

Valley Electric

Ruralite

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Fast internet comes to Pahrump Schools, page 4. Mia Carlson and Scott Oscarson, both 11, will enter Rosemary Clarke Middle School in the fall, where they will have a much improved internet service.

How The Sale of 230-kV Lines Benefits VEA Members PAGE 32

High-speed Communications Arrives at Pahrump Schools

Fiber optic: Faster, more reliable, less cost

In early July, public schools in Pahrump were connected to high-speed, fiber-optic broadband as part of Valley Communications Association's efforts to "light up" the Pahrump Valley.

The upgraded network will dramatically increase the download and upload capability and reduce the frustrations for students, teachers and administrators, says Superintendent Dale Norton.

Floyd, J.G. Johnson and Manse elementary schools all have 100 megabit connections. Rosemary Clarke Middle School and Pahrump Valley High School were connected to 500 Mbps lines. The district's transportation center also was connected to 100 Mbps fiber-optic broadband as well as the administration offices. (Hafen Elementary is handled under a separate contract with another provider.)

The speeds will mean much to students and teachers, says Dale. Students will experience fewer interruptions while taking mandatory standardized tests, and they will notice improvements in performance when using the Internet.

"Kids will be able to bring their iPads or their Chrome books – any of their own devices," says Dale. "Before,



Superintendent Dale Norton:
"If students in Clark County and Washoe County were taking the same tests at the same time, our students got kicked off the network."

whenever there was heavy use in the district, the network would bog down. Not anymore."

Equipping schools with high-speed communications was a high-priority project for Valley Communications, up there with getting the emergency services center connected, says CEO Thomas H. Husted. "Communications is critical infrastructure in today's world. It's become a big part of everyday life."

Not only will the district's Internet connections be faster, the service will cost less. The fiber optics from VCA will save the district nearly \$11,000 per year or 19%, the superintendent estimates.

That's just the beginning, says John Spracklen, Executive Vice President of Broadband Operations and Services. As more school-related administrative services migrate to VCA, the savings could exceed \$10,000 per month. "There will be many, many more savings to come."

Since all standardized

tests are conducted via the Internet, students in grades three through 10 will be very grateful for the upgrade. The fragile, slow and unreliable connection the district had been using up until July was a real frustration for students in those grades during test time, especially when other school districts also were testing simultaneously.

"If students in Clark County and Washoe County were taking the same tests at the same time, our students got kicked off the network," says Dale.

Teachers will benefit through professional development "webinars," which require high-speed broadband.

Dale envisions high-speed communications becoming invaluable for smaller schools, which will be able to take advantage of distance-learning opportunities that don't exist with slow Internet. When a school only has a few teachers, as some Nye County schools do, it's unrealistic to expect



Early last month, Nye County schools in Pahrump were linked through high-speed broadband like this.

those teachers to be experts in all subjects. Video-assisted distance learning will eventually allow an English teacher in Pahrump to teach students in Gabbs, without having to make the four-hour drive.

"They can take advantage of movie clips and educational videos from YouTube," says Dale. "Now, they spend too much time looking at a rotating hourglass because of the speed – or lack of it."

Fiber optics might even help the district in its hiring practices. With only a few weeks remaining before the school year begins, the district has nearly two dozen open positions, and principals are interviewing prospective candidates. Though the schools will need to fill some of the openings with applicants from outside the district, Nye County does not pay travel expenses for interviews. Instead, they conduct the interviews via Skype. And a better Internet connection usually means a better interview experience. ■

New Gymnasium for Sandy Valley High Will Also Serve Greater Community

Softball field included in first phase

Sandy Valley High School patrons are looking forward to a late October opening of the school's new \$5 million gymnasium.

Construction on the project began in January, says Principal Christopher Lounsbery. "The community is really excited about it. It's been in the works for nearly four years."

Contractors are expected to finish up work on the project in time for the first Sidewinders basketball game.

The project is phase 1 of a three-phase project. Phase 1 also will include a softball field. Phase 2 will involve six to eight elementary classrooms, and phase three will include 11-13 high school classrooms and new fields for baseball and football.

"By 2020, the school will be complete," says Christopher. "No more portable classrooms."

Enrollment at Sandy Valley fluctuates between 275-300 students from kindergarten through 12th grade. Graduating classes range from 20 to 25.

Up until now, home games for Sidewinders basketball teams had been played in a temporary, portable structure, which featured a tent-like



Sandy Valley High School's new gymnasium will feature two practice courts, a weight room, locker rooms, a music room, concession stand, and offices for parks and recreation, according to Principal Christopher Lounsbery, left.

dome. The school had no locker room facilities.

"This is huge, it brings the school to the next level," says Ken Derschan VEA's director from District 5, which includes Sandy Valley.

"A lot of people have worked to make this happen for a lot of years. It brings us to the same level as the other schools." ■



From LV Casino Exec to Amargosa Valley

Bill Friedman sees different stars these days

By John L. Smith

As a longtime Las Vegas casino executive, Bill Friedman saw more than his share of stars on the Strip.

