



HURRICANE CITY

UTAH

Mayor
Nanette Billings

City Manager
Kaden C. DeMille

Power Board
Mac J. Hall, Chair
Tony Certonio
Dave Imlay
Joseph Prete
Kerry Prince
Colt Stratton

The Hurricane City Power Board met on February 7, 2024, at 3:00 p.m. at the Clifton Wilson Substation on 526 W 600 N.

In attendance were Mac Hall, Dave Imlay, Joseph Prete, Tony Certonio, Colt Stratton, Jerry Brisk, Scott Hughes, Brian Anderson, Mike Ramirez, Jared Ross, Kaden DeMille, Mike Vercimak, Dayton Hall, Fred Resch, Bruce & Linda Zimmerman, and Crystal Wright.

Mac Hall welcomed everyone to the meeting. Dave Imlay led the Pledge of Allegiance and Joseph Prete offered the prayer. Mac Hall extended a welcome to the new Power Board members that were in attendance and asked them to introduce themselves. Dave Imlay motioned to approve minutes from the January 2024 meeting. Joseph Prete seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes invited the board to the UAMPS Governing Boards Workshop that will be held tomorrow. He also handed invitations out for the UAMPS Legislative Reception. He then did a brief overview of the projects the department has recently completed, is working on, and have upcoming. Completed projects include phases 2 and 3 of the 600 North Transmission project, 1150 West Transmission Reinsulation, and the Cordero extension. Current projects include construction of Three Falls Substation, 1150 West corridor easements, Capacity Project 2.0 and 2.1. He will save the list of future projects for a future meeting. Joseph Prete asked when the Three Falls Substation will be energized. Scott Hughes stated that there are at least two months of work remaining, if not more. Our plan currently is to have it energized in time for the summer loads. Scott Hughes gave a summary of the purpose and function of substations. He wanted to note the information included in the packet regarding pole sizes and voltage information is helpful and to refer to it for increased knowledge. He passed out the Conflict-of-Interest Policy and Forms to have completed and turned in at the end of this meeting.

Brian Anderson: Brian Anderson reported that we took down Christmas decorations and will be refreshing some of those items in preparation for next season. He shared about the reconductoring of a distribution circuit from Three Falls Substation to 1300 South. There was also a pole that had to be relocated for the get-aways coming out of the Three Falls Substation. Jumpers were made up for the transmission line at 1150 West and 600 North. We completed a pole changeout on 3700 West that was required because the pole had rotted through and was leaning over the road.

Mike Ramirez: Mike Ramirez reported on a meter that was bypassed after a non-payment. He explained an outage that had occurred on North Main St where a tree had rubbed through a secondary line in the backyard of a home. He reported on the switch located at the City Office that needs to be replaced. Sprinklers have caused heavy rusting. We will have to take an outage there to replace that. He reported on an outage that had happened at Fox Hollow caused by an older style of switch that will also need to be changed out. We've slowly been changing out those old switches, but they're expensive so we try to get as much use out of them as we



can before doing that. He reported on the changeout of some rusty vaults. They will be replaced with aluminum vaults. He described system cleanup where we removed some equipment that has been de-energized for many years and was just hanging on poles. We've been working on taking that equipment down and bringing it back into the yard to clean up the system.

Jared Ross: Jared Ross reported that we contracted with a company to complete the bussing at Three Falls Substation. We're just waiting for the welding to be completed. There is approximately one week's worth of welding left. Ash Excavating had done the initial site grading and part of the contract was to provide the road base material for the final grade. They've started bringing that base in so we can complete the final grading. There is some work on the outside wiring in the sub. With the recent rain, he moved inside the control house to work on the wiring inside. He reported on generators and other maintenance they have been working on for the last month. Replaced a block heater on Generator 7 and a block heater circulation pump on Generator 8. Adjusted all the temperatures to get them back to where they're supposed to be. Completed maintenance on diesel generators. Generator 5 is on track to be returned by the end of February. With the rain, they have been working on smaller projects like oil changes needed on the fleet, and other maintenance related projects that had been needing to be completed.

