

SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT
BOARD OF TRUSTEES MEETING – REGULAR SESSION
February 11, 2020

South Utah Valley Electric Service District (SESD) held a regular Board Meeting on Tuesday, February 11, 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, Paul Meredith, Wendy Pray, and Kenny Seng.

Also Present: Jennifer Hatcher, and Mark Holdaway – SESD
Jens Nielson, Attorney at Law – Wasatch Land & Title/Law
Kelly Peterson – Spanish Fork Power
Ted Barnett – Salem City Power
Ron Crump – Payson City Power

Ray Loveless welcomed everyone and called the meeting to order at 11:00 a.m.

A prayer was offered by Joel Brown and Ray Loveless led the group in the Pledge of Allegiance.

Ray Loveless recognized Kenny Seng, newly elected trustee representing District 2.

Ray asked that individual board members introduce themselves to help Kenny get better acquainted with the group.

SWEARING IN OF NEW TRUSTEE: KENNY SENG

Ray Loveless asked Mark Holdaway to conduct the swearing in of Kenny Seng.

Mark Holdaway instructed Kenny Seng to raise his right hand and repeat the oath of office.

Kenny Seng followed Mark’s instructions and repeated the oath of office. Kenny briefly introduced himself and expressed his gratitude for being able to serve on the SESD Board of Trustees.

PUBLIC FORUM

Ray Loveless invited Kelly Peterson to address the board.

Kelly Peterson stated that he was unable to attend the January 2020 board meeting. Kelly indicated that his representative at the meeting (Tom Cooper) noted that Wendy Pray requested that copies of the meeting minutes be sent to Blair Hamilton; Kelly requested that Spanish Fork City be treated in a like manner as other customers (i.e., Blair Hamilton) and be provided all minutes without a GRAMA request.

Wendy Pray explained that her request was related only to the December 2019 board meeting minutes, as those minutes included Blair’s final comments as well as the commendations from the board of trustees.

Ray Loveless stated that Wendy’s request was clearly outlined in the January 2020 minutes.

Kelly Peterson stated that he was unable to access the January 2020 meeting minutes.

Mark Holdaway stated that he would ensure that meeting agendas, recordings, and minutes were made available to the public.

APPROVE BOARD MEETING MINUTES

The January 14, 2020 board meeting minutes were reviewed by the trustees:

MOTION to approve January 14, 2020 board meeting minutes.

Wendy Pray made a motion seconded by Paul Meredith to approve the January 14, 2020 Board Meeting Minutes. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Paul Meredith, Wendy Pray, and Kenny Seng approved the motion.

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FINANCE COMMITTEE

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

Ray Loveless reported that he had followed up on Paul Meredith's request from the January 14, 2020 meeting to obtain more information regarding the services of Marcus Faust and whether Mr. Faust needs to remain on contract with SESD. Ray stated that after speaking with Marcus and getting a better understanding of SESD's interests in Washington D.C., Ray believes that continuing SESD's relationship and retainer with Marcus Faust will be beneficial for the district.

MOTION to approve January 2020 Disbursements & Expenses.

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

Mark Holdaway reviewed the January 2020 Financial Reports, stating that expenses are slightly higher than budgeted by this time of year. Mark reported that January 2020 is the third month that the financials have been in the red. He stated that it may be an appropriate time to request a Cost Study and noted that he had reached out for some preliminary estimates.

MOTION to approve January 2020 Financial Reports.

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

Forklift Purchase

Brent Gordon presented the details regarding the crew's request to purchase a new forklift. He stated that the current forklift is over 30 years old and quite small for the warehouse requirements. Brent indicated that Brook Christensen, Superintendent, presented him with three bids; Brent recommends purchasing the used unit as it appears to be the best option for the price, \$59,275.00. Mark Holdaway stated that SESD has been preparing for this larger purchase for the past two years; the money is already set aside for the forklift.

MOTION to purchase a forklift.

Brent Gordon made a motion seconded by Wendy Pray to purchase the used forklift recommended by Brook Christensen for \$59,275.00. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Paul Meredith, Wendy Pray, and Kenny Seng approved the motion.

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RESOURCE COMMITTEE

Joel Brown informed the board that in 2020 the Resource Committee plans to meet on the first Wednesday of each month at 4:30pm. Joel reported that the committee discussed the meeting agenda, recording, and minutes requirements and briefly touched on the conflict of interest documents provided by Liz Brereton of Snell & Wilmer.

Nelson Abbott reported that significant building repairs will be needed due to water damage in the kitchen and the surrounding area. He stated that Brook Christensen had obtained bids for the repairs and would be providing the information to the board.

Ray Loveless also noted that the water drainage, or lack thereof, around the office, warehouse, and parking lot needs to be addressed; he indicated that the outside work was a much more costly endeavor and would have to be considered at a later date.

EXECUTIVE COMMITTEE

CREDA Report

Ray Loveless reported that he attended the January 2020 CREDA meeting. He explained the function of CREDA, stating that the organization was created to protect the interests of CRSP members, of which SESD is a part. He also reviewed information regarding hydropower and its essential function in the overall objective to provide clean renewable power to the west. Ray also mentioned that the water flowing to and through the Colorado River contributes 1.4 trillion dollars to the economy and serves over 40 million people.

URECA Board - Appointment of SESD Representative

Ray Loveless stated that Blair Hamilton was the representative in 2019, with Dan Ellsworth as an alternate. Ray recommended that Joel Brown be the board representative.

Nelson Abbott suggested that an alternate should be chosen from the staff.

Ray recommended that Brook Christensen be the alternate.

Ray Loveless asked for a motion on the appointments.

MOTION to appoint SESD URECA representatives.

Brent Gordon made a motion seconded by Nelson Abbott to appoint Joel Brown as the SESD board representative for URECA, with Brook Christensen as the alternate. Nelson Abbott, Joel Brown, Brent Gordon, Ray Loveless, Paul Meredith, Wendy Pray, and Kenny Seng approved the motion.

Ray Loveless also pointed out that an alternate representative is needed for UAMPS and recommended that Brook Christensen also be designated as the UAMPS alternate.

Brook's appointment as the designated alternate for UAMPS will be approved during the next SESD board meeting to be held on March 10, 2020.

Ray Loveless shared an invitation from UAMPS for interested board members to attend a NuScale CFPP tour at the end of March, first part of April. Wendy Pray expressed interest and stated that she would confirm her preferred date as soon as possible.

Ray stated that he would inform UAMPS of those who will be attending and asked that all interested board members notify him of their intent to attend and preferred date by the end of the week, if possible.

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SUVPS REPORT

Brent Gordon reported that SUVPS is working on a written agreement that would allow all its members to access substations without a formal request. He stated that the agreement would allow for repairs to be made without situational authorized permission from the substation’s entity.

Brent Gordon stated that he and Brook Christensen would be presenting the bids and recommended contractor to the board for approval during the March 2020 board meeting; suggesting that the kitchen repair and remodel is a priority.

Nelson Abbott mentioned the need for a business continuation plan due to Dan Ellsworth’s medical condition and suggested that the Resource Committee draft a proposal to present to the board for approval during the March 2020 board meeting.

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

No closed session.

ADJOURNMENT

Paul Meredith made a motion to adjourn.

Ray Loveless adjourned the meeting at 12:20 p.m.

Ray Loveless, Chairman

Mark Holdaway

Date Approved

Date Approved

Next Meeting Date

The next scheduled meeting will be a regular board meeting on Tues. – March 10, 2020 at 11:00 a.m.