

**SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT**  
**BOARD OF TRUSTEES MEETING – REGULAR SESSION**  
**March 10, 2020**

South Utah Valley Electric Service District (SESD) held a regular Board Meeting on Tuesday, March 10, 2020 at the SESD office located at 803 N 500 E in Payson, Utah – at 11:00 a.m.

**Trustees Present:** Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy (joined @11:20 a.m.), and Kenny Seng.

**Trustees Excused:** Paul Meredith.

**Also Present:** Mark Holdaway – SESD  
Jens Nielson, Attorney at Law – Wasatch Land & Title/Law

Ray Loveless welcomed everyone and called the meeting to order at 11:00 a.m. A prayer was offered by Ray Loveless and Nelson Abbott led the group in the Pledge of Allegiance.

**PUBLIC FORUM**

Ray Loveless invited Ron Crump to address the board.

Ron Crump stated that this would be his last board meeting with SESD; he announced his retirement – having served for 42 years with Payson City Public Works, most recently holding the position of Power Superintendent.

**OPEN MEETING LAW REVIEW**

Jens Nielson stated that his review of the Open Meeting Law would largely be a repeat for many of the board members, if not all, as most trustees have attended UASD training sessions where the same requirements have been addressed. Jens indicated that the stipulations related to board meeting minutes require public entities to post approved minutes 30 days from the date of approval; however, he noted that there is slightly different language pertaining to districts which states that districts must post approved minutes within a “reasonable amount of time” - he noted that no specific amount of time is mentioned. Jens reported that Mark Holdaway and the SESD staff had reviewed procedures for publicly posting meeting minutes as well as recordings and asked Mark to share the outcome of those discussions.

Mark Holdaway reported that SESD will be posting draft minutes on the Utah Public Notice website along with the upcoming meeting agendas. He also stated that the audio recording of the board meeting would be posted within three days of the public meeting and that approved minutes would also be uploaded in that timeframe. Mark mentioned that in addition to the Utah Public Notice website, SESD would have agendas, recordings, and minutes in their various stages available on the SESD website: [www.sesdofutah.org/boardmeeting](http://www.sesdofutah.org/boardmeeting)

Jens inquired of the board, seeking direction on whether the trustees would like another overview of the Open vs. Closed meeting requirements. The trustees replied with confidence that the breakdown of the conditions was unnecessary.

Jens asked Mark Holdaway to review SESD’s GRAMA request procedures.

Mark stated that all GRAMA requests were collected, processed or delegated, and tracked by him personally.

Jens asked if there were any open GRAMA requests.

Mark stated that there were none.

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(continued)

### OPEN MEETING LAW REVIEW (CONTINUED)

Nelson Abbott asked if the Utah State Auditors had specific requirements or guidelines for holding meetings via video conference or broadcast, noting that the COVID-19 outbreak may warrant such actions.

Wendy Pray expressed her concern that despite the format used for holding public meetings amid group gathering restrictions and social-distancing requirements, SESD customers must be notified of the change and invited to participate; she stated that the public's access and involvement is critical. Jens stated that stipulations for electronic meetings were included in Open Meeting Law - but clarified that those regulations applied only to meetings where the public would also have the opportunity to be physically in attendance. Jens stated that he is not aware of any procedural recommendations or requirements set by the Utah State Auditors for remote exclusive viewing and participation. He stated that the coronavirus pandemic is unprecedented; previous protocol is nonexistent.

Ray Loveless recommended that SESD contact LeGrand Bitter, director of UASD, for direction on how to proceed with public meetings during the pandemic. He also reminded the trustees that the Utah State Auditor provides training resources for board members offered on their website and recommended that all board members review the video training sessions at least once a year.

### APPROVE BOARD MEETING MINUTES

The February 11, 2020 board meeting minutes were reviewed by the trustees:

**MOTION** to approve the February 11, 2020 board meeting minutes.

**Wendy Pray made a motion seconded by Joel Brown to approve the February 11, 2020 Board Meeting Minutes. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

### FINANCE COMMITTEE

Brent Gordon stated that the February 2020 expense report had been previously reviewed by the trustees. Brent asked if there were any questions regarding the disbursements.

Ray Loveless reported that the forklift had been received.

**MOTION** to approve February 2020 Disbursements & Expenses.

**Brent Gordon made a motion seconded by Kenny Seng to approve the February 2020 Disbursements & Expenses. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

Brent Gordon stated that the February 2020 Financial Reports had been reviewed by the trustees.

**MOTION** to approve the February 2020 Financial Reports.

**Brent Gordon made a motion seconded by Joel Brown to approve the February 2020 Financial Reports. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

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(continued)

### FINANCE COMMITTEE (CONTINUED)

Brent Gordon reported that the committees had the opportunity to review the Utility Financial Solutions (UFS) Rate Study Proposal and recommended that the board approve the expenditure. Ray Loveless stated that he is in favor of the proposal; the study will help guide the board to make educated and thought out decisions on future bonding.

