

DRAFT

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT BOARD MEETING February 10, 2026

South Utah Valley Electric Service District (SESD) held its monthly Board Meeting on Tuesday, February 10, 2026 – at 11:00 a.m. at the SESD office 803 N 500 E – Payson, UT.

Trustees Present: Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson.

Trustees Excused:

Also Present: Mark Holdaway and Greg Stanton – SESD

Ray Loveless opened the meeting at 11:00 a.m. Cory Thompson offered a prayer, and Brent Gordon led The Pledge of Allegiance.

PUBLIC FORUM

None.

APPROVE BOARD MEETING MINUTES

Ray Loveless asked if anyone had any questions about the January 13, 2026, Board Meeting Minutes. Since no questions or concerns were raised about the minutes, Ray asked for a motion to approve the minutes.

MOTION to approve the January 13, 2026, Board Meeting Minutes.

Joel Brown made a motion seconded by Cory Thompson to approve the January 13, 2026, Board Meeting Minutes. Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson approved the motion.

FINANCE COMMITTEE

Review January 2026 Disbursements and Expenses

Brent Gordon stated that all the committees had the opportunity to review the January 2026 disbursements and expenses. The Board reviewed an invoice from Equinox ITS for monthly technical support and a new computer as well as a payment to Strawberry Water Users Association for a property line adjustment.

MOTION to approve the January 2026 Disbursements & Expenses.

Brent Gordon made a motion seconded by Ben Hillyard to approve the January 2026 disbursements & expenses. Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson approved the motion.

Review January 2026 Financial Report

Mark Holdaway reported that the financial year was now half over and that expenses were within budget. He also reported that the Materials & Labor Sales revenue is higher than budgeted, there was no power cost adjustment on the February power bills, and Spanish Fork paid SESD \$167,000 to take over 12 SESD accounts in the Maple View Farms and Stewart Annexations.

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD MEETING
February 10, 2026
(continued)

MOTION to accept the January 2026 Financial Report.

Brent Gordon made a motion seconded by Joel Brown to accept the January 2026 Financial Report. Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson, approved the motion.

RESOURCE COMMITTEE

December 2025 Operations Reports

Mark Holdaway reported that power prices were down \$0.01/kWh for December compared to November largely due to increased power usage over the holidays. The increased usage meant more generation which helped dilute fixed power costs. Mark stated that he had a meeting the previous week with Kelton Anderson of UAMPS to discuss SESD's forecasted loads and generation needs for the rest of 2026 and into 2027. Mark said he and Kelton reviewed hourly forecasts which showed SESD needs more power generation in the evening hours during peak use times of the year. Kelton recommended that SESD keep its current Deseret Power (DG&T) power purchase agreement and see if DG&T would be willing to shape its generation according to SESD's hourly needs. Mark stated that Dan Ellsworth is working on scheduling a meeting with DG&T to discuss generation options.

MOTION to accept the January 2026 Operations Report.

Richard Behling made a motion seconded by Cory Thompson to accept the January 2026 Operations Report. Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson approved the motion.

EXECUTIVE COMMITTEE

Ray Loveless reported that the Executive Committee met that morning, reviewed all the reports, and recommended going into a closed session at the end of board meeting to discuss certain matters.

UAMPS REPORT

Ray Loveless reported that UAMPS is in the process of procuring generation turbines and transformers for two new power projects that are still in the planning stages. Ray stated that the lead time for these items is at least five years out.

UAMPS Wildfire Mitigation Plans Solicitation of Interest

Ray Loveless reported that the Millard Gas Plant is still moving forward. He stated that the Millard County Planning and Zoning Commission will be reviewing the project later this Spring at a public hearing. Ray said that the project's Levelized Cost of Energy is currently at \$142/MWh in 2026 dollars.

Ray reported that the Power County Gas Plant is still going through the permitting process. He then stated that UAMPS is amending its pooling agreements with all its members to accommodate generation scheduling changes needed to meet resource sufficiency requirements in the upcoming Energy Day-ahead Market (EDAM).

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD MEETING
February 10, 2026
(continued)

CREDA REPORT

Richard Behling reported that snowpack across the Colorado River drainage system is well below normal causing water managers to worry about forecasted Lake Powell water levels this coming summer. Richard and Ray Loveless then coordinated who would be attending the February and June CREDA meetings.

