

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD MARCH 12, 2020

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, March 12, 2020, at 5:00 p. m. The following directors were present:

<u>Class of 2020</u>	<u>Class of 2021</u>	<u>Class of 2022</u>
Lynn Turner	Jim Gray	Pat Carr (A)
Guy Harris (A)	Steve Holland	John McFerrin
Chip Prestage	Don Knight	Buddy Palmer
Brenda Goff Shumpert	Andy Spradling	Malcolm Wesson
F. G. Wiygul, Jr.	Cecil Weeks	

(A)—Not present

Also present were:

- Scott Hendrix, Attorney
- Jonathan Hagood, Auditor
- Mitzi Hinds, Member Services Director
- Bruce Williams, Tupelo Office Manager
- Ken Brown, Fulton Branch Manager
- William Long, General Manager

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

Mr. Wiygul then opened the floor for consideration of the February 2020, Board Meeting Minutes. **Steve Holland made a motion that the meeting minutes be approved as prepared and mailed to Directors for review.** Lynn Turner seconded the motion for approval and upon vote taken a majority vote was observed.

Mr. Wiygul then inquired of the Board if there was a need for an Executive Session. Hearing none, Mr. Wiygul continued and recognized Attorney Scott Hendrix for a report. Mr. Hendrix continued and explained that it is necessary for the Board to adopt a resolution as required by HB 366 known as the Mississippi Broadband Enabling Act of 2019 as passed by the Mississippi Legislature in January 2019. Mr. Hendrix then explain the need for the resolution which reads as follows:

RESOLUTION OF THE BOARD OF DIRECTORS  
of

TOMBIGBEE ELECTRIC POWER ASSOCIATION

BE IT RESOLVED by the Board of Directors of Tombigbee Electric Power Association (“**TEPA**”) as follows:

1. The purposes for which TEPA is organized include performing any and all acts permissible under Mississippi’s Electric Power Association Law, Sections 77-5-2-1, *et seq.* of the Mississippi Code, as from time to time amended; and also performing any and all acts permissible for electric power associations under the Mississippi Broadband Enabling Act, Sections 77-17-1, *et seq.* of the Mississippi Code, as from time to time amended (“the Act”).

2. This resolution is adopted by the Board pursuant to Section 77-17-5(8), which provides: “Before broadband services may be offered under this chapter, an electric TEPA must, by resolution of the board of directors and spread upon its minutes, have an economic feasibility study conducted and adopt a plan that will provide service to its entire certificated area. Such feasibility study shall be made available to electric TEPA members upon request.”

3. An economic feasibility study for the provision of broadband services has been conducted pursuant to the Board’s prior authorization. The study was conducted by Conexon and was presented on December 13, 2018, and approved on August 8, 2019 (“the Study”). The Study has been provided to the Board and has been analyzed by the Board in consultation with and in reliance on TEPA’s Chief Executive Officer, legal counsel, and accountants, and other persons reasonably believed by the Board to possess the requisite skills or expertise to provide guidance and advice to the Board.

4. The Study shall be made available to TEPA’s members pursuant to the policy adopted on February 13, 2020.

5. Based on the foregoing, the Board has concluded that an affiliate should be formed by TEPA for the provision of broadband services under the Act. As previously authorized by the Board, the affiliate has been formed and operated as a single member limited liability company and the name of the affiliate shall be Tombigbee Fiber, LLC (“the Affiliate”).

6. TEPA will make capital investments in the Affiliate, make loans to the Affiliate at fair market rate, and/or enter loan guarantees for the benefit of the Affiliate, all of which will be in such amounts and on such terms as the Board determines to be prudent and authorizes through one or more actions of the Board separate from this Resolution.

7. TEPA will undertake to establish a fiber optic network to control and monitor its electric distribution system and to establish and expand a smart grid system.

8. TEPA will enter into a written agreement with the Affiliate providing for the exclusive lease of TEPA’s fiber optic network and fiber strands to the Affiliate. The terms and provisions of the agreement must comply with the Act and be presented to and approved by the Board.

9. TEPA will enter into such additional agreements with the Affiliate as may be determined by the Board to be necessary or advisable, including agreements designed to prevent the use of TEPA’s electric energy sales revenues to subsidize the provision of broadband services to the public by the Affiliate.

10. The Board recognizes that the future provision of broadband service to TEPA’s entire certificated area may be accomplished, in part, by broadband service providers other than the Affiliate. It is the Board’s current desire, however, that the Affiliate provide its broadband services to TEPA’s entire certificated area, and a plan for doing so is hereby adopted by the Board as set forth in this Resolution and in the Study. The Affiliate’s provision of broadband services must, however, be undertaken in stages covering periods of time and geographic areas that are financially prudent and will not put TEPA’s investment in the Affiliate at material risk. Accordingly, the plan adopted herein is subject to change based on future events.

SO RESOLVED, THIS THE 12th DAY OF March, 2020.

\* \* \* \*

CERTIFICATE

I, the undersigned, Secretary of Tombigbee Electric Power Association, hereby certify that the above and foregoing is a true and correct copy of a resolution duly passed and adopted by the Directors at a meeting of the Board of Directors of said Electric Power Association held on the 12th day of March, 2020, in Tupelo, Mississippi as same appears on the minutes of said Corporation of which I am the official custodian.,

WITNESS my signature, this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Secretary

After Mr. Hendrix presented the resolution, **Lynn Turner made a motion to adopt the resolution as presented by Mr. Hendrix.** Don Knight seconded the motion and upon a vote taken a majority vote for approval was observed.

