

**SILVER STATE ENERGY ASSOCIATION
BOARD OF DIRECTORS MEETING**

**MAY 9, 2012
MINUTES**

**Call to Order
10:00 A.M.**

Grand Canyon Conference Room, Southern Nevada Water Authority
100 City Parkway, Suite 700, Las Vegas, Nevada

DIRECTORS PRESENT:

Philip Speight, Southern Nevada Water Authority; Dave Luttrell, Lincoln County Power District No. 1 (alternate); Dr. Larry Moses, Overton Power District No. 5; Rory Dwyer, City of Boulder City; Bob Reese, Colorado River Commission (alternate)

STAFF PRESENT:

Scott Krantz, Chuck Hauser

CALL TO ORDER

The meeting was called to order by Philip Speight, who noted that the meeting was noticed and posted in accordance with the Nevada Open Meeting law.

COMMENTS BY THE GENERAL PUBLIC

There were no speakers wishing to be heard.

ITEM NO.

1. APPROVAL OF AGENDA AND MINUTES OF THE MEETING OF DECEMBER 8, 2011

ACTION: A motion was made by Larry Moses and seconded by Rory Dwyer that the agenda for the meeting and the December 8, 2011 meeting minutes be approved. The motion was unanimously approved.

2. CONSIDERATION OF AND POSSIBLE ACTION TO SELECT A CHAIRPERSON AND VICE CHAIRPERSON FOR FISCAL YEAR 2012/2013

Philip Speight mentioned that since the last meeting, James Salo resigned his position of Chairperson because of possible conflicts of interest in dealing with the Silver State

Energy Association (SSEA) and the Colorado River Commission (CRC). Nominations for a new Chairperson and Vice Chairperson were opened.

FINAL ACTION: Motions were made by Dave Luttrell to appoint Larry Moses the Chair and Rory Dwyer the Vice Chair for Fiscal Year 2012/2013. The motions were unanimously approved.

3. RECEIVE AND POSSIBLY ACCEPT THE ANNUAL FINANCIAL AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2011

Richard Bowler of Piercy Bowler Taylor & Kern (PBTK) gave a summary of the annual financial audit report, which was completed for the year ended June 30, 2011. Copies were distributed to the Board prior to this meeting. PBTK provided, along with the financial statements, an unqualified opinion with respect to the audit. There were no internal control weaknesses to report.

FINAL ACTION: A motion was made by Larry Moses and seconded by Rory Dwyer to accept the annual financial audit report for fiscal year ended June 30, 2011. The motion was unanimously approved.

4. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE THE 2012/2013 ADMINISTRATIVE AND GENERAL BUDGET

Gail Bates summarized the 2011/2012 Administrative and General (A&G) budget. This budget is required by the Cooperative Agreement and is intended to cover the operating expenses of the organization. For the current fiscal year, \$27,500 was budgeted. Actual expenses at the end of the fiscal year are projected to come in below budget at around \$22,000. For the upcoming fiscal period, a budget of \$40,050 is proposed for A&G expenses. The reason for the increase is for procurement and installation of a financial accounting system to manage the affairs of the organization. Several years ago, auditors suggested the SSEA consider getting a financial accounting system. Because additional project expenses of a greater magnitude are being incurred, it was decided to purchase the system this year.

FINAL ACTION: A motion was made by Dave Luttrell and seconded by Larry Moses to approve the 2012/2013 Administrative and General budget. The motion was unanimously approved.

5. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE AN AGREEMENT BETWEEN LEONARD, STREET AND DEINARD AND THE SILVER STATE ENERGY ASSOCIATION FOR SPECIALIZED LEGAL SERVICES AND CONSULTING REGARDING ELECTRICAL POWER ISSUES

Scott Krantz stated that some SSEA member agencies have, in the past, used the legal expertise of certain staff from Leonard, Street and Deinard for Federal Energy

Regulatory Commission-related electricity matters and were pleased with their work. This agreement would enable the SSEA to engage their legal services for electricity matters if it chooses in the future under a particular project. Upon Board approval, the agreement authorizes expenditures of up to \$100,000 per year. Before any services are performed by Leonard, Street and Deinard, the SSEA Manager is required to give written notice to them specifying the scope of the services to be provided and the maximum authorized cost. No services will be performed until the SSEA member agencies approve them first and the specific SSEA project to which the costs will be charged is identified.

FINAL ACTION: A motion was made by Larry Moses and seconded by Rory Dwyer to approve the agreement between Leonard, Street and Deinard and the Silver State Energy Association for specialized legal services and consulting regarding electrical power issues. The motion was unanimously approved.

6. RECEIVE ANY UPDATES FROM STAFF ON ANY ELECTRIC RESOURCES AND TRANSMISSION ISSUES ASSOCIATED WITH THE NEEDS OF, REQUIREMENTS FOR, OR IMPACTS ON THE SSEA OR ANY OF THE SSEA MEMBERS

Scott Krantz commented that June 1, 2012 marks one year since the SSEA began providing Boulder City with full requirements power. Rory Dwyer mentioned that Boulder City is very happy with its full requirements service and complimented SSEA power supply management services. He encouraged other agency members to participate. Scott also mentioned that the application process for the Southern Nevada Water Authority (SNWA) to take service is moving ahead. Several agreements are in final drafting stages and will be presented to the Board within a few months. It is anticipated that everything will be in place for SNWA to take service by the end of this year. Also, Lincoln County Power District No. 1 purchased power under the PPSS service schedule of Project Service Agreement #3's Power Purchase and Sale Services Agreement.

7. COMMENTS BY THE GENERAL PUBLIC

There were no speakers wishing to be heard.

ADJOURN

There being no further business to come before the Board, the meeting adjourned at approximately 10:14 a.m.