In the years leading up to the mega-resort era ushered in with the 1989 opening of The Mirage, the industry had a comity and currency all its own. So when Friedman and wife Gladys got the urge to check out a headliner, all he had to do was pick up the phone.

Looking back over his eclectic career recently from his Amargosa Valley home, Friedman was nostalgic about the exciting but demanding years he managed the Castaways and Silver Slipper casinos, bringing them from mediocre performers into substantial profitability and earning him a reputation as a guy with a real understanding of gambling markets and players.

"One night a week we'd go out and see the greatest entertainers," Friedman said. "Until around 1990, Las Vegas was purely a gambling and entertainment center."

But the scale changed with the opening of The Mirage, and departments that previously acted as loss leaders were expected to turn a profit. It was inevitable that Las Vegas would evolve into a convention capital, he said. Even the nightclubs and

lounges have morphed into big earners.

"It's become a totally different industry," Friedman said without rancor. "We loved it because in the old days it was a much smaller industry. Everybody knew everybody, and the casino operators shared a lot of friendliness. There was excellent food and service, but we didn't have the famous chefs. But it was a marvelous place to live, just a fun, fun town."

Maybe that's one reason why Friedman, a casino marketing and design authority, has continued his research and writing into the history of the place. His latest book on the men who influenced the growth of Las Vegas, shall we say from behind the scenes, is "30 Illegal Years to the Strip: The Untold Stories of the Gangsters Who Built the Early Las Vegas Strip." (Available through Amazon or billfriedmanauthor.com.)

The names of Charles Luciano, Meyer Lansky, Benjamin Siegel, and Moe Dalitz are notorious, but understanding their stories is essential to fully appreciating Las Vegas history, said Friedman, who not only came to understand their importance but even admire some of the ethics they applied to their business lives. In his view, "They were anything but what the press has made them out to be. They were



Bill Friedman

only tough when they took mugshots."

But, come on, they weren't pussy cats, were they?

They knew violence was bad for business, Friedman said. And, above all, "The point of my book is that these were businessmen. They hated violence, totally opposed (the mob tradition of) vendetta, thought 'an eye for an eye' makes everyone blind. They used to preach it to me. They were businessmen, and once you understand that you understand why Vegas was the way it was."

Friedman is one of few researchers to ever log an interview with the late Genovese family titan and casino industry investor Vincent "Jimmy Blue Eyes" Alo, whose relations still have homes in Las Vegas. Alo was a consummate gentleman, still sharp with a sense of humor in his early 90s when the interview took place.

Listen to Bill Friedman a while, and you're likely to be overcome by a sense of

nostalgia about an era of Las Vegas that has largely faded into history and been pinned to the walls of the Mob Museum. But he plans to keep those memories alive, and chronicled accurately, in future books that will have the advantage of using some of his more than 600 interviews with everyone from Dalitz and Benny Binion to Alo and legendary gaming attorney and former Nevada Lt. Gov. Cliff "Big Juice" Jones.

He still gets back to Las Vegas, of course, but knows the place of his heyday is gone. The Friedmans moved to Amargosa in 2006. He still laughs about waking up one morning and realizing his Las Vegas had been replaced.

"When I rose through the ranks on the Strip, we bought a little ranch way out of town, and my wife (of 44 years) could ride every day in the mountains," he recalled. "Then they built 50,000 homes around us, and she couldn't get off the property."

Such a boom is unlikely to happen in Amargosa Valley any time soon.

Although he may miss the dazzle of the Strip just a little, the stars on Las Vegas Boulevard have changed.

And, frankly, they can't compare to the constellations Bill Friedman sees nightly from his own backyard. ■

John L. Smith is a longtime Nevada journalist and author. His latest book is "Even a Street Dog: Las Vegas Stories," available on Amazon.com.

AMBASSADOR REPORT

Bonesteel Elected Secretary; Retreat Provides Training

Dina Williamson-Erdag and Kathy Mattocks ran unopposed for Chair and Vice Chair, respectively, of the Valley Electric Association Ambassadors, and Frank Bonesteel was elected Secretary during June voting.

The Ambassador Executive Committee conducted a strategic planning meeting in June. The retreat focused on leadership planning and succession, but also recapped some of the organization's accomplishments the past year, including an ambassador

handbook, an orientation program, and developing a nomination/election process for the executive committee.

Deborah Campbell made a presentation on becoming an effective volunteer, covering topics like meeting planning, facilitation, and work-plan development.

At the second-quarter Ambassador Meeting at Nevada

Treasures Resort, Ambassadors heard CEO Tom Husted report on a number of VEA issues, including the recent rate increase, the rollout of high-speed broadband and how the company is likely to evolve as a communications company.

The Ambassador Program is designed to educate members about VEA, the utility industry and to enlist support and involvement. Ambassadors work directly with VEA staff on policies, procedures and programs; enlist member support in shaping policy; and learn how legislation affects the cooperative.

