



HURRICANE CITY UTAH

Mayor
Nanette Billings

City Manager
Kaden C. DeMille

Power Board
Mac J. Hall, Chair
Jerry Brisk
Pam Humphries
Dave Imlay
Joseph Prete
Charles Reeve

The Hurricane City Power Board met on June 8, 2022, at 3:00 p.m. at the Clifton Wilson Substation on 526 W 600 N.

In attendance were Chairman Mac Hall, Pam Humphries, Joseph Prete, Charles Reeve, Dave Imlay, Scott Hughes, Brian Anderson, Michael Ramirez, Jared Ross, Dayton Hall, and Crystal Wright.

Mac Hall welcomed everyone to the meeting; Dave Imlay led the Pledge of Allegiance and Charles Reeve offered the prayer. Pam Humphries suggested one correction. Dave Imlay motioned to approve minutes from the May 2022 meeting. Charles Reeve seconded the motion. All aye except for Pam Humphries who abstained since she was absent from that meeting.

Scott Hughes: Scott Hughes provided an update on employees. It was reported last month that Trace Torgersen had left, and we recently learned that Korde Chynoweth will also be leaving us. Both left for employment with Garkane. We will be looking for a Journeyman to replace Korde.

Brian Anderson: Brian Anderson reported the 600 N Phase 2 project is complete. There are a few poles that have been removed and are waiting for people to remove them. The crew cut in a vault at Moccasin Flats and another vault on 920 West. The crew has started the Cordero Line Extension. They are waiting for concrete to be delivered. It was discovered all the easements have not been procured by the developer so we may have to wait until that's resolved to continue this project. Upcoming projects include: 600 North Transmission Project Phase 3A, 1150 West 69KV/138KV Insulator Upgrade, 2800 West new line installation, and 600 North Transmission Project Phase 3B.

Michael Ramirez: Trace Torgersen's position vacancy was on the Service Crew, so he was tasked with finding a replacement. The employee that was selected is Talmage Taylor. He just graduated from line school and should be a good addition. Reported on keeping on top of all the updates with the subdivisions that are in the queue and dealing with contractors. Dave Imlay asked when Korde Chynoweth's last day is. Scott Hughes stated it will be the 16th.

Jared Ross: Reported on the generator prep and maintenance. At the Brentwood Substation they have modified and installed buss on the T2 transformer. Pam Humphries asked what bussing is and there was a discussion about the types of equipment that can be used. Dave Imlay pointed out how highly skilled our employees were. We bought equipment to save money and they became proficient in using it. The Three Falls Substation is currently under site excavation. Steel bids came in and have been awarded. Stoddard Steel will provide the rectangular steel and Dis Tran Steel will provide the taper tubular. The zone change was approved to Public Facilities for the property on 1150 West and 600 North for the 138KV/69KV substation. No timeline for completion for this substation. Just doing prep work. Provided an update on the new gas generator. The modeling was approved and submitted to UDAQ. Working with Trinity Consulting to keep that moving along.



Generator has been ordered with a two-month cancellation clause to allow us time to get the permit passed. If we get close to the two-month window and have not received the permit, we will cancel the generator. It's too risky to continue without the permit. Dave Imlay asked about lead time, and it is approximately one year. Pam Humphries asked if we had any plans to install additional generators in other locations. Dave Imlay reported there is a parcel out by the fairgrounds we should keep an eye on. It's not city property, but we donated a lot of money to help that area out with the understanding that we would get a chunk of it for that purpose.

Fiber Update: Scott Hughes reported that the City Council was not in favor of pursuing us taking on the fiber portion ourselves. We are no longer looking at moving in that direction. We are working on getting franchise agreements updated. Dayton Hall reported that we first must update the franchise ordinance and then we can put a form/agreement in place to get the franchise agreements resolved. Joseph Prete relayed the City Council wants to make sure fiber gets throughout the whole community and not just in the new subdivisions.

Franchise Update: Mac Hall asked about the Dixie REA franchise to see if we had made any progress. Scott Hughes reported he gave the existing agreement to Dayton Hall to start getting the ball rolling. Dave Imlay wanted to talk again about the employee skill level. We have well-rounded employees and with the recent loss of skilled employees we are running a bare bones crew. We cannot afford to continue to lose employees.

Solar Policy Discussion and Possible Decision: Scott Hughes gave a background as to some of the issues that we are having with multi-unit residences as well as code enforcement regarding gates or walls in front of utility meters. Discussion regarding the code. Mac Hall asked if everyone agreed to move forward with looking into some solutions for some sort of registry or pre-qualification for solar companies. Dayton Hall asked if the pre-qualified contractor information was listed in an ordinance or our city standard. We need to fine tune and update our grid-tied policy in conjunction with this.

AMI Discussion and Possible Decision: Mike Ramirez reported that the quotes between Eaton and Honeywell came back very close to the same as each other. After looking at both bids and the differences between recurring costs and meter costs, the recommendation to the Power Board is that we move forward with Honeywell unless there are any serious reservations from anyone on the board. Discussion ensued about the capabilities of AMI metering. Mac Hall suggested to pick the one that will be here long term and the one with the best customer service. Dave Imlay made a recommendation to move forward with Honeywell. Pam Humphries seconded the motion. Motion passed unanimously.

UAMPS: Dave Imlay asked a question about CRSP REC's. Scott Hughes provided an explanation on the value of the CRSP REC's. Scott Hughes reported he included information in the packets and unless there were questions, he wouldn't take the time for discussion. Dave Imlay suggested to keep a thumb on any potential geothermal opportunities. Mac Hall asked if there were any questions about any of the UAMPS information in the packet. Joseph Prete asked about the sustainability of reliable power this summer. Questioned if we're looking at blackouts this summer. Scott Hughes confirmed there can be outages any time for a multitude of reasons, however he has no concerns about it being a factor for this upcoming summer. Other areas of the country having issues may affect our rates, but as far as reliability of service he has no major concerns.

Budget: Scott Hughes reported that after the last meeting he has spent time looking into the specifics and details of the budget. We are currently in the red and looking at continuing high power market prices for this upcoming year. Mac Hall suggested to put together numbers based on projected prices in comparison with any reserves to get on top of rates. Discussion about various rate increase approaches and things being done by

other municipalities to combat high market power prices. The consensus of the Power Board is that they would like us to stay on top of prices and adjust as necessary rather than look at a Power Cost Adjustment (PCA) model. Mac Hall suggested to look at the reserve fund and price projections and make adjustments immediately. Dave Imlay suggested using April Hill to help with this project if she is available. The Power Board would like to see some rough studies in house to react with a rate increase more quickly. The suggestion made is not to wait for an official rate study before acting. Dave Imlay said that the rolling blackouts could come into play not necessarily because of system issues, but because power market rates make the cost to provide power so it's not out of the realm of possibility that rolling blackouts could be used to help stabilize the power fund as a last resort. Dave Imlay complimented the staff reports. Stated they were very well done.

The Power Board adjourned at 5:10 p.m. The next Power Board Meeting is scheduled for July 6, 2022, at 3:00 p.m.