

DRAFT

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT

BOARD MEETING

November 4, 2025

South Utah Valley Electric Service District (SESD) held its monthly Board Meeting on Tuesday, November 4, 2025 – at 11:00 a.m. at the SESD office 803 N 500 E – Payson, UT.

Trustees Present: Richard Behling, Joel Brown, Brent Gordon (via Zoom), Ray Loveless (arrived at 11:50 a.m.), Cory Thompson, and Brent Winder.

Trustees Excused:

Also Present: Brook Christensen, Dan Ellsworth, Brook, Mark Holdaway and Greg Stanton – SESD

Joel Brown opened the meeting at 11:00 a.m. Richard Behling offered a prayer, and Cory Thompson led The Pledge of Allegiance.

PUBLIC FORUM

None.

EMPLOYEE INTRODUCTIONS

Joel Brown welcomed two new employees recently hired by SESD and asked them to introduce themselves. Tyson Lovell, the new storekeeper, used to work in retail and ran a handyman business before he was hired near the beginning of September. Jim Jones, the new accounting and management assistant, grew up in Idaho, ran a bee keeping and honey production business for 30 years, and then got an MBA in Finance before joining SESD.

APPROVE BOARD MEETING MINUTES

Joel Brown asked if anyone had any questions about the October 7, 2025, Board Meeting Minutes. Hearing none, he asked for a motion to approve the minutes.

MOTION to approve the October 7, 2025, Board Meeting Minutes.

Richard Behling made a motion seconded by Cory Thompson to approve the October 7, 2025, Board Meeting Minutes. Richard Behling, Joel Brown, Brent Gordon, Cory Thompson, and Brent Winder approved the motion.

FINANCE COMMITTEE

Review October 2025 Disbursements and Expenses

The Board reviewed some disbursements added to the list after the committee meetings. Brook Christensen reviewed a disbursement made to Premier Pole Inspections for pole inspections they made on a power line near Sheep Creek in Spanish Fork Canyon. Brook explained that Central Utah Water Conservancy District (CUP) and Utah County own the power line; SESD has a contract with both entities to maintain the power line. The pole inspections were made at the request of CUP.

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD MEETING
November 4, 2025
(continued)

Brook stated that he has discussed the maintenance contract with Ray Loveless and both he and Ray would like to consider terminating the maintenance contract. Brook said the power line is in a high-risk area for wildfire and that SESD would like to remove itself from wildfire liability. Brook also pointed out that UMPA won the bid to receive hydro generation from the Diamond Fork watershed, and since the Sheep Creek line will be used to transmit some of that power, it would make more sense for UMPA members to maintain the line. Finally, Brook explained that SESD's crews are extremely busy with projects on SESD's distribution system and do not have the time right now to maintain the Sheep Creek line. The Board decided to discuss maintenance contract termination in more detail at a later date.

Mark Holdaway reported that Comcast purchased 68,000 ft. of installed 2" conduit from SESD in Woodland Hills for \$800,000. Mark pointed out that the money was deposited into SESD's Capital Facilities PTIF account.

MOTION to approve the October 2025 Disbursements & Expenses.

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

Review October 2025 Financial Report

Mark Holdaway reported that one-third of the financial year has transpired and that revenues are higher than budget, largely due to an unexpected increase in revenue from contract work for Santquin City, new construction from developers, and Utah Broadband payments to upgrade poles in the WMBB project area. Mark stated that all expense categories are within budget and that, overall, the District is currently financially healthy. Mark explained that much of the year's net surplus has gone back into inventory to complete the projects for which SESD has been paid. Mark thanked the Board for helping the staff create and monitor the budget.

MOTION to accept the October 2025 Financial Report.

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

RESOURCE COMMITTEE

September 2025 Operations Report

Mark Holdaway reported that the power costs for September 2025 were higher than the power costs for July and August, but still within budget. Therefore, no power cost adjustment was instituted for the October billing period. Mark said that the Nebo Gas Plant is down for repairs and will be at limited generation capacity for the foreseeable future due to extensive turbine damage.

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT BOARD MEETING

November 4, 2025

(continued)

Mark stated that SEDS cancelled a request for additional power from Deseret Power (DG&T) for the winter months. Ray Loveless discussed SEDS's load forecast with Kelton Anderson of UAMPS and Kelton explained to Ray that SEDS's loads do not merit the additional power resource from DG&T at this time. Furthermore, Kelton informed Ray that market prices are currently lower than the price DG&T is offering SEDS; so, SEDS would be better off covering any resource shortage with the market. Mark said staff will continue to monitor power pricing and market exposure. Joel Brown encouraged Dan to maintain contact with DG&T and explore options to cover SEDS's load during high peak load times without having excess resource during shoulder (low load) times.

MOTION to accept the September 2025 Operations Report.

