

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

December 15, 2020

PRESENT: Dan Brant  
Jenny Brock  
Joe Grandy  
James Haselsteiner  
B. J. King  
Hal Knight  
Gary Mabrey  
James Smith  
Robert Thomas  
Jeffrey R. Dykes, Chief Executive Officer  
Brian Bolling, CPA, Chief Financial Officer and Chief Customer Officer  
Connie Crouch, Human Resources Manager  
Bonnie Donnolly, Chief Development & Market Strategy Officer  
Mark Eades, Chief Engineering and Facilities Officer  
Stacy Evans, Chief Broadband and Technology Officer  
Rodney Metcalf, Chief Operations Officer  
Tim Whaley, Director of Public and Governmental Affairs  
Joe Harvey, Hunter Smith Davis, LLP  
Chad Kisner and Esther Shelton, Blackburn Childers and Steagall, PLC

ABSENT: Eric Egan, Chief Data Officer  
Brian Ellis, Service Department Manager  
Donnie Hall, Safety/Environmental Manager  
David Spinnato, Physical Plant/Warehouse Manager  
Tiphonie Watson, Customer Support Manager

Chairman James Smith called the meeting to order.

CEO Jeff Dykes delivered the following statement:

Operating under authority of **Executive Order No. 16**, as extended (now **Executive Order 65**), signed on March 20, 2020 by Tennessee Governor Bill Lee, BrightRidge will be conducting all Board of Directors' meetings electronically, at least through the duration of the Order. As required under **Executive Order No. 16** as extended, a full audio recording of the meeting will be posted at **BrightRidge.com** under the "Community" section, along with a meeting agenda, within 48 hours of the meeting.

Area media are being offered the opportunity to listen live, but all follow-up questions should be directed to the BrightRidge Public Affairs Office after the meeting is concluded. Members of the public should also direct any questions to the Public Affairs Office.

These measures are temporarily adopted by the BrightRidge Board of Directors to protect the health, safety, and welfare of the general public, staff, and Board members in response to the COVID-19 outbreak. BrightRidge is committed to full transparency and will continue to review the viability of other potential virtual meeting venues moving forward, with authority to conduct meetings electronically set to expire on December 28, 2020, unless renewed.

BrightRidge continues to respect the open meetings and open records laws and will work diligently to continue the free flow of information as protected under the **Tennessee Constitution** and the **Tennessee Open Meetings Act**.

Upon motion of Mr. Grandy, seconded by Mr. Thomas, the Board voted to add as Item 2 A. to the meeting agenda, the report of the annual audit performed by Blackburn, Childers and Steagall, PLC. The motion carried unanimously by roll call vote.

Chad Kisner and Esther Shelton of Blackburn, Childers and Steagall, PLC delivered the report of their audit. Once again, the company received an unmodified ("clean") audit opinion with zero findings. Mr. Kisner commended the utility for completing many consecutive years of audits with clean opinions and no findings. He advised that BCS would submit the audit to the State of Tennessee as required by law once approved by the Board of Directors. Chairman Smith expressed his appreciation to the accounting firm for their professionalism and for the thoroughness of their audits.

Brian Bolling announced that the November financial reports for the Electric and Broadband Divisions would be presented at the January 2021 Board meeting.

Upon motion of Dr. King, seconded by Mr. Thomas, the Board approved the following items on the Electric Division Consent Agenda:

- (a) The minutes of the November 24, 2020 Board meeting; and
- (b) The sole source bid of Sherman and Reilly, Inc. in the amount of \$175,660.00 for a Duct Dawg Model DDHXA-75 open-air wire puller.

The motion carried unanimously by roll call vote.

Mr. Grandy delivered the report of the Finance, Audit, Rates and Budget Committee, which had met recently for a formal presentation of the company's annual audit by Blackburn, Childers and Steagall, PLC. He reiterated the summary of the report presented earlier in the meeting by Mr. Kisner. Upon motion of Mr. Grandy, for the

Committee, the Board approved the audit report as presented. The motion carried unanimously by roll call vote.

