

**MINUTES OF THE
JOHNSON CITY ENERGY AUTHORITY
D/B/A
BRIGHTRIDGE**

Special Called Meeting
July 30, 2019
Gray Fossil Site
1212 Suncrest Drive
Gray, Tennessee

PRESENT: Jenny Brock
B. J. King
Hal Knight
James Smith
Robert Thomas
Guy Wilson
Jeffrey R. Dykes, Chief Executive Officer
Brian Bolling, CPA, Chief Financial Officer and Chief Customer Officer
Connie Crouch, Human Resources Manager
Mark Eades, Chief Engineering and Technology Officer
Eric Egan, Chief Data Officer
Stacy Evans, Chief Broadband Officer
Rodney Metcalf, Chief Operations Officer
Tim Whaley, Director of Public and Governmental Affairs

ABSENT: Dan Brant
Joe Grandy
Brian Ellis, Service Department Manager
Donnie Hall, Safety/Environmental Manager
Angela Shrewsbury, Energy Services/Marketing Manager
David Spinnato, Physical Plant/Warehouse Manager
Tiphonie Watson, Customer Support Manager
Stephen M. Darden, Hunter Smith and Davis, Attorney

Chairman B. J. King called the meeting to order.

Upon motion of Mr. Thomas, seconded by Dr. Knight, the Board approved the following item on the Consent Agenda:

(a) The low bid of Irby in the amount of \$54,225.00 for 25,000 feet of 1/0 AL primary cable.

The motion carried unanimously.

Upon motion of the Finance, Audit, Rate and Budget Committee, the Board approved the following amendment to Underground Utilities Engineering Policy #2, which reads as follows:

Optional Payment Terms

"Standard payment terms require customers to pay all costs of underground installation before the materials are ordered. In an effort to support the development and growth of the distribution network, BrightRidge may offer an option to delay the required payment for 6 months if (1) the BrightRidge portion of the project is at least \$50,000, but no more than \$250,000, and (2) an acceptable irrevocable standby letter of credit can be provided to guarantee payment. BrightRidge must approve the financial institution and the terms of the letter of credit in advance to confirm both are acceptable. The letter of credit's purpose is to provide BrightRidge the ability to collect the unpaid debt from the financial institution if within the 6-month period. When BrightRidge accepts the irrevocable standby letter of credit, the 6-month period begins, with the payment due on or before 6 months from the date of receipt. If the payment for underground installation is not made on or before the end of the 6-month period, BrightRidge will initiate a claim for the underground installation costs from the financial institution per the terms of the irrevocable standby letter of credit."

The motion carried unanimously.

The next item of business was discussion by the Board regarding possible changes to the Charter of Incorporation for the Johnson City Energy Authority. Mr. Dykes disseminated a copy of the Charter with the proposed changes to each Board member.

The first proposed change involved the change of the City of Johnson City majority representation on the Board of Directors to an "N plus one" majority rather than the two-thirds majority currently contained in the Charter.

There was also a proposed change regarding the terms of service for the City Commission representative on the Board of Directors. The current Charter states that a City Commissioner may serve two terms and then may serve a third term after being off the Board for four years. The proposed change would allow for the City Commission representative to serve three consecutive terms.

Mr. Dykes advised that the Board would need to pass a Resolution requesting that the Johnson City Commission consider a Resolution approving the proposed amendments to the Certificate of Incorporation suggested by the BrightRidge Board. The City's Resolution, if approved, would then be sent to the State of Tennessee for approval.

No action was taken at the meeting to allow Board members additional time to review and consider the proposed amendments as disseminated.

There being no further business, the meeting was adjourned.