

HURRICANE CITY POWER
526 W 600 N
HURRICANE, UTAH 84737

The Hurricane City Power Board met on February 23, 2016 at 3:00 p.m. at the Clifton Wilson Substation at 526 W 600 N. In attendance were; Chairman Mac Hall, Dean Mc Neill, Pam Humphries, Jerry Brisk, Terry Winter, Charles Reeve, Dave Imlay, Don Behunin Clark Fawcett, and Vicky Ogden.

Mac Hall welcomed everyone to the meeting; Terry Winter led the Pledge of Allegiance and Charles Reeve offered the prayer. Terry Winter made the motion to approve the January minutes and Dean McNeill seconded the motion, all in favor, motion passed.

Don: Stated that his crew installed a dump bed onto the flatbed truck, making into a dump truck, and they have finished this project. His crew is currently working on generator maintenance for the summer run. His crew is also doing SCADA maintenance work as the capacitor banks have communication issues. This is the one out by the crusher.

Dave reported for Brian and stated that the department has had the pole tester for a little while. Two of our linemen tested poles while two linemen worked out at the Sand Hollow Resort. The area formally known as Brentwood now is called Sand Hollow Resort and was originally direct buried cable. The crew is going through and installing conduits and transformer basements and updating the power system here. They are approximately 70% done with the trenching.

Capital Expenditures Review; Dave presented to the Board Members projects and purchases, what was budgeted and what has been spent up to February 1st, 2016 so the Board Members can see where the department currently is on expenditures.

IPP Update; The California entities are struggling in getting their attorney's opinions in. Utah has theirs all in. All opinions must be in before any issues are resolved. Dave stated that there are several entities that would like to interconnect to the plant, but there will be costs associated with any interconnections.

Budget; Without the UAMPS bill, Kaden is unable to get us a financial statement. Dave presented the street light change out savings for the Power Board to review. The power department has changed out and retro fitted 418 street lights. Streetlights including the LED grant, Grandville, and Mongoose lights at a total initial cost of \$17,209, with a total kWh savings of 2,603,565 making the total savings \$65,089 over five years. Changing and retro fitting these lights are saving the department on maintenance costs as well.

UAMPS Report; The DOE has approved the Carbon Free Power Project to look at possible sights. The project is looking more favorable.

The UAMPS Budget has been approved. The NEBO Plant operators are going to operate the NEBO Plant as well as help monitor the Veyo Waste Heat Project as well.

The Power Department is officially an RP3 Power Department. Being RP3 helps us get lower bond rates and by being an RP3 department it means that the Power Department is doing everything they are supposed to be doing to insure our establishment is contingence in safety, reliability and etc. This title is good for three years and then we will need to re-submit the information.

The Central to St. George Project bonds are being refinanced.

There is an on-going battle of cost issues that are still being discussed on the Purgatory Substation.

CRSP Power is undergoing a new marketing plan post 2024 and they continue to lobby to keep the allocations the same. The Plant is working on the EIS now.

Hunter increased the 10 year overhaul budget on the plant but decreased the environmental costs.

Other; Dave stated that UAMPS is currently working on a Commercial Solar Policy and Dave would like to wait until they finish and see what they come up with.

Financial Discussion; Clark Fawcett; Clark stated that he records three things, the Sales, Profit and Losses, and Cash Position. Clark went through each category in detail and stated that financially the Power Department is in very good shape. Our loads have increased and the power costs have decreased. Infrastructure on any new subdivision has to be run through the books and because of this the Power Department has four million dollars in their depreciation fund but the department has twenty one million dollars in assets after depreciation. The department has one bond left to be paid off at one million 680 thousand and it will be paid off in four years.

The Power Board adjourned at 4.50 p.m. The next Power Board Meeting will be held on March 29, 2016 at 3:00 p.m.