

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

April 22, 2025

PRESENT: James Haselsteiner  
Andy Dietrich  
Ronald Hite  
Kenneth Huffine  
Gary Mabrey  
James Smith  
Robert Thomas  
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 Donnelly, Chief Development and Market Strategy Officer  
Sam Ford, Chief Engineering Officer  
Eric Egan, Chief Data Officer  
Stacy Evans, Chief Broadband Officer  
Lori Farmer, Supervisor, General Accounting  
Tiphonie Watson; Chief Customer Officer  
Tim Whaley, Director of Public and Governmental Affairs  
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: John Hunter  
Dr. Kimberly McCorkle  
Donnie Hall, Safety/Environmental Manager

Chairman Haselsteiner called the meeting to order.

Upon motion of Mr. Thomas, seconded by Mr. Mabrey, the Board voted to amend the meeting agenda; moving Committee Reports ahead of the Monthly Financial Reports. The motion carried unanimously by roll call vote.

Mr. Haselsteiner delivered the report from the Finance and Audit Committee, which met prior to the Board Meeting to consider the audit engagement letter presented to the Board of Directors for approval from Blackburn, Childers and Steagall. Upon motion of the committee, the Board approved the audit engagement letter by unanimous roll call vote.

In addition, the Finance and Audit Committee considered a Resolution designating additional Authorized Individuals for BrightRidge's Bank of Tennessee accounts. Specifically adding our Chief Data Officer and Chief Customer Officer as authorized "backup"

check signors when needed. Upon motion of the committee, the Board approved the account resolution by unanimous roll call vote.

Upon motion of Mr. Smith, seconded by Mr. Mabrey, the monthly power distributor's report submitted to the Tennessee Valley Authority for March 2025 were approved. The motion carried unanimously by roll call. Year-to-date income was \$4,974,594.95 more than last year's year-to-date figure and year-to-date actual net income was \$1,714,747.99 more than the budgeted figure. The general fund balance stands at \$25,525,140.23, the reserve fund balance stands at \$5,599,536.62, the special reserve fund balance stands at \$2,191,584.93, the tax equivalent fund balance stands at \$4,438,046.36, the economic development fund balance stands at \$1,937,709.54, the 2017 and 2021 bond and interest sinking fund balance stands at \$3,436,357.65, the renewal and replacement fund balance stands at \$525,579.11, the miscellaneous proceeds fund balance stands at \$2,627.62; and the self-insurance fund balance stands at \$2,001,736.52. BrightRidge is currently serving 84,294 customers, which is an increase of 788 customers since the same time last year, which represents a 0.94% growth rate.

Upon motion of Mr. Smith, seconded by Mr. Mabrey, the monthly financial statement for March 2025 for the Broadband Division were approved. The year-to-date income was \$635,240.74 more than last year's year-to-date figure, and year-to-date actual net income was -\$949,283.44 less than the budgeted figure. The broadband debt service fund balance stands at \$1,987,314.18, the reserve fund balance stands at \$263,473.43, the broadband checking account balance stands at \$1,804,135.77, the broadband money market account balance stands at \$52,649.34, the voice service balance stands at \$30,644.64, and the video service balance stands at \$43,650.90.

Mr. Bolling concluded his report by adding that current assets have increased by \$21.6 million. The year-to-date Operating Revenues are up \$16.8 million. The year-to-date Operating Expenses, excluding Power Cost, are up \$2.1 million compared to last year and under budget by approximately 3.34%. The year-to-date Average Load Factor is 57.13% and the year-to-date Net Income is \$5 million, an increase over the last year. The FCA is up 6.95% from March 2024 to March 2025. BrightRidge customers are up 788 since last year.

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

- (a.) The minutes of the Board meeting on March 25, 2025.
- (b.) The purchase of two sizes of three phase pad-mounted transformers from AR Transformers in the amount of \$142,440.00.

The motion carried unanimously by roll call vote.

## RETIREMENT RESOLUTION – BOBBY BLEVINS

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 Bobby Blevins was employed by BrightRidge on March 23, 1993, until retiring from BrightRidge on Monday, May 26, 2025; and

WHEREAS during his thirty-two years and two months of service with BrightRidge, he served as an Engineering Assistant, Construction Assistant/Line Inspector, Line Inspector/Engineering Assistant, Field Engineer and Senior Field Engineer.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mr. Blevins 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 BrightRidge meeting in regular session on the 22<sup>nd</sup> day of April 2025, that Bobby Blevins be, and hereby is, officially commended for his thirty-two years and two months of service to the customers of BrightRidge.

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

Upon motion of Mr. Thomas, seconded by Mr. Dietrich, the Board approved the Resolution by unanimous roll call vote. A copy of this Resolution now appears in full on the minutes of the proceedings of this meeting.

