

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD NOVEMBER 10, 2011

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo headquarters, Tupelo, MS, on Thursday, November 10, 2011 at 5:00 p. m. and there were present the following directors:

<u>Class of 2012</u>	<u>Class of 2013</u>	<u>Class of 2014</u>
Steve Holland	Pat Carr	Tommy Estes
Don Knight	Jimmy Gray	Guy Harris
Steve Sheffield	Larry Harris	Chip Prestage
Don Spradling	Jack Johnson	Brenda Goff Shumpert
Cecil Weeks (A)	Buddy Palmer	F. G. Wiygul, Jr.

(A)—Not present

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

Employees present which were invited guests to the Board meeting to participate in the meeting agenda at the General Manager's request were: Regina Dickinson, Mitzi Hinds, Larry Green, Toby Mask, Tom Pitts, and Jean Edwards (along with David Kelso, David Riley, Bruce Williams and Tim Phipps named above...Barry Thrasher was absent due to vacation)

Mr. Carr called the meeting to order and called upon F. G. Wiygul to open the meeting with prayer.

Mr. Carr opened the floor for consideration of the October, 2011 Board Meeting Minutes. **Steve Holland made a motion that the October, 2011 Board Meeting Minutes be approved as prepared and mailed to Directors for review.** Don Knight seconded the motion and upon vote taken duly carried.

Attorney's Report: Mr. Hendrix stated that there was no need, due to the subject matter, to give his report during Executive Session. Mr. Hendrix continued and reported that since the last meeting of the Board, the Public Service Commission (PSC) had approved TEPA's filing for consideration and approval of a new customer classification method for the purpose of paying the 2 percent payments as required by state law and particularly described by article 77-3-17 Mississippi Code Annotated. This filing with the PSC was prepared by Larry Moffett, Daniel, Coker, Horton and Bell, Oxford Mississippi, and also serves as attorneys for the Electric Power Associations of Mississippi.

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

Building and Grounds: Don Knight, Chairman, reported on several matters under study by the committee.

Mr. Knight reported that after the acquisition of the Auburn Church Ball-field property, and the need to prepare the property for construction of portions of the new headquarters facility, it will be necessary to dismantle and remove from the site the lighting and other associated equipment for the two ball fields. **F. G. Wiygul made a motion that TEPA grant the request of Auburn Baptist Church to give all of the ball-field lighting and associated apparatus (lights, poles, wire, switches, field perimeter chain link fence, backstop, dugouts etc.,) to the Auburn Baptist Church for use in the community.** Tommy Estes seconded the motion and upon vote taken duly carried.

Mr. Knight next addressed details associated with the third property being considered and belonging to the Sinclair family in the amount of approximately 10.4 acres and adjoining the two tracks already purchased. As directed by the Board at the October regular meeting, Mr. Knight further reviewed activities carried out by the committee and the staff to continue to identify appropriate measures to re-establish verbal communication with the property owners in an effort to obtain the property. Mr. Knight then called on general manager Long to report on those efforts.

Long then reported on activities with the Sinclair family since the October regular board meeting which had been earlier reported to the building committee. Important topics of those meetings with the Sinclair's indicated a firm stance on their asking price of \$500,000 and a general reluctance to consider selling the property. Long stated that additional information had been prepared with the assistance of the TEPA staff for presentation to the Board that would show positive reasons for owning and utilizing the property.

After further discussion among Directors of the merits of acquiring the property, and based on other study and consideration of the matter by Directors in earlier meetings of the Board, **F. G. Wiygul made a motion that the Sinclair property be purchased for \$500,000.** Tommy Estes seconded the motion and upon vote taken duly carried.

Pat Carr, Chairman, reported that the next order of business should be conducted in executive session. **Tommy Estes made a motion that the Board enter into executive session.** Buddy Palmer seconded the motion and upon vote taken duly carried.

Having completed the business conducted during executive session, **Guy Harris made a motion that the Board terminate the executive session.** Don Knight seconded the motion and upon vote taken duly carried.

Personnel: Don Spradling, committee chairman, reported that the committee had met and recommended the following employee benefits be provided and that other employee activities be conducted during the Christmas holidays:

- that all employees be given a 3 percent cost of living adjustment increase (COLA) beginning January 2012
- that all employees be given a Christmas Bonus of one-weeks' pay, except prorated for the amount of time worked during calendar 2011
- that TEPA staff organize and conduct a Christmas Party for the Association similar to last year's events

Hearing the motion by the committee explained by Mr. Spradling, and upon vote taken, the motion duly carried.

Auditor's Report: Mr. Franks provided the Board with a copy of the TEPA Monthly Highlights Report for September 2011 and explained various details of the report (see the attached report for further details). Mr. Franks addressed all questions from Directors.

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

- Reminded the Board of flu shots to be given at Fulton on November 15 at 11:00 a.m. and at Tupelo on November 16 at 7 a.m.
- Informed the Board of the North Mississippi Industrial Development Association (NMIDA) Annual Meeting to be held in West Point at the Ritz on November 14. The social will begin at 6:00 p. m. and dinner to be served at 6:30. Any directors that would like to attend and travel with the TEPA staff should contact Long as soon as possible.
- Informed the Board of the TVA Board meeting to be held in Starkville, MS, on November 17, at 8:30 a. m. at the Henry Hunter Extension Building.
- Provided published news information concerning Blue Fire and the announcement of the Chinese partner to participate in the new alcohol production facility in Fulton MS. Blue Fire has made no contract with TEPA concerning the new load in about 2 years.
- The study is complete requested by the agency in Mississippi that operates the state parks. TEPA has provided general information and an outline for further discussion of TEPA taking over portions of the Tombigbee State Park's high voltage electric distribution system. The estimated cost to the state would be approximately \$165,000 to make improvements to the wiring system before TEPA would take ownership. This information will be conveyed to the state along with other data from approximately a dozen other electric cooperatives throughout the state asked to provide the similar information.

Matters of Mutual Concern: Buddy Palmer brought to the Board's attention director training being offered at a regional of NRECA and requested the Board's approval for his attendance at the subject training. **F. G. Wiygul made a motion that the expenses and travel cost for the training request by Mr. Palmer and Mrs. Shumpert be approved.** Tommy Estes seconded the motion and upon vote taken duly carried.

They're being no further business; **Guy Harris made a motion that the December 2011 Board meeting be held at the Tupelo Headquarters Office.** Larry Harris seconded the motion and upon vote taken duly carried.

Pat Carr, President

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