



# HURRICANE CITY

## UTAH

### Mayor

Nanette Billings

### City Manager

Kaden C. DeMille

### Power Board

Mac J. Hall, Chair  
Dave Imlay, Vice Chair  
David Hirschi  
Colt Stratton  
Kerry Prince  
Mark Maag

The Hurricane City Power Board met on June 11, 2025, at 3:00 p.m. at the Clifton Wilson Substation located at 526 W 600 N.

In attendance were Mac Hall, Dave Imlay (by phone), Colt Stratton, Kerry Prince, Mike Johns, Brian Anderson, Mike Ramirez, Jared Ross, Dayton Hall, Kaden DeMille, Mike Vercimak, Weston Walker, Fred Resch, and Bruce Zimmerman.

Mac Hall welcomed everyone to the meeting. Colt Stratton led the Pledge of Allegiance and Kerry Prince offered the prayer. Colt Stratton made a motion to approve minutes from the March 2025, April 2025, and May 2025 meetings. Kerry Prince seconded the motion. Motion passed unanimously.

**Mike Johns:** Mike Johns reminded the board about the UAMPS Member Conference in August. Registration is open and if any assistance is needed reach out to Crystal Wright.

**Brian Anderson:** Brian Anderson reported they've been working on Capacity Project 2.0 Phase 3 which is the section along 1100 West from 2300 South to 3000 South. Most of the poles have been set and they're waiting for an easement for the pole right on 3000 South. He has lost one crew member almost full-time due to Blue Stake locates which has been difficult. Mike Vercimak stated they're trying to fill that Locator position.

**Mike Ramirez:** Mike Ramirez stated we've had some conflicts to work out for the 100 North project. There was a pole that ended up right in the middle of the sidewalk and they had to move it back about three feet. They will tackle any additional problems as they come up during that project. We completed phase 2 of the Balance of Nature project along Old Hwy 91. Phase 1 was to cut in the switch on the west side of the road. Phase 2 is a 6-inch conduit that was bored underneath the highway, and our crews set and energized another switch on the east side of the road. There will be one more phase as soon as the contract is worked out for capacity on Old Hwy 91. We officially received notification from the Department of Energy (DOE) that we were granted approval for our Grid Reliance Grant. We should receive contracts for that grant within five weeks.

**Jared Ross:** Jared Ross reported they've been changing out the old relay controls at Anticline Substation (AC). We had a quality problem with the refurbished regulators we ordered from Solomon. These were different than what we had ordered. We went to install them, and they were substandard. We loaded them back up to ship back for them to bring up to standard. That has halted the transformer changeout at AC. When they come back, we will get them installed. We have ordered the transformer for the Sky Mountain substation. It should be here Fall 2026. We are working with ICPE to update our transformer specs to include 69/138KV dual voltage. Generation run has started and there have been some transformers needing to be changed and other maintenance items which happen at the beginning of each run season. The schedule has been shifted for the entire Substation Crew to cover the generation run with minimal overtime needs. There was a warranty repair needed on the dump truck and it had to be taken to Salt Lake City to have that completed.



**Update regarding the Impact Fee Analysis & Capital Facilities Plan Draft:** Mike Johns reported that the Impact Fee Analysis & Capital Facilities Plan Draft was approved. There will likely be an amendment coming soon to take care of items identified as necessary which were not included in the original draft; however, it was necessary to get that approved while we work on that amendment.

**Update regarding AMI Metering:** Mike Ramirez provided the update and stated that we have worked with Eaton to enter the contract stage of this project. Eaton has stated that it's roughly 6-8 months after contract signatures before we would likely be setting any AMI meters. That interim provides time for software integration, installation of metering equipment needed, and training needed to be successful. We have received a contract template, but there were some things presented during Eaton's presentation that were not included in that template. We are working on the contract with them. We will need to revise our fee schedule to include the increased cost of those AMI meters. This is done through resolution.

**Consideration and possible recommendation to the City Council on a Development and Power Line Extension Agreement for Black Ridge:** Mike Johns stated Wasatch Commercial Builders intended to be here in person to present this item but was unable to make it. They submitted a letter to the board which was passed out. Dayton Hall gave a brief overview of the original approved Development Agreement with the project formerly known as Colina Tinta. The project is located at the end of 1760 West on top of the hill and heads south. The agreement stated they would provide transmission power for almost 1900 units approved originally. However, the understanding was that distribution lines would be utilized at the cost of the developer to service that project. The original Colina Tinta project owners eventually lost that property and it was tied up in litigation for a significant time. The new owners were informed of the obligation in the original development agreement. The arrangement that has been negotiated and up for approval is that the developers will run a distribution line from the Sky Mountain Substation, south along 2260 West, across SR-9, and south along Rlington Parkway to serve their project. That initial distribution line will provide power supply for approximately 1000 units. To go beyond that number of units, they will need to find a way to bring another distribution line from the Three Falls Substation to provide the power supply for their remaining units. In the clarified agreement there is a table providing a timeline for the improvements needed. Colt Stratton stated there is no Sky Mountain Substation currently. How will we be able to approve the distribution line connecting to that substation if they are prepared to complete that line prior to our construction of the substation? Mike Vercimak stated that the Sky Mountain Substation is currently our highest priority. Mike Johns replied that the substation transformer should be arriving in Fall 2026, and we are hopeful it can be completed 18 months to two years from now. Dayton Hall asked if it is a requirement to have the substation built to supply capacity for the remaining homes. Brian Anderson explained some ways we could work around that to provide power temporarily until the substation is built. We are just needing them to fulfill their obligation according to the agreement to provide the lines to supply their own power need. Mac Hall asked Colt Stratton if that satisfied his question. He stated it did. Dave Imlay made a motion to recommend approval of the development and power line extension agreement to the City Council. Colt Stratton seconded the motion. Motion passed unanimously.