## RETIREMENT RESOLUTION – DIANNE FAIR

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 Dianne Fair was employed by BrightRidge on June 4, 2001, until retiring from BrightRidge on Friday, May 30, 2025; and

WHEREAS during her twenty-three years and eleven months of service with BrightRidge, she served as a Customer Accounts Representative, Remittance Processing Clerk, Customer Service Representative/Instructor, Customer Support Advocate, Customer Service Representative and Receptionist.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mrs. Fair 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 BrightRidge meeting in regular session on the 22<sup>nd</sup> day of April 2025, that Dianne Fair be, and hereby is, officially commended for her twenty-three years and eleven months of service to the customers of BrightRidge.

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

Upon motion of Mr. Thomas, seconded by Mr. Dietrich, the Board approved the Resolution by unanimous roll call vote. A copy of this Resolution now appears in full on the minutes of the proceedings of this meeting.

Mr. Dykes presented and discussed with the Board the final Silicon Ranch solar contract regarding the remaining 4.8 MW of solar left, which was determined by the TVA. Upon motion of Mr. Huffine, seconded by Mr. Thomas, the Board approved the Silicon Ranch solar contract. The motion carried unanimously by roll call vote.

Mr. Dykes discussed the recent board presentation by BRIDGE concerning the Tri-Cities Air Service proposal. Upon motion of Mr. Hite, seconded by Mr. Mabrey, the Board approved a contribution by BrightRidge in the amount of \$150,000, to be distributed over a two-year period toward Tri-Cities Air Service. The motion carried unanimously by roll call vote.

Rob Arnold, Chief Operations Officer, presented the board with an overall review of the equipment utilized by BrightRidge Operations Department for installations, repairs and the maintenance of lines and transformers. Mr. Arnold discussed various fleet vehicles, large and small, that are utilized for individual purposes, such as: the AT40G Squirt Boom that has a single person bucket with a working height of 45 feet and a side reach of 29 feet, the AA55E Material Handling Bucket Trucks with 2 person buckets that can work up to 60 feet in the air, and the Digger Derrick (line trucks) that have a 3-section telescopic main boom and a lift capacity of 12,900 lbs. Additional equipment highlighted consisted of DB4B Backyard Machine, Duck Dawg, Ditch Witch Vac Trailer and various other machinery and equipment used daily by our Service and Construction Departments.

Each department utilizes these vehicles and specialized equipment daily. The Construction Department, responsible for building and repairing new lines, consists of seven construction crews; each with four or five-man teams. The Construction Department utilizes bucket trucks, line trucks, material and pick up trucks, as well as underground equipment trucks. The Service Department consists of six two-man crews that utilize Service Buckets, and a single two-man material handler crew.

Mr. Arnold thanking the board for their continued support of these departments, by their continued approval of maintenance and necessary upgrades on equipment when presented. He concluded his report by reminding the board that the most important 'equipment' BrightRidge has are their employees, which without whom none of their work is possible.

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 20,124 active customers, of which 1,683 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 April 17<sup>th</sup>, we are 694 customers ahead of the linear budget line (20,124 v. budget 19,429). FY25 installations total 6,238 with total disconnects at 2,203; resulting in total net adds of 4,035 (64.68% of installs). Currently for FY25, this puts us at 97.56% of our goal reached. Mr. Evans predicts that we will likely finish the fiscal year at 4,850 new customers.

The current broadband customer base is as follows:

Jonesborough Fiber:	2,124	(10%)
Johnson City Fiber:	10,536	(53%)
Piney Flats Fiber:	582	(3%)
Telford Fiber:	170	(1%)
Limestone Fiber:	434	(2%)
Gray Fiber:	4,512	(23%)
Kingsport Fiber:	1,386	(7%)
Fall Branch Fiber:	316	(1%)
Managed Wi-Fi:	11,075	(60.2% “take rate”)
IPTV Video:	401	(190 residential)
Telephone VoIP:	1,690	(991 residential)

Mr. Evans updated the board on the grow of the newest 2.5G product (growing from 18 customers to 399), with the cost at \$99.99 per month. They are also seeing good take rates on the 1G as well (up 34% growth since July 2024).

Mr. Evans reported that U.S. broadband providers average between 1% to 5% churn per month, with 2% considered normal. BrightRidge’s current churn rate is 1.36% including moves (0.63% without moves).

Mr. Evans updated the board on FY 2025 fiber build outs, both overhead and underground areas. Since July 1, 2024, there have been 7,004 passings and 351 grant passings added. Of note, 580 of these passings have been added since our last board meeting.

Mr. Evans provided an update on Bead Grant and advised that the application is due by April 18<sup>th</sup>, as has been submitted. There are approximately 1,400 eligible locations in the BrightRidge area. We anticipate hearing back by the end of the year regarding approval.

Mr. Dykes thanked the staff and officers present for their continued work on behalf of BrightRidge. Mr. Dykes introduced Mr. Sam Ford as our new Chief Engineering Officer.

Mr. Dykes advised of his upcoming trips with Seven States relating to TVA matters and thanked Ms. Ceilya Campbell for all of her hard work in coordinating the necessary arrangements.

Mr. Dykes discussed the recent trip to ClearSpark bitcoin mining facility in Georgia to tour their immersion technology facility. Mr. Dykes thanked the board members who attended with him. They found the facility to be extremely impressive.

There being no further business, the meeting was adjourned.