



**OVERTON POWER DISTRICT NO. 5**

**BOARD MEETING**

*January 17, 2024*

*3:00 P.M.*

*Overton, Nevada*

**PRESENT:**

Mrs. Judy Metz, Chair

Mr. Jack Nelson, Vice Chair

Mr. Mike Young, Secretary / Treasurer (Remote)

Mr. Robert Bunker, Trustee

Mr. Chad Leavitt, Trustee

Mr. Richard Jones, Trustee

Mr. Dale Rust, Trustee

Mr. Byron Mills, Attorney

Mr. Mendis Cooper, General Manager

Mr. Scott Fullman, Administrative Services Manager

Mr. Keven Hansen, Substation Operations Manager

Mr. Randall Ozaki, Engineering Services Manager

Mrs. MeLisa Garcia, Financial Services Manager

Mr. Corey Dalley, Line Operations Manager

Mrs. Becky LaGrow, Executive Assistant

*Note: The minutes of this meeting have been tape-recorded and will remain on file in the OPD5's main office for a period of one year for public examination.*

**A. CALL TO ORDER**

At 3:02 p.m. Mrs. Judy Metz called the meeting of the Overton Power District No. 5 Board of Trustees to order. The agenda items were addressed in the following order:

**B. PUBLIC COMMENTS**

There were no public comments.

**C. ACCEPTANCE OF THE AGENDA**

A motion was made by Mr. Mike Young and seconded by Mr. Bob Bunker to accept the OPD5 agenda as posted. The Board voted seven (7) ayes and (0) nays in approval.

**D. APPROVAL OF THE MINUTES**

A motion was made by Mr. Mike Young and seconded by Mr. Dale Rust to approve the minutes of the December 13, 2023 Board Meeting. The Board voted seven (7) ayes and (0) nays in approval.

## **E. CHAIR'S REPORT**

Mrs. Judy Metz had no report at this time.

## **F. ATTORNEY'S REPORT**

Mr. Byron Mills had no report at this time.

## **G. MANAGER'S REPORTS**

### ***Administrative Services***

Mr. Scott Fullman reported on the following items:

- 💡 *Cyber Security Training* – 100% Participation by employees in December.
- 💡 *Information Technology* – This month one employee clicked an internal spam email.
- 💡 *Servers* – All servers were up and running 100% of the time in December. All servers were successfully backed up and stored offsite in December.
- 💡 *Year-end IT Reporting* – The Red Flags committee met in 2023 and filed a written report with the General Manager stating OPD5 is in compliance with the Identity Theft Prevention Policy (OPD – P 17.101)
- 💡 *Customer Service Department* – Phone calls, walk-in customers for the previous year.
  - 💡 *Scott was asked to report back why customers are coming to the office. Is it to pay a bill, connect a new service or report problem with their bill?*

### ***Engineering Services***

Mr. Randall Ozaki reported on the following items:

- 💡 *Reid Gardner 230 kV Line* – NV Energy has received the UEPA permit. Work has begun on the ROW roads; materials have been received and staged on the project.
- 💡 *Tortoise – Gila 138 kV Line* – The materials list should arrive by the end of January. Once received, the request for materials quotes will go out.
- 💡 *Raptor Substation* – Grading has begun.
- 💡 *Long Drive Switchyard* – Grading continues. Representatives are collaborating with homeowners on the block wall.

### ***Line Operations***

Mr. Corey Dalley reported on the following items:

- 💡 *Hook-ups* –
  - 💡 *December* – forty-six (46) residential and one (1) commercial hookups.
  - 💡 *Year-to-Date* – Three hundred ninety-eight (398) total hook-ups for 2023
- 💡 *Line Locates & Inspections*
  - 💡 *December Locates* – Two hundred thirty-nine (239)
  - 💡 *December Inspections* – eighty-six (86)

## 💡 Outages

### 💡 December 2023

- 💡 There were three planned outages for maintenance. There were two (2) unplanned outages for the month.
- 💡 Outages affected twenty-two (22) customers for approximately twenty-four (24) customer hours.
- 💡 In the month of December, OPD5 customers had power for 99.999% of the time.

### 💡 Safety

- 💡 *December Safety Topic* – Ladders, platforms, and steps
- 💡 *Since Last Lost Time Accident* – Six (6) years, three (3) months, four (4) days

### 💡 Jobs: In addition to their many jobs this month, the crews worked on:

- 💡 *FAA Vortac Site* – Fault at the facility, the crews found sub-standard repairs had previously been completed by the FAA. OPD5 crews made the proper and necessary repairs and billed the FAA.
- 💡 *Overton Training Yard* – Work continues on the training yard in Overton, they are now stringing the conductors. This enables apprentices to practice before testing and for linemen to continue honing skills that are not used every day.
- 💡 *Pole Changes*
  - 💡 *Overton* – a pole was replaced between Cox and Bonelli. The project went down the middle of the property making it difficult to get trucks and equipment to the pole.
  - 💡 *Mesquite* – a pole was changed at Riverside and White Rock Road. It was both maintenance and the customer doing upgrades to the property.
  - 💡 *Skid Steer* - The new skid steer has been delivered. Dalyn mastered parking lot sweeping and gave the purchase his seal of approval.
  - 💡 *Brush Hog Attachment* - The tree trimming company we use is in the process of purchasing a brush hog attachment.

