

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

November 26, 2024

PRESENT: James Haselsteiner  
Ronald Hite  
Kenneth Huffine  
John Hunter  
Gary Mabrey  
James Smith  
Jeffrey R. Dykes, Chief Executive Officer  
Rob Arnold, Chief Operations Officer  
Brian Bolling, CPA, Chief Financial Officer and Supply Chain Officer  
Connie Crouch, Chief Employee Relations Officer  
Bonnie Donnolly, Chief Development and Market Strategy Officer  
Mark Eades, Chief Engineering and Facilities Officer  
Eric Egan, Chief Data Officer  
Stacy Evans, Chief Broadband Officer  
Lori Farmer, Supervisor, General Accounting  
Tiphanie Watson; Chief Customer Officer  
Tim Whaley, Director of Public and Governmental Affairs  
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: Andy Dietrich  
Dr. Kimberly McCorkle  
Robert Thomas  
Donnie Hall, Safety/Environmental Manager  
David Spinnato, Physical Plant/Warehouse Manager

Chairman James Haselsteiner called the meeting to order.

Upon motion of Mr. Hite, seconded by Mr. Hunter, the monthly power distributor's report submitted to the Tennessee Valley Authority for October 2024 were approved. The motion carried unanimously by roll call. Year-to-date income was \$444,488.22 more than last year's year-to-date figure and year-to-date actual net income was \$422,522.37 less than the budgeted figure. The general fund balance stands at \$16,560,408.13, the reserve fund balance stands at \$2,755,318.01, the special reserve fund balance stands at \$2,156,783.08, the tax equivalent fund balance stands at \$1,857,386.61, the economic development fund balance stands at \$1,860,208.66, the 2017 and 2021 bond and interest sinking fund balance stands at \$2,364,782.95, the renewal and replacement fund balance stands at \$516,920.83, the miscellaneous proceeds fund balance stands at \$2,584.33; and the self-insurance fund balance stands at \$2,013,505.63. BrightRidge is currently serving 83,995 customers, which is an increase of 1,038 customers since the same time last year, which represents a 1.25% growth rate.

Upon motion of Mr. Hite, seconded by Mr. Hunter, the monthly financial statements for October 2024 for the Broadband Division were approved. The year-to-date income was \$216,693.37 more than last year's year-to-date figure, and year-to-date actual net income was \$544,945.44 more than the budgeted figure. The broadband debt service fund balance stands at \$5,809,591.51, the reserve fund balance stands at \$3,784,810.59, the broadband checking account balance stands at \$1,104,717.41, the broadband money market account balance stands at \$51,782.00, the voice service balance stands at \$13,246.46, and the video service balance stands at \$13,942.99.

Mr. Bolling provided an update on the BrightRidge costs related to Hurricane Helene response in our area. As of November 25<sup>th</sup>, the total cost to date for Broadband restorations is at \$130,788.79 and the electric restorations and repairs are currently at \$3,114,837.03. Mr. Bolling advised that while he did not expect Broadband expenses to rise any further, the electric invoices and totals are still rising. These costs include the installation of 172 new poles and 173,000 feet of conductor, as well as 130 transformers that were damaged and/or missing.

Mr. Bolling updated the board on the status of FEMA response. They have now been assigned a representative, who is the same rep. that was assigned to BrightRidge following the December 2022 storm. Mr. Bolling stated that this representative requested to be assigned to BrightRidge again, saying that we were the 'gold standard' in filing claims and great to work with. The representative will be here beginning next week as we continue to organize and verify information for the claim process. In addition, Mr. Bolling advised that since the last board meeting they received clarification that electric utilities would not be qualified for any funding from the State of Tennessee (TEMA), as previously mentioned.

Upon motion of Mr. Mabrey, seconded by Mr. Hunter, the Board approved the following items on the Consent Agenda:

- (a.) The minutes of the Board meeting on October 22, 2024;
- (b.) The purchase of primary cable from Stuart Irby in the amount of \$111,250.00; and
- (c.) The purchase of Itron Single Phase Meters and Tantalus AMI Modules in the amount of \$533,570.40.

The motion carried by roll call vote.

