would be next month on December 9th at 8am.

P. Future agenda items (Discussion): No future agenda items.

Q. Public comment: There were no comments.

R. Adjournment: The meeting adjourned at 11:00 AM.

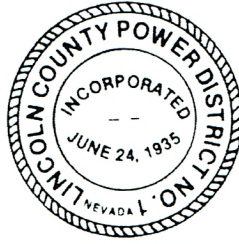

Ed Wright, President

Attest: 
David Luttrell, Secretary

15831962_v2

BOARD OF TRUSTEES

Edward Wright, President
Lee Mathews, Vice President
Bob Rollins, Trustee
Ken Dixon, Trustee
Richard Katschke, Trustee



David Luttrell
General Manager
Phone: (775) 728-8200
Fax: (775) 728-4100

LINCOLN COUNTY POWER DISTRICT NO. 1
P.O. Box 910
Panaca, Nevada 89042

November 4, 2020

NOTICE OF MEETING

A regular meeting of the Board of Trustees will be held at the office of Lincoln County Power District No. 1 at 201 Bullionville Road, Panaca, Nevada on Tuesday, November 10, 2020 at 8:00 a.m.

AGENDA

- A. Conformance to the Nevada Open Meeting Law.
- B. Public Comment.
- C. Minutes of meeting held on October 13, 2020. *(Possible Action)*
- D. Appointment to Fill the Position on the Board of Trustees held by Edward Wright. *(Possible Action)*
- E. Appointment to Fill the Position on the Board of Trustees held by Lee Mathews. *(Possible Action)*
- F. Appointment to Fill the Position on the Board of Trustees held by Richard Katschke. *(Possible Action)*
- G. 2021 Capital Budget. *(Possible Action)*
- H. Pole Bids for the Meadow Valley Distribution Line Rebuild Project. *(Possible Action)*
- I. Policy 104, Purchase of Operating Supplies, Equipment and Materials. *(Possible Action)*
- J. Wildfire Mitigation Plan Development. *(Possible Action)*
- K. General Manager's report. *(Discussion)*
- L. Construction and Maintenance Manager's report. *(Discussion)*
- M. Engineering and Operations Manager's report. *(Discussion)*
- N. Administrative Manager's report. *(Discussion)*
- O. Director's comments. *(Discussion)*
- P. Future agenda items. *(Discussion)*
- Q. Public comment.
- R. Adjournment.


David Luttrell, General Manager

The Board, at its discretion, may take any item out of the order listed on the agenda to accommodate the public or the Board. Items may be combined or removed from the agenda at any time. Public comment may be made on issues posted on the agenda and on the discussion of those items. No action will be taken on any items raised during the public comment period.

This Notice has been posted at the following locations: Lincoln County Courthouse, US Post Office at Pioche, Lincoln County Telephone Office in Pioche, the Panaca Market and the US Post Office in Panaca, and the Lincoln County Power District Office in Panaca.