

DRAFT

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT

BOARD MEETING

August 12, 2025

South Utah Valley Electric Service District (SESD) held its monthly Board Meeting on Tuesday, August 12, 2025 – at 11:25 a.m. at the SESD office 803 N 500 E – Payson, UT.

Trustees Present: Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder.

Trustees Excused:

Also Present: Dan Ellsworth, Brook Christensen, Mark Holdaway, and Greg Stanton – SESD; Heather Stinson (YLC adult leader) and Oaker Cox (YLC youth representative).

Ray Loveless opened the meeting at 11:25 a.m.

PUBLIC FORUM

None.

APPROVE BOARD MEETING MINUTES

Ray Loveless asked if anyone had any questions about the June 30, 2025, Budget Hearing Minutes; the June 30, 2025, Trustee Compensation Rate Hearing Minutes; and the July 8, 2025, Board Meeting Minutes. Hearing none, he asked for motions to approve the three sets of minutes.

MOTION to approve the June 30, 2025, Budget Hearing Minutes.

Richard Behling made a motion seconded by Brent Gordon to approve the June 30, 2025, Budget Hearing Minutes. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

MOTION to approve the June 30, 2025, Trustee Compensation Rate Hearing Minutes.

Brent Winder made a motion seconded by Joel Brown to approve the June 30, 2025, Trustee Compensation Rate Hearing Minutes. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

MOTION to approve the July 08, 2025, Board Meeting Minutes.

Kenny Seng made a motion seconded by Brent Gordon to approve the July 08, 2025, Board Meeting Minutes. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

FINANCE COMMITTEE

Review July 2025 Disbursements and Expenses

Brent Gordon stated that the Finance, Resource, and Executive Committees reviewed the disbursements and expenses for July 2025.

MOTION to approve the July 2025 Disbursements & Expenses.

Brent Gordon made a motion seconded by Richard Behling to approve the July 2025 disbursements & expenses. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

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Review July 2025 Financial Report

Ray Loveless pointed out that the July 2025 disbursement total was perhaps the highest amount the District has ever had, however, he noted that there were enough revenues to cover the expenses. Mark Holdaway explained that the line crew has had to purchase a large quantity of inventory for the WMBB Project, line relocations in Salem, and new development throughout SESD's service area. As a result, a significant percentage of the inventory expenses shown in the disbursement report were paid for by developers and Utah Broadband.

MOTION to accept the July 2025 Financial Report.

Richard Behling made a motion seconded by Kenny Seng to accept the July 2025 Financial Report. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

SWUA Property Boundary Clean-up and Fence Payment

Brook Christensen reported that SESD and Strawberry Water Users Association (SWUA) are in the process of cleaning up the boundary line between the two entities. Brook said SESD will purchase a small portion of SWUA's property to even up the fence line and give SESD more space for warehousing facility expansion. Brook stated that SESD will pay for a new fence to be installed once the property transaction is completed.

MOTION to approve SWUA property boundary clean-up and new fence installation.

Brent Gordon made a motion seconded by Kenny Seng to approve the SWUA property boundary clean-up and new fence installation. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

Underground Wire Puller Purchase

Ray Loveless stated that all the committees had reviewed the staff's proposal to purchase a new underground wire pulling trailer. Greg Stanton reported that the new trailer will cost around \$235,000. Brook said the new wire pulling trailer is in the budget since the old one is 25 years old and is starting to have some serious mechanical problems.

MOTION to approve underground wire puller purchase.

Brent Gordon made a motion seconded by Kenny Seng to approve the purchase of a new underground wire pulling trailer for \$235,000. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

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Engineering Firm for Loafer Substation Expansion

Brook Christensen reported that four firms responded to SESD's RFP to engineer the Loafer Substation expansion. Brook said that due to the large spread in quoted pricing, the respondents were given additional clarifying questions to ensure they understood the RFP and to avoid future change orders. As a result of the RFP clarification, Brook stated that final bid approval is pending. Brook said that based on the proposals, he expects the winning bid to be below \$285,000. Since the chosen engineering firm will be dealing with some tight time constraints, Brook asked if the Board would approve a maximum bid price now and then ratify the actual bid price once bid judging is complete. The Board concurred.

MOTION to approve maximum bid price for engineering of the Loafer Substation expansion.

Richard Behling made a motion seconded by Kenny Seng to approve a maximum bid price of \$285,000 for the engineering of the Loafer Substation expansion. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

2025 MICHAEL F. PETERSON YLC REPORT

Ray Loveless welcomed Heather Stinson, SESD YLC Adult Leader, and Oaker Cox, one of the youth participants in the 2025 Michael F. Peterson Youth Leadership Challenge (YLC). Ray invited Oaker to report on his experience participating in the YLC this year. Oaker stated that he really enjoyed a presentation given by a finance professional who taught the participants about wise money use. He said the linework demo trailer especially intrigued him with the way it helped teach the participants about electricity. Oaker explained that the YLC gave him the opportunity to get out of his comfort zone, meet new people, make new friends, and gain insights into what he would like to do for the rest of his life. He highly recommended the YLC to all youth and thanked the Board for giving him the opportunity to participate in it.