**Discussion and possible recommendation to the City Council on a UAMPS Central St George Project Resolution:** Mike Johns presented this item and the changes being made are to Exhibit C of the original transmission agreement. It increases the overall transmission infrastructure in Southern Utah. Anytime changes are made to any part of the agreement, or to the bond cap, it requires governing body approval. He described an overview of some of the infrastructure upgrades being included in the new exhibit. He stated the new bond cap will increase to \$100 million. He explained the bonds will get broken down into two series. We have been given the option to pay our portion of the funding up front or we participate in the bonding process. He went over what it would look like if we chose to participate in the bond. We are vested about 14.62% in this project and he showed what that percentage looks like in relation to the overall project. The resolution that is needed details the overall transmission upgrades being included

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in Exhibit C as well as our decision of whether to pay our portion up front or participate in the bond. Dave Imlay stated he would defer to Kaden DeMille since he understands the financial aspect more, but his feeling is to participate in the bonding process so we can keep our cash flow for our own more immediate needs. Mac Hall stated that after reviewing his old notes, his understanding was that PacifiCorp was responsible financially for anything dealing with the 345KV line from Central to and including the St George Substation. He stated that the change would have been to Exhibit C, but it would have been in the 2006-2007 timeframe. Dave Imlay stated that had been a heavy topic during his time as well, but if it's not being mentioned in any of the meetings currently then we may have lost that battle. Mike Johns stated those topics weren't discussed in the meetings. Our 14.62% portion to pay this up front would be in the \$2 million range. Kaden DeMille asked what the interest rate is. Mike Johns replied around 5.15%. Kaden DeMille said that unless we want to draw down on our reserves, that is a great interest rate. He would suggest participating in the bond. Colt Stratton made a motion to the City Council to recommend approval of the UAMPS Central St George Project Resolution with the option to participate in the financing through UAMPS. Dave Imlay seconded the motion. Motion passed unanimously.

**Discussion regarding Transformer Capacity Sales Proposal:** Mike Johns stated we have major infrastructure needs and an issue with not having the impact fees available to handle the projects as soon as they are needed. He presented an idea to generate more money up front as opposed to waiting through the impact fee process to collect those funds. This concept would sell transformer capacity to developments based on how much capacity is needed for their projects up front. He described using the cost of various transformer sizes compared to the capacity needed for individual developments to break down how much of that transformer cost would be due to their project. This would require us to pull the costs of substation transformers out of the impact fees since they currently are included. Dayton Hall summarized that our impact fee is currently calculated to include transmission, substation, and generation. We do not include distribution costs. What is being proposed is to remove the cost of the transformers in the substation portion of those fees. That would effectively lower the overall impact fee. Developers would then have to build their distribution lines like they do currently, and in addition pay their proportionate share of the substation transformer needs for their project. This will result in more money coming in earlier so we can be more proactive in building the infrastructure needed. Colt Stratton asked if we would put in any smaller than 20MVA transformers in our substations. His concern is that we're proposing to charge for a transformer size we wouldn't install thereby inflating the overall transformer cost to the developers. A 5MVA proportionate share of a 20MVA transformer is less than paying for a 5MVA transformer itself. As a developer, he's going to fight to only pay for his cost of the 20MVA proportionate share which doesn't gain us any ground financially, other than potentially getting the money sooner. Dave Imlay stated he feels like this opens a can of worms. He agrees that we haven't collected the impact fees we need for the development that has come. It's not the developers' fault we didn't update our impact fees soon enough. He feels like the impact fees are built to handle various scenarios already, and if we need to install infrastructure sooner than impact fee money is received, we should bond for those projects and use incoming impact fee money to pay off those bonds. Mike Johns stated one advantage to this proposal is the developers are more invested in their projects up front with the requirement to participate in the capacity purchase for their project. Mac Hall stated it's a new idea and it's worth continuing to investigate. Mike Johns stated he has concerns about our reliability and redundancy based on our current infrastructure assets. The fix includes major infrastructure upgrades. He's trying to find a financial solution to alleviate some of those concerns. He explained an actual issue with a developer that has come in and there is no way to provide them with the capacity they need. Their option is to pay the money to build an entire substation or wait until someone else does it for them. It pushes their development basically to non-existence. He's trying to find solutions to these kinds of problems.

**UAMPS Updates:** Mike Johns stated there are no further updates needed to share.

Meeting adjourned at 4:04 p.m. The next Power Board meeting is scheduled for July 2, 2025, at 3:00 p.m.

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