

MINUTES OF REGULAR MEETING
CLEVELAND UTILITIES AUTHORITY BOARD
October 24, 2025

A regular meeting of the Cleveland Utilities Authority (CUA) Board was called to order at 12:30 p.m. in Cleveland Utilities' Tom Wheeler Training Center (TWTC).

The following board members were present: Aubrey Ector, Chairman; Joe Cate, Vice Chairman; Eddie Cartwright; Councilman David May, Jr.; Councilwoman Marsha McKenzie; Mayor Kevin Brooks; and Debbie Melton.

Others in attendance were Tim O. Henderson, President/CEO; Amy Ensley, Utility Board Secretary; Jimmy Isom, Electric VP; Craig Mullinax, Water & Wastewater VP; Marshall Stinnett, VP/CFO; Sofia Carden, Executive Assistant; Shane Peels, Substation & Facilities Supervisor; and Tim Siniard, *Cleveland Daily Banner*. Following the Pledge of Allegiance to the American Flag, Shane Peels delivered the invocation. Walt Vineyard, Executive VP, was absent.

PUBLIC COMMENTS-NONE

MANAGER'S UPDATE & ANNOUNCEMENTS
Tennessee Wastewater Surveillance Program

Tim Henderson informed the board of Cleveland Utilities participation in the Tennessee Wastewater Surveillance Program since 2022. CU provides data to the CDC and State of TN to determine medical trends within the system. To date, CU has done over 450 tests since 2022. Within this program, the CDC and states participating have determined that they can identify trends in different diseases or viruses by waste before it is confirmed through medical testing. Across Tennessee there are more than a half dozen other utilities that participate in the program. Henderson explained that CU is proud to utilize its lab at the Wastewater Treatment Plant to assist in programs such as these.

Fiber Project Update

Henderson began the fiber update by informing the utility board that CU continues to see a rise in orders for fiber installations throughout the community. With this rise, CU wants to build up its fiber workforce internally. Henderson then let Marshall Stinnett go more in-depth regarding updates about fiber. Stinnett explained that CU will be extending offers this week to some new prospective employees in the Fiber Division. The utility is looking to hire outside plant technicians and an install technician. Currently, CU contracts out these roles, however, the goal is to work towards having their own in-house staff. CU has 1,650 customers and orders are trending upwards. Stinnett informed the board that the order pool is full again and that CU is working as fast as possible to ensure those customers are taken care of. Stinnett then told the board of an encouraging moment that happened this week. A customer called to ask if CU provided fiber services in a particular area of town that they were looking to purchase in. Stinnett stated this is an encouraging aspect to CU's business model, that customers are evaluating where they are looking to live based off fiber availability. He then highlighted the current positive social media feedback that CU receives from members within the community. Stinnett informed that in the next week or two, CU will open two of its larger design areas in South Cleveland. Henderson then highlighted the positive feedback from Lee University, who was one of CU's first fiber customers. He then asked Stinnett to expand on this. Stinnett explained that CU has been able to grant remote access to LeeU's network for their off-site locations and that they are

currently working on doing the same thing for Bradley Medical Hospital. Overall, fiber construction is 95% complete with a projected completion around Christmas time this year.

Veterans Day Luncheon

CU will be hosting a luncheon on Monday, November 10, at 12:00 PM to honor CU's 14 veteran employees who have served in the military forces. Local veteran Travis Pace will be the guest speaker. Board members were invited to attend.

Upcoming CU Holiday Closures

CU offices will be closed Tuesday, November 11th, in observance of Veterans Day. Offices will also be closed Thursday, November 27th and Friday, November 28th, in observance of Thanksgiving. As always, the 24/7 Call Center/Plants will be operational and regular emergency/standby services will be maintained.

CONSENT AGENDA

Eddie Cartwright made a motion to approve the following items from the Consent Agenda. The motion was seconded by Debbie Melton, and the Utility Authority Board voted unanimously to approve the Consent Agenda.

