

MARCH 2023 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Monday, March 20, 2023 at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

Call to Order

Chairman Downs called the meeting to order at 12:00.

Board Members Present

Erin Downs, Vince Turner, David Akard III, Doug Harmon and John Vann

Staff Present

CEO Clayton Dowell, Vice President of People Operations Tara Ellis, Vice President of Engineering David Hacker and Vice President of Finance Lola McVey

Minutes

Chairman Downs asked if there were any corrections to the minutes of the February board meeting which had been previously distributed. There were no corrections, Mr. Turner made a motion to approve the minutes and Mr. Harmon seconded. The minutes were approved unanimously.

Safety Report

Ms. Ellis reported that BTES has completed 150,166.6 safe working hours from January 6, 2022 to February 28, 2023 without a lost time accident. The March safety meeting for all employees was on Hazard Communication.

Reliability Report

Mr. Hacker presented the outage data for February 2023. He reported less than 1.0 average customer minute of outage for the month.

Financial Reporting

Electric Business Unit

Ms. McVey presented the February 2023 financial reports. She reported that just like in January, we billed for some power in February that we paid for in January. This is evidenced in the Net Income for February. We have 377 Prepay customers as of February 28, 2023.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 65,147.5	\$ 59,036.3
Other Electric Revenue	\$ 4,603.6	\$ 4,422.1
Other Income	\$ 739.0	\$ 158.0
Total Operating Expense	\$ 67,758.3	\$ 62,438.8
Non-Operating Expense	\$ 394.8	\$ 645.6
Electric Net Income (Loss)	\$ 2,337.0	\$ 532.0
Operating & Maintenance Expense	\$ 7,505.4	\$ 7,279.8
Broadband Net Income	\$ 785.9	\$ 3,545.4

Advanced Broadband Services Business Unit

Ms. McVey reported that in February 2023 the number of cable services decreased by seventy-eight (78), the number of telephone services decreased by thirty-eight (38) and the number of Internet services increased by thirteen (13). In February, we added fifty-six (56) 500 Mb customers and gained four (4) 1 Gigabit customers.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the April 2023 monthly fuel cost will decrease to \$.02255 per kWh for residential (RS) customers.

	March 1, 2023	April 1, 2023
	Fuel Cost	Fuel Cost
500 kWh	\$14.16	\$11.28
1000 kWh	\$28.32	\$22.55
1500 kWh	\$42.48	\$33.83
2000 kWh	\$56.64	\$45.10

Approval of Purchase of Vance Substation Transformer

Mr. Dowell reported that a transformer at Vance Substation needs to be replaced due to damage. After reaching out to known manufacturers for proposals and placing an advertisement in the Bristol Herald Courier, we received one quote from Virginia-Georgia Transformer for \$735,226. Critical spare parts for the unit were also quoted in the amount of \$10,500. Mr. Akard made a motion to accept the proposal and Mr. Vann seconded the motion. It was approved unanimously.

Economic and Community Development Update

April Eads, Business Development Manager presented on BTES' role in Economic and Community Development. She detailed how she, along with other community partners, work with existing business and industry as well as recruiting new businesses to our area.

CEO Report

Vegetation Management

Mr. Dowell provided an update on the debris removal process and a customer issue associated with that process. He also stated that we have advertised for additional circuits to be added to the vegetation management process for the upcoming fiscal year. Deadline for proposals is June 1, 2023.

Legislative Update

Mr. Dowell reported that the legislation to update the purchasing process and increase the purchasing limit from \$50,000 to \$100,000 is still moving through the legislative process.

Rio Grande Fence Company

Mr. Dowell reported that we have received notification from an attorney on their behalf. We have turned the matter over to Attorney Tom Davenport.

Contract Review

Mr. Dowell reported that Senior Leadership is still reviewing the Asplundh contract.

BTES TV+

Mr. Dowell reported that the implementation of BTES TV+ is going well. We are in the process of setting up test accounts.

Board Comments

Chairman Downs said that now is the time to participate in the Strategic Plan for anyone interested. Mr. Akard and Mr. Harmon commended Ms. Eads for all the work she and the community team do. Mr. Turner announced that the new City Manager will start April 17, 2023.

Chairman Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in cursive script that reads "David Akard III". The signature is written in dark ink and includes a stylized flourish at the end.

David Akard III, Secretary