## **SCADA & Substation Operations**

Mr. Keven Hansen reported on the following items:

- 💡 *Falcon Ridge Substation* – The last two pieces for the ring bus will arrive early next week. The Line Ops team has done an excellent job building out the substation. They have been using a hydraulic press on connections instead of welding them. This has saved time and is a cleaner look.
- 💡 *Control Buildings* – The bid results for the Raptor Substation and Long Drive Switchyard control buildings have been awarded to Instrument Control Company (ICC) out of Salt Lake City, Utah
- 💡 *Oil Testing* – SD Meyers completed testing on thirty-one (31) substation transformers, five (5) came back with suggested actions, of those, the Sub Ops team had a plan in place to resolve the issue for three (3) of the transformers. The last two (2) will be watched and re-tested to determine the best course of action.
- 💡 *Schweitzer Engineering Laboratories (SEL) Training* – Training will be held in the Mesquite Boardroom next week. This is the 10<sup>th</sup> annual training hosted by the OPD5 Substation Operations Department. There is a twenty (20) seat limit and all seats have been filled for the personalized training.

### **General Manager**

Mr. Mendis Cooper reported on the following items:

- 💡 **2024 Legislative Update** – There are a dozen annual appropriations bills ; four (4) will expire on January 19<sup>th</sup> and the remaining eight (8) are set to expire February 2<sup>nd</sup>.
  - 💡 **Farm Bill** - Lobbyist are actively working to get the Farm Bill passed. This bill is renewed every five (5) years, and we are seeing several energy issues tacked on to this bill.
  - 💡 **FERC Transmission Bill** – The Democratic Caucus is submitting pressure to have the transmission changes completed as there are several renewable projects that cannot move forward until the right-of-way issues are resolved.
- 💡 **Hydropower Delivery Rate-reduction Offset (HYDRO) Act** – Letters have gone out to both Senate offices and Congressman Horseford. It will possibly become part of the Farm Bill. The lobbyist at NRECA is also working on this effort.
- 💡 **OPD5 Vulnerability Assessment** – The 2023 Vulnerability Assessment and Emergency Response Plan was submitted on time. Staff has been tasked to provide updates for 2024.
- 💡 **OPD5 – LCPD Assets Discussion** – Both parties are working on the final details. With a new 60 MVA transformer being delivered, LCPD would like to invest in a portion of the project, now the talks will focus on reconfiguring the 69 kV system at Tortoise. This discussion on the 69kV system will take added time. The contracts should be completed later this year.
- 💡 **Meeting with Boulder City Utilities** – This was a discussion on power contracts, Boulder City is looking into available options; currently they are full customers of Silver State Energy Association. Mr. Cooper indicated he would talk to Morgan Stanley to see if there is any incentive that will help with pricing for OPD5 & Boulder City combined.

### **Financial Services**

Mrs. MeLisa Garcia reported on:

- 💡 **Fitch Ratings** – OPD5 received the same rating as last year, **A Stable Outlook**. Fitch ratings are used by our creditors, and Morgan Stanley for our power contracts. It is an outside source for the public to see how OPD5 is doing. It will be difficult to increase our rating due to circumstances beyond our control, such as the local economy and rural landscape.
- 💡 **Financial Report** - The financial report for December 2023, a copy of which is on file.
- 💡 **Audit** - Informed the Board; due to staffing shortages the auditor will not make his presentation to the Board until the April 17, 2024 meeting.

### **H. REVIEW AND POSSIBLE APPROVAL OF THE 2024 BOARD MEETING SCHEDULE**

Every January, the Board of Trustees appoints the voting delegate, alternate voting delegate and appointees to several organizations OPD5 is a member of. After discussion by the Board, a motion was made by Mrs. Judy Metz and seconded by Mr. Mike Young to approve the 2024 voting delegates, alternates, and appointees as determined during the discussion period as follows:

Approve Mr. Mike Young, to serve as the 2023 OPD5 voting delegate for **NRECA** and Mr. Dale Rust, to serve as the alternate voting delegate.

Approve Mr. Mike Young, to serve as the 2023 OPD5 voting delegate for **CFC** and Mrs. Judy Metz, to serve as the alternate voting delegate.

Approve Mr. Richard Jones, to serve as the 2023 OPD5 voting delegate for **Federated Insurance** and Mr. Mendis Cooper, to serve as the alternate voting delegate.

Approve Mr. Jack Nelson, to serve as the 2023 OPD5 voting delegate for **NREA** and Mr. Dale Rust, to serve as the alternate voting delegate.