Nelson Abbott asked if the study would include system connect fees.

Mark Holdaway replied that it would.

**MOTION** to approve the UFS Rate Study Proposal

**Brent Gordon made a motion seconded by Nelson Abbott to approve the cost of the UFS Rate Study and direct the staff to move forward with the initiative. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

### RESOURCE COMMITTEE

Joel Brown reported that the committee met on Wednesday, March 4, 2020. He stated that there was a discussion regarding the need for an additional transformer to build another substation.

Mark Holdaway stated that the cost of the transformer, roughly \$300,000.00, was in the budget, and that the money for the expense is available, having been amassed through collection of impact fees.

Nelson Abbott reiterated the need for the transformer stating that the most recent system study recommended an additional substation in order to keep N-1 redundancy, thus ensuring reliability.

**MOTION** to approve the purchase of the Virginia Transformer at the listed price of \$ 334,930.00

**Joel Brown made a motion seconded by Wendy Pray to allow the allocated funds from impact fees to be used to purchase the Virginia Transformer. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion**

### EXECUTIVE COMMITTEE

Ray Loveless stated that he had been attending the CREDA meetings and confirmed that Dan Ellsworth is currently listed as the alternate attendee, as of October 2019.

Mark Holdaway confirmed, stating that due to Dan's health it was suggested that another alternate be chosen until his return.

Wendy Pray suggested leaving Dan Ellsworth, stating that the need for an alternate is slim and she feels leaving Dan as the alternate includes him despite his inability to be involved,

Ray concurred that it is appropriate at this time to have Dan remain the alternate for the reasons expressed by Wendy and due to the cost of travel; Ray stated that it is unnecessary for a second person to incur travel expenses for CREDA meetings.

Ray Loveless reported that Brook Christensen attended the most recent UAMPS meeting and reminded the board that Brook was chosen as the UAMPS SESD alternate during the February 2020 board meeting; Ray recommended that the board ratify Brook's appointment as SESD alternate UAMPS representative.

**MOTION** to ratify Brook Christensen's appointment as the alternate SESD representative for UAMPS.

**Wendy Pray made a motion seconded by Nelson Abbott to approve the selection of SESD Superintendent Brook Christensen as the alternate SESD representative for UAMPS. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

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(continued)

### EXECUTIVE COMMITTEE (CONTINUED)

Ray Loveless asked Mark Holdaway to explain the proposed change to the SESD Bylaws.

Mark Holdaway explained that the requested change involves only one word; it is proposed that the word “may” in section Article I, paragraph 7 of the bylaws be changed to “shall” per legal counsel, Liz Breerton’s recommendation. Mark stated that the change would mandate that SESD form a special committee known as the Technical Committee for review of large expenditures.

Wendy Pray inquired if the change would require SESD to form a special committee every time a purchase is being made; Wendy asked what threshold constitutes a “large” expenditure.

Nelson Abbott expressed a concern that the change would have the board involved in the day-to-day operations of the district, stating that the board’s purpose is to govern not direct.

Jens Nielson explained that the change simply solidifies SESD’s stance or position in the court of law. He explained that having the mandate would protect SESD from haphazard or sole decision making.

Mark Holdaway clarified that the change would also prevent emotionally charged decisions.

Wendy Pray stated that with board discretion determining when a Technical Committee is warranted, she is comfortable with the change in the wording.

Brent Gordon stated that SESD has used Technical Committees in the past, they just haven’t been formalized; the change from “may” to “shall” formalizes the process.

Ray Loveless voiced his recommendation to approve the proposed edit to the bylaws.

**MOTION** to approve the recommended change to the SESD Bylaws as presented in the edited bylaws document included with these minutes as APPENDIX I.

**Brent Gordon made a motion seconded by Joel Brown to approve the recommended change to the SESD Bylaws.**

Kenny Seng requested clarification on whether the appointed Technical Committee would have decision making power or simply make recommendations to the board for final approval.

Mark Holdaway stated that the committee would only review and make recommendations, the final decision must be passed through board motion in a public forum.

**Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Wendy Pray, and Kenny Seng approved the motion.**

### CLOSED SESSION - UT Code 52-4-205(d)

No closed session.

### ADJOURNMENT

**Wendy Pray made a motion to adjourn.**

**Ray Loveless adjourned the meeting at 11:45 a.m.**

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Ray Loveless, Chairman

\_\_\_\_\_  
Mark Holdaway

\_\_\_\_\_  
Date Approved

\_\_\_\_\_  
Date Approved

### Next Meeting Date

The next scheduled meeting will be a regular board meeting on Tues. – April 7, 2020 at 11:00 a.m.

# APPENDIX