A. Approval of the Minutes from October 3, 2025

B. Approval of the following written Financial, Electric, and Water/Wastewater Division Reports:

FINANCIAL REPORT

1. **Electric Division September 2025** – During the month of September, the cost of purchased power as a percentage of retail sales was 75.0 percent and can be compared to the budgeted percentage of 72.0 percent for FY 2026. The results for the month are an electric sales revenue of \$9,944,445 which was offset by a purchased power expense of \$7,461,469. This resulted in an operating margin of \$2,482,977 and can be compared to the budgeted margin of \$2,921,963 for the month. Operating expenses for the month were \$2,016,920 and can be compared to a budgeted operating expense of \$2,275,224. The division serviced 34,968 customers during the month of September. The net income for the month was \$963,931 and can be compared with a budgeted net income of \$1,108,168.
2. **Water Division September 2025** – During the month of September, water sales revenue was \$2,435,906 and can be compared to the budgeted amount of \$2,435,357. Other revenue sources contributed an additional \$335,802 for the month. The division serviced 35,717 customers during the month. Operating expenses for the month were \$1,792,347 and can be compared to the budgeted amount of \$1,920,059. The division recorded an operating income of \$979,362 which can be compared to a budgeted operating income of \$679,156.
3. **Wastewater Division September 2025** – For the month of September, wastewater treatment revenue was \$1,793,123 and can be compared to the budgeted amount of \$1,856,476. Other revenue sources contributed an additional \$185,179 for the month. The division serviced 21,998 customers during the month. Operating expenses for the month were \$1,328,724 and can be compared to the budgeted amount of \$1,487,902. The division recorded an operating income of \$649,578 which is compared to the budgeted operating income of \$470,685 for the month of September.
4. **Fiber Division September 2025** – For the month of September, fiber sales revenue was \$136,922 and can be compared to the budgeted amount of \$97,258. Operating expenses for the month were \$176,796 and can be compared to the budgeted amount of \$249,260. The division serviced 1,335 customers during the month. The net loss for the month was \$34,430, which is compared to a budgeted operating loss of \$147,335 for the month.

ELECTRIC REPORT

1. The new TVA/TDEC Fast Charging Network Project in the front parking lot at Cleveland Utilities on Guthrie Drive is live. The new units are now functioning and available to the public for charging. Charging is presently free to the public as Cleveland Utilities works through a few upgrades to the firmware and credit card readers. New logo wraps will be installed on the dispensers showing the project partnership between Cleveland Utilities, TVA, Seven States, and TDEC. The project should be complete by the end of October with new landscaping being added around the equipment in the late fall.
2. Engineering had a meeting with OWL services to discuss new EV chargers for the Pilot gas station on Pleasant Grove Road SW. OWL services provided a load report for the two 350kw chargers. The plan is to put in a 2000A switchgear for potential load that might be added to these chargers in the future. Engineering discussed setting a 750KVA transformer at 277/480 volt on a bigger pad for now. If something is added later, Cleveland Utilities will swap out the 750 for a larger transformer if needed. OWL services will run three primary conduits from the existing transformer serving the Pilot to where the new transformer will sit, and they will pour the concrete transformer pad. Engineering has provided a transformer pad detail, and Pilot plans to pay for half of the entire job including the transformer cost.
3. Electric Engineering worked with the owner of the industrial warehouses at 3000 20th Street NE (old Bendix property) in September to reconfigure the primary electric feed on the property. A work order was released to reconfigure the underground primary lines for building 4. Previously, all four buildings were on one primary meter. The owner wanted to separate building 4 for a new tenant. Cleveland Utilities worked with the owner's contractor to reconfigure the primary feeds and install a new meter on the transformer for the building. The changes are estimated to cost approximately \$15,000. Cleveland Utilities will require the owner to pay all costs involved for the project since it was initially installed to the owner's specifications.
4. Electric Engineering released a work order at Firestone Automotive Service Center on Callen Lane NW to install 420 feet of #1/0 underground primary and a 30kVA, 120/208-volt, 3-phase transformer to serve their new service center. Initially, the transformer will be used for temporary power for construction. It will be several months before the building is complete and ready for electric service. The expected demand of the building is 20kW. The estimated cost of facilities to serve this customer is approximately \$12,000.
5. In September, Electric Engineering had their first meeting with the engineering consultant working on the Ocoee and 25th Street intersection project as proposed by TDOT. The project will require the relocation of several utility poles and overhead conductors. The plan for the electric utility lines is still preliminary, and several future meetings will be conducted before a final plan is issued. Engineering discussed with the consultant some Cleveland Utilities specific standards for the utility lines and some preferences for the relocation. The consultant will use these recommendations to create a preliminary plan. This project is Chapter 86 eligible for reimbursement by TDOT.
6. The developer of the Northside Subdivision (Old Tomlinson College) decided to change the last phase of the new subdivision from single family homes to duplexes. Electric Engineering created a revised electric layout for the site revision. The new plan will require slightly less underground wire than the previous layout. The contractor will begin installing the electric conduit in the next several weeks.
7. Cleveland Utilities Electric Division is proud to be considered a Reliable Public Power Provider (RP3) by APPA since 2006. This year is the time to renew the certification; it is a 3-year period. For the past three years, Cleveland Utilities has held the highest RP3