Heather reported that the YLC included SESD youth from three high schools this year – Payson High School, Salem Hills High School, and the Utah County Academy of Science. Heather said she will work on getting SESD youth from Spanish Fork High School this next year. Heather stated that the youth from SESD have a reputation of always being well-behaved. She also said that several of this year's participants have already volunteered to help her with future YLC activities.

Dan Ellsworth shared some of the positive experiences he had working with Heather Stinson and the youth in the YLC. Dan explained that the youth leaders will participate in several activities during the year, including a tour of the Bonanza Power Plant, a tour of the State Capitol during the winter Legislative Session, and a Jazz basketball game. Dan said the youth themselves plan the YLC, which gives them tremendous leadership experience.

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RESOURCE COMMITTEE

June 2025 Operations Report

Dan Ellsworth reviewed June's power costs pointing out that even though the Bonanza Power Plant was offline, Deseret Power was still able to honor its contracted load commitments and power pricing. Dan gave an update on SESD's efforts to acquire additional power resources through Deseret Power. Dan also reviewed ways to better utilize SESD's UAMPS resources, such as powering industrial loads.

MOTION to accept the June 2025 Operations Report.

Brent Winder made a motion seconded by Cory Thompson to accept the June 2025 Operations Report. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

EXECUTIVE COMMITTEE

Bereavement and Comp Time Policy Discussions

Mark Holdaway stated that after a review of other power company benefit packages, the staff proposed changing SESD's Bereavement Leave Policy to allow for 5 days off instead of the tiered days off currently in place. The Board discussed potential abuse of the policy as well as the need to stay competitive with benefits to attract the right kind of talent.

MOTION to approve Bereavement Policy Changes.

Richard Behling made a motion seconded by Brent Winder to allow five days of Bereavement Leave for the family members specified in SESD's Personnel Policy. Richard Behling, Joel Brown, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion. Brent Gordon stated that he still had concerns about the changes to the Bereavement Policy and abstained from voting.

Dan Ellsworth explained that the line crew has been working extra overtime this summer trying to stay caught up on all their work. He said the line crew have asked him if they can convert some of their overtime hours to comp time instead. For now, they are proposing to accrue up to 40 hours of comp time. Cory Thompson pointed out that the Fair Labor Standards Act and State Code regulate comp time. He recommended that staff review and understand these regulations first before creating a comp-time policy. Ray Loveless stated that further discussion about a comp-time policy will be delayed for another month and asked the staff to review comp-time regulations with legal counsel.

MOTION to delay further discussion about a comp-time policy.

Brent Gordon made a motion seconded by Joel Brown to delay discussions about a comp-time policy for another month. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Kenny Seng, Cory Thompson, and Brent Winder approved the motion.

UAMPS REPORT

None.

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CREDA REPORT

None.

SUVPS REPORT

Brook Christensen reported that upgrades to the Dry Creek Substation are now complete and SUVPS is allowing its members to schedule tours of the new facilities. Brent Gordon stated that the property purchase near the mouth of Spanish Fork Canyon for a new SUVPS substation is nearly complete. Brook reported that SUVPS has acquired the easements it needs to build a new line and switch rack near Bamberger Road; Circuit 50 pole testing is nearly complete with 18 poles needing to be replaced; SUVPS is nearly finished judging bids to construct a new 138 kV line from Spanish Fork Canyon to the Taylor Switch Rack; and SUVPS is creating a succession plan for Blake Anderson and Craig Michaelis.

POWER SYSTEM REPORT

Outage Report

Greg Stanton reported that the breaker on the Covered Bridge Well shorted out causing a localized outage in Covered Bridge. He also said that line fuses had to be replaced, and trees trimmed back near Powerhouse Road between Salem and Spanish Fork.

The Board discussed getting an appraisal for one of SESD's properties to verify market pricing of property in the area. The appraisal will give the Board and staff a better understanding of the current value of SESD's property assets.

LEGAL UPDATE

None.

ADJOURNMENT

Richard Behling made a motion to adjourn the meeting seconded by Brent Winder.

Ray Loveless adjourned the meeting at 1:13 p.m.

Ray Loveless, Chairman

Mark Holdaway, Clerk

Date Approved

Date Approved

Next Meeting Date

The next board meeting will be held on Tuesday, September 9, 2025, beginning at 11:00 a.m.