

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD OCTOBER 8, 2020

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, October 8, 2020, at 5:00 p. m. The following directors were present:

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

(A)—Not present

(P)—Attended by phone off-site

Also present were: Scott Hendrix, Attorney
 Jonathan Hagood, Auditor
 Ken Brown, Fulton Branch Manager (P)
 Stevie Humble, Tupelo Operations Manager
 Mitzi Hinds, Member Services Director
 Bruce Williams, Tupelo Office Manager
 William Long, General Manager

F. G. Wiygul, Jr. 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 September 2020, Board Meeting Minutes. **Chip Prestage made a motion that the September meeting minutes prepared and distributed be approved.** Lynn Turner seconded the motion for approval and upon vote taken a majority vote was observed.

Mr. Wiygul then inquired of the Board and Mr. Hendrix if there was a need for an Executive Session. None was identified at this time.

Hearing none, Mr. Wiygul continued and recognized attorney Scott Hendrix. Mr. Hendrix continued and proceeded with the contents of his report. During his report, Mr. Hendrix identified the need to enter into executive session due to the subject matter being presented. **Steve Holland made a motion that the Board enter into executive session.** Don Knight seconded the motion and upon vote taken a majority vote was observed. After the session was concluded, **Chip Prestage made a motion that the executive session be concluded.** Cecil Weeks seconded the motion and upon vote taken a majority vote was observed. Afterwards, Mr. Hendrix completed his report.

Committee Reports:

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

Executive: F. G. Wiygul, Jr., Chairman, discussed information that had been prepared and also provided board members with board committee assignments for the ensuing year. In addition, Mr. Wiygul emphasized that if directors had specific interest in serving on other committees other than those assigned, to let their interest be known to him.

SmartGrid: Buddy Palmer, Chairman, reported that the committee had studied participation in the Rural Digital Opportunity Fund (RDOF) and had information and a recommendation to present to the Board. Mr. Palmer called upon Long and Hendrix to present the information.

Long and Hendrix proceeded to provide the Board with additional information concerning RDOF and a recommendation from the staff for proceeding. The reverse auction process being used to be granted nationally by the Federal Communication Commission (FCC) is scheduled to begin the week of October 29. Long and Hendrix assisted by other staff presented visual information for areas of the TEPA service area that is available to qualify for funding. This provision of improved broadband service to certain areas was presented to the Board. Along with the visual data, a recommendation for a bidding strategy was also provided. At the conclusion of the presentation and with the recommendation by the staff and the SmartGrid committee, **Steve Holland made a motion that the recommendation of the SmartGrid Committee be approved and to proceed with participation in the RDOF auction.** Chip Prestage seconded the motion and upon vote taken a unanimous vote was observed.

Purchasing: John McFerrin, Chairman, was recognized for a report. Due to his absence and participation by phone, Mr. McFerrin called upon committee member Lynn Turner to present the contents of the committee's recommendation. Mr. Turner proceeded and provided the Board with information that the committee had studied originating from staff identified needs. A summary was provided for recommended purchases for fiscal year '21 totaling a projected budget of approximately \$1.36 Million for the ensuing year. Mr. Turner provided highlights of the report and answered questions from other directors. Following the presentation, **Mr. Turner, on behalf of the committee and their work, recommended that the information as presented by the committee for the FY '21 Equipment Budget be approved.** Requiring no second as a recommendation coming from the committee, and upon vote taken, a majority vote was observed.

Buildings and Grounds: Lynn Turner, Chairman, was recognized for a report. Mr. Turner reported that the committee had met to consider a group of improvements at the Fulton and Tupelo office facilities. After an initial staff review with the committee, more information is needed for committee review prior to presentation to the Board. However, there were components of the projects identified that can proceed. **Mr. Turner then identified approximately \$36,000 in two projects that the committee is recommending to be completed.** Needing no second as an approved recommendation coming from the committee, a majority vote was observed to proceed with the improvements as studied by the committee.

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 month ending August 2020 and explained various details of the report. Specific details and information were: Gross Margins From Electric Sales are significantly more than for the same period last year; Net Income for this month is

substantially more than the same period last year, kilowatt-hours sales are approximately 1.5% higher than the month of August last year, and our operating expenses are approximately 11.5% less than August last year.

Manager's Report

Matt Fennell and Toby Mask were asked by Long to give a special report to the Board stating details of our fiber construction progress. Matt provide a report to the Board that included hand-out material. Matt gave a general report that included the following topics: a construction update, an update on the CARES Act Project specifics, details for the two (2) circuits presently open served from the Taylor McFerrin and Campbelltown Substations, total miles of fiber constructed in various communities, the Tombigbee Electric Member Cooperative (in Alabama) project, an update on the schedule for adding telephone services to our fiber system services menu, specific fiber installation details, and a list of marketing activities planned in the near future.

Long reported to the Board on the following matters:

Fiber System:

- As reported by Matt Fennell, our total fiber construction to date is 308 miles of fiber and 118 TEPA members receiving broadband service.
- Our contractor Conexon has reported that we should have three (3) fiber feeders open for connecting customers by October 16.
- With the Fulton District Substation, circuit 234 open, our requests and backlog of work is 130 requests for installations.
- The contractor network of crews has been reported by Conexon to be moving from seven (7) crews installing strand and fiber to thirty-six (36) crews, representing approximately 108 workers, in a strong effort to complete the CARES ACT project as soon as possible.
- All members where installations have been completed in the prior month (approximately 75 members) will be receiving a bill for the number of days served as well as the next ensuing month. This does not include the group of test customers ("friendlies") who have worked with us during the initial setup and testing of the fiber system.
- We will be expanding our marketing efforts at the appropriate time to provide the necessary volume of work for completion of our CARES Act Project commitment.
- Marketing efforts completed and planned by staff (Matt, Mitzi and Lee) utilize various venues including: TV where appropriate, targeted Facebook contacts, telephone contacts, attending established community events and marketing tent applications in the community. These efforts are in addition to member's questions via their phone contact to us.
- We were successful with our application to the MS Public Utility Staff that are managing application of a CARES Act Grant Program. This specific grant element is valued at approximately \$800,000. This brings our total grant for the cares act area to approximately \$4.6 Million.

Electric System:

- TVA is making another Community Credit Program grant available. This opportunity will extend through the remainder of TVA fiscal year ending in September 2021. The staff at the direction of the Board will evaluate our participation options and bring more information back to the Board.
- All of our employees have returned from participation in the Mutual Aid assistance program to other cooperatives in other states due to the recent hurricanes and storms.

TEPA provided assistance to to Beauregard Electric Cooperative, near Lake Charles, LA. We ended up sending a second crew to assist and each of our 2 groups spent approximately two (2) weeks assisting the damaged cooperative areas.

- We continue to battle COVID-19 issues by taking various precautions at work and following CDC guidelines.
- As a reminder, the position of the IT Specialist has been filled. The person selected will report to work on October 12.
- Testing went well for a base 20 MVA, 161-46 kv unit for upgrading the Fulton Primary 46 kv power supply. Details will be determined for making an offer to the neighboring cooperative owner of the unit.

Matters of Mutual Concern:

Director Wesson was recognized for a statement. Mr. Wesson, Chairman of the Insurance Committee asked that his members meet after the Board meeting for a short discussion. Mr. Wesson also asked to be included on the agenda for next month's meeting.

There being no further business, **Steve Holland made a motion that the November 2020 Board meeting be held at the Tupelo Headquarters.** Chip Prestage seconded the motion and upon vote taken a majority vote was observed.

F. G. Wiygul, Jr., President

Don Knight, Secretary-Treasurer