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

EXECUTIVE COMMITTEE

West Mountain Broadband Project Partnership Agreement

Mark Holdaway said Mike Simmons of Utah Broadband (UBB) reached out to him and said UBB is still concerned about what will happen to its facilities in the existing 2" buried conduit in the WMBB project area at the termination of the revenue sharing agreement. UBB would like to retain use of the existing 2" conduit in perpetuity free of charge. Brook Christensen pointed out that WMBB is limiting its revenue share agreement to only the homes mentioned in the WMBB Grant, not to any new development. He suggested that SEDS could consider limiting any conduit perpetual use agreement to only the homes covered under the revenue sharing agreement. The Board decided to continue negotiations with UBB and discuss the Partnership Agreement again at the next board meeting.

SEDS Comp Time Policy

Mark Holdaway stated that the committees reviewed the SEDS Comp Time Policy. He said the Finance Committee wanted the policy to apply strictly to unscheduled overtime; the Resource Committee recommended applying the policy to unscheduled and supervisor-approved overtime. After some discussion, the Board decided to approve the SEDS Comp Time Policy in its current form (the policy would apply to unscheduled overtime) with the expectation that further revisions will be discussed in next month's committee meetings.

MOTION to approve SEDS Comp Time Policy.

Richard Behling made a motion seconded by Brent Winder to approve the SEDS Comp Time Policy in its current form with the expectation that changes will be made to the policy in the future. Richard Behling, Joel Brown, Brent Gordon, Ray Loveless, Cory Thompson, and Brent Winder approved the motion.

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD MEETING
November 4, 2025
(continued)

UAMPS REPORT

UAMPS All-in Project

Ray Loveless reported that UAMPS is holding another All-in Project Meeting next Monday. The meeting will offer additional details about the Project and address member concerns.

Ray Loveless stated that he is planning on stepping down from the UAMPS Board in April or May of next year. Ray said UAMPS is requiring a lot of work from its board members and recommended a staff member, most likely Mark Holdaway, replace him when he steps down. The Board concurred.

Ray reported that the Nebo Gas Plant has been limited to simple cycle generation for the months of October and November due to a damaged steam turbine. He said the plant is expected to begin generating at full capacity again the first week of December.

CREDA REPORT

Ray Loveless reported that CREDA is carefully monitoring negotiations surrounding the renewal of Colorado River usage agreements. Ray said CREDA officials are trying to educate elected officials at the national and local levels about the correlation between water and power and that power production must be considered in any future river water usage agreements. Ray stated that Leslie James, CREDA Executive Director, will be retiring in 2026 and that CREDA is in the process of finding her replacement.

SUVPS REPORT

Brent Gordon reported that data centers have contacted all the members of SUVPS. He said some SUVPS members are concerned about capacity constraints on the SUVPS system. He said some SUVPS members are concerned that a lack of communication about data centers may create future capacity disputes. Brent further reported that materials for the rebuild of Circuit 49 have been delayed; design work for the Circuit 50 rebuild has begun; SUVPS member assessments will be based on peak demand beginning with the next assessment cycle; SUVPS is exploring a 2nd bond for upgrades; and replacement of failed SUVPS transmission poles will begin this month (November).

POWER SYSTEM REPORT

Outage Report

Greg Stanton reported that SESD's crews had to replace three poles hit by vehicles during the month of October. One of the hit poles caused a power outage to Cornbelly's corn maze and amusement park. Other outages were caused by a contractor digging up a power line in Woodland Hills; a woodpecker damaging a transformer PT in the Strawberry Substation; and turkeys flying into power lines in Payson Canyon. Greg also said that discussions are being held with Utah County to acquire easements for the CMC gravel pit line extension and three bids are being reviewed for construction assistance on the CMC line extension.

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT BOARD MEETING

November 4, 2025

(continued)

Dan Ellsworth reported that some solar farms are beginning to build gas plants so they can utilize their transmission line capacity during times of no solar production. Dan also said that the Utah Rural Electric Cooperative Association (URECA) extended an invitation to SESD to join the organization as an associate member. Dan recommended filling out the application and joining URECA.

Dan Ellsworth stated that he has been talking with a group of individuals who are exploring the feasibility of building a data center with onsite power generation in SESD's service area and asked the Board for their support in his discussions with the data center group. Brent Gordon stated that he had no objections to the discussions but reminded everyone that SESD's SUVPS assessment will be affected by any additional load caused by a data center.

LEGAL UPDATE

None.

ADJOURNMENT

**Richard Behling made a motion to adjourn the meeting seconded by Cory Thompson.
Ray Loveless adjourned the meeting at 12:32 p.m.**

Ray Loveless, Chairman

Mark Holdaway, Clerk

Date Approved

Date Approved

Next Meeting Date

The next board meeting will be held on Tuesday, January 13, 2026, beginning at 11:00 a.m.