Budget: Scott Hughes reported on the normal monthly graphs and numbers. Discussion about some higher priced months and some history given for the new board members. Reviewed the budget graphs showing cost of sales vs revenue and the operating margin from last month. Things have smoothed out with power market prices which are helping our energy margins. Joseph Prete asked Scott Hughes to provide a history of infrastructure and the impact fee rate which had originally been approved at 75% and was moved to 100%. Scott Hughes provided a quick history and explanation. We are currently in the middle of updating our Capital Facilities Plan and Impact Fee Study. Colt Stratton asked if we've investigated what number we really need for our operating margin goal. As our system ages, those operating costs will need to increase to replace an aging system. Dave Imlay requested a pie chart for the next Power Board meeting showing actual expenses outside of capital expenses for the previous year. He would also like the impact fee information to be broken out from the reserve information amount. Kaden DeMille stated he had that information and would provide it.

Capacity Update: Scott Hughes provided an explanation and update on the capacity issues we've experienced out south. There are other specific areas of the city that have capacity issues, but because there is infrastructure all around those areas, they are very solvable. The real challenge has been the area out south without existing infrastructure. He described the issues that brought about the different capacity projects that were calculated. He briefly discussed those capacity projects for the new board members.

Update on Department of Air Quality (DAQ) Air Permit: Jared Ross reported that in October 2022 we received approval of an updated air permit. That permit allows us to add generator #9 into the plant. It also changed the operation hours limit to 450 hours per year for diesel generators as well. That permit had an 18-month limit to have the construction started or completed. We didn't start the construction due to budgetary constraints. We finally received information back from the DAQ today. They let us know we need to submit a letter with the reasoning behind why construction hasn't been started. That letter will extend our permit for another 18 months. That permit also required us to raise the stacks on the natural gas generator plant from 35 ft to 50 ft. That was due partly because of the addition of the natural gas generator as well as the increased hours on the diesel generators. They requested that we at least increase the stack height this next budget year. Jared Ross will work on getting budget information to get that added for this upcoming budget year.

Overview and Orientation of role of Power Board: Scott Hughes stated we have covered a lot of things already, but there are two subjects he still wants to touch on. Those topics are resources and a coverage of the City Code that governs our department. The code information was included in the packet and is a good resource to become familiar with. Mac Hall stated that historically the City Council have put a lot of trust in the recommendations coming from the Power Board. They recognize that a lot of time is spent looking at options and discussing what will be best for our community and residents. Joseph Prete stated there is recognition that power issues are complex and there is some deference given because of the knowledge and time spent by the board. Scott Hughes stated he wanted to first review resources, which are places that Hurricane City Power can receive energy from. He showed a spreadsheet he created detailing our resource portfolio. Dave Imlay asked whether the solar generated within our city is included. Scott Hughes stated he received this information from UAMPS, but they don't have that information and we will add our individual solar generation information. He would also like to add the peak load information to his graphs.

Appointment of Power Board Vice Chairman: Mac Hall reported that Charles Reeve had been voted in as Vice Chairman contingent on him being re-appointed to the board, which did not happen, so we need to appoint a Vice Chairman out of this new board. Dave Imlay suggested we table this item until the next board meeting when all the board members can be here. This item will appear again on the next board agenda.

UAMPS Updates: Scott Hughes reported a lot of information is included in the packet. He showed a video of temperature fluctuations compared to power market price fluctuations and how those are correlated. This was a video that was presented at their last UAMPS board meeting. We will distribute a calendar of events for the upcoming year for the board members at the next meeting.

Dayton Hall explained the difference between a public meeting and a closed meeting and the requirements by law that must be met for a closed meeting to take place. Joseph Prete made a motion to move into a closed meeting to discuss purchase of real property and potential litigation. Dave Imlay seconded the motion. Motion passed unanimously at 5:08 p.m. Came out of closed meeting at 5:39 p.m.

Power Board adjourned at 5:40 p.m. The next Power Board Meeting is scheduled for March 6, 2024, at 3:00 p.m.
