

**MINUTES  
LASSEN MUNICIPAL UTILITY DISTRICT  
REGULAR BOARD MEETING  
OCTOBER 24, 2017  
5:30 P.M.**

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**ITEM NO. 1: CALL TO ORDER, FLAG SALUTE AND ROLL CALL:**

The meeting of the Lassen Municipal Utility District was called to order at 5:30 PM by President Bowden.

Director Hagata – present  
Director Nagel – present  
Director Bowden – present  
Director Urionaguena – absent  
Director Ernaga – present

Also Present: General Manager Doug Smith, Assistant General Manager Pat Holley, Electric Operations Manager Cort Cortez, General Counsel Eugene Chittock, IT Manager Nick Dominguez, Public Relations Manager Theresa Phillips, Customer Service Supervisor Christina Nystrom, Senior Accountant Cady Schroeder, Office Assistant Sabrina Dayton and Administrative Services Manager/Board Secretary Karen Rollings.

**ITEM NO. 2: APPROVAL OF AGENDA:**

The agenda was amended to remove “via Teleconference” from Closed Session item A.

- Director Nagel made a motion to approve the agenda as amended. Director Hagata seconded the motion.

Motion passed unanimously by consent.

**ITEM NO. 3: INVITATION FOR PUBLIC COMMENT:**

*[President Bowden opened the floor for public comment after pointing out the Rules for Public Comment.]*

- Jared Hancock told the Board he was having a difficult time getting approval on his application for a service upgrade at his residence. He questioned why the Board or General Manager would need to approve his application. Staff explained to the Board that Mr. Hancock was told that service greater than 400 amps must be on a Commercial application, but Mr. Hancock said he is unable to locate such a requirement.

Mr. Hancock requested to be put on the next Regular Board meeting agenda. Directors Hagata, Ernaga and Bowden agreed to agendize Mr. Hancock, with Director Nagel abstaining. The Board asked Mr. Hancock to provide the Board with full information on his project for their review.

#### **ITEM NO. 4: STAFF MEMBERS' REPORTS:**

- Public Relations Manager Phillips reminded the Board that the Employee Service Awards event will be held on December 7 or December 8 at 4:00 p.m. – will let them know when date is finalized.
- Customer Service Supervisor Nystrom advised the Board that we recently implemented email notification for statements, delinquency notices and disconnect notices for non-pay accounts. Customers can call and request these options.

#### **ITEM NO. 5: BOARD MEMBERS' REPORTS:**

- None.

#### **ITEM NO. 6: MINUTES FROM THE SEPTEMBER 26, 2017 REGULAR BOARD MEETING:**

- Director Nagel made a motion to approve the minutes as submitted. Director Ernaga seconded the motion.

Motion passed unanimously by consent.

#### **ITEM NO. 7: FINANCIAL REPORT:**

- Senior Accountant Schroeder reported on the Cash Position Report at 9/30/2017 and the Check Register from 9/19/17 through 10/10/17.
- ~\$875,000 paid out to date on the Skedaddle Sub project (including ~ \$40,000 year-to-date)

#### **ITEM NO. 8: REPORT FROM GENERAL MANAGER:**

##### Meetings Attended:

- UAMPS Board Retreat – getting close to having final Project Development and Power Purchase Agreement (“PPA”) for Carbon Free Power Project (“CFPP”).

##### Upcoming Meetings:

- UAMPS November Board meeting

##### Updates on Major Ongoing Projects:

- Carbon-Free Power Project ~
  - Expect to have a PPA soon. Would like UAMPS staff to attend a Board meeting in early 2018 to present information and answer questions.
- Skedaddle Substation ~
  - NV Energy still working on developing an incremental transmission rate – anticipate they should have something to us about 11/1/17.
- Renewable Portfolio Standard ~
  - Expect to issue an RFP with WAPA for 2017 REC purchases soon – estimate \$600K-\$800K.

Miscellaneous:

- HVAC System repairs on Roop Street building completed.
- Temporary roof repairs on Roop Street building started today.
- Hope to have siding repairs on Roop Street building completed within the next month or two.

