

Unofficial Minutes until Board Approval

April 13, 2017

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD MARCH 9, 2017

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, March 9, 2017, at 5:00 p. m. The following Directors were present:

<u>Class of 2017</u>	<u>Class of 2018</u>	<u>Class of 2019</u>
Myra Estes	Jim Gray	Pat Carr (A)
Guy Harris	Steve Holland	John McFerrin
Chip Prestage	Don Knight	Jimmy Gray
Brenda Goff Shumpert		Buddy Palmer
F. G. Wiygul, Jr.	Cecil Weeks	Malcolm Wesson

(A)—Not present

Also present were: Scott Hendrix, Attorney
 Greg Jarrell, Auditor
 David Kelso, Fulton Branch Manager
 David Riley, Tupelo Operations Manager
 Steve Tarpley, Member Services Director
 Bruce Williams, Tupelo Office Manager
 William Long, General Manager

Chairman Wiygul called the meeting to order and called on Don Knight to open the meeting with prayer.

Mr. Wiygul opened the floor for consideration of the February 2017 regularly scheduled Board Meeting Minutes. **Chip Prestage made a motion that the February 2017 meeting minutes be approved as prepared and provided to Directors for review, except with the correction that Director McFerrin be shown as Present during the meeting as pointed out by Mr. McFerrin.** Don Knight seconded the motion and upon vote taken a majority vote was observed.

Mr. Wiygul presented the business brought by the Executive Committee for Board consideration that, after contact with Mrs. Don Spradling by Scott Hendrix, attorney for the Board, Mrs. Spradling be confirmed by a vote of the Board to fill the remaining term of Mr. Don Spradling, recently deceased. **Steve Holland made a motion that Mrs. Pat Spradling, spouse of Mr. Don Spradling, be appointed to fill the remaining term of Mr. Spradling.** Guy Harris seconded the motion and upon vote taken, a majority vote was observed.

Mr. Wiygul then presented for Director consideration if there were any need for an Executive Session. Hearing none, Mr. Hendrix presented certain matters in connection with the Brice

Rogers electric contact in July 2016. There were no questions from the Board to Mr. Hendrix related to this matter.

Committee Reports:

Mr. Wiygul then called upon committee chairmen to present information to the Board on behalf of their respective committees and other meetings and work sessions held by their respective committees:

Personnel: In Mr. Carr's absence, Bill Long provided brief information concerning the need to visit TEPA's Sick Leave and Gift Leave Policy. Long stated that more information would be provided to the Board for consideration in the near future.

Purchasing: Cecil Weeks, Chairman, provided a general overview of information presented to the committee for review and consideration for action by the TEPA staff. Mr. Weeks further elaborated on the presentation that was made to the committee by Association staff for the need for replacement of the present automatic meter reading (AMR) system with a new and improved automatic metering infrastructure (AMI). Mr. Weeks stated that the staff led by the Metering and Engineering departments with assistance, input and evaluation provided by other departments within TEPA that utilize AMR output did a good and thorough job of presenting to the Purchasing Committee review the need and benefit to the Association for replacement of the present AMR system. Mr. Weeks then asked Long to provide additional information concerning the review of the AMR/AMI upgrade.

Long provided a general overview and a summary of the power point program and recommendation by the staff for the AMR/AMI upgrade as presented to the Purchasing Committee. Long emphasized that three main points or reasons for conversion were emphasized to the Committee: 1.) a majority of other Mississippi power companies have evaluated and chosen the same product, 2.) three of the largest power companies purchasing power from TVA have evaluated the same product and selected the same product...Nashville, Middle Tennessee and Huntsville. Collectively these power companies represent approximately 800,000 meters and, 3.) this conversion will allow TEPA to continue to realize the significant saving achieved in the reduction of energy saving through reduced electric system line losses. The cost of the conversion is expected to be approximately 7.6 Million dollars and is planned for completion in 24 to 30 months.

After hearing the staff recommendation for the new customer metering system, **Mr. Weeks stated that the Committee was unanimous in recommending to the Board that this meter change out program be approved.** The recommendation coming from the Committee, and needing no second, and upon a vote taken, a unanimous vote was observed.

Auditor's Report: Greg Jarrell provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Jarrell and Wilemon for the month ending January 2017. Mr. Jarrell explained various details of the report and provided the following specific details and information:

- net income for the 7 months of FYE 2017 was \$1,327,741 greater than for the same period last year
- net income for the month of January 2017 was \$56.49 compared to a net loss of (\$494,743) for the month of January 2016

- for the 7 months of FYE 2017, compared to the same period last year, kilowatt hours sold increased by 5.4%
- the mild fall weather so far during this fiscal year continues to play a major roll and has been a major positive factor in the positive cumulative sales and income results for the month of January 2017
- Mr. Jarrell also highlighted other accounting details that affected our monthly report and indicated that the sales for the month of January were strong and that TEPA continues to enjoy a strong seven (7) months during this fiscal year.

Directors had no questions or comments for Mr. Jarrell concerning his report.

Manager's Report: Long reported to the Board on the following matters:

- Reminded the Board about the meeting scheduled for retirees and others that are using the AmWins medical plan. A meeting is scheduled for April 5, 2017 and AmWins representative Mr. Jim Ball will be available to provide information about the plan coverage and other related information.
- Steve Tarpley provided information to the Board concerning this year's Youth Leadership Program sponsored by the Electric Cooperatives of Mississippi (ECM). Steve provided information about youth from the area high schools that attended.
- Provided general information concerning the electric load expansion plans at the ICC facility (the old River Oaks facility). An additional 1,500 KVA of capacity will be required by the facility improvements.

Matters of Mutual Concern:

Director McFerrin was recognized by the chairman for an announcement/statement. Mr. McFerrin provided general information to the Board concerning the potential use of an Automated External Defibrillator (AED) within the TEPA workforce. After general discussion by the Board **a motion was made by John McFerrin that the Association purchase three (3) units for use throughout the facility(s) (one each in the Fulton Branch Office, the Tupelo Headquarters and the Tupelo Warehouse).** Buddy Palmer seconded the motion and upon vote taken a majority vote was observed.

They're being no further business, **Jimmy Gray made a motion that the meeting adjourn and that the April 2017 Board meeting be held at the Fulton Branch Office.** Cecil Weeks seconded the motion and upon vote taken a majority vote was observed.

F. G. Wiygul, Jr. Vice-president

Don Knight, Secretary-Treasurer