

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD AUGUST 11, 2022

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, August 11, 2022, at 5:00 p.m. The following directors were present:

Class of 2024

Jim Gray  
Steve Holland (A)  
Don Knight  
Andy Spradling  
Danny Riley

Class of 2022

John McFerrin  
Buddy Palmer  
Malcolm Wesson  
T. J. Adams

Class of 2023

Lynn Turner  
Mike Irwin  
Chip Prestage  
Brenda Shumpert  
F. G. Wiygul, Jr.

(A)—Not present  
(P)—Phone/Zoom

Also, present were      Scott Hendrix, CEO  
                                 Jonathan Hagood, Auditor  
                                 Bruce Williams, CFO  
                                 Michael Dickinson, Fiber Construction/Operations  
                                 Jeff Godfrey, Tupelo Electric Operations Manager  
                                 Matt Fennell, Manager of Fiber Services  
                                 Mitzi Hinds, Manager of Member Services  
                                 Ken Brown, Fulton Branch Manager  
                                 Brian Wood, Manager of Fiber Operations

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

Scott Hendrix introduced two employees to the board. Each employee explained their present job and past work experience.

Mr. Wiygul opened the floor for consideration of the August 2022 Board Meeting Minutes. **Buddy Palmer made a motion that the July 2022 meeting minutes prepared and distributed be approved.** Chip Prestage seconded the motion for approval and upon vote taken, a majority vote was observed.

Mr. Wiygul asked if an executive session was needed. Mr. Hendrix acknowledge a need for an executive session and an attorney's report will be given at the end of the meeting.

**Committee Reports:**

**Nominating Committee:** Chairman Jim Gray updated the board on the ballot process. The ballots are scheduled to go to the USPS the next day, August 12. Mr. Gray informed the board of

the number of ballots being mailed and asked if they had any questions about the annual meeting or ballot process.

**Executive/Smart Grid Committee:** Chairman Andy Spradling, informed the board of an Executive/Smart Grid Committee that took place earlier in the week. The committees reviewed personnel recommendations from management. This included hiring additional fiber techs and fiber construction crews for the additional growth of customers. This came as a recommendation of the committee and does not require a motion. After a brief discussion, a vote was duly taken, and a unanimous vote of the board was observed.

Mr. Spradling also reported that the committee agreed to study additional areas of fiber expansion. Mr. Hendrix will report back to committee at a later time. This came as a recommendation of the committee, so no motion is needed. After a brief discussion, a vote was duly taken, and a unanimous vote of the board was observed.

**Executive Committee:** Chairman F.G. Wiygul presented a recommendation to the board that in previous situations of an active employee's death, there has been a matching donation to the family. In recognition of Tim Smithey's dedicated service to Tombigbee EPA and its members, the board will present a matching donation of the employees of Tombigbee EPA. This comes as a recommendation of the committee and requires no motion. A vote was duly taken, and a unanimous vote was observed.

Mr. Wiygul asked Scott Hendrix (CEO) to present a new Policy for High-Risk Customers.

### **Policy Regarding High-Risk Customers**

Any commercial or industrial customer deemed to be a high-risk customer, shall be responsible for paying all system upgrades to Tombigbee's system in order to obtain electric service. Said payment shall be required prior to receiving service. This shall include line upgrades, transformer costs and any other system upgrades. This shall not include a single-phase line extension covered by normal line extension policies. Any single-phase line extension beyond a quarter of a mile, shall be at the costs of the customer and require prepayment. All three-phase line upgrades or extensions shall require prepayment under this policy. Considerations to be a high-risk industry or commercial venture shall include, without limitation: the size of the investment in electric infrastructure required; the nature of the load; the equipment required; the natures of the business or commercial activity proposed including whether or not said business is stable, seasonal, temporary, transient or unestablished; as well as whether said business requires a significant investment in fixed facilities, equipment or personnel. Tombigbee in its sole discretion shall determine if a customer is deemed high-risk. Examples of high-risk customers would include, without

limitation, cannabis growers and cryptocurrency mining facilities. Any residential customer engaging in similar activities shall also be deemed to be a high-risk customer and shall be subject to this policy as well and may further be required to be classified as a commercial customer for rate and deposit purposes.

Since this is a recommendation of the committee, no motion is needed. A brief discussion ensued, with a vote duly taken. A majority vote was observed. Policy would take effect immediately.

**Fiber Update:**

Matt Fennell, Manager of Fiber Services, gave an update of our broadband project. Mr. Fennell stated that there was a total of 11,393 fiber customers connected, an increase of 591, from last month. 1,158 members are waiting to be installed. The board was also updated on the following: take rate of 37%, 2,484 total number of miles constructed. Mr. Fennell also updated the board on the number of voice customers, 565 and revenue generated by both internet and voice customers.

Brian Wood, Manager of Fiber Operations, updated the board on the number of miles constructed last month. Mr. Wood projected completion dates for the remaining feeders in phase 3 and the number of contract crews that are presently working on the broadband project.

**Engineer Report:**

No Engineering report this month.

**Auditor's Report:**

Mr. Hagood provided the board with a copy of the TEPA Monthly Highlights Report, prepared by Franks, Franks, Wilemon and Hagood for the month ending June 2022 and explained various details of the report. Specific details and information where gross margins from electric sales are up more than 1% for the same period last year; net income for this month has increased as compared to the same period last year; kilowatt-hours sales are approximately .20% more than the twelve months ending June 2022; and operating expenses are approximately 13% more than June of last year. Mr. Hagood further presented financial statements relative to Tombigbee Fiber, LLC.

**CEO Report:** Mr. Hendrix, updated the board on offering security cameras to our members. After a brief discussion, John McFerrin made a motion to review the information in the Smart Grid committee. Danny Riley second the motion and a vote was duly taken. A majority vote was observed. Mr. Hendrix updated the board on the status of the gym equipment and a request from the Mississippi Department of Wildlife and Fisheries, in regard to Tombigbee State Park. Mr. Hendrix, through a power point, showed the timeline for the repairs of the major fiber damage that occurred July 17, in Moorveville, causing a disruption of a large portion of our fiber customers.

Buddy Palmer made a motion to go into executive session, Don Knight seconded, and the board entered executive session.

Don Knight made a motion to resume board meeting, John McFerrin seconded, and board resumed meeting.

**Matters of Mutual Concern:**

No Matters of Mutual Concern, Lynn Turner made a motion to adjourn, and Don Knight seconded, and a vote was duly taken, and a majority vote was observed.

---

Don Knight, Secretary-Treasurer

---

F.G. Wiygul-President