**ITEM NO. 9: REPORT FROM ASSISTANT GENERAL MANAGER:**

- Environmental work is continuing on Skedaddle Sub project. Wildlife survey didn't come up with anything major, and final draft is being prepared. Susanville Indian Rancheria wants a tour and will be involved in the cultural work.
- Plumas Sierra REC is looking to do a study to interconnect, as well.
- Hamilton Mountain –
  - Drainage and erosion control work is done;
  - Forest Service reviewed and gave a good report;
  - Completed under budget.
- HL Solar –
  - Study on our system is complete;
  - 100 Line upgraded to improve capacity.
  - No overload problems anticipated.

**ITEM NO. 10: REPORT FROM ELECTRIC OPERATIONS MANAGER:**

- There were a few minor outages due to a windstorm, and one planned outage.

**ITEM NO. 11: RESOLUTION #2017-05 – A RESOLUTION OF THE LASSEN MUNICIPAL UTILITY DISTRICT ADOPTING A CAP-AND-TRADE REVENUE UTILIZATION POLICY:**

- Director Nagel made a motion to adopt Resolution #2017-05. Director Hagata seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 12: RESOLUTION #2017-06 – A RESOLUTION OF THE LASSEN MUNICIPAL UTILITY DISTRICT CONCERNING THE FEASIBILITY OF ENERGY STORAGE TECHNOLOGIES:**

- Director Nagel made a motion to adopt Resolution #2017-06. Director Ernaga seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 13: RESOLUTION #2017-07 – A RESOLUTION OF THE LASSEN MUNICIPAL UTILITY DISTRICT RE ATTESTATION FOR THE DISTRICT'S 2016 POWER CONTENT LABEL:**

- Director Hagata made a motion to adopt Resolution #2017-07. Director Nagel seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 14: NEW INTERNET SERVICE PROVIDERS CONTRACTS:**

- Director Ernaga made a motion to authorize the General Manager to execute 5-year contracts with Frontier and Plumas Sierra REC for internet service, and purchase a Network Link Balancer. Director Nagel seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 15: RATIFICATION OF CONTRACT FOR HAMILTON MOUNTAIN HIGH VOLTAGE RIGHT-OF-WAY RESTORATION SERVICES:**

- Director Nagel made a motion to ratify the restoration services contract. Director Hagata seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 16: FUTURE BOARD MEETING SCHEDULE:**

- **Regular Board Meeting** ~ Tuesday, November 28, 2017, at 5:30 PM in the LMUD Board Room located at 65 S. Roop Street, Susanville, CA.

**ITEM NO. 17: CLOSED SESSION:**

President Bowden read the Closed Session items and said there was reportable action expected from Closed Session. The Board took a five minute break, then adjourned to Closed Session at 6:24 p.m.

- A. Conference with Legal Counsel: Existing Litigation pursuant to Government Code §54956.9(d)(1): Amedee Geothermal Venture I vs. Lassen Municipal Utility District, et al, Superior Court of California, County of Lassen, Case No. 59485.
- B. Conference with Legal Counsel via Teleconference: Significant Exposure to Litigation pursuant to Government Code §54956.9(d)(2): Kinross Gold.
- C. Public Employee Performance Evaluation: Title – General Manager (pursuant to Government Code §54957(b)(1).

**ITEM NO. 18: ACTION TAKEN (IF ANY) IN CLOSED SESSION:**

- Director Nagel made a motion to direct staff to take the following steps to further the effort of Item #17B:
  - Obtain one or more cost estimates for the removal of the power line to act as a financial assurance cost estimate (FACE);
  - Conduct research and provide a recommendation regarding the preferred financial assurance mechanism under 14 California Code of Regulations section 3800 et seq.; and
  - Engage with County staff and LGMI to ensure any proposed resolution satisfies the County and will result in disposition of the pending lawsuit.

Director Ernaga seconded the motion.

A call for the vote was as follows:

- Director Hagata – aye
- Director Nagel – aye
- Director Bowden – aye
- Director Ernaga – aye

Motion passed unanimously.

**ITEM NO. 19: ADJOURN:**

There being no further business, the meeting was adjourned at 7:28 PM.