certification, which is Diamond Level. To keep this certification, a new application must be submitted by September 30th, 2025. Therefore, in September, Electric Engineering devoted several hours to completing, finalizing, and submitting the 2025 APPA RP3 application. The application consists of 40 questions covering four different topics: Reliability, Safety, System Improvement, and Workforce Development. It takes the collaboration of many departments and electric division personnel working over the period of several months to gather the data needed to answer the questions. Not only must the questions be answered, but documentation must be provided to support/provide the answer. Electric Engineering's role is to gather the data and submit the final application. The application will now be reviewed by an APPA panel and scored. The score will be given in early 2026 and the certification will be awarded to Cleveland Utilities at the APPA spring E&O conference in March 2026.

8. A delay has occurred with the SCADA Upgrade project. After reviewing the RFP sent out in August, Electric Engineering found that the bids were not submitted per Cleveland Utilities' standards. Therefore, a second RFP request was sent out in September. These bids are due on October 3, 2025.
9. Engineering met on site with Massey Electric and Integra Construction at a new industrial site located at 4550 Cherokee Gateway Boulevard SW. This location is right next to the Cherokee Gateway substation. Initial plans included discussing the building and potential load. As of right now, it is unknown what industry might occupy this warehouse space. However, they are hoping to set two transformers for a potential future customer, and they are installing a pump as well. Engineering also discussed supplying them with temporary power in the meantime.
10. Engineering has released a work order to remove some of the existing facilities around Lee University. Lee is planning to demo three buildings off Trunk Street NE to make way for the new engineering building that will be constructed. Three lights were removed as well as a pole, primary wire, and multiple services.
11. Engineering released a work order at Belcourt Landing Subdivision located off Urbane Road behind First Baptist Church. This work order was released to fix two pedestals and one transformer that sunk into a hole after more grading work had been completed. This was after facilities in the subdivision had already been installed. Ben Berry has paid Cleveland Utilities to repair the damage and raise the transformer back up about four feet. This job could potentially involve re-running the primary that comes in and out of the existing transformer.
12. Electric Operations hired four new employees in September 2025. The Garage, Mechanic I position was filled by Curtis Lee from Polk County, TN. He has good mechanical experience with vehicles and various heavy equipment. Three Apprentice Lineman were hired recently. All 3 tested to start at level 2 in Cleveland Utilities apprentice program. Previously, Jacob Love worked in Texas, Chad Bender worked in Georgia, and Andrew Hensley worked in North Carolina. They all bring good practical experience and knowledge.
13. Terex performed digger derrick, bucket truck, and in-service training on the new Unit #128 for the Line department and Garage staff. Also, the new mini excavator arrived, and in-service training was provided for all Line Crew and Garage staff as well.
14. Liberty Power completed testing on equipment and relays at East Cleveland 13kV Substation, Chatata Creek Substation, and Sequoia Substation.
15. Cleveland Utilities hosted TVA Switch Training on-site. Substation and Engineering Departments both participated. The employees were Mickey Bates, Randy Schneck, Rob David, Dakota Davis and Cameron Coffey.

16. Matt Rymer and Jacob Love took a bucket truck and tools for display at the Pie Center for Pie Palooza. Ryan Mahler also took a bucket truck and tools for display at First United Methodist Church on North Lee Highway for their Community Day.
17. An update for traffic lighting was presented:
 - A final walkthrough of the four traffic signal intersections on the Georgetown Road NW (SR-60) road widening project was completed by CU, Nabco Electric, Summers Taylor, and TDOT. A punch list was created for several items that are still incomplete. Nabco will be addressing these items over the next few weeks.
 - A knockdown occurred at the traffic signal cabinet on Candies Lane and Freewill Road. The base and some interior components had to be replaced. The cabinet itself was salvageable but required the field wiring to be reworked. This is the second time this cabinet has been struck in the last 5 years.

