

MINUTES OF REGULAR MEETING
CLEVELAND UTILITIES AUTHORITY BOARD
November 21, 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 Walt Vineyard, Executive VP; John Corum, VP Administrative Services; Amy Ensley, Utility Board Secretary; Jimmy Isom, Electric VP; Craig Mullinax, Water & Wastewater VP; Marshall Stinnett, VP/CFO; Sofia Carden, Executive Assistant; Greg Clark, Water and Wastewater Engineering Manager; Tim Rader; and Tim Siniard, *Cleveland Daily Banner*. Following the Pledge of Allegiance to the American Flag, Eddie Cartwright delivered the invocation.

Tim O. Henderson, President/CEO, was absent.

PUBLIC COMMENTS-NONE

MANAGER'S UPDATE & ANNOUNCEMENTS

Cleveland Filter Plant Update

Walt Vineyard began the meeting by informing the board that in July of 2024, the discussion to move from using chlorine gas to bleach treatment was discussed. As of Tuesday, November 18th Cleveland Utilities has started using a new bleach treatment to disinfect at the Cleveland Filter Plant. Vineyard then asked Craig Mullinax to expand on the details of the completion of the project. Mullinax said that with the completion of the project CU is now utilizing bleach in the distribution system to disinfect the water. Mullinax and his team are very pleased with the outcome and safety aspect of this project and thanked the Utility Board for their approval of this. Mullinax explained that this is a major milestone for CU.

Executive Session

Vineyard informed the board an executive session will be held on Friday, December 19th at 10:30 AM to discuss future projects and funding.

Fiber Project Update

Stinnett began the fiber update by informing the Utility Board that starting today, November 21st, CU will offer phone services to the community. Customers can now sign up for landline phones and fax machines. Currently, CU is going to serve anything up to 10 phone lines starting out. In the near future, the utility plans to open that number up to serve an unlimited number of lines for businesses in the area. Stinnett informed the board that for the past several months CU has served phone lines for a few pilot customers; all of which have been successful and garnered information for what CU wants to continue doing and changes they would like to make to the process. Previously, some customers have delayed installing CU fiber due to the utility not offering phone services. However, now that customers will be able to combine their phone and internet, CU hopes that this will open a new market of customers that they have not been able to access. Currently, CU has 15 phone customers, 1,118 active fiber customers, and 540 orders in the queue to be installed. Stinnett applauded CU employees Dustin Keith and Amy Ensley on their dedication to the new venture of fiber with getting phone services added to the enrollment process. Walt Vineyard then informed the board that the Fiber Division has three, possibly four new employees that will join the team.

Mainstreet Christmas Parade

CU will be participating in the Mainstreet Christmas Parade on Saturday, December 6, at 6 PM. The theme this year will be Santa's workshop. Board members were invited to participate.

CU Christmas Luncheon

CU will be hosting a luncheon on Tuesday, December 16, at 11:30 AM to celebrate the Christmas Holiday with all employees. Board members were invited to attend.

Upcoming CU Holiday Closures

CU offices will be closed Wednesday, December 24th through Friday December 26th in observance of the Christmas Holiday. Offices will also be closed on Thursday, January 1st and Friday, January 2nd, in observance of the New Year. 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 Councilman David May, Jr., and the Utility Authority Board voted unanimously to approve the Consent Agenda.