Chairman Haselsteiner spoke on behalf of the Finance & Audit, Rates & Budget Committee, which met today to review the proposed Aide to Construction charges, as presented to the committee by Mr. Mark Eades. These charges are reviewed each year, in order to determine the current average costs of typical projects/job orders. These are often used to explain cost estimates to customers.

Upon motion of Mr. Mabrey, seconded by Mr. Smith, the Board approved the current Aide to Construction charges as presented. The motion carried unanimously by roll call vote.

## RETIREMENT RESOLUTION ON BEHALF OF KATHY MCELYEA

On April 1, 2017 the Johnson City Power Board was renamed Johnson City Energy Authority; on October 3, 2017 Johnson City Energy Authority announced their DBA name as BrightRidge.

WHEREAS Kathy McElyea was employed by BrightRidge on February 4, 2003, until retiring from BrightRidge on Friday, January 3, 2025; and

WHEREAS during her twenty-one years and ten month of service with BrightRidge, she served as a Customer Service Representative, Cashier, Accounting Services Specialist, and Accounting Services Representative.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Ms. McElyea for her outstanding service to the customers and staff of BrightRidge by her years of dedication and loyalty;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Johnson City Energy Authority d/b/a BrightRidge meeting in regular session on the 26<sup>th</sup> day of November 2024 that Ms. Kathy McElyea be, and hereby is, officially commended for her twenty-one years and ten months of service to the customers of BrightRidge.

BE IT FURTHER RESOLVED that a copy of this Resolution be presented to Ms. McElyea and be spread in full on the minutes of the proceedings of this meeting.

Upon motion of Mr. Huffine, seconded by Mr. Hunter, the Board approved the Resolution by unanimous roll call vote.

## RETIREMENT RESOLUTION ON BEHALF OF WILLIAM "ERNIE" CAMPBELL

On April 1, 2017 the Johnson City Power Board was renamed Johnson City Energy Authority; on October 3, 2017 Johnson City Energy Authority announced their DBA name as BrightRidge.

WHEREAS William "Ernie" Campbell was employed by BrightRidge on June 2, 2008, until retiring from BrightRidge on Friday, January 3, 2025; and

WHEREAS during his sixteen years and seven months of service with BrightRidge, he served as a Construction Lineman.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mr. Campbell for his outstanding service to the customers and staff of BrightRidge by his years of dedication and loyalty;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Johnson City Energy Authority d/b/a BrightRidge meeting in regular session on the 26<sup>th</sup> day of November 2024 that William "Ernie" Campbell be, and hereby is, officially commended for his sixteen years and seven months of service to the customers of BrightRidge.

BE IT FURTHER RESOLVED that a copy of this Resolution be presented to Mr. Campbell and be spread in full on the minutes of the proceedings of this meeting.

Upon motion of Mr. Smith, seconded by Mr. Hite, the Board approved the Resolution by unanimous roll call vote.

Mr. Mark Eades, Chief Engineering and Facilities Officer, presented the board with a report on all of the recovery efforts and projects that took place in the immediate days following Hurricane Helene. Mr. Eades spoke to Rob Blevins and Dr. Andrew Joyner, area meteorologists and experts in their field, regarding how the storm itself progressed and what lead to the damage witnessed in North Carolina, Georgia and Tennessee.

Mr. Eades described the five circuits that allow BrightRidge to feed the section of Highway 107 that was cut off due to flood waters washing out multiple crossings completely, leaving other crossings with structural damage and/or access roads washed away. He walked through their decision-making process as to what order the crossings should be restored. The first crossing restored was Bailey Bridge due to the fact they could reestablish two circuits from that one point. Mr. Eades described the tools and equipment utilized to span the widened river crossings and showed videos of how this was done quickly and efficiently.

With Taylor Bridge being the last of the five BrightRidge sections being restored on Friday night, they were able to begin assisting Erwin Utilities with providing power to their customers in the Embreeville and Little Germany areas, which Erwin estimated would take them an additional two months to restore. BrightRidge was able to build 26 spans of 3 phase, with Erwin building 32 spans to meet in the middle. With all power restored, Mr. Eades advised that BrightRidge began the process of restoring infrastructure at Corby Bridge and Snapp Bridge crossings.

Mr. Eades thanked the board for allowing him the time to explain all of the work that went into the storm recovery and how all of the departments came together. He described it as a true team effort and a trying week. However, seeing what they saw happening in their own community, inspired their response and pushed everyone to keep working to see it through.