VEA Open House set for Sept. 9

Valley Electric Association will conduct an open house Sept. 9. All of VEA's buildings will be open to the public, including the 6,600-square-foot Valley Conference Center, which is currently under construction.

VEA's Innovation Center, which encompasses operations, dispatch and engineering, also will be open to the public. The building allows VEA to continue to meet federal security standards. Stay tuned for more details. ■



Dina Williamson-Erdag, left, Frank Bonesteel and Kathy Mattocks

Mettke, Johnson Named VPs of Engineering, Broadband

Kristin Mettke, Manager of Engineering since 2013 for Valley Electric Association, has been promoted to Executive Vice President of Engineering, CEO Thomas H. Husted announced recently.

Husted also announced the appointment of Ken Johnson, formerly the CEO of Conneaut Telephone Co., of Ironton, Ohio, as Executive Vice President of Broadband Business for Valley Communications Association.

"Kristin and Ken help position VEA and VCA to deliver the kind of world-class service our member-owners and business customers deserve well into the future," says Husted.

In her new role, Kristin is in charge of engineering, safety, regulatory compliance, mapping and lands and systems planning.

Kristin replaces Chris Tomchuk, who retired in July. A native of Minnesota,

Kristin has worked at VEA since 2011 as a System Engineer. Previously, she worked for Open Systems International



Mettke

of Medina, Minn., as a Technical Training and Field Engineer. Before that, she worked as a Staff Engineer for Patent Litigation and Prosecution

for Fish & Richardson P.C., of Minneapolis. Kristin has been involved in major projects at VEA, including the establishment of the 24/7 dispatch center, the 230 kV Northwest Project, the transition into the California Independent System Operator, the transition and management of the Nevada National Security Site contract, Creech Air Force Base and other projects with the U.S. Air Force.

Kristin has a degree in electrical engineering from the University of Wisconsin-Platteville.

Johnson had been CEO at Conneaut for 10 years. As CEO, Ken was responsible

for the day-to-day management of the independent telephone company, cable TV, broadband and I.T. consulting divisions.



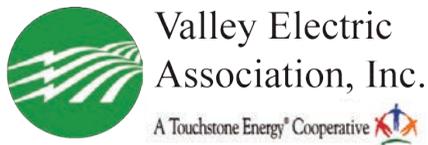
Johnson

Executive Vice President of Broadband Business is a new position at VCA, a wholly owned subsidiary of VEA. In his new role, Ken will be responsible for broadband business development at the communications start-up.

Ken has been active in the Ohio Telecom Association, where he was a board member. He also has been active in various community non-profit organizations, including the Mike Miller Foundation, formed by the NBA player.

Johnson has a master's in technology from Kent State University and a bachelor's degree from Ohio Bible College.

A native of Ashtabula, Ohio, Ken and his wife, Heather, have two children.



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Sale of Partial Transmission System Could Benefit Members



A few months ago, I explained to you in this column that Valley Electric Association might have a unique opportunity to sell its 230-kilovolt transmission lines and partner with the new owner to manage, maintain and operate the system. Aside from a large premium for the assets, you naturally ask why VEA would entertain this opportunity.

Since we may be offered much more than the net book cost (investment cost), we could pay off debt, reduce operating costs, build equity, build more rate stability, provide new investment capital, turn an operating expense into a revenue source – and return cash to members and/or retire patronage capital.

Yes, member-owners could receive a one-time cash payment.

From the operations side, we built the assets to serve our growing loads and provide mandatory, redundant reliability. We did this at 100% our cost. In fact, one of the unique characteristics of VEA is that we are an island utility and have had to bear this burden from our inception 51 years ago. Unlike other parts of the country where transmission assets (and the expense) are shared, VEA has not had that luxury. An analogy I often use is Highway 160 coming into Pahrump from Las Vegas. Can you imagine if the local residents would have had to pay for that 100%? What would the taxes in the community be? Well, that is exactly the case with our transmission lines. We have had to not only build and pay for the transmission lines but also pay the annual operating cost.

After a potential sale, the future use and rates we would pay are protected by the Federal Energy Regulatory Commission process. That is another benefit that VEA captured when we joined the regional transmission organization (CAISO) in January of 2013.

The Board will consider multiple proposals during the August-September timeline. If the Board approves a bid, member-owners will then be asked to vote on the sale. It will take approval by a super majority of the membership (66%) before the sale can proceed. We envision a series of public meetings and thorough distribution of educational materials to all members if and when it's necessary.

This is a tremendous opportunity for Valley Electric Association. The high-voltage transmission lines were extremely costly and time consuming to build. They filled a desperate need for reliable power to enhance VEA's fragile link to the bulk electric transmission grid. Remember the 2007 brownouts and blackouts?

The sale also protects VEA from rate adjustments, and a portion of the sale proceeds would buffer future rate costs. If not for that, we wouldn't be interested in selling, because it would conflict with our mission to provide reliable, affordable power. This process is also a demonstration of the Board's commitment to the members and the cooperative business model.

Until next month,

Thomas H. Husted, Chief Executive Officer