Electric engineering completed 111 work orders during the month of September.

WATER & WASTEWATER REPORT

1. The Non-Potable Reuse Project (S3101) at the Wastewater Treatment Plant (WWTP) is 17% complete. Herrick Company, Inc. has begun excavating and installed electrical service. This project is funded by an ARPA Competitive Grant.
2. The Expansion and Renovation Project (S3179) at the WWTP has 50% of the design plans ready. CU will move ahead with the electrical design.
3. The construction of the Sodium Hypochlorite (Bleach) Project at the CFP is complete. The contractor is performing punch list items. The goal is to transition from chlorine to bleach during late October or early November of this year. Testing is currently ongoing.
4. The King Den Trunk Line Installation Project is 25% complete. Easement documents have been mailed, and CU has obtained 18 out of 20 for the project. CU has obtained verbal approval from the remaining two. However, they are currently at their lender awaiting approval. If CU needs to begin work on the properties prior to receiving the easement documents, CU will obtain a right-of-entry from the property owner. The contractor has installed about 1,200 feet of pipe and 3 structures to date.
5. The Northside Subdivision on North Lee Highway by Cate Brother Developments is complete. The subdivision comprises of 120 residential lots and required 810 feet of 2-inch PVC water main, 4,395 feet of 6-inch DIP water main, and 3,268 feet of 8-inch gravity sewer main.
6. An update was provided for the following Wastewater Rehabilitation Projects:
 - Portland Utilities is completing punch list items for the 2024 Sewer Rehabilitation Project. The mainline and manhole rehabilitation work is complete. Service lateral rehabilitation is 68% complete and cleanout installations are 48% complete.
7. The Meter Services Department has completed approximately 29% of the Badger Endpoint changeout and installation project within the rural areas of CU's water service territory. During this reporting period, crews installed 393 endpoints. To date, 2,464 of the total 8,500 planned endpoints have been completed.
8. The Meter Department set 78 meters through September 2025, compared to 43 for September 2024 and 81 for September 2023. Of the 78 sets, 48 were single family homes, 20 were townhomes, 1 was an apartment, 4 were irrigation and 5 were commercial.
9. The total amount of rainfall recorded at the CFP as of October 21, 2025, was 37.20 inches for the year. This can be compared to 72.87 inches for the same period in 2020 (highest rainfall totals through October 1996-2025) and 23.09 inches in 2007 (lowest

rainfall totals through October 1996-2025). The projected departure for 2025 is 12 inches below normal.

- C. Approval of a purchase order with Double D Piping, LLC, in the amount of \$102,843.27 for the installation of comprehensive fire suppression systems in three locations. One is for the backup data center hut at the Harrison Building, and the other two are for the fiber huts at Ocoee and South Cleveland Substations. The request for bids was advertised at the Cleveland Daily Banner, and this was the only bid submitted. This is a budget item for FY2026.
- D. Approval of a purchase order with the Utility Solutions & Automation, LLC in the amount of \$1,247,310 for the purchase of 3,000 – 5/8' x 3/4" Badger water meters and 4,500 Badger endpoints, cellular service, field splice kits. The meters will be used for new construction, meter replacements due to failure and old age. The meters endpoints will allow for the conversion of the rural area meters to be read with cellular service. Both meters and endpoints are budgeted for FY2026.

OTHER ANNOUNCEMENTS

Future Meeting Dates

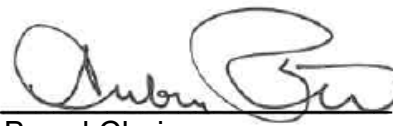
The next Authority Board Meetings will be held in the TWTC at 12:30 p.m. on the following dates:

- Friday, November 21
- Friday, December 19
- Friday, January 23

ADJOURNMENT

There being no other business, Eddie Cartwright made a motion to adjourn the meeting. The motion was seconded by Vice Chairman Joe Cate, and the board voted unanimously to adjourn the meeting at 12:49 P.M.


Board Secretary


Board Chairman

November 21, 2025
Date