Approve Mr. Jack Nelson, to serve as the appointee to the **SSEA** Board of Directors and Mr. Chad Leavitt, to serve as the alternate.

Approve Mr. Mike Young, to serve as the 2023 OPD5 voting delegate for **PUR** and Mr. Chad Leavitt, to serve as the alternate voting delegate.

The Board voted seven (7) ayes and (0) nays in approval.

#### **I. DISCUSSION ON RATES**

Our current power provider, Morgan Stanley Commodities, provides a firm load following power resource, firm transmission service, load forecasting, coordination with the Western Area Power Administration for hydropower resources, and schedules delivery of power resources from across the western power grid.

Mr. Mendis Cooper reported on discussions with Morgan Stanley Commodities regarding an extension of the current Purchase Power Agreement (PPA) starting in April 2024 or renewing the contract when the current PPA term ends January 1, 2025. Mr. Cooper has also discussed options for a new PPA with Tenaska Power Services Company.

It is apparent from discussions with power suppliers and schedulers, that wholesale power prices have significantly increased since 2016 and will remain elevated over the next few years. Elevated prices are due to higher costs associated with the forward natural gas price curves.

This item was for discussion only. No action was taken.

#### **J. REVIEW AND POSSIBLE APPROVAL OF OPD POLICY OPD-A-10.203 AND THE CREATION OF SUB-COMMITTEES TO AWARD 2024 SCHOLARSHIPS**

The Board has historically viewed scholarships and internships as a means to support and benefit the community. In previous years, the Board has chosen to give back to the community by awarding scholarships and internships rather than participating in other community fundraisers.

Last year the Board approved eight (8) \$1,000 scholarships for Virgin Valley High School and eight (8) \$1,000 scholarships for Moapa Valley High School graduates. The Moapa Valley Education Foundation and Virgin Valley High School administer scholarships.

This practice is reviewed annually in accordance with OPD Scholarship Policy OPD-A-10.203 and if approved, the number of scholarships and the amount of each scholarship is determined by the Board. In addition, scholarship committees for each high school are created.

A minor change was made to the policy. A statement was added, based on Board discussion in previous years, to allow scholarships to be awarded to high school seniors who also wish to attend an accredited trade school or similar type of institution.

After discussion by the Board, a motion was made by Mrs. Judy Metz and seconded by Mr. Chad Leavitt To accept modification to the scholarship policy OPD-A-10.203 and To award ***Eight (8) - \$1,000 scholarships*** to Virgin Valley High School students and ***Eight (8) - \$1,000 scholarships*** to Moapa Valley High School students. Moapa Valley Education Foundation and Virgin Valley High School will administer each scholarship. Also, to appoint Trustees ***Mr. Dale Rust & Mr. Bob Bunker*** to determine 2024 VVHS recipients and to appoint Trustees ***Mr. Jack Nelson & Mrs. Judy Metz*** to determine 2024 MVHS recipients. The Board voted five (5) aye, one (1) abstention by Mr. Richard Jones, and one (1) nay by Mr. Mike Young. The motion passed.

**K. REVIEW AND POSSIBLE APPROVAL TO FILL THE SUBSTATION OPERATIONS FOREMAN POSITION**

After the Christmas Holiday, we had an employee unexpectedly retire; also Mr. Jonathan Denninghoff has accepted a position in the Finance Department.

In the Substation Operations Department, six employees conduct substation construction, switching, operation and maintenance. Substation work varies and the team also installs and maintains radio and fiber communications, installs and maintains substation security, installs substation relays and equipment, performs testing and maintenance, installs and maintains various software programs, participates in outage restoration, coordinates with Morgan Stanley, NV Energy, and other utilities regarding loads, and other tasks.

Due to the varied work and the number of people on the team, the General Manager and the Manager of Substation Operations feel greater organization and coordination is needed to keep the work moving forward. After discussion by the Board, a motion was made by Mr. Mike Young and seconded by Mrs. Judy Metz to approve filling the Substation Operations Foreman Position as presented. The Board voted seven (7) ayes and (0) nays in approval.

**L. PUBLIC COMMENTS**

There were no public comments.

**M. BOARD COMMENTS**

There were no Board comments.

**N. APPROVAL OF THE NEXT BOARD MEETING**

A motion was made by Mr. Chad Leavitt and seconded by Mr. Dale Rust to approve Wednesday, February 21, 2024, as the next Board Meeting date. The meeting will be held in the Mesquite Board Room at 3:00 p.m. The Board voted seven (7) ayes and (0) nays in approval.

**O. EXECUTIVE – CLOSED DOOR SESSION**

A motion was made to enter Executive Session

A motion was made to exit Executive Session

P. **ADJOURNMENT**

The Board voted unanimously to adjourn at 7:41 P.M.

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Chair

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Vice Chair

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Secretary / Treasurer

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