**Committee Reports:**

Mr. Wiygul then called upon committee chairmen of various committees to present their reports:

**SmartGrid:** Buddy Palmer, Chairman, provided an update of committee activities and reported on the general status of the smartgrid system. Mr. Palmer called on general manger Long who gave a brief introduction for the format and the content of the next presentation. Long then introduced staff members that presented information and used a power point presentation to show typical work being done by the construction contractor surveying the existing power distribution network, the preparation for installing the fiber system components, advertising materials and events planned for contact with members, and funds spent to date for the services and construction completed. Matt Fennell, Mitzi Hinds, Toby Mask and Bruce Williams presented components of the power point presentation.

**Finance and Loan:** Brenda Shumpert, Chairman, called on general manager Long to provide information for the committee. Long explained that plans have been made by he and Chairman Shumpert to schedule and conduct a meeting with a representative from CoBank at a committee meeting scheduled on April 2, 2020. The purpose of the meeting is to hear and study options for securing a loan for construction of the SmartGrid network. Long provided preliminary details for the structure and terms of the loan.

**Buildings and Grounds:** Lynn Turner, Chairman, presented information to the Board concerning a recent offer for the remaining old office building property at 1906 South Gloster Street. Mr. Turner described to the Board the confidential offer provided by the prospective buyer which was conveyed to the committee for review. Once the sales agreement is accepted by the buyer, final information pertaining to the sale will be confirmed to the Board.

Additional dialog concerning the existing new office building site was discussed. Several board members expressed displeasure with certain maintenance and visible condition of the lawn and grounds. A request was made of the committee to work with the staff and review the existing contract and lawn maintenance provider to achieve the improvement needed and report progress back to the Board.

**Auditor’s Report:**

Mr. Hagood provided Directors with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Wilemon and Hagood for the seven (7) months ending January 2020. Mr. Hagood explained various details and information provided by the report. Even though energy sales are less than the same period last year, net income for the same period is slightly higher. Sales to the residential sector are still slightly less due to mild winter weather conditions experienced last month.

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

Electric Cooperative activities:

- Provided general information that the group health insurance plan, executive committee will be meeting soon for the purpose of identifying more plan options to select from. This request to study is coming from plan members that would like to have opportunities to reduce cost.
- Provide general information for electric system upgrades that are under study. Some of these upgrades will require significant investment. These will be reviewed with the purchasing committee once the plan is ready for implementation.
- Provided general information concerning two large electrical loads that are considering locations in Fulton and the Lee county industrial parks the load ranging from 20,000 to 40,000 kilowatts each. New electric substations will be required at either location.
- Long called upon Bruce Williams to explain the need for a staff person to be designated as Applicant Agent and contact person to transact business in regards to FEMA declared disaster FEMA-4470-DR-MS. Mr. Williams provided the draft Board Resolution stated below for consideration:

**BOARD RESOLUTION**

WHEREAS, it came on for consideration before the board of directors of Tombigbee Electric Power Association, that it designate which person transact business in regards to FEMA declared disaster FEMA-4470-DR-MS.

RESOLVED: that Bruce Williams will be designated Applicant Agent and is hereby authorized to transact any and all business, and sign any and all documentation for the purpose of obtaining and administering certain federal financial assistance under the Disaster Relief of 1974 (Public Law 93.228), amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, (Public Law 100-707) and to file them with the Governor’s Authorized Representative.

So Resolved, this the \_\_\_\_\_ Day, March of 2020.

Attested by \_\_\_\_\_  
William W. Long –General Manager

Hearing the resolution as presented and explained by Mr. Williams, **Don Knight made a motion that the Resolution be adopted confirming that office manager Bruce Williams will represent TEPA as the Applicant Agent for this FEMA system damage filing.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

**Broadband Subsidiary activities:**

- The second phase of the broadband program is under consideration. Information will be presented by the SmartGrid committee at a later date.
- Long presented additional information to the Board concerning the need to hire two (2) additional employees. These new employees would replace two existing employees that would be used to do the initial work process to schedule fiber installation at member homes and businesses. After Long's request for hiring, **Don Knight made a motion that the two (2) additional staff positions be filled.** Lynn Turner seconded the motion and upon a vote taken a majority vote was observed.
- Additional general information was provided concerning the provision of telephone service, fiber capacity supply interaction with neighboring cooperative systems that will improve service reliability, and the acquisition of a toll free phone number for broadband member use. The number secured is 877-FIBER 2 U.
- Provided more general information concerning the Reconnect Round 2 grant. We have been advised by Conexon to devote our efforts to the RDOF program rather than the ReConnect, Round 2 grant application. The RDOF program has a greater potential of yielding a greater grant amount for the same geographical area.

Matters of Mutual Concern:

There being no further business, **Buddy Palmer made a motion that the meeting be adjourned and that the April 2020 Board meeting be held at the Tupelo Headquarters.** John McFerrin seconded the motion and upon vote taken a majority vote was observed.

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F. G. Wiygul, Jr., President

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Buddy Palmer, Vice-president