Rodney Metcalf, Chief Operations Officer, delivered a presentation to the Board regarding recent activities in his department, this month focusing on herbicide treatment for vegetation around power distribution lines. The utility generally uses two herbicides for brush and broadleaf vegetation. The main ingredient for Opensight is potassium salt. Trycera is an acid-based herbicide with a main ingredient of Triclopyr. Both are approved for use by the Environmental Protection Agency, and Trycera is further approved for aquatic use around ponds, streams, and other bodies of water. The herbicides are deployed in a low volume spray of about 10 - 12 feet and kill the vegetation to its root system without hindering the growth of grass in the treatment areas. These herbicides have no fumes or mist, and do not float in the air. Mr. Metcalf showed several slides of areas treated by the herbicides. After the treatment takes effect, a Fecon mower is utilized to grind up the brush and other plant debris in the treatment areas.

Stacy Evans, Chief Broadband and Technology Officer, delivered an update regarding the broadband project. At the time of the Board meeting, the Broadband Division has a total of 2,684 active customers, 266 of which are business or commercial entities.

The current broadband customer base is as follows:

Jonesborough Fiber:	327
Johnson City Fiber:	1,894
Piney Flats Fiber:	4
Telford Fiber:	4
Limestone Fiber:	80
Fixed Wireless:	143
Managed Wi-Fi:	1,549 (65.8% average "take rate")
IPTV Video:	646
Telephone VoIP:	422

The current most popular residential product packages are as follows:

Residential Fiber, 200 Mbps:	1,098
Residential Fiber, 500 Mbps:	1,200
Residential Fiber, 1Gbps:	285
Residential Fiber, 10Gbps:	1

Mr. Evans discussed customer addition trends and stated that the company appeared to be on pace to meet the number of customers projected by its Business Plan by the end of the fiscal year 2021. He also reviewed "take rates" and the impact on same by the grant project. "Take rates" in two of the previously underserved areas are in the sixtieth percentile.

The first area of Phase III of the broadband project is scheduled to open in the immediate future and construction of that phase is expected to accelerate now that the grant project has been completed.

Mr. Evans delivered a summary of the Tennessee Coronavirus Relief Fund/Tennessee Emergency Broadband Fund grant project. The grant totaled \$3,089,143, with \$2,471,315 (with contingency) being paid by the State, and \$617,828 (with contingency) being locally matched. Public wi-fi is now available at 28 locations in the grant region, with BrightRidge contributing internet services valued at \$22,400 monthly (\$268,800 annually). Homes numbering 552 in the Bowmantown area now have options for a faster internet product and 220 active installs have occurred in that area, with 99 additional installs scheduled. Ninety-one previously unserved homes in the Pleasant Valley area now have options for a faster internet product, and additional customers have access to fixed wireless service. There have been 48 active installs in the Pleasant Valley area, with 9 additional installs pending.

The Broadband Division continues to pursue grant opportunities, including a USDA Rural Development Community Connect grant.

Mr. Mabrey commended Mr. Evans and staff for the recent event regarding the announcement of the public wi-fi locations and associated internet availability to other underserved locations in the area. He felt that the event was well-attended and well-covered. He stated that he felt that this project would greatly enhance our community's internet connectivity rating.

CEO Jeff Dykes recognized Broadband, Engineering and Construction Department personnel Buddy Moss, Ken Edgar, David Addington, and Darren Leonard, for their hard work in assisting the completion of the grant project on time and under budget.

Mr. Dykes stated that a Finance, Audit, Rates and Budget Committee meeting would need to be scheduled in early January regarding additional fiber options and other customer options.

The CEO announced that the Engineering Department is presently working with the City of Johnson City on the Wall Street Project in downtown Johnson City, assisting with electrical work, street lighting and pedestrian walkway lighting on the project. The company is also working with East Tennessee State University on the installation of three feeds into its campus to provide redundancy in the event of outage.

Mr. Dykes expressed his appreciation to BrightRidge managers and employees for everything that had been accomplished by both the Electric and Broadband Divisions this year, despite having to do all this work in the midst of a pandemic. He opined that the dedication of BrightRidge employees and staff to their customers was second to none.

Ms. Brock inquired as to the status of the Martin solar farm project. Mr. Dykes advised that environmental studies were currently being conducted, and that permitting requirements and equipment purchases were also under way. Review of the Interconnectivity Agreement with BrightRidge has been completed, and execution of that document will occur soon.

Discussions continue with Silicon Ranch with respect to an additional 14 MW facility, and it is hoped that PPA paperwork will be ready for consideration by the Board by the January 2021 Board meeting.

There being no further business, the meeting was adjourned.