A. Approval of the Minutes from October 24, 2025

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

FINANCIAL REPORT

1. **Electric Division October 2025** – During the month of October, the cost of purchased power as a percentage of retail sales was 73.2 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 \$8,490,339 which was offset by a purchased power expense of \$6,213,195. This resulted in an operating margin of \$2,277,145 and can be compared to the budgeted margin of \$2,425,101 for the month. Operating expenses for the month were \$2,314,948 and can be compared to a budgeted operating expense of \$2,284,523. The division serviced 35,050 customers during the month of October. The net income for the month was \$440,329 and can be compared with a budgeted net income of \$558,388 for the month.
2. **Water Division October 2025** – During the month of October, water sales revenue was \$2,391,457 and can be compared to the budgeted amount of \$2,240,952. Other revenue sources contributed an additional \$294,757 for the month. The division serviced 35,799 customers during the month. Operating expenses for the month were \$1,853,753 and can be compared to the budgeted amount of \$1,886,516. The division recorded an operating income of \$832,461 which can be compared to a budgeted operating income of \$505,215 for the month.
3. **Wastewater Division October 2025** – For the month of October, wastewater treatment revenue was \$1,786,247 and can be compared to the budgeted amount of \$1,746,860. Other revenue sources contributed an additional \$129,567 for the month. The division serviced 22,051 customers during the month. Operating expenses for the month were \$1,434,985 and can be compared to the budgeted amount of \$1,474,318. The division recorded an operating income of \$480,829 which is compared to the budgeted operating income of \$368,623 for the month.
4. **Fiber Division October 2025** – For the month of October, fiber sales revenue was \$168,485 and can be compared to the budgeted amount of \$108,436. Operating expenses for the month were \$179,419 and can be compared to the budgeted amount of \$249,260. The division serviced 1,559 customers during the month. The net loss for the

month was \$771, which is compared to a budgeted operating loss of \$136,157 for the month.

ELECTRIC REPORT

1. Engineering released a work order to install electric service for the new Culver's Restaurant at the corner of Pual Huff Parkway and Frontage Road NW. CU crews will be required to extend 3-phase overhead primary approximately 120 feet over Paul Huff Parkway to an existing pole. Starting at this pole, crews will install 1,300 feet of underground primary to the transformer location. The new transformer being installed is a 75 kVA, 120/208-volt, pad mounted transformer. The transformer is expected to be 100 percent loaded. Crews will begin installing the electric facilities in November. The total cost for CU to provide electric service is approximately \$40,000. The restaurant is expected to be open at the end of December.
2. Kia of Cleveland on 2492 Lee Highway SW is in the process of upgrading their dealership building. For the upgrade, a new electric panel is being added to the building. The additional demand is estimated to be 40 kW, which will make the total demand for the facility to be approximately 120kW. An existing 150kVA three-phase transformer is on site and will have plenty of capacity for the entire facility. The only work required by CU crews will be to connect the new service to the existing transformer. The work will be completed in early November.
3. Contractors are in the process of renovating an existing building at 950 Star Vue Drive NW to convert it to an auto body shop. The contractor is installing a new 120/208-volt, 800-amp panel in the building. The estimated demand for the shop is 70 kW. An existing 150 kVA, 120/208-volt, three-phase transformer is onsite and will have enough capacity to serve the building. The only work required by CU crews will be to connect the new customer-owned service to the transformer. All work should be completed in early November.
4. In October, two engineers from the Electric Engineering department attended a 1 ½ day meeting at the TVA Chattanooga Office covering new technology for overhead conductors, specifically for transmission lines. Cleveland Utilities is hoping to utilize the new conductor technology on the 69 kV transmission system. The new conductors are lighter weight but can carry more current/load. The lighter weight conductor will lessen stress on utility poles and require less guying. This will in turn lower the cost of reconducting transmission lines to increase system capacity. The new technology is still being tested by EPRI, TVA and other large generation/transmission companies around the US. CU will continue to get feedback from TVA as test results are updated. More data should be available in the spring of 2026.
5. The meter lab has installed a Tantalus TRUSense metering gateway and 32 Aclara meters in Cumberland Hills Subdivision as part of the first phase Tantalus metering pilot project. The gateway is connected to the broadband fiber network and relays the readings from the meters to the Tantalus servers. Once the meter information is routed through the existing billing system, additional meters will be installed to continue testing. Additional meters, including three-phase meters, are expected to arrive at the end of November. The cost of the materials for the pilot project is \$110,144.00.
6. In October, CU Electric Engineering received five responses to the RFP for the electric system SCADA replacement project. The five companies were: Survalent, Aspentech, QEI, ETAP and SEL. Electric Engineering created scoring metrics to help evaluate and rank each of the vendors. A couple of the vendors pricing were above the projects budget, and a couple did not have any nearby references. There was only one vendor that did not meet the qualifications asked for in the RFP. After thorough review, electric