SUVPS REPORT

Brent Gordon reported that SUVPS is still working on building a new substation and getting another tap out of the Rocky Mountain Power substation near the mouth of Spanish Fork Canyon; work has begun again on the delayed transmission line rebuild from the east end of Spanish Fork to the Taylor Switch rack; and SUVPS is exploring the purchase of some property near the old BYU farm east of Salem. Brent said SUVPS reorganized its board officers and Ryan Rowley, Payson City councilman, is the new SUVPS Board Chairman.

POWER SYSTEM REPORT

Outage Report

Greg Stanton reported that turkeys flew into power lines going up Loafer Canyon and Payson Canyon causing outages in Woodland Hills, Elk Ridge, and Payson Canyon. The Payson Canyon outage created an operation in the Suter Substation which caused a brief power bump in the circuit feeding Spring Lake.

Greg stated that trees caused a power outage in the Lake Shore and Lincoln Beach areas while Cache Valley Electric crews were stringing up new conductor along orchard land near South Shore Farms. He said another outage was caused by a customer on the northeast side of West Mountain when he dug up his secondary service. The damaged line caused a recloser to open in the Sorensen Substation resulting in an outage affecting people in the north West Mountain and Lake Shore areas. Greg also reported that the wrap for a billboard near Spanish Fork Canyon blew into the Mapleton feeder line causing a power outage in Mapleton on January 1st.

LEGAL UPDATE

Mark Holdaway reported that attorneys at Snell & Wilmer reviewed the termination provisions of some of SESD's power contracts with UAMPS. Mark stated the attorneys created a memo of their findings and that he would distribute the memo to the Board for their review. Mark also reported that SESD is working on a franchise agreement with Spring Lake.

Brent Gordon said that SESD hired Jim Jones to assist Mark Holdaway in managing SESD's finances. Brent explained that Jim called him on January 26th saying that he (Jim) had been kicked out of his office very publicly and was put to work at the front counter. Brent said Jim felt very humiliated by the action. Brent stated, "We publicly humiliated a very good person...That is not what SESD stands for, that is not what we do. We don't publicly humiliate people."

DRAFT

**SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD MEETING
February 10, 2026
(continued)**

Brent emphasized that because Jim was publicly humiliated, he wanted it publicly stated on the record that SESD does not and should never operate in a way that humiliates others.

Ray Loveless pointed out that some people believe that he (Ray) was responsible for Jim being moved to work at the front counter. Ray explained that he has only ever had two conversations with Jim while Jim worked at SESD. The first one was at the SESD Christmas Party where Jim sat at a table with Ray, Brent, and their wives. The second was about two weeks later when Ray came to the office to thank Jim for the containers of honey Jim gave to the Board and staff at the Christmas Party. Ray said he wanted it on the record that he was not the one who had Jim moved to work at the front counter nor did he do anything to try to humiliate Jim.

CLOSED SESSION [UCA 52-4-205(D)]

Ray Loveless stated that the Board needed to go into a closed session according to UCA 52-4-205(d) to discuss personnel matters.

MOTION to enter a closed session according to [UCA 52-4-205(d)].

At 11:47 a.m. Richard Behling made a motion seconded by Cory Thompson to enter a closed session according to [UCA 52-4-205(d)] to discuss personnel matters. Mark Holdaway did a roll call: Richard Behling - Y, Joel Brown - Y, Brent Gordon - Y, Ben Hillyard - Y, Ray Loveless - Y, and Cory Thompson - Y.

MOTION to leave the closed session and return to the open meeting.

At 12:33 p.m. Cory Thompson made a motion seconded by Richard Behling to return to the open meeting. Richard Behling, Joel Brown, Brent Gordon, Ben Hillyard, Ray Loveless, and Cory Thompson approved the motion.

ADJOURNMENT

**Richard Behling made a motion to adjourn the meeting.
Ray Loveless adjourned the meeting at 12:33 p.m.**

Ray Loveless, Chairman

Mark Holdaway, Clerk

Date Approved

Date Approved

Next Meeting Date

The next board meeting will be held on Tuesday, March 10, 2026, beginning at 11:00 a.m.