

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
SOUTHWEST PUBLIC POWER AGENCY, INC.
April 13, 2026**

A meeting of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on **April 13, 2026**, at the offices of Clark Hill, located at 3200 North Central Avenue, Suite 1600, Phoenix, Arizona 85012.

The following Board Members or Member alternates were present:

Scott Saline – AID, HVPD, TID, OWCD
Arnold Mejia - GRICUA
Jeff Low – City of Safford
Brian Yerges – ED3
Joe Mease – TOUA
Logan Gernet – ED2
Donovan Neese – RID
Robert VanHofwegen – ED8
Noel Carter - BWCDD
Jeff Woner – OWCD
Elena Byrd – ED2

Ed Gerak – Ak- Chin
Jason Moyes – AID, HVPD, TID, MVWCDD, ED8
Taylor Howerter - RID
Anthony Cadorin - NTUA
Derek McEachern – ED4
Heath Brown – Thatcher
Jim Downing - McMullen
Victor Mora - TOUA

Also present:

Judy Spallino - SPPA
Kim Polivka - SPPA
Daniel Herder – Clark Hill
Vedant Sahu – KRSA
Ken Saline - KRSA
Mark Castleton - KRSA
Sheryl Sweeney – Clark Hill

Kent Simer - KRSA
Dennis Delaney - KRSA
Sheryl Sweeney – Clark Hill
Ashley Blank – KRSA
Dan Pritchard - KRSA
Bella Esparza – Employee of BWCDD

The following Board Members or Member were not present:

Maricopa Water District
Town of Wickenburg
City of Williams
Electrical District ED7
Electrical District ED6

The meeting was called to order at 12:30 p.m. Mr. Brian Yerges chaired the meeting while Ms. Kim Polivka functioned as secretary.

ROLL CALL

Mr. Brian Yerges called on the role of the Board Members to ensure there was a quorum present. Quorum being established; the business of the meeting proceeded.

3.) Consideration and approval of Consent Agenda (Possible Action Item)

All items on the Consent Agenda are considered to be routine matters and will be enacted by one motion of the Board of Directors. A Board Member may request removal of any item(s) or part(s) thereof without debate or vote.

- a. Minutes from prior meetings of the SPPA Board of Directors.

- i. 02-09-2026 SPPA BOD Meeting Minutes
- ii. 02-09-2026 Confidential Executive Session
- iii. 03-09-2026 SPPA BOD Meeting Minutes
- iv. 03-09-2026 Confidential Executive Session

b. Ratify/approve Pool Management Committee Items

Mr. Brian Yeargs presented the (3.a.) Consent Agenda for the Board's review and approval. All items listed on the Consent Agenda may be enacted by a single motion unless a Board Member requests otherwise.

Upon discussion, Mr. Scott Saline moved to approve the contents of the Consent Agenda as presented. Mr. Robert VanHofwegen seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

4.) Item(s) removed from Consent Agenda:

None

5.) Financial matters:

- a. Financial Update & Treasurer's Report including disbursements (Possible Action Item)

Ms. Judy Spallino presented financial matters

- i. Balance Sheet Highlights
- ii. Profit & Loss Highlights
- iii. Other Item (s) to highlight

Mr. Jason Moyes moved to approve the Financial Update & Treasurer's Report including disbursements; Mr. Robert VanHofwegen seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

b. Update on Annual Audit

Ms. Judy Spallino gave an update on the annual Audit that is nearly completed. She also gave an update on status of implementing SPPA's relationship with Bell Bank.

Mr. Dennis Delaney spoke about credits on member accounts, moving forward SPPA will be applying credits to any open balances of the member to set off against amounts payable to SPPA. With this there will be Transaction report for documentation that is sent to the members to facilitate proper accounting of the netted transaction.

6.) Risk Management Meeting

Next meeting to be held on May 4, 2026.

7.) Legal/regulatory matters:

- a. Markets – Update regarding plans for support of members, and others, embedded in entities joining markets.

Mr. Dennis Delaney presented an analysis that markets will impact public power entities in the state broadly, meaning that onboarding and strategy support should be provided outside of SPPA to ensure consistent results.

- b. AEPCO project updates, including the below.
 - i. Update on Apache II
 - ii. Update on Pinal County Project

The projects only required brief updates, including President Yerges giving an update that liquidated damages payment to SPPA from Apache II service provider are still pending, and Mr. Daniel Herder advising that the legal opinion in support of Pinal County Project has been issued.

c. Prepay Updates

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body’s position regarding contracts that are the subject negotiation and for legal advice.

Mr. Dennis Delaney gave a brief update that SPPA continues to engage with possible prepay providers.

d. Box Canyon update

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body’s position regarding contracts that are the subject of negotiation and for legal advice.

- i. Discussion on possible approval sale of RECs

During the SPPA Board of Directors meeting an Executive Session for agenda items 7. e., as listed below, pursuant to A.R.S. § 38-431.03 (A) (2), (3) and/or (4) for the reasons stated in each agenda item below.

Mr. Robert VanHofwegen called for a motion to go into Executive Session; and seconded by Mr. Donovan Neese and upon taking a voice vote the motion passed unanimously at 12:49 p.m.

e. Credit Rating Considerations

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body’s position regarding contracts that are the subject of negotiation and for legal advice.

- i. Discussion and possible approval of cancellation of S&P rating
- ii. Stiefel – Project Only rating assistance, including discussion and possible approval of engagement letter

Out of Executive Session 12:59 p.m.

Upon Discussion of the Board of Directors occurring in executive session, Mr. Donovan Neese moved to authorize SPPA issuing to S&P a request to withdraw SPPA’s credit rating. Mr. Robert VanHofwegen seconded the motion. Upon taking a voice vote, the motion passed unanimously.

8.) Any other business that may come before the meeting.

No additional business was discussed.

9.) Any other business that may come before the meeting

No additional business was discussed.

10.) Discussion of Future Agenda Items

No additional business was discussed.

11.) Establishment of the date of the next SPPA Board Meeting: May 11, 2026.

12.) Public Comment

No additional business was discussed.

13.) Adjournment

There being no further business to come before the Board, the meeting was adjourned at 1:00 p.m.

Respectfully submitted,

Kim Polivka

Kim Polivka
Admin/Acct Assistant

Approved: *Derek McEachern*