engineering narrowed down the group to two vendors: Survalent and QEI. The next step in the review process will be an onsite demo from the two selected companies. The demo is scheduled for the second week in December. This will give each company approximately six weeks to prepare for the demo. Each vendor will be given several hours to showcase their product. The demo will be a very important factor for CU's final selection.

7. The Operations Department participated in the following Community Career Days:
 - Ryan Mahler and Shantae Carter participated in Walker Valley High Schools STEM career day.
 - Aadan Hicks and Andrew Hensley participated in Prospect Elementary Schools career day.
 - Matt Rymer took a bucket truck to First Baptist Safety Fest on October 18th.
8. An update for traffic lighting was presented:
 - A final walkthrough of the traffic signal intersection on Paul Huff Parkway at Exit 27 northbound 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.
 - CU's Traffic Signal Coordinator attended a Teams meeting to discuss the traffic signal design for the new Encompass Health facility on Stuart Road at First Baptist. This signal will also benefit First Baptist Church and be part of a future movement to the Hardwick Development. Specifications were provided to the design team at Kimley-Horn.
 - An error was found in the preemption programming on Paul Huff Parkway at Peerless Road NW that caused a clearance fault when fire trucks approached from a certain direction. The error was found by comparing logs from the traffic controller, MMU, and the preemption phase selector. The signal will now return to normal operation after serving the fire trucks without experiencing the clearance fault.
 - The Traffic Signal Coordinator added a time-of-day program to the intersection on Spring Place Road at Durkee Road SE to reduce congestion on the side streets during the school pick-up time. This feature will only work if the clock is maintained manually, as there is no central communication to the traffic cabinet.

Electric engineering completed 101 work orders during the month of October.

WATER & WASTEWATER REPORT

1. The construction of the Sodium Hypochlorite (Bleach) Project at the CFP is complete. As of November 17th, bleach is currently being fed for disinfection.
2. The Lower River Road Water Main Replacement Project will be out for bid once TDEC approves plans.
3. The King Den Trunk Line Installation Project is 41% 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 1,700 feet of pipe and 8 structures to date.
4. The Waterstone Subdivision on New Murraytown Road by CT Properties is currently being constructed. The subdivision comprises 38 single family home lots and requires 1,741 feet of 6-inch water main, 1,054 feet of 12-inch gravity sewer main, and 1,554 feet of 8-inch gravity sewer main.

