

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD OCTOBER 10, 2019

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, October 10, 2019, at 5:00 p. m. The following directors were present:

Class of 2020

Lynn Turner
Guy Harris
Chip Prestage (A)
Brenda Goff Shumpert
F. G. Wiygul, Jr.

Class of 2021

Jim Gray
Steve Holland
Don Knight
Andy Spradling
Cecil Weeks

Class of 2022

Pat Carr (A)
John McFerrin
Buddy Palmer
Malcolm Wesson

(A)—Not present

Also present were: Scott Hendrix, Attorney
 Jonathan Hagood, Auditor
 Ken Brown, Fulton Branch Manager
 Steve Tarpley, Member Services Director
 Mitzi Hinds, Member Services Director, Elect
 Bruce Williams, Tupelo Office Manager
 William Long, General Manager

F. G. Wiygul called the meeting to order and called on Buddy Palmer to open the meeting with prayer.

Mr. Wiygul then opened the floor for consideration of the September 2019, Board Meeting Minutes. **Don Knight made a motion that these meeting minutes be approved as prepared and mailed to Directors for review.** John McFerrin seconded the motion and upon vote taken a majority vote was observed.

Mr. Wiygul then inquired if there was a need for an Executive Session. Mr. Hendrix and Directors confirmed that there were no topics for discussion requiring an executive session.

Continuing with his report, Mr. Hendrix proceeded and stated that he had no items to report.

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 committees:

Executive: F. G. Wiygul, reported for Mr. Carr, and distributed to all Directors a copy of committee assignments previously prepared by Chairman Carr, and documented by GM Long. Mr. Wiygul requested that any comments or questions concerning the appointments should be directed to Mr. Carr for clarification.

SmartGrid: Buddy Palmer, Chairman, provided an update for committee activities since the last board meeting. Mr. Palmer reported that the committee attended the broadband “Kickoff” conducted September 26, 2019. Among other details, TEPA’s Phase 1 broadband construction was reviewed and details of the size of the project were finalized for presentation to the board for final approval. Mr. Palmer summarized that Phase 1 would focus on substation areas and feeder circuits that exhibit the highest density of customers per mile of distribution line, pass approximately 15,200 customer locations and require approximately 800 miles of fiber installation expected to cost approximately \$27 Million.

Mr. Palmer also addressed final agreement and contracts with Conexon also present for information and review by the Board. Mr. Palmer called on Scott Hendrix to give an overview of these documents.

Purchasing: Cecil Weeks, Chairman, reported on behalf of the committee. The TEPA staff compiled equipment and other apparatus needs for the FY20 fiscal year. Mr. Weeks provided to the Board a worksheet that summarized the proposed spending for the ensuing fiscal year in the amount of \$1,849,050. This is the summary cost for the needs of the entire association.

After providing the handout, and on behalf of the committee, **Mr. Weeks recommended that the proposed equipment purchase budget, as reviewed and recommended by the committee, be approved along with the expenditure of two additional improvements at both work district sites totaling an estimated amount of \$300,000, and that the Board approve the Purchasing Committee to review these projects further and to determine final approval for staff action.** Hearing the recommendation of the committee, and requiring no second, and upon vote taken, a majority vote of approval was observed.

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 2019 and explained various details of the report. Mr. Hagood provided comments from several components of his report. Specific details and information are: Gross Margins from Electric Sales are approximately 20% less than the same period last year; Net Income for this month is less than the same period last year due to the influence of an additional payroll period this month...and the reduced energy sales. A return to normal sales and net income is expected due to the extremely warm month of September.

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

Electric Cooperative activities:

- We have received our first credit in the amount of \$214,263 from TVA after implementing the new long-term contract.
- TEPA’s energy sales for the month of September reached an all-time high. This will have a very positive affect to net revenue for the period ending September 2019.
- Informed the Board that the Director Election results for this year’s election will be printed in the Journal and the Times before the next board meeting. An article will be submitted to each for printing describing the Director election details as well as the details of this year’s annual meeting.

- Provided the Board with recent results for member use of newly installed kiosk machines for payment of electric bills. Use of the four (4) machines continue to grow.
- Implementation of details for pre-payment of electricity usage by members. We expect the payment option and apparatus to be available for member use by early December. A demonstration of the payment process is planned for the November board meeting.
- Flu shots are available and will be given at Tupelo and Fulton on October 23rd.
- An insurance program informational meeting is planned for October 17 for retirees. Directors are invited to attend. Lunch will be provided.

Broadband Subsidiary activities:

- Typical subsidiary job opportunities have been made available for existing employees to review and to express their interest for employment there. Typical job descriptions were posted with the statement that salary or benefit details are yet to be determined.
- Informed that the fiber installation of Phase 1 ride-out with Conexon staff will be begin tomorrow.
- Notification and advertisement to members located in Phase 1 is underway and being planned. Implementation will coordinate along the actual construction of the fiber.
- Another trip is being considered and planned to SEMO, Sikeston, Missouri, for existing employees interested in learning more about working on the broadband side.

Matters of Mutual Concern:

There being no further business, **Steve Holland made a motion that the November 2019 Board meeting be held at the Tupelo Headquarters.** Buddy Palmer seconded the motion and upon vote taken a majority vote was observed.

F. G. Wiygul, Vice-president

Don Knight, Secretary-Treasurer