

# Unofficial Minutes until Board approval

## February 9, 2012

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD JANUARY 12, 2012

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo headquarters, Tupelo, MS, on Thursday, January 12, 2012 at 5:00 p. m. and there were present the following directors:

Class of 2012

Steve Holland (A)  
Don Knight  
Steve Sheffield  
Don Spradling  
Cecil Weeks

Class of 2013

Pat Carr  
Jimmy Gray  
Larry Harris  
Jack Johnson  
Buddy Palmer

Class of 2014

Tommy Estes  
Guy Harris  
Chip Prestage  
Brenda Shumpert  
F. G. Wiygul, Jr.

(A)—Not present

Also present were: Rudolph Franks and Greg Jarrell, Auditors; Scott Hendrix, Attorney; Bruce Williams, Tupelo Office Manager; Barry Thrasher, Fulton Branch Manager; David Riley, Tupelo Operations Manager; David Kelso, Member Services Director; Tim Phipps, Energy Services Technician; William W. Long, General Manager

Mr. Carr called the meeting to order and called upon Don Knight to open the meeting with prayer.

Mr. Carr opened the floor for consideration of the December 2011 Board Meeting Minutes. **Jack Johnson made a motion that the December 2011 Board Meeting Minutes be approved as prepared and mailed to Directors for review.** Tommy Estes seconded the motion and upon vote taken duly carried.

Attorney's Report: Mr. Hendrix reported that he had no business matters to be reported to the Board and no topics requiring action of the Board. Directors had no questions for Mr. Hendrix.

Committee Reports: Mr. Carr then called on those committee chairmen having information to present to the Board:

Buildings and Grounds: Don Knight, Chairman, reported on behalf of the committee. Mr. Knight reported that the committee had met since the last meeting and reviewed additional information presented by the staff and consultants concerning adaptation of the existing building design to the new Auburn Road site. Mr. Knight displayed a new layout of the buildings and stated that this layout as studied by the committee was the final design and layout reached by the committee for presentation to the Board. Mr. Knight also reviewed various details considered by the committee, such as purchase of the land which was

approved by the Board in earlier meetings, all of which were in preparation of and in support of constructing new TEPA headquarter facilities at the Auburn Road site.

Mr. Knight also reviewed other details of the building project to include that the project would be rebid to the same original bidders which were previously approved by the Board. Mr. Knight also presented a schedule for completion of the various construction steps in the building project. Mr. Knight then asked Bill Long to provide a general overview of project details and other topics considered and discussed by the committee during its planning meetings.

After presentations by Mr. Knight and Bill Long, Directors had questions concerning elements of the project including updated cost estimates pertaining to the new site. Members of the building committee addressed the questions and explained that at this point, it was too early to estimate a cost until certain other engineering and design calculations have been completed by consultants. This revised cost information should be available in future months before the final bids are due from bidders.

Public Relations and Bylaws: Cecil Weeks, Chairman, provided the Board with an overview of activities planned by the committee to communicate accomplishments of the “Good Friends” program to members. Mr. Weeks summarized contacts made to area media entities in preparation for coverage of the program. Mr. Weeks then called on Bruce Williams who gave a status report of plans made and materials to be used to send to members and potential program participants.

Auditor’s Report: Rudolph Franks distributed the TEPA Monthly Highlights Report for November 2011 prepared by his staff. Mr. Franks explained various details of the report (see the attached report for further details). Mr. Franks then called on Greg Jarrell to provide additional information to the Board. Mr. Jarrell commented concerning components of the report including reference to general cash, cash investments, and post-retirement benefits. Mr. Jarrell reminded the Board that net income is subject to vary from month to month due to the time lag in retail collections compared to wholesale billing amounts. This will be a normal occurrence experienced by power distributors due to TVA’s move away from end use wholesale billing and distributor actual wholesale bills being calculated from meter readings taken at TEPA delivery points.

Manager’s Report: Bill Long discussed and provided details on the following topics:

- Informed the Board of the Legislative Update and Legislative Reception sponsored by the Electric Power Association of Mississippi on February 6, 2012 in Jackson, MS. All Directors are invited to attend. Anyone wishing to attend should contact Bill Long for preparation of travel arrangements and other details.
- Informed the Board of TVA’s plan to implement further wholesale rate changes in October 2012. Progression to time of use rates will be done in an incremental fashion to minimize large increases in end use power bills.
- Informed the Board that approximately 900 accounts remain of approximately 40,000 accounts for complete implementation to AMR units. Completion of the project has been affected by the long delivery time in receiving the AMR units due to increased participation in application of AMR systems.
- Communicated information on several prospects that are considering location in the TEPA service territory to include: Project Greenleaf, a 2,000 KW load considering the Fulton area; Project Oktoberfest, a relatively small load considering a vacant

manufacturing building in Saltillo; Project Beta, a 25 MW to 32 MW load that is considering three different sites in the service territory and may produce approximately 300 jobs; and General Atomics which is still on track to start up a 20 MW test load sometime during 2012. The majority of the infrastructure for the General Atomics load to be provided by TEPA is already in place.

Matters of Mutual Concern: There were no matters of mutual concern.

They're being no further business; **Tommy Estes made a motion that the February 2012 Board meeting be held at the Fulton Branch Office.** F. G. Wiygul seconded the motion and upon vote taken duly carried.

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Pat Carr, President

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F. G. Wiygul, Jr., Secretary-Treasurer