5. The Woodland Heights Subdivision on Bancroft Road SW by Concept Construction is currently being constructed. The subdivision comprises 81 residential lots and requires 3,773 feet of 6-inch DIP water main, 130 feet of 2-inch PVC water main, and a booster pump station.
 6. The Lone Oaks Farm Development, Phase 3, on Wilkinson Road NE by 4 Star is currently being constructed. The project comprises 145 single family home lots and requires 7,526 feet of 6-inch DIP water main, 5,485 feet of 8-inch PVC gravity sewer main, and 536 feet of 3-inch force main.
 7. The Prestige Pointe Project on Michigan Avenue Road NE by Asha Brothers is complete. It has 4 Quad-Plex Units and required 200 feet of 6-inch DIP water main and 348 feet of 8-inch PVC gravity sewer main.
 8. The Magnolia Terrace Project on Old Powerline Road NE by Three Point Development is currently being constructed. The project comprises of 113 single family lots and requires 4,415 feet of 8-inch water main and 4,556 feet of 8-inch PVC gravity sewer main.
 9. An update was provided for the following Wastewater Rehabilitation Projects:
 - Portland Utilities has completed the 2024 Sewer Rehabilitation Project.
 - The Sanitary System Modeling and Master Plan Project with LJ&A is currently underway. LJ&A is evaluating system capacity and projected growth along with capital projects needed to serve growth areas.
 10. The Meter Services Department has completed approximately 33% of the Badger Endpoint changeout and installation project within the rural areas of CU's water service territory. During this reporting period, crews installed 351 endpoints. To date, 2,815 of the total 8,500 planned endpoints have been completed.
 11. The Meter Department set 46 meters through October 2025, compared to 70 for October 2024 and 70 for October 2023. Of the 46 sets, 25 were single family homes, 15 were townhomes, 4 were irrigation and 2 were commercial.
 12. The total amount of rainfall recorded at the CFP as of November 17, 2025, was 40.41 inches for the year. This can be compared to 74.23 inches for the same period in 2020 (highest rainfall totals through November 1996-2025) and 28.40 inches in 2007 (lowest rainfall totals through November 1996-2025). The projected departure for 2025 is 12.49 inches below normal.
- C.** Approval of a purchase order to Gresco Supply, Inc., in the amount of \$115,790 for single-phase overhead transformers to replenish stock. Gresco submitted the low bid meeting CU specifications.
- D.** Approval of a purchase order to Gresco Supply, Inc., in the amount of \$174,680 for single-phase pad-mount transformers to replenish stock. Gresco submitted the low bid meeting CU specifications.
- E.** Approval of a contract with Jacobs Engineering in the amount of \$180,000 to perform an evaluation of the existing facilities and process systems at the Cleveland Filter Plant and Raw Water Pumping Station. During the development of the Water Master Plan completed in 2025 Jacobs identified that an additional water source would be required within the next 10 to 15 years. They will evaluate the feasibility of adding new facilities to the current CFP site, what improvements would be necessary to the raw water pumping station, influent and distribution line sizes from the CFP. In addition, they will evaluate the existing process systems at the CFP to look at optimizing existing production at the plant. This project was budgeted for FY2026.

- F. Approval of a contract with Jacobs Engineering in the amount of \$230,000 to perform water and sewer relocation plans for the TDOT improvements at 25th Street and Ocoee Street. TDOT is proposing some realignment and adding lanes to the intersection necessitating the relocation of water and sewer lines in the area. This project does qualify for Chapter 86 reimbursement, and their fees have been included in CU's cost schedule to TDOT.
- G. Approval of a purchase order with Nichols Auto Fleet Group in the amount of \$152,540.92. This is for a 2026 F-550 4WD Crew Cab truck with utility bed to replace Unit 313, a 2011 Chevy Crew Cab with 99,793 miles. This truck will be equipped with an air compressor and hydraulic pumps to increase work efficiency. This vehicle will be purchased through the Sourcewell contract and was budgeted for FY2026.
- H. Approval of a purchase order with Wilson County Motors in the amount of \$253,329.20 to replace Units 9, 19, 31, 63, 70, and 304. These are all vehicles that are either over 10 years old or have over 100,000 miles. These vehicles will be purchased through the Sourcewell contract. These vehicles were budgeted for FY2026.

OTHER ANNOUNCEMENTS

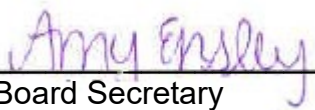
Future Meeting Dates

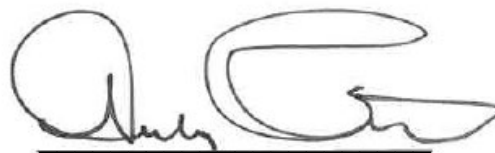
The next Authority Board Meetings will be held in the TWTC on the following dates/times:

- Friday, December 19, 10:30 AM
- Friday, January 23, 12:30 PM
- Friday, February 27, 12:30 PM
- Friday, March 27, 12:30 PM

ADJOURNMENT

There being no other business, Board Chairman Aubrey Ector adjourned the meeting at 12:51 P.M.


Board Secretary


Board Chairman

December 19, 2025
Date