A General Session of the Board of Directors was held on June 28, 2018, at the Lower Valley Energy Afton office. The meeting was called to order by Board Chairman Fred Brog at 11:00 a.m.

BOARD MEMBERS PRESENT: Scott Anderson, Fred Brog, Dan Dockstader, Ted Ladd, Dean S. Lewis, Linda Schmidt, and Nancy Winters.

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Rick Knori, Director of Engineering; Angela Jennings, Staff Assistant; Martell Brower, Director of Gas Operations; Bill Spaulding, Director of Electric Operations; Jon Hougland, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR; Roger Gray, Executive Director from NRU; Shawn Taylor, Executive Director of WREA; Gina Gardner, Customer Credit Coordinator; GayLynn Turner, Accounts Payable; Jeff Strgar, Customer Service Representative; Sharie Corbin, GIS Operator; Richard McComish, President of Electrical Consultants, Inc.; and Glen Smith, General Manager, of EPC Services Company.

Minutes of the April 26, 2018 were approved as amended.

Roger Gray, Executive Director from NRU, discussed the NRU Strategic Plan, future BPA strategies, power supply future, utility industry changes, and evolving organized energy markets and implications.

Minutes of May 10, 2018, and May 29, 2018, were accepted as presented.

James R. Webb introduced Richard McComish, President of ECI, and Glen Smith, General Manager, with EPC.

Richard McComish and Glen Smith ECI reviewed the expertise and history of their companies regarding the proposed contract with ECI and Lower Valley to build the Hooper Springs Transmission Line.

Steve Duerr reviewed events and the many contracts executed to make the building of the Hooper Springs Transmission Line possible. Steve Duerr expressed his approval of the final ECI contracts. Richard McComish and James R. Webb signed the contracts between LVE and ECI to begin construction on the Hooper Springs Transmission Line.

James R. Webb presented the President/CEO report.

A motion was made and seconded to approve $60,000 to procure the easement at the Halfway House to allow the natural gas pipeline construction through the property. Motion carried. Voting was unanimous.

Steve Duerr reviewed with the board and management that Lower Valley Energy will need two easements for each property; a construction easement and final easement.

The Board reviewed the 2018 Annual Meeting Agenda.

The Board reviewed the 2017 Lower Valley Energy Annual Report.

Jon Hougland reported on the budget to date and revenues. He also discussed the additional projects that helped save on Lower Valley Energy’s electrical rates.

Jon Hougland reviewed the May 2018 financial statements.
James R. Webb reviewed the natural gas balancing account including the July 1, 2018, changes approved at the last board meeting. He recommended no additional changes at this time.

James R. Webb handed out three different scenarios to calculate the 2017 patronage capital allocation. The final recommendation will be presented at the August board meeting.

James R. Webb reviewed the request for a budget adjustment for the Jackson Storage Facility Pipeline Liquids in the amount of $28,800.

A motion was made and seconded to approve a budget adjustment for the Jackson Storage Facility Pipeline Liquids in the amount of $28,800. Motion carried. Voting was unanimous.

Bill Spaulding reviewed the request for a budget adjustment to replace the existing low band mobile radio system in the amount of $33,392.

A motion was made and seconded to approve a budget adjustment request for the mobile radio system in the amount of $33,392. Motion carried. Voting was unanimous.

Discussion was held on the new proposed Board Policy #204 - Cooperative Attorney.

A motion was made and seconded to approve the new Policy 204 - Cooperative Attorney. Motion carried. Voting was unanimous.

Bill Spaulding reviewed the outage and safety report.

James R. Webb reviewed a customer request to underground the transmission line in the Walton Ranch between N Bar Y Road and Iron Rock Road.

The Board’s consensus was for Jim to write a response letter and include Lower Valley Energy’s Board Policy # 408 Undergrounding of Transmission Line.

Shawn Taylor, Executive Director of WREA, reviewed happenings at WREA, possible new opportunities for a power line school and international programs, and PAC contributions for candidates for governor and representatives. Shawn discussed moving forward to withdraw from the Wyoming Public Service Commission. He recommended that 2019 would not be a good year to move forward with that proposed legislation. He did recommend pursuing removal of borrowing regulations and other specific requirements that are burdensome to the cooperatives.

Nancy Winters discussed the plans for the coming ICUA annual meeting in July. The right to choose power will be a topic of discussion.

A motion was made and seconded to approve the NRU Resolution to appoint James R. Webb as Lower Valley Energy’s voting delegate. Motion carried. Voting was unanimous.

A motion was made and seconded to appoint Scott Anderson as the voting delegate and Dean S. Lewis as the alternate voting delegate for NRECA’s Region IX Meeting. Motion carried. Voting was unanimous.

Meeting adjourned to executive session at 3:30 p.m.

Frederick M. Brog, Chairman  
Dan Dockstader, Secretary/Treasurer