

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

**MAY 25, 2022
MINUTES**

**Call to Order
10:30 A.M.**

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

DIRECTORS PRESENT:

Joseph Stubitz, City of Boulder City; Robert Reese, Colorado River Commission; David Luttrell (alternate, via Teams), Lincoln County Power District No. 1; Jack Nelson (via Teams), Overton Power District No. 5; Kevin Bethel (via Teams), Southern Nevada Water Authority

STAFF PRESENT:

Scott Krantz, Laura Browning

CALL TO ORDER

The meeting was called to order by Robert Reese. 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 NOVEMBER 17, 2021

ACTION: A motion was made by Kevin Bethel and seconded by David Luttrell that the agenda for the meeting and minutes of the November 17, 2021 meeting be approved. The motion was unanimously approved.

2. CONSIDERATION OF AND POSSIBLE ACTION TO SELECT A CHAIRPERSON AND VICE CHAIRPERSON FOR FISCAL YEAR 2022/2023

Robert Reese opened nominations for a new Vice Chairperson.

FINAL ACTION: A motion was made by David Luttrell and seconded by Jack Nelson to retain the current Chairperson, Robert Reese, and Vice Chair, Jack Nelson, for Fiscal Year 2022/2023. The motion was unanimously approved.

3. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE THE ADMINISTRATIVE AND GENERAL BUDGET FOR THE FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023.

Scott Krantz summarized the Administrative and General (A&G) budget for Fiscal Year 2022/2023, which is required to be approved by the Board each year. It includes labor and operating expenses not associated with any of the projects, each of which has a separate budget. There were no major changes to the A&G budget from last year. The proposed A&G budget increased from \$56,218 for Fiscal Year 2021/2022 to \$56,427 For Fiscal Year 2022/2023.

FINAL ACTION: A motion was made by Jack Nelson and seconded by Kevin Bethel to approve the Administrative and General budget for Fiscal Year July 1, 2022 to June 30, 2023. The motion was unanimously approved.

4. RECEIVE AN INFORMATIONAL PRESENTATION FROM STAFF ON THE BUDGET FOR THE SSEA FOR FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023

Scott Krantz showed a summary of the total SSEA budget for Fiscal Year 2022-2023, which includes the budgets for A&G and Project Services Agreement (PSA) #3. PSA #3 costs have been provided to each of the participants as set forth in their agreements and are included in the parties' overall budget process. The total overall SSEA budget increased from last year due to significantly higher commodity prices for power in the West and a delay in the commercial operation date for the Boulder Flats Solar Project.

5. RECEIVE AN INFORMATIONAL PRESENTATION REGARDING THE ANNUAL FINANCIAL REPORT FOR FISCAL YEARS ENDED JUNE 30, 2021 AND 2020, AS PREPARED BY THE SSEA'S EXTERNAL AUDITOR, BDO USA, LLP

Scott Krantz gave an update on the status of the audit of the SSEA financial statements. The audit is still in draft form, but the final should be ready in a few days. A combination of several significant events delayed the results for quite some time, including the change of auditors from Piercy, Bowler, Taylor & Kern to BDO USA and the pandemic. An emphasis of matter and a corresponding material weakness that required a change in practice in accounting as per GASB 53 for both natural gas and power derivative transactions was

noted. This change required a restatement of the previous fiscal period financial statements. Prior years' accounting and financial statements were done in accordance with advice from the SSEA's prior auditors; this change is done pursuant to a change in advice from the SSEA's current auditors.

6. CONSIDERATION OF AND POSSIBLE ACTION TO AUTHORIZE THE SSEA MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR AUDITING REQUIREMENTS AND ANNUAL LETTERS OF ENGAGEMENT IN SUBSTANTIAL CONFORMANCE WITH THE PROFESSIONAL SERVICES AGREEMENT WITH BAKER TILLY US, LLP, FOR 3 YEARS INCLUDING THE OPTION TO RENEW FOR AN ADDITIONAL 3 ONE-YEAR PERIODS

Scott Krantz stated that the agreement for auditing requirements with BDO USA was due to expire in May 2022. SSEA sent out a request for proposals jointly with Southern Nevada Water Authority, Las Vegas Valley Water District and Big Bend Water District. Several responses were received and after in-depth evaluation, Baker Tilly US, LLP was selected as best meeting all the evaluation criteria at the lowest cost to the SSEA.

FINAL ACTION: A motion was made by Kevin Bethel and seconded by David Luttrell to authorize the SSEA Manager to execute a professional services agreement for auditing requirements and annual letters of engagement in substantial conformance with the professional services agreement with Baker Tilly US, LLP, for 3 years including the option to renew for an additional 3 one-year periods. The motion was unanimously approved.

7. RECEIVE AN INFORMATIONAL UPDATE ON THE CORPORATE NAME CHANGE OF THE PROVIDER FOR THE TRM TRACKER TRADING AND RISK MANAGEMENT SOFTWARE

Scott Krantz gave an update on the agreement approved by the SSEA Board on November 17, 2021 with ABB Enterprise Software, Inc. (ABB), a subsidiary of Hitachi ABB Power Grids Ltd., for TRM Tracker trading and risk management software. The day after the agreement was approved, ABB informed SSEA that they had officially changed their corporate name to Hitachi Energy USA, Inc. (Hitachi). All references to ABB on the agreement were then changed to Hitachi and both parties executed the agreement with no further changes.

8. COMMENTS BY THE GENERAL PUBLIC

There were no speakers wishing to be heard.

9. ADJOURN

There being no further business to come before the Board, the meeting was adjourned at approximately 10:52 a.m.