Mr. Eades concluded by announcing his plans to retire in April of next year. He conveyed his appreciation for his time at BrightRidge, working with the staff, Mr. Dykes and the board. Various board members took a moment to thank Mr. Eades for his dedication to serving the customers of BrightRidge over the years; conveying that he would be greatly missed.

Stacy Evans, Chief Broadband and Technology Officer, delivered an update regarding the broadband project. Mr. Evans announced that at the time of the Board meeting, the Broadband Division has a total of 18,589 active customers, of which 1,563 are business or commercial entities.

For FY25, our goal is to add 4,136 new net customers (79.54 average net adds per week needed) by June 30, 2025. As of November 22<sup>nd</sup>, we are 830 customers ahead of

the linear budget line (18,589 v. budget 17,759). FY25 installations total 3,518 with total disconnects at 1,018; resulting in total net adds of 2,500 (71% of installs). Currently for FY25, this puts us at 60.4% of our goal met.

The current broadband customer base is as follows:

Jonesborough Fiber:	1,881	(10%)
Johnson City Fiber:	9,772	(53%)
Piney Flats Fiber:	509	(3%)
Telford Fiber:	167	(1%)
Limestone Fiber:	424	(2%)
Gray Fiber:	4,302	(23%)
Kingsport Fiber:	1,275	(7%)
Fall Branch Fiber:	189	(1%)
Chuckey:	2	
Managed Wi-Fi:	10,504	(62% average "take rate")
IPTV Video:	631	(416 residential)
Telephone VoIP:	1,577	(646 businesses)

Mr. Evans reported that U.S. broadband providers average between 1%-5% churn per month, with 2% considered normal. BrightRidge's current churn rate is 0.82% including moves (0.20% without moves). Mr. Evans did report that these low numbers are partially due to fact that BrightRidge did not disconnect any services for non-payment for the last 1.5 months due to the effected by Hurricane Helene. Non-pay disconnects started back last week.

The TN-ECD Middle-mile grant areas (Section A – near Fall Branch) are moving along as scheduled with 24 miles of fiber built in Washington County and 11 miles of fiber built in Greene County. This is scheduled to be completed by January 2025.

Mr. Evans also updated the board on a new grant opportunity that Broadband will seeking. The TN-ECD NTIA Federal Bead Grant totals \$42.5 billion nationwide, of which TN has been allocated \$813 million. The eligible areas are those lacking broadband at speeds of 100/20 Mbps. The Qualification Application opened on Nov. 4<sup>th</sup> with submissions seeking a completeness review due by December 6<sup>th</sup>. All final submissions will be due by December 20<sup>th</sup>. The PAU (Project Area Unit) Grant Application will open once underserved addresses are approved by the NTIA, with submission due January 17<sup>th</sup>. Grant applicants selected and award announcements expected in late 2025.

Mr. Dykes addressed the board, requesting an additional \$50,000 towards RegionAHEAD for ongoing Hurricane Helene relief. The initial \$150,000 contribution was discussed and voted on at the October 2024 board of directors meeting. Upon motion of Mr. Mabrey, seconded by Mr. Hunter, the Board approved the additional \$50,000 contribution to RegionAHEAD. The motion carried unanimously by roll call vote.

Mr. Dykes reminded the board of the upcoming events on December 17<sup>th</sup>. There will be an employee luncheon at 11:30am, which will include staff from Pike Electric

and other contractors that assisted in the response to Helene; the Finance and Audit committee will be meeting at 1:30, to be followed by the December board of directors meeting.

Mr. Dykes advised the board that BrightRidge will be sponsoring the ETSU basketball game on Saturday. In addition, on Saturday night members of the staff will also be in downtown Johnson City for the annual Christmas tree lighting. He invited everyone to come enjoy hot chocolate and to check out the BrightRidge and BrightRidge Broadband Christmas trees. Mark and his team will also be in Jonesborough Friday night for their Christmas tree lighting event and have been preparing for that event this week as well.

Mr. Dykes concluded by thanking Mark Eades for an outstanding 38 years of work at BrightRidge. He expressed that while they hated to see him go, they were all excited for the time he would be able to share with his wife, daughters and his five grandchildren.

There being no further business, the meeting was adjourned.